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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

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A N A C T

RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2021

Introduced By: Representative Marvin L. Abney

Date Introduced: January 16, 2020

Referred To: House Finance

(Governor)

It is enacted by the General Assembly as follows:

- 1 ARTICLE 1 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2021
- 2 ARTICLE 2 RELATING TO STATE FUNDS
- 3 ARTICLE 3 RELATING TO GOVERNMENT REFORM AND REORGANIZATION
- 4 ARTICLE 4 RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS
- 5 ARTICLE 5 RELATING TO CAPITAL DEVELOPMENT PROGRAM
- 6 ARTICLE 6 RELATING TO FEES
- 7 ARTICLE 7 RELATING TO THE ENVIRONMENT
- 8 ARTICLE 8 RELATING TO TAXES
- 9 ARTICLE 9 RELATING TO LOCAL AID
- 10 ARTICLE 10 RELATING TO EDUCATION
- 11 ARTICLE 11 RELATING TO ECONOMIC DEVELOPMENT
- 12 ARTICLE 12 RELATING TO HOUSING
- 13 ARTICLE 13 RELATING TO STATE CONTROLLED ADULT USE MARIJUANA
- 14 ARTICLE 14 RELATING TO MEDICAL ASSISTANCE
- 15 ARTICLE 15 RELATING TO HUMAN SERVICES
- 16 ARTICLE 16 RELATING TO VETERANS AFFAIRS
- 17 ARTICLE 17 RELATING TO UNCOMPENSATED CARE
- 18 ARTICLE 18 RELATING TO LICENSING OF HOSPITAL FACILITIES
- 19 ARTICLE 19 RELATING TO WORKFORCE DEVELOPMENT

- 1 ARTICLE 20 RELATING TO HEALTHCARE REFORM
- 2 ARTICLE 21 RELATING TO HEALTH AND SAFETY
- 3 ARTICLE 22 RELATING TO EFFECTIVE DATE

1 **ARTICLE 1**

2 **RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2021**

3 SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in  
4 this act, the following general revenue amounts are hereby appropriated out of any money in the  
5 treasury not otherwise appropriated to be expended during the fiscal year ending June 30, 2021.  
6 The amounts identified for federal funds and restricted receipts shall be made available pursuant to  
7 section 35-4-22 and Chapter 41 of Title 42 of the Rhode Island General Laws. For the purposes  
8 and functions hereinafter mentioned, the state controller is hereby authorized and directed to draw  
9 his or her orders upon the general treasurer for the payment of such sums or such portions thereof  
10 as may be required from time to time upon receipt by him or her of properly authenticated vouchers.

11 **Administration**

12 *Central Management*

13 General Revenues 2,423,908

14 *Legal Services*

15 General Revenues 1,989,133

16 *Accounts and Control*

17 General Revenues 5,156,032

18 Restricted Receipts – OPEB Board Administration 140,188

19 Total – Accounts and Control 5,296,220

20 *Office of Management and Budget*

21 General Revenues 8,293,250

22 Restricted Receipts 300,000

23 Other Funds 1,053,893

24 Total – Office of Management and Budget 9,647,143

25  
26 *Purchasing*

27 General Revenues 3,591,871

28 Restricted Receipts 462,694

29 Other Funds 472,160

30 Total – Purchasing 4,526,725

31 *Human Resources*

32 General Revenues 389,142

33 *Personnel Appeal Board*

34 General Revenues 125,298

1	<i>Information Technology</i>	
2	General Revenues	2,797,418
3	Federal Funds	114,000
4	Restricted Receipts	10,590,318
5	Total – Information Technology	13,501,736
6	<i>Library and Information Services</i>	
7	General Revenues	1,614,327
8	Federal Funds	1,378,428
9	Restricted Receipts	1,404
10	Total – Library and Information Services	2,994,159
11	<i>Planning</i>	
12	General Revenues	978,745
13	Federal Funds	15,448
14	Other Funds	
15	Air Quality Modeling	24,000
16	Federal Highway – PL Systems Planning	4,953,991
17	FTA – Metro Planning Grant	1,244,361
18	Total – Planning	7,216,545
19	<i>General</i>	
20	General Revenues	
21	Miscellaneous Grants/Payments	130,000
22	Provided that this amount be allocated to City Year for the Whole School Whole Child	
23	Program, which provides individualized support to at-risk students.	
24	Torts – Courts/Awards	900,000
25	Resource Sharing and State Library Aid	9,562,072
26	Library Construction Aid	2,702,866
27	Restricted Receipts	700,000
28	Other Funds	
29	Rhode Island Capital Plan Funds	
30	Security Measures State Buildings	750,000
31	Energy Efficiency Improvements	500,000
32	Cranston Street Armory	250,000
33	State House Renovations	928,000
34	Zambarano Utilities & Infrastructure	1,300,000



1	authorized to make payments for the I-195 Redevelopment District Commission loan up to the	
2	maximum debt service due in accordance with the loan agreement.	
3	Other Funds	
4	Transportation Debt Service	39,834,845
5	Investment Receipts – Bond Funds	100,000
6	Total - Debt Service Payments	199,364,642
7	<i>Energy Resources</i>	
8	Federal Funds	612,629
9	Stimulus – State Energy Plan	366,390
10	Restricted Receipts	7,504,706
11	Total – Energy Resources	8,483,725
12	<i>Rhode Island Health Benefits Exchange</i>	
13	General Revenues	2,339,654
14	Restricted Receipts	19,140,138
15	Total – Rhode Island Health Benefits Exchange	21,479,792
16	<i>Office of Diversity, Equity &amp; Opportunity</i>	
17	General Revenues	1,369,940
18	Other Funds	112,354
19	Total – Office of Diversity, Equity & Opportunity	1,482,294
20	<i>Capital Asset Management and Maintenance</i>	
21	General Revenues	11,164,765
22	Grand Total – Administration	342,713,165
23	<b>Business Regulation</b>	
24	<i>Central Management</i>	
25	General Revenues	3,106,904
26	<i>Banking Regulation</i>	
27	General Revenues	1,598,925
28	Restricted Receipts	75,000
29	Total – Banking Regulation	1,673,925
30	<i>Securities Regulation</i>	
31	General Revenues	910,737
32	Restricted Receipts	15,000
33	Total – Securities Regulation	925,737
34	<i>Insurance Regulation</i>	

1	General Revenues	3,967,219
2	Restricted Receipts	2,159,724
3	Total – Insurance Regulation	6,126,943
4	<i>Office of the Health Insurance Commissioner</i>	
5	General Revenues	1,730,887
6	Federal Funds	112,983
7	Restricted Receipts	787,702
8	Total – Office of the Health Insurance Commissioner	2,631,572
9	<i>Board of Accountancy</i>	
10	General Revenues	5,883
11	<i>Commercial Licensing and Gaming and Athletics Licensing</i>	
12	General Revenues	1,014,252
13	Restricted Receipts	944,833
14	Total – Commercial Licensing and Gaming and Athletics Licensing	1,959,085
15	<i>Building, Design and Fire Professionals</i>	
16	General Revenues	6,335,410
17	Federal Funds	656,000
18	Restricted Receipts	1,776,105
19	Other Funds	
20	Quonset Development Corporation	73,013
21	Rhode Island Capital Plan Funds	
22	Fire Academy – Asset Protection	100,000
23	Fire Marshal – Evidence Repository	100,000
24	Total – Building, Design and Fire Professionals	9,040,528
25	<i>Office of Cannabis Regulation</i>	
26	Restricted Receipts	4,630,680
27	Grand Total – Business Regulation	30,101,257
28	<b>Executive Office of Commerce</b>	
29	<i>Central Management</i>	
30	General Revenues	2,642,830
31	<i>Housing and Community Development</i>	
32	General Revenues	1,087,009
33	Federal Funds	15,421,017
34	Restricted Receipts	8,255,911

1	Total – Housing and Community Development	24,763,937
2	<i>Quasi–Public Appropriations</i>	
3	General Revenues	
4	Rhode Island Commerce Corporation	7,485,022
5	Airport Impact Aid	1,010,036
6	Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be	
7	distributed to each airport serving more than 1,000,000 passengers based upon its percentage of	
8	the total passengers served by all airports serving more than 1,000,000 passengers. Forty percent	
9	(40%) of the first \$1,000,000 shall be distributed based on the share of landings during calendar	
10	year 2020 at North Central Airport, Newport-Middletown Airport, Block Island Airport, Quonset	
11	Airport,	
12	T.F. Green Airport and Westerly Airport, respectively. The Rhode Island Commerce	
13	Corporation shall make an impact payment to the towns or cities in which the airport is located	
14	based on this calculation. Each community upon which any part of the above airports is located	
15	shall receive at least \$25,000.	
16	STAC Research Alliance	900,000
17	Innovative Matching Grants/Internships	1,000,000
18	I-195 Redevelopment District Commission	891,000
19	Polaris Manufacturing Grant	400,000
20	East Providence Waterfront Commission	50,000
21	Minority Entrepreneurship	150,000
22	International Trade and Export Programming	476,200
23	Other Funds	
24	Rhode Island Capital Plan Funds	
25	I-195 Redevelopment District Commission	510,000
26	Quonset Piers	5,000,000
27	Quonset Point Infrastructure	6,000,000
28	I-195 Park Improvements	1,000,000
29	Total – Quasi–Public Appropriations	24,872,258
30	<i>Economic Development Initiatives Fund</i>	
31	General Revenues	
32	Innovation Initiative	1,000,000
33	Rebuild RI Tax Credit Fund	22,500,000
34	Competitive Cluster Grants	350,000



1	P-tech	200,000
2	Small Business Promotion	300,000
3	Small Business Assistance	750,000
4	I-195 Redevelopment Fund	1,000,000
5	Total – Economic Development Initiatives Fund	26,100,000
6	<i>Commerce Programs</i>	
7	General Revenues	
8	Wavemaker Fellowship	2,072,000
9	Grand Total – Executive Office of Commerce	80,451,025
10	<b>Labor and Training</b>	
11	<i>Central Management</i>	
12	General Revenues	940,901
13	Restricted Receipts	202,552
14	Total – Central Management	1,143,453
15	<i>Workforce Development Services</i>	
16	General Revenues	1,178,301
17	Provided that \$100,000 be allocated to support the Opportunities Industrialization Center	
18	and that \$250,000 be allocated for Year Up, for the purpose of supporting Rhode Island-based	
19	programming providing under-served young adults with a combination of hands-on skill	
20	development, academic coursework, internships, and wraparound support.	
21	Federal Funds	23,445,003
22	Other Funds	39,660
23	Total – Workforce Development Services	24,662,964
24	<i>Workforce Regulation and Safety</i>	
25	General Revenues	3,867,652
26	<i>Income Support</i>	
27	General Revenues	3,852,380
28	Federal Funds	13,297,410
29	Restricted Receipts	1,580,628
30	Other Funds	
31	Temporary Disability Insurance Fund	211,912,702
32	Employment Security Fund	159,835,000
33	Total – Income Support	390,478,120
34	<i>Injured Workers Services</i>	

1	Restricted Receipts	12,361,069
2	<i>Labor Relations Board</i>	
3	General Revenues	382,908
4	<i>Governor's Workforce Board</i>	
5	General Revenues	12,700,000
6	Restricted Receipts	19,139,007
7	Total-Governor's Workforce Board	31,839,007
8	Grand Total – Labor and Training	464,735,173
9	<b>Department of Revenue</b>	
10	<i>Director of Revenue</i>	
11	General Revenues	2,155,214
12	<i>Office of Revenue Analysis</i>	
13	General Revenues	903,842
14	<i>Lottery Division</i>	
15	Other Funds	434,586,420
16	<i>Municipal Finance</i>	
17	General Revenues	2,448,854
18	<i>Taxation</i>	
19	General Revenues	34,237,840
20	Federal Funds	1,495,230
21	Restricted Receipts	1,164,098
22	Other Funds	
23	Motor Fuel Tax Evasion	155,000
24	Temporary Disability Insurance Fund	1,103,794
25	Total – Taxation	38,155,962
26	<i>Registry of Motor Vehicles</i>	
27	General Revenues	34,354,349
28	Federal Funds	85,174
29	Restricted Receipts	3,400,411
30	Total – Registry of Motor Vehicles	37,839,934
31	<i>State Aid</i>	
32	General Revenues	
33	Distressed Communities Relief Fund	6,192,229
34	Payment in Lieu of Tax Exempt Properties	46,089,504

1	Motor Vehicle Excise Tax Payments	100,745,937
2	Property Revaluation Program	1,118,610
3	Restricted Receipts	995,120
4	Total – State Aid	155,141,400
5	<i>Collections</i>	
6	General Revenues	850,492
7	Grand Total – Revenue	672,082,118
8	<b>Legislature</b>	
9	General Revenues	45,075,055
10	Restricted Receipts	1,839,182
11	Grand Total – Legislature	46,914,237
12	<b>Lieutenant Governor</b>	
13	General Revenues	1,163,022
14	<b>Secretary of State</b>	
15	<i>Administration</i>	
16	General Revenues	3,481,901
17	<i>Corporations</i>	
18	General Revenues	2,303,182
19	<i>State Archives</i>	
20	General Revenues	145,503
21	Restricted Receipts	477,410
22	Total – State Archives	622,913
23	<i>Elections and Civics</i>	
24	General Revenues	2,797,050
25	Federal Funds	389,155
26	Other Funds	
27	Rhode Island Capital Plan Fund	
28	Election Equipment	170,000
29	Total – Elections and Civics	3,356,205
30	<i>State Library</i>	
31	General Revenues	686,981
32	Provided that \$125,000 be allocated to support the Rhode Island Historical Society	
33	pursuant to Rhode Island General Law, Section 29-2-1 and \$18,000 be allocated to support the	
34	Newport Historical Society, pursuant to Rhode Island General Law, Section 29-2-2.	

1	<i>Office of Public Information</i>	
2	General Revenues	469,011
3	Receipted Receipts	25,000
4	Total – Office of Public Information	494,011
5	Grand Total – Secretary of State	10,945,193
6	<b>General Treasurer</b>	
7	<i>Treasury</i>	
8	General Revenues	2,595,013
9	Federal Funds	320,096
10	Other Funds	
11	Temporary Disability Insurance Fund	281,131
12	Tuition Savings Program – Administration	359,293
13	Total –Treasury	3,555,533
14	<i>State Retirement System</i>	
15	Restricted Receipts	
16	Admin Expenses – State Retirement System	10,937,624
17	Retirement – Treasury Investment Operations	1,910,622
18	Defined Contribution – Administration	204,427
19	Total – State Retirement System	13,052,673
20	<i>Unclaimed Property</i>	
21	Restricted Receipts	25,868,450
22	<i>Crime Victim Compensation Program</i>	
23	General Revenues	396,407
24	Federal Funds	690,946
25	Restricted Receipts	1,062,984
26	Total – Crime Victim Compensation Program	2,150,337
27	Grand Total – General Treasurer	44,626,993
28	<b>Board of Elections</b>	
29	General Revenues	3,472,921
30	<b>Rhode Island Ethics Commission</b>	
31	General Revenues	1,977,107
32	<b>Office of Governor</b>	
33	General Revenues	
34	General Revenues	6,330,157

1	Contingency Fund	250,000
2	Grand Total – Office of Governor	6,580,157
3	<b>Commission for Human Rights</b>	
4	General Revenues	1,452,747
5	Federal Funds	504,702
6	Grand Total – Commission for Human Rights	1,957,449
7	<b>Public Utilities Commission</b>	
8	Federal Funds	178,774
9	Restricted Receipts	11,479,490
10	Grand Total – Public Utilities Commission	11,658,234
11	<b>Office of Health and Human Services</b>	
12	<i>Central Management</i>	
13	General Revenues	37,734,050
14	Federal Funds	128,993,655
15	Restricted Receipts	16,244,858
16	Total – Central Management	182,972,563
17	<i>Medical Assistance</i>	
18	General Revenues	
19	Managed Care	307,591,123
20	Hospitals	90,053,924
21	Nursing Facilities	170,408,185
22	Home and Community Based Services	38,201,520
23	Other Services	102,045,418
24	Pharmacy	74,876,310
25	Rhody Health	189,750,388
26	Federal Funds	
27	Managed Care	397,395,465
28	Hospitals	100,359,163
29	Nursing Facilities	197,042,827
30	Home and Community Based Services	44,494,724
31	Other Services	498,499,535
32	Pharmacy	(130,361)
33	Rhody Health	219,005,485
34	Other Programs	46,338,580

1	Restricted Receipts	23,294,200
2	Total – Medical Assistance	2,499,226,486
3	Grand Total – Office of Health and Human Services	2,682,199,049
4	<b>Children, Youth, and Families</b>	
5	<i>Central Management</i>	
6	General Revenues	12,283,755
7	Federal Funds	3,731,438
8	Total – Central Management	16,015,193
9	<i>Children's Behavioral Health Services</i>	
10	General Revenues	6,423,965
11	Federal Funds	6,143,104
12	Total – Children's Behavioral Health Services	12,567,069
13	<i>Juvenile Correctional Services</i>	
14	General Revenues	21,959,039
15	Federal Funds	362,227
16	Restricted Receipts	22,384
17	Other Funds	
18	Rhode Island Capital Plan Funds	
19	Training School Asset Protection	250,000
20	Rhode Island Training School Redesign	1,750,000
21	Total – Juvenile Correctional Services	24,343,650
22	<i>Child Welfare</i>	
23	General Revenues	146,123,243
24	Federal Funds	62,468,819
25	Restricted Receipts	2,057,253
26	Total – Child Welfare	210,649,315
27	Grand Total – Children, Youth, and Families	263,575,227
28	<b>Health</b>	
29	<i>Central Management</i>	
30	General Revenues	3,230,023
31	Federal Funds	4,843,613
32	Restricted Receipts	7,622,460
33	Total – Central Management	15,696,096
34	<i>Community Health and Equity</i>	

1	General Revenues	1,675,077
2	Federal Funds	67,417,961
3	Restricted Receipts	37,644,473
4	Total – Community Health and Equity	106,737,511
5	<i>Environmental Health</i>	
6	General Revenues	5,845,484
7	Federal Funds	7,978,885
8	Restricted Receipts	735,265
9	Total – Environmental Health	14,559,634
10	<i>Health Laboratories and Medical Examiner</i>	
11	General Revenues	10,792,885
12	Federal Funds	2,178,021
13	Other Funds	
14	Rhode Island Capital Plan Funds	
15	Health Laboratories & Medical Examiner Equipment	400,000
16	Total – Health Laboratories and Medical Examiner	13,370,906
17	<i>Customer Services</i>	
18	General Revenues	8,273,591
19	Federal Funds	5,119,384
20	Restricted Receipts	1,918,011
21	Total – Customer Services	15,310,986
22	<i>Policy, Information and Communications</i>	
23	General Revenues	1,150,992
24	Federal Funds	3,090,167
25	Restricted Receipts	1,106,599
26	Total – Policy, Information and Communications	5,347,758
27	<i>Preparedness, Response, Infectious Disease &amp; Emergency Services</i>	
28	General Revenues	2,031,926
29	Federal Funds	13,670,114
30	Total – Preparedness, Response, Infectious Disease &	
31	Emergency Services	15,702,040
32	Grand Total - Health	186,724,931
33	<b>Human Services</b>	
34	<i>Central Management</i>	

1	General Revenues	4,537,518
2	Of this amount, \$300,000 is to support the Domestic Violence Prevention Fund to provide	
3	direct services through the Coalition Against Domestic Violence, \$217,000 is for outreach and	
4	supportive services through Day One, \$350,000 is for food collection and distribution through the	
5	Rhode Island Community Food Bank, \$500,000 for services provided to the homeless at Crossroads	
6	Rhode Island, \$600,000 for the Community Action Fund and \$200,000 is for the Institute for the	
7	Study and Practice of Nonviolence's Reduction Strategy.	
8	Federal Funds	4,800,895
9	Total – Central Management	9,338,413
10	<i>Child Support Enforcement</i>	
11	General Revenues	2,920,779
12	Federal Funds	7,893,485
13	Total – Child Support Enforcement	10,814,264
14	<i>Individual and Family Support</i>	
15	General Revenues	35,985,963
16	Federal Funds	112,423,645
17	Restricted Receipts	591,905
18	Other Funds	
19	Rhode Island Capital Plan Funds	
20	Blind Vending Facilities	165,000
21	Total – Individual and Family Support	149,166,513
22	<i>Office of Veterans Services</i>	
23	General Revenues	22,503,442
24	Of this amount, \$200,000 is to provide support services through Veterans' organizations.	
25	Federal Funds	14,057,835
26	Restricted Receipts	6,482,443
27	Other Funds	
28	Rhode Island Capital Plan Funds	
29	Veterans Home Asset Protection	100,000
30	Total – Office of Veterans Services	43,143,720
31	<i>Health Care Eligibility</i>	
32	General Revenues	7,680,331
33	Federal Funds	12,066,001
34	Total – Health Care Eligibility	19,746,332



1	<i>Supplemental Security Income Program</i>	
2	General Revenues	18,889,840
3	<i>Rhode Island Works</i>	
4	General Revenues	13,423,484
5	Federal Funds	89,424,729
6	Total – Rhode Island Works	102,848,213
7	<i>Other Programs</i>	
8	General Revenues	858,200
9	Of this appropriation, \$90,000 shall be used for hardship contingency payments.	
10	Federal Funds	250,157,901
11	Total – Other Programs	251,016,101
12	<i>Office of Healthy Aging</i>	
13	General Revenues	11,085,364
14	Of this amount, \$325,000 is to provide elder services, including respite, through the	
15	Diocese of Providence, \$40,000 for ombudsman services provided by the Alliance for Long Term	
16	Care in accordance with Rhode Island General Laws, Chapter 42-66.7, \$85,000 for security for	
17	housing for the elderly in accordance with Rhode Island General Law, Section 42-66.1-3, \$800,000	
18	for Senior Services Support and \$580,000 for elderly nutrition, of which \$530,000 is for Meals on	
19	Wheels.	
20	Federal Funds	14,567,904
21	Restricted Receipts	177,582
22	Other Funds	
23	Intermodal Surface Transportation Fund	4,428,478
24	Total – Office of Healthy Aging	30,259,328
25	Grand Total – Human Services	635,222,724
26	<b>Behavioral Healthcare, Developmental Disabilities, and Hospitals</b>	
27	<i>Central Management</i>	
28	General Revenues	4,676,060
29	Federal Funds	2,104,685
30	Total – Central Management	6,780,745
31	<i>Hospital and Community System Support</i>	
32	General Revenues	2,971,717
33	Federal Funds	298,644
34	Restricted Receipts	299,584

1	Total – Hospital and Community System Support	3,569,945
2	<i>Services for the Developmentally Disabled</i>	
3	General Revenues	137,162,467
4	Of this general revenue funding, \$1.0 million shall be expended on certain community-	
5	based BHDDH developmental disability private provider and self-directed consumer direct care	
6	service worker raises and associated payroll costs as authorized by the Department of Behavioral	
7	Healthcare, Developmental Disabilities and Hospitals. Any increases for direct support staff in	
8	residential or other community-based settings must first receive the approval of the Office of	
9	Management and Budget and the Executive Office of Health and Human Services.	
10	Federal Funds	167,625,017
11	Of this federal funding, \$1.2 million shall be expended on certain community- based	
12	BHDDH developmental disability private provider and self-directed consumer direct care service	
13	worker raises and associated payroll costs as authorized by the Department of Behavioral	
14	Healthcare, Developmental Disabilities and Hospitals. Any increases for direct support staff in	
15	residential or other community-based settings must first receive the approval of the Office of	
16	Management and Budget and the Executive Office of Health and Human Services.	
17	Restricted Receipts	337,075
18	Other Funds	
19	Rhode Island Capital Plan Funds	
20	DD Residential Development	100,000
21	Total – Services for the Developmentally Disabled	305,224,559
22	<i>Behavioral Healthcare Services</i>	
23	General Revenues	3,353,189
24	Federal Funds	35,513,091
25	Restricted Receipts	2,527,125
26	Total – Behavioral Healthcare Services	41,393,405
27	<i>Hospital and Community Rehabilitative Services</i>	
28	General Revenues	59,620,000
29	Federal Funds	65,197,992
30	Restricted Receipts	4,970,227
31	Other Funds	
32	Rhode Island Capital Plan Funds	
33	Hospital Equipment	300,000
34	Total - Hospital and Community Rehabilitative Services	130,088,219

1	Grand Total – Behavioral Healthcare, Developmental	
2	Disabilities, and Hospitals	487,056,873
3	<b>Office of the Child Advocate</b>	
4	General Revenues	1,063,237
5	Federal Funds	184,799
6	Grand Total – Office of the Child Advocate	1,248,036
7	<b>Commission on the Deaf and Hard of Hearing</b>	
8	General Revenues	537,816
9	Restricted Receipts	62,454
10	Grand Total – Comm. On Deaf and Hard of Hearing	600,270
11	<b>Governor’s Commission on Disabilities</b>	
12	General Revenues	
13	General Revenues	607,630
14	Livable Home Modification Grant Program	500,002
15	Provided that this will be used for home modification and accessibility enhancements to construct,	
16	retrofit, and/or renovate residences to allow individuals to remain in community settings. This will	
17	be in consultation with the Executive Office of Health and Human Services.	
18	Federal Funds	400,000
19	Restricted Receipts	111,163
20	Total – Governor’s Commission on Disabilities	1,618,795
21	<b>Office of the Mental Health Advocate</b>	
22	General Revenues	630,982
23	<b>Elementary and Secondary Education</b>	
24	<i>Administration of the Comprehensive Education Strategy</i>	
25	General Revenues	22,769,230
26	Provided that \$90,000 be allocated to support the hospital school at Hasbro Children’s	
27	Hospital pursuant to Rhode Island General Law, Section 16-7-20 and that \$395,000 be allocated to	
28	support child opportunity zones through agreements with the Department of Elementary and	
29	Secondary Education to strengthen education, health and social services for students and their	
30	families as a strategy to accelerate student achievement.	
31	Federal Funds	223,322,711
32	Restricted Receipts	
33	Restricted Receipts	3,301,734
34	HRIC Adult Education Grants	3,500,000

1	Total – Admin. of the Comprehensive Ed. Strategy	252,893,675
2	<i>Davies Career and Technical School</i>	
3	General Revenues	13,771,120
4	Federal Funds	1,505,858
5	Restricted Receipts	4,459,260
6	Other Funds	
7	Rhode Island Capital Plan Funds	
8	Davies School HVAC	500,000
9	Davies School Asset Protection	150,000
10	Davies School Healthcare Classroom Renovations	500,000
11	Total – Davies Career and Technical School	20,886,238
12	<i>RI School for the Deaf</i>	
13	General Revenues	6,511,211
14	Federal Funds	513,331
15	Restricted Receipts	474,337
16	Other Funds	
17	School for the Deaf Transformation Grants	59,000
18	Rhode Island Capital Plan Funds	
19	School for the Deaf Asset Protection	50,000
20	Total – RI School for the Deaf	7,607,879
21	<i>Metropolitan Career and Technical School</i>	
22	General Revenues	9,342,007
23	Other Funds	
24	Rhode Island Capital Plan Funds	
25	MET School Asset Protection	250,000
26	Total – Metropolitan Career and Technical School	9,592,007
27	<i>Education Aid</i>	
28	General Revenues	990,098,889
29	Provided that the criteria for the allocation of early childhood funds shall prioritize	
30	prekindergarten seats and classrooms for four-year-olds whose family income is at or below one	
31	hundred eighty-five percent (185%) of federal poverty guidelines and who reside in communities	
32	with higher concentrations of low performing schools.	
33	Restricted Receipts	32,449,553
34	Other Funds	

1	Permanent School Fund	500,000
2	Total – Education Aid	1,023,048,422
3	<i>Central Falls School District</i>	
4	General Revenues	43,058,012
5	<i>School Construction Aid</i>	
6	General Revenues	
7	School Housing Aid	79,130,193
8	School Building Authority Capital Fund	869,807
9	Total – School Construction Aid	80,000,000
10	<i>Teachers' Retirement</i>	
11	General Revenues	118,375,402
12	Grand Total – Elementary and Secondary Education	1,555,461,635
13	<b>Public Higher Education</b>	
14	<i>Office of Postsecondary Commissioner</i>	
15	General Revenues	16,805,575
16	Provided that \$355,000 shall be allocated the Rhode Island College Crusade pursuant to the	
17	Rhode Island General Law, Section 16-70-5 and that \$75,000 shall be allocated to Best Buddies	
18	Rhode Island to support its programs for children with developmental and intellectual disabilities. It	
19	is also provided that \$7,233,864 shall be allocated to the Rhode Island Promise Scholarship	
20	program and \$147,000 shall be used to support Rhode Island's membership in the New England	
21	Board of Higher Education.	
22	Federal Funds	
23	Federal Funds	3,855,837
24	Guaranty Agency Administration	400,000
25	Provided that an amount equivalent to not more than ten (10) percent of the guaranty agency	
26	operating fund appropriated for direct scholarship and grants in fiscal year 2021 shall be	
27	appropriated for guaranty agency administration in fiscal year 2021. This limitation	
28	notwithstanding, final appropriations for fiscal year 2021 for guaranty agency administration may	
29	also include any residual monies collected during fiscal year 2021 that relate to guaranty agency	
30	operations, in excess of the foregoing limitation.	
31	Guaranty Agency Operating Fund-Scholarships & Grants	4,000,000
32	Restricted Receipts	2,556,166
33	Other Funds	
34	Tuition Savings Program – Dual Enrollment	3,187,751

1	Tuition Savings Program – Scholarships and Grants	5,595,000
2	Nursing Education Center – Operating	3,154,580
3	Rhode Island Capital Plan Funds	
4	Higher Education Centers	2,000,000
5	Provided that the state fund no more than 50.0 percent of the total project cost.	
6	Total – Office of Postsecondary Commissioner	41,554,909
7	<b><i>University of Rhode Island</i></b>	
8	General Revenues	
9	General Revenues	83,843,790
10	Provided that in order to leverage federal funding and support economic development,	
11	\$350,000 shall be allocated to the Small Business Development Center and that \$50,000	
12	shall be allocated to Special Olympics Rhode Island to support its mission of providing athletic	
13	opportunities for individuals with intellectual and developmental disabilities.	
14	Debt Service	30,552,361
15	RI State Forensics Laboratory	1,309,006
16	Other Funds	
17	University and College Funds	706,291,345
18	Debt – Dining Services	983,687
19	Debt – Education and General	4,894,005
20	Debt – Health Services	787,110
21	Debt – Housing Loan Funds	12,765,579
22	Debt – Memorial Union	320,156
23	Debt – Ryan Center	2,359,093
24	Debt – Alton Jones Services	103,097
25	Debt – Parking Authority	1,090,069
26	Debt – Restricted Energy Conservation	788,838
27	Debt – URI Energy Conservation	2,558,981
28	Rhode Island Capital Plan Funds	
29	Asset Protection	8,531,280
30	Total – University of Rhode Island	857,178,397

31 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or  
32 unencumbered balances as of June 30, 2021 relating to the University of Rhode Island are hereby  
33 reappropriated to fiscal year 2022.

34 ***Rhode Island College***

1	General Revenues	
2	General Revenues	52,172,385
3	Debt Service	5,706,171
4	Other Funds	
5	University and College Funds	133,203,147
6	Debt – Education and General	877,841
7	Debt – Housing	366,667
8	Debt – Student Center and Dining	154,297
9	Debt – Student Union	208,800
10	Debt – G.O. Debt Service	1,644,301
11	Debt Energy Conservation	655,575
12	Rhode Island Capital Plan Funds	
13	Asset Protection	4,150,000
14	Infrastructure Modernization	3,500,000
15	Total – Rhode Island College	202,639,184

16 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or  
17 unencumbered balances as of June 30, 2021 relating to Rhode Island College are hereby  
18 reappropriated to fiscal year 2022.

19 *Community College of Rhode Island*

20	General Revenues	
21	General Revenues	52,527,861
22	Debt Service	1,486,945
23	Restricted Receipts	655,700
24	Other Funds	
25	University and College Funds	104,977,414
26	CCRI Debt Service – Energy Conservation	833,125
27	Rhode Island Capital Plan Funds	
28	Asset Protection	2,487,857
29	Knight Campus Renewal	3,500,000
30	Knight Campus Lab Renovation	1,300,000
31	Flanagan Campus Renewal	2,000,000
32	Data, Cabling, and Power Infrastructure	1,500,000
33	Total – Community College of RI	171,268,902

34 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or

1 unencumbered balances as of June 30, 2021 relating to the Community College of Rhode Island  
2 are hereby reappropriated to fiscal year 2022.

3 Grand Total – Public Higher Education 1,272,641,392

4 **RI State Council on the Arts**

5 General Revenues

6 Operating Support 851,961

7 Grants 1,205,000

8 Provided that \$375,000 be provided to support the operational costs of WaterFire  
9 Providence art installations.

10 Federal Funds 828,776

11 Restricted Receipts 15,000

12 Other Funds

13 Art for Public Facilities 602,750

14 Grand Total – RI State Council on the Arts 3,503,487

15 **RI Atomic Energy Commission**

16 General Revenues 1,064,567

17 Federal Funds 7,936

18 Restricted Receipts 99,000

19 Other Funds

20 URI Sponsored Research 299,276

21 Rhode Island Capital Plan Funds

22 RINSC Asset Protection 50,000

23 Grand Total – RI Atomic Energy Commission 1,520,779

24 **RI Historical Preservation and Heritage Commission**

25 General Revenues 1,598,029

26 Provided that \$30,000 support the operational costs of the Fort Adams Trust’s restoration  
27 activities.

28 Federal Funds 563,476

29 Restricted Receipts 422,100

30 Other Funds

31 RIDOT Project Review 146,624

32 Grand Total – RI Historical Preservation and Heritage Comm. 2,730,229

33 **Attorney General**

34 *Criminal*



1	General Revenues	18,295,003
2	Federal Funds	2,913,491
3	Restricted Receipts	365,363
4	Total – Criminal	21,573,857
5	<i>Civil</i>	
6	General Revenues	6,404,555
7	Restricted Receipts	780,489
8	Total – Civil	7,185,044
9	<i>Bureau of Criminal Identification</i>	
10	General Revenues	1,908,644
11	<i>General</i>	
12	General Revenues	3,446,309
13	Other Funds	
14	Rhode Island Capital Plan Funds	
15	Building Renovations and Repairs	150,000
16	Total – General	3,596,309
17	Grand Total – Attorney General	34,263,854
18	<b>Corrections</b>	
19	<i>Central Management</i>	
20	General Revenues	16,182,952
21	Federal Funds	125,237
22	Restricted Receipts	50,000
23	Total – Central Management	16,358,189
24	<i>Parole Board</i>	
25	General Revenues	1,471,041
26	Federal Funds	74,536
27	Total – Parole Board	1,545,577
28	<i>Custody and Security</i>	
29	General Revenues	143,901,773
30	Federal Funds	935,081
31	Total – Custody and Security	144,836,854
32	<i>Institutional Support</i>	
33	General Revenues	23,809,175
34	Other Funds	

1	Rhode Island Capital Plan Funds	
2	Asset Protection	4,100,000
3	Correctional Facilities – Renovations	2,200,000
4	Total – Institutional Support	30,109,175
5	<i>Institutional Based Rehab./Population Management</i>	
6	General Revenues	13,294,808
7	Provided that \$1,050,000 be allocated to Crossroads Rhode Island for sex offender	
8	discharge planning.	
9	Federal Funds	826,469
10	Restricted Receipts	48,600
11	Total – Institutional Based Rehab/Population Mgt.	14,169,877
12	<i>Healthcare Services</i>	
13	General Revenues	25,227,501
14	Restricted Receipts	846,628
15	Total – Healthcare Services	26,074,129
16	<i>Community Corrections</i>	
17	General Revenues	18,221,990
18	Federal Funds	98,448
19	Restricted Receipts	14,854
20	Total – Community Corrections	18,335,292
21	Grand Total – Corrections	251,429,093
22	<b>Judiciary</b>	
23	<i>Supreme Court</i>	
24	General Revenues	
25	General Revenues	29,690,653
26	Provided however, that no more than \$1,451,527 in combined total shall be offset to the	
27	Public Defender’s Office, the Attorney General’s Office, the Department of Corrections, the	
28	Department of Children, Youth, and Families, and the Department of Public Safety for square-	
29	footage occupancy costs in public courthouses and further provided that \$230,000 be allocated to	
30	the Rhode Island Coalition Against Domestic Violence for the domestic abuse court advocacy	
31	project pursuant to Rhode Island General Law, Section 12-29-7 and that \$90,000 be allocated to	
32	Rhode Island Legal Services, Inc. to provide housing and eviction defense to indigent individuals.	
33	Defense of Indigents	4,985,432
34	Federal Funds	117,123

1	Restricted Receipts	3,633,229
2	Other Funds	
3	Rhode Island Capital Plan Funds	
4	Judicial Complexes - HVAC	1,000,000
5	Judicial Complexes Asset Protection	1,000,000
6	Judicial Complexes Fan Coil Unit Replacement	500,000
7	Licht Judicial Complex Restoration	750,000
8	Murray Courtroom Restoration	350,000
9	Total - Supreme Court	42,026,437
10	<i>Judicial Tenure and Discipline</i>	
11	General Revenues	155,514
12	<i>Superior Court</i>	
13	General Revenues	25,084,814
14	Federal Funds	108,905
15	Restricted Receipts	325,000
16	Total – Superior Court	25,518,719
17	<i>Family Court</i>	
18	General Revenues	23,422,531
19	Federal Funds	3,268,112
20	Total – Family Court	26,690,643
21	<i>District Court</i>	
22	General Revenues	14,061,858
23	Restricted Receipts	60,000
24	Total - District Court	14,121,858
25	<i>Traffic Tribunal</i>	
26	General Revenues	8,982,592
27	<i>Workers' Compensation Court</i>	
28	Restricted Receipts	8,992,003
29	Grand Total – Judiciary	126,487,766
30	<b>Military Staff</b>	
31	General Revenues	3,227,916
32	Federal Funds	34,984,059
33	Restricted Receipts	
34	RI Military Family Relief Fund	55,000

1	Other Funds	
2	Rhode Island Capital Plan Funds	
3	Asset Protection	600,000
4	Bristol Readiness Center	100,000
5	Grand Total – Military Staff	38,966,975
6	<b>Public Safety</b>	
7	<i>Central Management</i>	
8	General Revenues	901,539
9	Federal Funds	10,126,447
10	Restricted Receipts	94,963
11	Total – Central Management	11,122,949
12	<i>E-911 Emergency Telephone System</i>	
13	Restricted Receipts	7,563,080
14	<i>Security Services</i>	
15	General Revenues	26,678,184
16	<i>Municipal Police Training Academy</i>	
17	General Revenues	310,456
18	Federal Funds	506,487
19	Total – Municipal Police Training Academy	816,943
20	<i>State Police</i>	
21	General Revenues	77,836,189
22	Federal Funds	6,721,675
23	Restricted Receipts	1,731,022
24	Other Funds	
25	Rhode Island Capital Plan Funds	
26	DPS Asset Protection	482,000
27	Training Academy Upgrades	500,000
28	Airport Corporation Assistance	149,570
29	Road Construction Reimbursement	1,653,945
30	Weight and Measurement Reimbursement	400,000
31	Total – State Police	89,474,401
32	Grand Total – Public Safety	135,655,557
33	<b>Office of Public Defender</b>	
34	General Revenues	13,386,423

1	Federal Funds	75,665
2	Grand Total – Office of Public Defender	13,462,088
3	<b>Emergency Management Agency</b>	
4	General Revenues	2,901,055
5	Federal Funds	8,018,360
6	Restricted Receipts	553,132
7	Other Funds	
8	Rhode Island Capital Plan Funds	
9	RI Statewide Communications Network	1,494,414
10	Emergency Management Building Feasibility Study	250,000
11	Grand Total – Emergency Management Agency	13,216,961
12	<b>Environmental Management</b>	
13	Office of the Director	
14	General Revenues	7,221,910
15	Of this general revenue amount, \$50,000 is appropriated to the Conservation Districts.	
16	Federal Funds	1,496
17	Restricted Receipts	3,947,405
18	Total – Office of the Director	11,170,811
19	<i>Natural Resources</i>	
20	General Revenues	25,080,207
21	Federal Funds	21,853,293
22	Restricted Receipts	4,609,349
23	Other Funds	
24	DOT Recreational Projects	762,000
25	Blackstone Bikepath Design	1,000,000
26	Transportation MOU	10,286
27	Rhode Island Capital Plan Funds	
28	Fort Adams Rehabilitation	300,000
29	Recreational Facilities Improvements	2,600,000
30	Recreation Facility Asset Protection	500,000
31	Galilee Piers Upgrade	1,850,000
32	Newport Pier Upgrades	300,000
33	Total – Natural Resources	58,865,135
34	<i>Environmental Protection</i>	

1	General Revenues	13,957,455
2	Federal Funds	10,259,862
3	Restricted Receipts	8,071,370
4	Other Funds	
5	Transportation MOU	72,961
6	Total – Environmental Protection	32,361,648
7	Grand Total – Environmental Management	102,397,594
8	<b>Coastal Resources Management Council</b>	
9	General Revenues	2,740,539
10	Federal Funds	1,575,694
11	Restricted Receipts	250,000
12	Other Funds	
13	Rhode Island Capital Plan Funds	
14	Rhode Island Coastal Storm Risk Study	475,000
15	Grand Total – Coastal Resources Mgmt. Council	5,041,233
16	<b>Transportation</b>	
17	<i>Central Management</i>	
18	Federal Funds	
19	Other Funds	10,062,731
20	Gasoline Tax	7,683,082
21	Total – Central Management	17,745,813
22	<i>Management and Budget</i>	
23	Other Funds	
24	Gasoline Tax	4,851,298
25	<i>Infrastructure Engineering</i>	
26	Federal Funds	330,681,367
27	Restricted Receipts	2,656,328
28	Other Funds	
29	Gasoline Tax	76,035,564
30	Toll Revenue	46,946,000
31	Miscellaneous Revenue	3,280,000
32	Rhode Island Capital Plan Funds	
33	Bike Path Facilities Maintenance	400,000
34	Highway Improvement Program	29,951,346

1	RIPTA - College Hill Bus Tunnel	800,000
2	RIPTA - Land and Buildings	610,000
3	RIPTA - Warwick Bus Hub	140,000
4	RIPTA - URI Mobility Hub	500,000
5	Total - Infrastructure Engineering	492,000,605
6	<i>Infrastructure Maintenance</i>	
7	Other Funds	
8	Gasoline Tax	23,886,243
9	Miscellaneous Revenue	550,000
10	Rhode Island Highway Maintenance Account	117,078,407
11	Rhode Island Capital Plan Funds	
12	Maintenance Facilities Improvements	600,000
13	Welcome Center	150,000
14	Salt Storage Facilities	1,300,000
15	Maintenance - Equipment Replacement	1,500,000
16	Train Station Maintenance and Repairs	350,000
17	Total – Infrastructure Maintenance	145,414,650
18	Grand Total – Transportation	660,012,366
19	<b>Statewide Totals</b>	
20	General Revenues	4,247,805,061
21	Federal Funds	3,323,135,247
22	Restricted Receipts	348,918,183
23	Other Funds	2,275,187,456
24	Statewide Grand Total	10,195,045,947

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

27 SECTION 3. Upon the transfer of any function of a department or agency to another  
28 department or agency, the Governor is hereby authorized by means of executive order to transfer  
29 or reallocate, in whole or in part, the appropriations and the full-time equivalent limits affected  
30 thereby; provided, however, in accordance with Rhode Island General Law, Section 42-6-5, when  
31 the duties or administrative functions of government are designated by law to be performed  
32 within a particular department or agency, no transfer of duties or functions and no re-allocation,  
33 in whole or part, or appropriations and full-time equivalent positions to any other department or  
34 agency shall be authorized.

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

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

19           Account	Expenditure Limit
20           State Assessed Fringe Benefit Internal Service Fund	37,505,032
21           Administration Central Utilities Internal Service Fund	27,426,989
22           State Central Mail Internal Service Fund	6,583,197
23           State Telecommunications Internal Service Fund	3,552,053
24           State Automotive Fleet Internal Service Fund	12,743,910
25           Surplus Property Internal Service Fund	3,000
26           Health Insurance Internal Service Fund	273,639,595
27           State Fleet Revolving Loan Fund	264,339
28           Other Post-Employment Benefits Fund	63,858,483
29           Capitol Police Internal Service Fund	1,429,798
30           Corrections Central Distribution Center Internal Service Fund	6,868,331
31           Correctional Industries Internal Service Fund	8,231,177
32           Secretary of State Record Center Internal Service Fund	1,046,670
33           Human Resources Internal Service Fund	13,937,328
34           DCAMM Facilities Internal Service Fund	42,849,110



1 Information Technology Internal Service Fund 49,448,621

2 SECTION 6. Legislative Intent - The General Assembly may provide a written  
3 "statement of legislative intent" signed by the chairperson of the House Finance Committee and  
4 by the chairperson of the Senate Finance Committee to show the intended purpose of the  
5 appropriations contained in Section 1 of this Article. The statement of legislative intent shall be  
6 kept on file in the House 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 7. 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, 2021.

16 SECTION 8. 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, 2021.

20 SECTION 9. 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, 2021.

23 SECTION 10. Appropriation of CollegeBoundSaver Funds -- There is hereby  
24 appropriated to the Office of the General Treasurer designated funds received under the  
25 CollegeBoundSaver program for transfer to the Division of Higher Education Assistance within  
26 the Office of the Postsecondary Commissioner to support student financial aid for the fiscal year  
27 ending June 30, 2021.

28 SECTION 11. Appropriation of Higher Education Funds -- There is hereby appropriated  
29 to Public Higher Education any funds required to be disbursed by the public institutions of higher  
30 education for the purposes of carrying out the mission of each institution for the fiscal year  
31 ending June 30, 2021.

32 SECTION 12. Departments and agencies listed below may not exceed the number of full-  
33 time equivalent (FTE) positions shown below in any pay period. Full-time equivalent positions do  
34 not include limited period positions or, seasonal or intermittent positions whose scheduled period

1 of employment does not exceed twenty-six consecutive weeks or whose scheduled hours do not  
 2 exceed nine hundred and twenty-five (925) hours, excluding overtime, in a one-year period. Nor  
 3 do they include individuals engaged in training, the completion of which is a prerequisite of  
 4 employment. Provided, however, that the Governor or designee, Speaker of the House of  
 5 Representatives or designee, and the President of the Senate or designee may authorize an  
 6 adjustment to any limitation. Prior to the authorization, the State Budget Officer shall make a  
 7 detailed written recommendation to the Governor, the Speaker of the House, and the President of  
 8 the Senate. A copy of the recommendation and authorization to adjust shall be transmitted to the  
 9 chairman of the House Finance Committee, Senate Finance Committee, the House Fiscal Advisor  
 10 and the Senate Fiscal Advisor.

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

14 FY 2021 FTE POSITION AUTHORIZATION

15 Departments and Agencies	Full-Time Equivalent
16 Administration	652.7
17 Provided that no more than 427.0 of the total authorization would be limited to positions	
18 that support internal service fund programs.	
19 Business Regulation	171.0
20 Executive Office of Commerce	15.0
21 Labor and Training	395.7
22 Revenue	611.5
23 Legislature	298.5
24 Office of the Lieutenant Governor	8.0
25 Office of the Secretary of State	59.0
26 Office of the General Treasurer	89.0
27 Board of Elections	13.0
28 Rhode Island Ethics Commission	12.0
29 Office of the Governor	45.0
30 Commission for Human Rights	14.5
31 Public Utilities Commission	54.0
32 Office of Health and Human Services	201.0
33 Children, Youth, and Families	640.5
34 Health	540.6

1	Human Services	754.0
2	Office of Veterans Services	252.1
3	Office of Healthy Aging	31.0
4	Behavioral Healthcare, Developmental Disabilities, and Hospitals	985.4
5	Office of the Child Advocate	10.0
6	Commission on the Deaf and Hard of Hearing	4.0
7	Governor's Commission on Disabilities	4.0
8	Office of the Mental Health Advocate	4.0
9	Elementary and Secondary Education	148.1
10	School for the Deaf	60.0
11	Davies Career and Technical School	126.0
12	Office of Postsecondary Commissioner	32.0
13	Provided that 1.0 of the total authorization would be available only for positions that are	
14	supported by third-party funds, 9.0 would be available only for positions at the State's Higher	
15	Education Centers located in Woonsocket and Westerly, and 10.0 would be available only for	
16	positions at the Nursing Education Center.	
17	University of Rhode Island	2,555.0
18	Provided that 357.8 of the total authorization would be available only for positions that	
19	are supported by third-party funds.	
20	Rhode Island College	949.2
21	Provided that 76.0 of the total authorization would be available only for positions that are	
22	supported by third-party funds.	
23	Community College of Rhode Island	849.1
24	Provided that 89.0 of the total authorization would be available only for positions that are	
25	supported by third-party funds.	
26	Rhode Island State Council on the Arts	8.6
27	RI Atomic Energy Commission	8.6
28	Historical Preservation and Heritage Commission	15.6
29	Office of the Attorney General	247.1
30	Corrections	1,423.0
31	Judicial	726.3
32	Military Staff	96.0
33	Emergency Management Agency	32.0
34	Public Safety	598.6

1	Office of the Public Defender	99.0
2	Environmental Management	405.0
3	Coastal Resources Management Council	30.0
4	Transportation	800.0
5	Total	15,074.7

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

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

14 SECTION 13. The amounts reflected in this Article include the appropriation of Rhode  
15 Island Capital Plan funds for fiscal year 2021 and supersede appropriations provided for FY 2021  
16 within Section 12 of Article 1 of Chapter 088 of the P.L. of 2019.

17 The following amounts are hereby appropriated out of any money in the State’s Rhode  
18 Island Capital Plan Fund not otherwise appropriated to be expended during the fiscal years ending  
19 June 30, 2022, June 30, 2023, June 30, 2024, and June 30, 2025. These amounts supersede  
20 appropriations provided within Section 12 of Article 1 of Chapter 088 of the P.L. of 2019.

21 In the event that a capital project appropriated in the budget year is overspent, the  
22 department may utilize future fiscal year’s funding as listed in this section below providing that  
23 the project in total does not exceed the limits set forth for each project.

24 For the purposes and functions hereinafter mentioned, the State Controller is hereby  
25 authorized and directed to draw his or her orders upon the General Treasurer for the payment of  
26 such sums and such portions thereof as may be required by him or her upon receipt of properly  
27 authenticated vouchers.

28		FY Ending	FY Ending	FY Ending	FY Ending
29	Project	06/30/2022	06/30/2023	06/30/2024	06/30/2025
30	DOA – 560 Jefferson Boulevard	100,000	100,000	100,000	100,000
31	DOA – Accessibility	1,000,000	1,000,000	1,000,000	1,000,000
32	DOA – Arrigan Center	147,500	825,000	125,000	50,000
33	DOA – Substance Abuse Facilities	250,000	250,000	250,000	250,000
34	DOA – Big River Management	200,000	130,000	130,000	130,000

1	DOA – Cannon Building	2,000,000	3,000,000	2,750,000	3,000,000
2	DOA – Convention Center				
3	Authority	3,500,000	3,500,000	4,000,000	3,000,000
4	DOA – Cranston Street Armory	650,000	2,150,000	3,150,000	0
5	DOA – BHDDH MH Facilities	200,000	200,000	200,000	200,000
6	DOA – BHDDH Group Homes				
7	Fire Protection	325,000	325,000	325,000	0
8	DOA – BHDDH DD Facilities	300,000	300,000	300,000	300,000
9	DOA – Zambarano Utilities &				
10	Infrastructure	350,000	1,800,000	500,000	500,000
11	DOA – DoIT Enterprise				
12	Operations Center	500,000	2,250,000	2,000,000	1,100,000
13	DOA – Dunkin Donuts Center	1,850,000	1,300,000	1,000,000	970,000
14	DOA – Environmental				
15	Compliance	200,000	200,000	200,000	0
16	DOA – BHDDH Group Homes	500,000	500,000	500,000	500,000
17	DOA – Hospital Consolidation	4,994,697	0	0	0
18	DOA – Energy Efficiency	1,000,000	1,000,000	1,000,000	1,000,000
19	DOA – Old State House	100,000	100,000	100,000	0
20	DOA – Statewide Facilities				
21	Master Plan	650,000	450,000	0	0
22	DOA – Pastore Building				
23	Demolition	1,000,000	1,000,000	1,000,000	0
24	DOA – Pastore Center				
25	Medical Buildings				
26	Asset Protection	1,000,000	1,000,000	1,000,000	1,000,000
27	DOA – Pastore Center				
28	Non-Medical Buildings				
29	Asset Protection.	4,000,000	4,250,000	5,000,000	5,000,000
30	DOA – Pastore Electrical Utilities	175,000	200,000	200,000	350,000
31	DOA – Pastore Utilities Water	100,000	280,000	280,000	280,000
32	DOA – Security Measures				
33	/State Buildings	750,000	750,000	750,000	750,000
34	DOA – State House Renovations	928,000	1,600,000	1,400,000	629,000

1	DOA – State Office Building	100,000	100,000	100,000	100,000
2	DOA – State Office				
3	Reorganization & Relocation	500,000	0	0	0
4	DOA – Replacement of				
5	Fuel Tanks	500,000	430,000	430,000	330,000
6	DOA – Veterans Auditorium	185,000	765,000	100,000	75,000
7	DOA – Washington County				
8	Gov. Center	500,000	650,000	650,000	650,000
9	DOA – William Powers Building	3,000,000	2,500,000	3,000,000	3,000,000
10	DOA – Resource Recovery				
11	Phase VI Construction	0	4,000,000	2,000,000	0
12	DBR – State Fire Marshal				
13	Asset Protection	100,000	100,000	100,000	100,000
14	EOC – I-195 Commission	578,000	0	0	0
15	EOC – I-195 Park Improvements	2,300,000	700,000	0	0
16	DCYF – Training School				
17	Redesign	1,750,000	0	0	0
18	DCYF – Training School				
19	Asset Protection	250,000	250,000	250,000	250,000
20	DOH – Laboratory Equipment	400,000	400,000	400,000	400,000
21	DHS – Blind Vending Facilities	165,000	165,000	165,000	165,000
22	DHS – Veterans Home				
23	Asset Protection	100,000	100,000	350,000	350,000
24	BHDDH – Residential Support	100,000	100,000	100,000	100,000
25	BHDDH – Hospital Equipment	300,000	300,000	300,000	300,000
26	EL SEC – Davies School HVAC	900,000	900,000	0	0
27	EL SEC – Davies School				
28	Asset Protection	150,000	500,000	500,000	500,000
29	EL SEC – Davies School				
30	Healthcare Classroom				
31	Renovations	4,500,000	0	0	0
32	EL SEC – Met School				
33	Asset Protection	250,000	250,000	250,000	250,000
34	EL SEC – Met School				

1	Roof Replacement	0	550,000	1,750,000	1,750,000
2	EL SEC – School for the Deaf				
3	Asset Protection	50,000	50,000	50,000	50,000
4	URI – Asset Protection	8,700,000	8,874,000	9,094,395	9,276,000
5	RIC – Asset Protection	4,233,000	4,318,000	4,426,657	4,538,000
6	RIC – Infrastructure				
7	Modernization	3,750,000	3,900,000	4,250,000	4,500,000
8	CCRI – Asset Protection	2,537,615	2,588,000	2,653,124	2,719,452
9	CCRI – Data Cabling and				
10	Power Infrastructure	3,300,000	3,700,000	4,650,000	0
11	CCRI – Flanagan Campus				
12	Renewal	2,000,000	6,000,000	2,500,000	0
13	CCRI – Knight Campus				
14	Lab Renovation	1,300,000	0	0	0
15	CCRI – Renovation				
16	and Modernization	0	5,000,000	9,000,000	14,000,000
17	Atomic Energy –				
18	Asset Protection	50,000	50,000	50,000	50,000
19	Attorney General –				
20	Asset Protection	150,000	150,000	150,000	150,000
21	DOC – Asset Protection	4,100,000	4,100,000	4,100,000	4,100,000
22	Judiciary – Garrahy Courthouse	0	0	2,250,000	2,250,000
23	Judiciary – Asset Protection	1,000,000	1,500,000	1,500,000	1,200,000
24	Judiciary – Complex HVAC	1,000,000	1,000,000	1,000,000	500,000
25	Judiciary – Licht Judicial Complex				
26	Restoration	750,000	750,000	750,000	750,000
27	Judiciary – McGrath HVAC	0	225,000	0	0
28	Judiciary – Fan Coils	500,000	500,000	500,000	500,000
29	Judiciary – Murray Courtroom				
30	Restoration	350,000	0	0	0
31	Judiciary – Garrahy Courtroom				
32	Restoration	250,000	750,000	750,000	0
33	Military Staff –				
34	Aviation Readiness	535,263	535,263	126,166	574,183

1	Military Staff –				
2	Asset Protection	600,000	600,000	600,000	600,000
3	EMA – RI Statewide				
4	Communications Network	1,643,855	1,643,855	1,643,855	1,643,855
5	DPS – Asset Protection	550,000	425,000	300,000	300,000
6	DPS – Training Academy Asset				
7	Protection	500,000	150,000	150,000	150,000
8	DEM – Dam Repair	1,000,000	2,000,000	2,000,000	3,000,000
9	DEM – Facilities Asset				
10	Protection	500,000	500,000	500,000	500,000
11	DEM – Recreational Facilities				
12	Improvements	2,600,000	2,600,000	2,600,000	2,600,000
13	DEM – Fort Adams Trust	300,000	300,000	300,000	300,000
14	DEM – Galilee Piers/Bulkhead	1,420,000	2,000,000	2,000,000	2,000,000
15	DEM – Natural Resources				
16	Office & Visitor’s Center	0	2,000,000	3,000,000	0
17	DOT – Maintenance Facility				
18	Improv.	600,000	500,000	500,000	500,000
19	DOT – Highway Improvement				
20	Program	34,951,346	27,700,000	27,200,000	27,200,000
21	DOT – Bike Path Facilities				
22	Maintenance	400,000	400,000	400,000	400,000
23	DOT – Salt Storage Facilities				
24	Improv.	1,500,000	1,000,000	1,000,000	0
25	DOT – Train Station				
26	Maintenance	350,000	350,000	350,000	350,000
27	DOT – Maintenance –				
28	Capital Equipment Replacement	1,500,000	1,800,000	1,800,000	1,800,000
29	DOT – Welcome Center	150,000	150,000	150,000	150,000
30	DOT – RIPTA –				
31	College Hill Bus Terminal	300,000	0	0	0
32	DOT – RIPTA –				
33	Land and Building				
34	Enhancements	500,000	500,000	500,000	500,000



1 DOT – RIPTA – URI Mobility 100,000 250,000 0 0

2 SECTION 14. Reappropriation of Funding for Rhode Island Capital Plan Fund Projects.  
 3 – Any unexpended and unencumbered funds from Rhode Island Capital Plan Fund project  
 4 appropriations shall be reappropriated in the ensuing fiscal year and made available for the same  
 5 purpose. However, any such reappropriations are subject to final approval by the General  
 6 Assembly as part of the supplemental appropriations act. Any unexpended funds of less than five  
 7 hundred dollars (\$500) shall be reappropriated at the discretion of the State Budget Officer.

8 SECTION 15. The following amounts are hereby appropriated out of any money in the  
 9 Rhode Island intermodal surface transportation fund not otherwise appropriated to be expended  
 10 during the fiscal years ending June 30, 2022, June 30, 2023, June 30, 2024, and June 30, 2025.

11 For the purposes and functions hereinafter mentioned, the state controller is hereby  
 12 authorized and directed to draw his or her orders upon the general treasurer for the payment of  
 13 such sums and such portions thereof from state funds as may be required by him or her upon  
 14 receipt of properly authenticated vouchers.

15 Should an activity or project require advancement of state funding relative to the planned  
 16 schedule, and the office of management and budget can demonstrate that it is cost-effective to do  
 17 so, the appropriation may be increased in one fiscal year and decreased in a subsequent fiscal year  
 18 on a dollar-to-dollar basis.

	FY Ending	FY Ending	FY Ending	FY Ending
Project	06/30/2022	06/30/2023	06/30/2024	06/30/2025
Stormwater Management	6,000,000	6,000,000	6,000,000	6,000,000
Winter Maintenance	21,000,000	21,000,000	21,000,000	21,000,000
Maintenance Capital Equipment	6,000,000	6,000,000	6,000,000	6,000,000
Non-Maintenance Capital Equipment	478,686	591,630	591,630	550,000
Safety Hardware Replacement	200,000	200,000	200,000	200,000
Traffic Safety Capital	2,200,000	2,200,000	2,200,000	2,200,000
6/10 Interchange	13,200,000	8,600,000	3,000,000	0
Newport Pell Ramps	7,260,000	0	0	0
Henderson Bridge	1,250,000	0	0	0
Providence Viaduct North	9,621,728	9,412,560	8,785,056	9,656,800
Washington Bridge	3,098,860	2,210,652	1,660,079	0
Huntington Viaduct	7,250,000	5,000,000	0	0
Pawtucket-Central Falls Train Station		1,561,857	0	0 0
Bus Purchases	3,425,330	4,012,679	4,337,401	3,558,024

1 URI Mobility Hub 0 500,000 0 0

2 SECTION 16. Reappropriation of Funding for the Intermodal Surface Transportation  
3 Fund Projects. – Any unexpended and unencumbered funds from Intermodal Surface  
4 Transportation Fund project appropriations shall be reappropriated in the ensuing fiscal year and  
5 made available for the same purpose subject to available cash resources in the fund. However,  
6 any such reappropriations are subject to final approval by the General Assembly as part of the  
7 supplemental appropriations act.

8 SECTION 17. For the Fiscal Year ending June 30, 2021, the Rhode Island Housing and  
9 Mortgage Finance Corporation shall provide from its resources such sums as appropriate in  
10 support of the Neighborhood Opportunities Program. The Corporation shall provide a report  
11 detailing the amount of funding provided to this program, as well as information on the number  
12 of units of housing provided as a result to the Director of Administration, the Chair of the  
13 Housing Resources Commission, the Chair of the House Finance Committee, the Chair of the  
14 Senate Finance Committee and the State Budget Officer.

15 SECTION 18. Notwithstanding any general laws to the contrary, the Rhode Island  
16 Infrastructure Bank shall transfer to the State Controller the sum of five million dollars  
17 (\$5,000,000) by June 30, 2021.

18 SECTION 19. Notwithstanding any general laws to the contrary, the Rhode Island  
19 Student Loan Authority shall transfer to the State Controller the sum of two million dollars  
20 (\$2,000,000) by June 30, 2021.

21 SECTION 20. Notwithstanding any general laws to the contrary, the Rhode Island Health  
22 and Educational Building Corporation shall transfer to the State Controller the sum of one million  
23 dollars (\$1,000,000) by June 30, 2021.

24 SECTION 21. Notwithstanding any general laws to the contrary, the Rhode Island  
25 Resource Recovery Corporation shall transfer to the State Controller the sum of five million  
26 dollars (\$5,000,000) by June 30, 2021.

27 SECTION 22. Notwithstanding any general laws to the contrary, the Narragansett Bay  
28 Commission shall transfer to the State Controller the sum of two million dollars (\$2,000,000) by  
29 June 30, 2021.

30 SECTION 23. Notwithstanding any general laws to the contrary, the Rhode Island  
31 Housing and Mortgage Finance Corporation shall transfer to the State Controller the sum of one  
32 million ninety three thousand three hundred seventy five dollars (\$1,093,375) by June 30, 2021.  
33 In addition, Notwithstanding any general laws to the contrary, the Rhode Island Housing and  
34 Mortgage Finance Corporation is authorized to use up to one-half of any accumulated fund

1 balances previously derived from the transfer of funds from the Department of Behavioral  
2 Healthcare, Developmental Disabilities and Hospitals and held in reserve for the Thresholds and  
3 Access to Independence programs as of July 1, 2020, to partner with the Department of  
4 Behavioral Healthcare, Developmental Disabilities and Hospitals, and any other State  
5 departments as necessary in consultation with the Department of Behavioral Healthcare,  
6 Developmental Disabilities and Hospitals, to pursue the creation or preservation of community-  
7 based alternatives for individuals with behavioral health needs and developmental disabilities in  
8 furtherance of rebalancing towards least restrictive settings and from high-cost inpatient settings  
9 to lower-cost community settings.

10 SECTION 24. This article shall take effect as of July 1, 2020.

11



1 facilities to be self-supporting, including that all faculty provide timely and accurate copies of  
2 booklists for required textbooks to the public higher educational institution's bookstore.

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

6 (f) The board of education is authorized to establish a restricted-receipt account for the higher  
7 education and industry centers established throughout the state to collect lease payments from  
8 occupying companies, and fees from room and service rentals, to support the operation and  
9 maintenance of the facilities. All such revenues shall be deposited to the restricted-receipt  
10 account. The board of education is further authorized to establish a restricted receipt account  
11 within the general fund of the state to account for the receipt and expenditure of any funds  
12 donated, bequeathed, or otherwise granted in support of the construction, maintenance, or general  
13 operations of the higher education and industry centers established throughout the state.

14 (g) Notwithstanding subsections (a) and (d) of this section or any provisions of this title, to  
15 the extent necessary to comply with the provisions of any outstanding bonds issued by the Rhode  
16 Island health and educational building corporation or outstanding lease certificates of  
17 participation, in either case, issued for the benefit of the university of Rhode Island, the  
18 community college of Rhode Island, and/or Rhode Island college, to the extent necessary to  
19 comply with the provisions of any such bonds or certificates of participation, the general  
20 assembly shall annually appropriate any such sums it deems necessary from educational and  
21 general revenues (including, but not limited to, tuition) and auxiliary enterprise revenues derived  
22 from the university of Rhode Island, the community college of Rhode Island and Rhode Island  
23 college, to be allocated by the council on postsecondary education or by the board of trustees of  
24 the university of Rhode Island, as appropriate, in accordance with the terms of the contracts with  
25 such bondholders or certificate holders.

26 (h) The board of education is authorized to establish a restricted receipt account within the  
27 general fund of the state for income generated by the Rhode Island nursing education center  
28 through the rental of classrooms, laboratories, or other facilities located on the Providence  
29 campus of the nursing education center. All such revenues shall be deposited to the restricted  
30 receipt account.

31 SECTION 2. Sections 21-28.10-8 and 21-28.10-10 of the General Laws in Chapter 21-28.10  
32 entitled, "Opioid Stewardship Act" are hereby amended to read as follows:

33 **21-28.10-8. Departmental annual reporting.**

1 By January of each calendar year, the department of behavioral healthcare, developmental  
2 disabilities and hospitals (BHDDH), the executive office of health and human services (EOHHS),  
3 the department of children, youth and families (DCYF), the Rhode Island department of  
4 education (RIDE), the Rhode Island office of veterans' services, the department of corrections  
5 (DOC), ~~and~~ the department of labor and training (DLT), and any other department or agency  
6 receiving opioid stewardship funds shall report annually to the governor, the speaker of the house,  
7 and the senate president which programs in their respective departments were funded using  
8 monies from the opioid stewardship fund and the total amount of funds spent on each program.

9 **21-28.10-10. Creation of opioid stewardship fund.**

10 (a) There is hereby established, in the custody of the department, a restricted-receipt account  
11 to be known as the "opioid stewardship fund."

12 (b) Monies in the opioid stewardship fund shall be kept separate and shall not be commingled  
13 with any other monies in the custody of the department.

14 (c) The opioid stewardship fund shall consist of monies appropriated for the purpose of such  
15 account, monies transferred to such account pursuant to law, contributions consisting of promises  
16 or grants of any money or property of any kind or value, or any other thing of value, including  
17 grants or other financial assistance from any agency of government and monies required by the  
18 provisions of this chapter or any other law to be paid into or credited to this account.

19 (d) Monies of the opioid stewardship fund shall be available to provide opioid treatment,  
20 recovery, prevention, education services, and other related programs, subject to appropriation by  
21 the general assembly.

22 (e) The budget officer is hereby authorized to create restricted receipt accounts entitled  
23 "opioid stewardship fund allocation" in any department or agency of state government wherein  
24 monies from the opioid stewardship fund are appropriated by the general assembly for the  
25 programmatic purposes set forth in subsection (d) of this section.

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

28 **35-3-24. Control of state spending.**

29 (a) All department and agency heads and their employees are responsible for ensuring that  
30 financial obligations and expenditures for which they have responsibility do not exceed amounts  
31 appropriated and are spent in accordance with state laws.

32 (b) Persons with the authority to obligate the state contractually for goods and services shall  
33 be designated in writing by department and agency heads.

1 (c) In the event of an obligation, encumbrance, or expenditure in excess of [general revenue](#)  
2 amounts appropriated, the department or agency head with oversight responsibility shall make a  
3 written determination of the amount and the cause of the overobligation or overexpenditure, the  
4 person(s) responsible, and corrective actions taken to prevent reoccurrence. The plan of corrective  
5 actions contained within the report shall detail an appropriate plan to include, but not limited to,  
6 such issues as the implementation of waiting lists, pro-rata reduction in payments and changes in  
7 eligibility criteria as methods to address the shortfall. The report will be filed within thirty (30)  
8 days of the discovery of the overobligation or overexpenditure with the budget officer, the  
9 controller, the auditor general, and the chairpersons of the house and senate finance committees.

10 (d) In the event a quarterly report demonstrates an obligation, encumbrance, or expenditure in  
11 excess of [general revenue](#) amounts appropriated [in total to the department](#), the department or  
12 agency head with oversight responsibility shall file monthly budget reports with the chairpersons  
13 of the house and senate finance committees for the remainder of the fiscal year. The monthly  
14 budget reports shall detail steps taken towards corrective actions and other measures to bring  
15 spending in line with appropriations. In addition, the budget officer and controller shall ensure  
16 that the department's or agency's obligations, encumbrances, and expenditures for the remainder  
17 of the fiscal year result in the department or agency ending the fiscal year within amounts  
18 appropriated.

19 (e) The controller shall not authorize payments [from general revenue](#) for additional staff,  
20 contracts, or purchases [beyond service levels provided in the previous fiscal year or one-time](#)  
21 [purchases of equipment or supplies](#) for any department or agency not projected to end a fiscal  
22 year within amounts appropriated unless [the payments are](#) necessitated by immediate health and  
23 safety reasons [or to be consistent with a corrective action plan](#), which shall be documented upon  
24 discovery and reported, along with anticipated or actual expenditures, to the chairpersons of the  
25 house and senate finance committees within fifteen (15) days.

26 (f) A state employee who has knowingly and willingly encumbered, obligated, or authorized  
27 the expenditure of state funds in excess of amounts appropriated for those purposes or entered  
28 into contracts without proper authorization may be placed on disciplinary suspension without pay  
29 for up to thirty (30) days in accordance with § 36-4-36.

30 (g) A state employee who knowingly, willfully, and repeatedly authorizes actions resulting in  
31 encumbrances or spending of state funds in excess of amounts appropriated may be fined up to  
32 one thousand dollars (\$1,000) and/or terminated from employment.

33 (h) Upon receipt of any budgetary information indicating an obligation, encumbrance, or  
34 expenditure in excess of the amounts appropriated, the chairperson of the house or senate finance

1 committee may request a written report to be submitted by the director of administration within  
2 ten (10) calendar days. The report shall indicate if the obligation, encumbrance, or expenditure in  
3 excess of the amounts appropriated resulted in any disciplinary action or other penalty in  
4 accordance with subsection (f) or (g) of this section. If not, the report shall explain why no  
5 disciplinary action or other penalty was imposed in accordance with subsection (f) or (g).

6 SECTION 4. Sections 35-4-22.1, 35-4-22.2 and 35-4-27 of the General Laws in Chapter 35-4  
7 entitled "State Funds" are hereby amended to read as follows:

8 **35-4-22.1. Legislative appropriation authority.**

9 (a) An appropriation is an enactment by the General Assembly authorizing the withdrawal of  
10 money from the State treasury. An enactment by the General Assembly that authorizes, specifies,  
11 or otherwise provides that funds may be used for a particular purpose is not an appropriation.

12 ~~(b)~~ (b) No agency shall establish new programs, or expand existing programs, including any  
13 program involving nonstate monies, beyond the scope of those already established, recognized,  
14 and appropriated for by the general assembly until the program and the availability of money is  
15 submitted by the agency to the budget officer for recommendation to the general assembly.

16 ~~(c)~~ (c) No state agency may make expenditures of any restricted or special revenue funds,  
17 whether these monies are received prior to expenditure or as reimbursement, unless these  
18 expenditures are made pursuant to specific appropriations of the general assembly.

19 (d) Additional general revenue shall be deemed to be appropriated in order to:

20 (i) Comply with a court order,

21 (ii) Respond to a declared state of emergency,

22 (iii) Finance programs covered under the caseload estimating conference process set forth in  
23 chapter 35-17 up to the officially adopted estimates in the current fiscal year when the current  
24 appropriations act does not meet the revised estimate subject to the following conditions:

25 (1) Appropriations are made up to current fiscal year revenue availability as agreed to in the  
26 revenue estimating conference process.

27 (2) If there is less revenue availability than the additional caseload need, Medical Assistance  
28 and Federally mandated programs are prioritized for additional appropriations and the remainder  
29 of the additional availability is proportionally assigned to the remaining caseload programs.

30 (e) If the General Assembly enacts changes to the current year appropriations act, those changes  
31 shall override subdivision (iii) of subsection (d) of this section.

32 **35-4-22.2. Use of restricted or special revenue funds.**

33 (a) Any restricted or special revenue funds which are received by a state agency which is not  
34 otherwise appropriated to that state agency by the annual appropriation acts of the regular session



1 of the general assembly are hereby appropriated for that state agency for the purpose set forth,  
2 except that no expenditure shall be made from and no obligation shall be incurred against any  
3 restricted receipts or special revenue fund which has not been previously appropriated or  
4 reappropriated or approved by the governor, the speaker of the house, and the president of the  
5 senate, until that authorization has been transmitted to the state agency to make expenditure  
6 therefrom.

7 (b) State agencies desiring the governor's approval to expend or obligate receipts not  
8 appropriated or reappropriated by the general assembly in the annual appropriation act or  
9 supplemental appropriation act shall forward a request to the state budget officer, who shall  
10 forward a copy to the speaker of the house and the president of the senate.

11 (c) Notwithstanding any law to the contrary, the budget officer is hereby authorized to create  
12 restricted receipt accounts within the budget of any state agency to account for the receipt and  
13 expenditure of either privately donated funds from individuals or corporate entities, funds  
14 received from any nonprofit charitable organization qualifying for exemption under section 501  
15 (c) (3) of the internal revenue code, the proceeds of a multistate settlement administered by the  
16 office of the attorney general, and funds received pursuant to a contract or memorandum of  
17 agreement with a department of another state that are restricted to a specific, time-limited  
18 purpose. Expenditures from these accounts shall remain subject to the provisions of §§ 35-4-22,  
19 35-4-22.1, 35-4-22.2 and 35-4-27.

20 (d) There are hereby established within the general fund of the state five (5) restricted receipt  
21 accounts, three (3) of which are designated as "UHIP Recovery" and two (2) of which are  
22 designated as "UHIP Recovery: Non-UHIP Expenses" for the express purpose of the collection  
23 and disbursement of all cash settlements received by the state from any business concern engaged  
24 in the information technology project known as the Unified Health Infrastructure Project  
25 ("UHIP"). Accounts designated as "UHIP Recovery" shall each be housed within the budgets of  
26 the department of administration, the department of human services, and the executive office of  
27 health and human services. Accounts designated as "UHIP Recovery: Non-UHIP Expenses"  
28 shall be housed in the budget of the department of human services. All restricted-receipt accounts  
29 established in this subsection shall be exempt from the indirect cost recovery provisions of § 35-  
30 4-27.

31 (e) Upon the directive of the controller, with the consent of the auditor general, the budget  
32 officer is hereby authorized to convert any escrow liability account to a restricted receipt account  
33 whenever such conversion has been deemed prudent and appropriate by both the auditor general

1 [and the controller according to generally accepted governmental accounting principles and/or](#)  
2 [specific pronouncements of the governmental accounting standards board \(GASB\).](#)

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  
7 contributions from non-profit charitable organizations; (2) From the assessment of indirect cost-  
8 recovery rates on federal grant funds; or (3) Through transfers from state agencies to the  
9 department of administration for the payment of debt service. These indirect cost recoveries shall  
10 be applied to all accounts, unless prohibited by federal law or regulation, court order, or court  
11 settlement. The following restricted receipt accounts shall not be subject to the provisions of this  
12 section:

13 Executive Office of Health and Human Services

14 Organ Transplant Fund

15 HIV Care Grant Drug Rebates

16 Health System Transformation Project

17 [Health Spending Transparency and Containment Account](#)

18 Department of Human Services

19 Veterans' home – Restricted account

20 Veterans' home – Resident benefits

21 Pharmaceutical Rebates Account

22 Demand Side Management Grants

23 Veteran's Cemetery Memorial Fund

24 Donations – New Veterans' Home Construction

25 Department of Health

26 Pandemic medications and equipment account

27 Miscellaneous Donations/Grants from Non-Profits

28 State Loan Repayment Match

29 Healthcare Information Technology

30 [State-Control Adult Use Marijuana](#)

31 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

32 Eleanor Slater non-Medicaid third-party payor account

33 Hospital Medicare Part D Receipts

34 RICLAS Group Home Operations

- 1 [State-Control Adult Use Marijuana](#)
- 2 Commission on the Deaf and Hard of Hearing
- 3 Emergency and public communication access account
- 4 Department of Environmental Management
- 5 National heritage revolving fund
- 6 Environmental response fund II
- 7 Underground storage tanks registration fees
- 8 De Coppet Estate Fund
- 9 Rhode Island Historical Preservation and Heritage Commission
- 10 Historic preservation revolving loan fund
- 11 Historic Preservation loan fund – Interest revenue
- 12 Department of Public Safety
- 13 E-911 Uniform Emergency Telephone System
- 14 Forfeited property – Retained
- 15 Forfeitures – Federal
- 16 Forfeited property – Gambling
- 17 Donation – Polygraph and Law Enforcement Training
- 18 Rhode Island State Firefighter's League Training Account
- 19 Fire Academy Training Fees Account
- 20 [State-Control Adult Use Marijuana](#)
- 21 Attorney General
- 22 Forfeiture of property
- 23 Federal forfeitures
- 24 Attorney General multi-state account
- 25 Forfeited property – Gambling
- 26 Department of Administration
- 27 OER Reconciliation Funding
- 28 Health Insurance Market Integrity Fund
- 29 RI Health Benefits Exchange
- 30 Information Technology Investment Fund
- 31 Restore and replacement – Insurance coverage
- 32 Convention Center Authority rental payments
- 33 Investment Receipts – TANS
- 34 OPEB System Restricted Receipt Account

- 1 Car Rental Tax/Surcharge-Warwick Share
- 2 Executive Office of Commerce
- 3 Housing Resources Commission Restricted Account
- 4 [Housing Production Fund](#)
- 5 Department of Revenue
- 6 DMV Modernization Project
- 7 Jobs Tax Credit Redemption Fund
- 8 Legislature
- 9 Audit of federal assisted programs
- 10 Department of Children, Youth and Families
- 11 Children's Trust Accounts – SSI
- 12 Military Staff
- 13 RI Military Family Relief Fund
- 14 RI National Guard Counterdrug Program
- 15 Treasury
- 16 Admin. Expenses – State Retirement System
- 17 Retirement – Treasury Investment Options
- 18 Defined Contribution – Administration - RR
- 19 Violent Crimes Compensation – Refunds
- 20 Treasury Research Fellowship
- 21 Business Regulation
- 22 Banking Division Reimbursement Account
- 23 Office of the Health Insurance Commissioner Reimbursement Account
- 24 Securities Division Reimbursement Account
- 25 Commercial Licensing and Racing and Athletics Division Reimbursement Account
- 26 Insurance Division Reimbursement Account
- 27 [State-Control Adult Use Marijuana](#)
- 28 Historic Preservation Tax Credit Account
- 29 Judiciary
- 30 Arbitration Fund Restricted Receipt Account
- 31 Third-Party Grants
- 32 RI Judiciary Technology Surcharge Account
- 33 Department of Elementary and Secondary Education
- 34 Statewide Student Transportation Services Account

- 1 School for the Deaf Fee-for-Service Account
- 2 School for the Deaf – School Breakfast and Lunch Program
- 3 Davies Career and Technical School Local Education Aid Account
- 4 Davies – National School Breakfast & Lunch Program
- 5 School Construction Services
- 6 Office of the Postsecondary Commissioner
- 7 Higher Education and Industry Center
- 8 Department of Labor and Training
- 9 Job Development Fund

10 SECTION 5. Section 42-75-8 of the General Laws in Chapter 42-75 entitled “Council on the  
11 Arts” is hereby amended to read as follows:

12 **42-75-8. Authority of commission.**

13 The commission is authorized and empowered to hold public and private hearings, to enter  
14 into contracts, within the limit of funds available for these contracts, with individuals,  
15 organizations, and institutions for services furthering the objectives of the commission's  
16 programs; to enter into contracts, within the limit of funds available for these contracts, with local  
17 and regional associations for co-operative endeavors furthering the objectives of the commission's  
18 programs; to accept gifts, contributions, and bequests of unrestricted funds from individuals,  
19 foundations, corporations, and other organizations or institutions ~~which shall be deposited as~~  
20 ~~general revenues~~; to make and sign any agreements and to do and perform any acts that may be  
21 necessary to carry out the purposes of this act. The commission may request and shall receive  
22 from any department, division, board, bureau, commission, or agency of the state any assistance  
23 and data that will enable it properly to carry out its powers and duties. The commission may  
24 empanel any advisors that it deems necessary.

25 SECTION 6. This article shall take effect upon passage.

26



1 (4) Have passed an examination approved or administered by the board. The examination  
2 may have been passed before ~~July 1, 2013~~[December 31, 2019](#).

3 SECTION 2. Section 5-65.2-3 of the General Laws in Chapter 5-65.2 entitled “Rhode  
4 Island Well-Drilling, Pump Installers, and Water-Filtration Contractors Licensing Law” is hereby  
5 amended to read as follows:

6 **5-65.2-3. Licensing procedure.**

7 (a) In addition to the provisions of chapter 65 of this title, the contractors' registration and  
8 licensing board is authorized to establish a program to license well-drilling contractors, pump  
9 installers, water-filtration/treatment-system contractors, and water-filtration/treatment-system  
10 installers to ensure persons performing well-drilling work, pump installation, and residential  
11 water-filtration/treatment-system installation as properly qualified to conduct the work. On or  
12 before January 1, 2017, the board shall promulgate regulations to establish a licensing program  
13 that provides for appropriate categories of work to ensure proper qualifications pertaining to the  
14 use of different equipment and approaches to construct, install, repair, alter, or remove wells, well  
15 pumps, water-supply systems, residential water-treatment/supply systems, and water-filtration  
16 systems, and that will allow well-drilling contractors, pump installers, or residential water-  
17 filtration/treatment-system contractors and residential water-filtration/treatment-system installers,  
18 as described herein, to fulfill the relevant requirements of chapter 65 of this title through the  
19 licensing program. Upon promulgation of applicable regulations, the license issued by the board  
20 to a contractor shall serve to fulfill the contractor registration requirements of chapter 65 of this  
21 title.

22 (b) Pursuant to board regulations, all persons seeking to be licensed as a well-drilling  
23 contractor, pump installer, residential water-filtration/treatment-system contractor, or residential  
24 water-filtration/treatment-system installer as defined herein shall submit an application to the  
25 contractors' registration and licensing board on the form or forms that the board requires. As  
26 specified by the board, the application shall include the following information:

27 (1) The name of the applicant;

28 (2) The business address of the applicant;

29 (3) The mailing address of the applicant;

30 (4) The telephone number of the applicant;

31 (5) Any registration number and/or other license numbers issued by the state, or any city  
32 or town;

33 (6) A statement of the skills, training, and experience of the applicant sufficient to ensure  
34 public safety, health and welfare; and

1 (7) Agent of service for out-of-state contractors.

2 (c) To be eligible for licensure as a well-drilling contractor, pump installer, residential  
3 water-filtration/treatment-system contractor, or residential water-filtration/treatment-system  
4 installer, an applicant shall also fulfill the following requirements:

5 (1) Be of good moral character;

6 (2) Pass appropriate examinations approved or administered by the contractors'  
7 registration and licensing board, unless otherwise exempted in accordance with § 5-65-3(g), and  
8 has met all the requirements of the rules and regulations established by the board;

9 (3) Be in good standing with the contractors' registration and licensing board;

10 (4) Take five (5) hours continuing education per year as set forth and recognized by the  
11 contractors' registration and licensing board.

12 (d) The contractors' registration and licensing board is authorized to adopt rules and  
13 regulations pursuant to the Administrative Procedures Act, chapter 35 of title 42, necessary to  
14 effectuate the purpose of this chapter. Rules and regulations shall provide a fine schedule, which  
15 will establish grounds for discipline for license holders or non-licensed contractors. Fines shall be  
16 structured not to exceed five thousand (\$5,000) dollars per day, per offense for conduct injurious  
17 to the welfare of the public, as well as those required pursuant to § 5-65-10.

18 (e) Any person applying for a license or registration and making any material  
19 misstatement as to his or her experience or other qualifications, or any person, firm, or  
20 corporation subscribing to or vouching for any misstatement, shall be subject to the discipline and  
21 penalties provided in § 5-65-10.

22 (f) No corporation, firm, association, or partnership shall engage in the business of well  
23 drilling, pump installation, water-filtration/treatment-system contracting, or represent itself as a  
24 well-drilling contractor, pump installer, or water-filtration/treatment-system contractor, unless a  
25 licensed well-drilling contractor, pump installer, or water-filtration/treatment-system contractor,  
26 as provided in this chapter, is continuously engaged in the supervision of its well-drilling, pump-  
27 installing, or water-filtration/treatment-system contracting work. If the license holder dies or  
28 otherwise becomes incapacitated, the corporation, firm, or association shall be allowed to  
29 continue to operate until the next examination shall be given or such times as the board shall see  
30 fit. In no event, shall the corporation, firm, association, or partnership continue to operate longer  
31 than twelve (12) months or in accordance with the board's established rules and regulations  
32 without satisfying the license requirements of this chapter.

33 (g) Those well-drilling contractors who were previously registered with the department of  
34 environmental management, and remain in good standing as of December 31, ~~2012~~,[2017](#) and that



1 were previously exempted from fulfilling the testing requirements required for registration by the  
2 department, shall also be exempt from the testing requirements set forth in this chapter.

3 (h) Prior to ~~January 1, 2018~~ July 1, 2020, the authority shall, without examination, upon  
4 receipt of the fees required in this chapter, issue through the contractors' registration and licensing  
5 board a residential water-filtration/treatment-system installer's license to any applicant who shall  
6 present satisfactory evidence that they have the qualifications for the type of license applied for.  
7 On or After after January 1, 2018July 1, 2020, in order to qualify for a residential water-  
8 filtration/treatment installer's license the eligible individual shall be required to pass a written  
9 examination and show proof as required by the contractors' registration and licensing board of  
10 their eligibility.

11 (i) Satisfactory evidence shall be any of the following that is applicable:

12 (1) The applicant must have been employed by a contractor registered with the  
13 contractors' registration and licensing board to do business designating water-filtration/treatment-  
14 system installation and/or service as a service provided for the previous one year and been  
15 actively engaged in the installation and servicing of water-filtration/treatment systems during that  
16 time period; or

17 (2) ~~Notarized confirmation~~ Signed statements by three (3) water-filtration/treatment-  
18 system contractors that the applicant has the requisite training and experience to be licensed under  
19 this act.

20 (j) Prior to ~~January 1, 2018~~July 1, 2020, the authority shall, without examination, upon  
21 receipt of the fees required in this chapter, issue through the contractors' registration and licensing  
22 board, a residential water-filtration/treatment-system contractor's license to any applicant who  
23 shall present satisfactory evidence that they have the qualifications for the type of license applied  
24 for. On or After after January 1, 2018July 1, 2020, in order to qualify for a residential water-  
25 filtration/treatment-system contractor's license, the eligible contractor shall be required to pass a  
26 written examination and show proof, as required by the contractors' registration and licensing  
27 board, of their eligibility.

28 (k) Satisfactory evidence shall be any of the following that is applicable:

29 (1) The owner or owners of an enterprise must have been active in water filtration for the  
30 previous two (2) years; or

31 (2) The contractor has been previously registered with the contractors' registration and  
32 licensing board to do business designating water-filtration/treatment system installation and/or  
33 service as a provided service; or

1 (3) ~~Notarized confirmation~~ Signed Statements by three (3) water-filtration/treatment-  
2 system contractors that the applicant has the requisite training and experience to be licensed under  
3 this chapter.

4 SECTION 3. Section 5-73-3 of the General Laws in Chapter 5-73 entitled "Roofing  
5 Contractors" is hereby amended to read as follows:

6 **5-73-3. Registration and licensing of roofing contractors.**

7 (a) All roofing contractors, in addition to the requirements of chapter 65 of this title entitled  
8 "Contractor's Registration and Licensing Board," if applicable, prior to conducting roofing  
9 business in the state of Rhode Island, shall first submit an application to and be licensed by the  
10 contractor registration and licensing board on the form or forms that the board requires. The  
11 application shall include the following information:

12 (1) The name of the applicant;

13 (2) The business address of the applicant;

14 (3) The mailing address of the applicant;

15 (4) The telephone number of the applicant;

16 (5) The name of the party or officer who shall be responsible for all roofing activities  
17 conducted in the state of Rhode Island;

18 (6) Any registration number and/or other license numbers issued by the state, or any city or  
19 town; and

20 (7) A statement of the skills, training and experience of the applicant sufficient to ensure  
21 public safety, health and welfare.

22 (b) Licensing requirements shall not apply to roofing contractors applying shingles only.

23 (c) To be eligible for licensure as a roofing contractor an applicant shall also fulfill the  
24 following requirements:

25 (1) Be of good moral character;

26 (2) Pass an examination approved or administered by the contractors' registration board or  
27 has previously been registered as a commercial roofer in good standing and has met all the  
28 requirements of the rules and regulations established by the board;

29 (3) Be in good standing with the contractors' registration and licensing board;

30 (4) All field personnel of the roofing contractor must have a current certificate of completion  
31 of the ten (10) hours OSHA safety course or equivalent thereof as determined by the contractors'  
32 registration and licensing board;

33 (5) Take ten (10) hours continuing roofing education per two-year licensing cycle as set forth  
34 and recognized by the contractors' registration board; and

1 ~~(6) Be bonded in the aggregate amount of the total dollar value of any contract entered~~  
2 ~~into to perform roofing work, single project in the amount of one hundred thousand dollars~~  
3 ~~(\$100,000) minimum; and~~

4 (7) Provide the board with an insurance certificate in the amount of ~~one million five hundred~~  
5 ~~thousand dollars (\$1,500,000)~~ two million (\$2,000,000) dollars per occurrence pursuant to the  
6 established rules and regulations, with the board as the holder, from the date of issuance,  
7 continuously.

8 (d)(1) The contractors' registration and licensing board is authorized to adopt rules and  
9 regulations pursuant to the Administrative Procedures Act, chapter 35 of title 42, necessary to  
10 effectuate the purposes of this chapter.

11 (2) Rules and regulations shall provide a fine schedule, which will establish grounds for  
12 discipline for licensee holders or non-licensed contractors.

13 (3) Fines shall be structured not to exceed five thousand dollars (\$5,000) per day per offense  
14 for conduct injurious to the welfare of the public as well as those required pursuant to § 5-65-10.

15 (e) Any person applying for a license or registration and making any material misstatement as  
16 to his or her experience or other qualifications, or any person, firm, or corporation subscribing to  
17 or vouching for any misstatement shall be subject to the discipline and penalties provided in § 5-  
18 65-10.

19 (f) No corporation, firm, association, or partnership shall engage in the business of  
20 commercial roofing or represent itself as a commercial roofing contractor unless a licensed  
21 commercial roofer as provided in this chapter is continuously engaged in the supervision of its  
22 commercial roofing work, provided that the commercial roofer is a general partner or an officer  
23 and shareholder in the firm or corporation. If the license holder dies or otherwise becomes  
24 incapacitated, the corporation, firm, or association shall be allowed to continue to operate until  
25 the next examination shall be given or such times as the board shall see fit. In no event, shall the  
26 corporation, firm, association, or partnership continue to operate longer than twelve (12) months  
27 or in accordance with the board's established rules and regulations without satisfying the license  
28 requirements of this chapter. Those roofers who have been registered with the board on July 1,  
29 ~~2003~~2015, and remain in good standing, shall be exempt from the testing requirements set forth  
30 in this chapter.

31 (g) Complaints filed with the board shall be heard only in regard to those issues so  
32 established in the rules and regulations.

33 SECTION 4. Section 12-19-34 of the General Laws in Chapter 12-19 entitled "Sentence and  
34 Execution" is hereby amended to read as follows:

1 12-19-34. Priority of restitution payments to victims of crime.

2 (a)(1) If a person, pursuant to §§ 12-19-32, 12-19-32.1, or 12-19-33, is ordered to make  
3 restitution in the form of monetary payment the court may order that it shall be made through  
4 the administrative office of state courts which shall record all payments and pay the money to  
5 the person injured in accordance with the order or with any modification of the order;  
6 provided, in cases where the court determines that the defendant has the present ability to  
7 make full restitution, payment shall be made at the time of sentencing.

8 (2) Payments made on account when both restitution to a third-party is ordered, and court  
9 costs, fines, and fees, and assessments related to prosecution are owed, shall be disbursed by  
10 the administrative office of the state courts in the following priorities:

11 (i) ~~Upon determination of restitution, Court costs related to prosecution court ordered~~  
12 ~~restitution payments~~ shall be paid first ~~to persons injured until such time as the court's~~  
13 ~~restitution is fully satisfied~~ until such time as these payments are made in full;

14 (ii) Followed by ~~the payment of court costs, fines, fees, and assessments related to~~  
15 ~~prosecution~~ court ordered restitution payments to persons injured until such time as the court  
16 ordered restitution is fully satisfied.

17 (iii) Followed by the payment of court fines, fees, and assessments related to prosecution.

18 (3) Notwithstanding any other provision of law, any interest which has been accrued by the  
19 restitution account in the central registry shall be deposited on a regular basis into the crime  
20 victim compensation fund, established by chapter 25 of this title. In the event that the office  
21 of the administrator of the state courts cannot locate the person or persons to whom restitution  
22 is to be made, the principal of the restitution payment shall escheat to the state pursuant to the  
23 provisions of chapter 12 of title 8.

24 (b) The state is authorized to develop rules and/or regulations relating to assessment,  
25 collection, and disbursement of restitution payments when any of the following events occur:

26 (1) The defendant is incarcerated or on home confinement or has completed probation  
27 without completing restitution but is able to pay some portion of the restitution; or

28 (2) The victim dies before restitution payments are completed.

29 (c) The state may maintain a civil action to place a lien on the personal or real property of a  
30 defendant who is assessed restitution, as well as to seek wage garnishment, and/or seek  
31 enforcement of civil judgment entered in accordance with § 12-28-5.1 consistent with state  
32 and federal law.

1 SECTION 5. Section 21-28-5.04 of the General Laws in Chapter 21-28 entitled "Uniform  
2 Controlled Substance Act" is hereby amended to read as follows:

3 **21-28-5.04. Forfeiture of property and money.**

4 (a) Any property, real or personal, including, but not limited to, vessels, vehicles, or  
5 aircraft, and money or negotiable instruments, securities, or other things of value or any property  
6 constituting, or derived from any proceeds, furnished, or intended to be furnished, by any person  
7 for the transportation of, or in exchange for, a controlled substance and that has been, or is being  
8 used, in violation of § 21-28-4.01(a) or 21-28-4.01(b) or in, upon, or by means of which any  
9 violation of §§ 21-28-4.01(a) or 21-28-4.01(b) or §§ 21-28-4.01.1 or 21-28-4.01.2 or 21-28-4.08  
10 has taken, or is taking place, and all real property including any right, title, and interest in the  
11 whole of any lot or tract of land and any appurtenances or improvements that is used in the  
12 commission of a violation of §§ 21-28-4.01(a) or 21-28-4.01(b) or §§ 21-28-4.01.1 or 21-28-  
13 4.01.2 or 21-28-4.08, or that was purchased with funds obtained as a result of the commission of  
14 a violation of §§ 21-28-4.01(a) or §§ 21-28-4.01(b) or §§ 21-28-4.01.1 or 21-28-4.01.2 or 21-28-  
15 4.08, shall be seized and forfeited; provided that no property or money, as enumerated in this  
16 subsection, used by any person shall be forfeited under the provisions of this chapter unless it  
17 shall appear that the owner of the property or money had knowledge, actual or constructive, and  
18 was a consenting party to the alleged illegal act. All moneys, coin and currency, found in close  
19 proximity to forfeitable controlled substances, to forfeitable drug manufacturing or distributing  
20 paraphernalia, or to forfeitable records of the importation, manufacture, or distribution of  
21 controlled substances, are presumed to be unlawfully furnished in exchange for a controlled  
22 substance or used in violation of this chapter. The burden of proof is upon claimants of the  
23 property to rebut this presumption.

24 (b) Property taken or detained under this section shall not be repleviable, but shall be  
25 deemed to be in the custody of the law enforcement agency making the seizure and whenever  
26 property or money is forfeited under this chapter it shall be utilized as follows:

27 (1) Where the seized property is a vessel, vehicle, aircraft, or other personal property it  
28 may be retained and used by the law enforcement agency that seized the property where the use  
29 of the property is reasonably related to the law enforcement duties of the seizing agency. If the  
30 seized property is a motor vehicle that is inappropriate for use by the law enforcement agency due  
31 to style, size, or color, the seizing agency shall be allowed to apply the proceeds of sale or the  
32 trade-in value of the vehicle towards the purchase of an appropriate vehicle for use in activities  
33 reasonably related to law enforcement duties.

1 (2) The law enforcement agency may sell any forfeited property not required by this  
2 chapter to be destroyed and not harmful to the public. The proceeds from the sale are to be  
3 distributed in accordance with subdivision (3) of this subsection.

4 (3) As to the proceeds from the sale of seized property as referred to in subdivision (2) of  
5 this subsection, and as to moneys, coin and currency, negotiable instruments, securities, or other  
6 things of value as referred to in subsection (a) of this section, the distribution shall be as follows:

7 (i)(A) All proceeds of the forfeiture of real or personal property shall be distributed as  
8 follows: All costs of advertising administrative forfeitures shall first be deducted from the amount  
9 forfeited. Of the remainder, twenty percent (20%) of the proceeds shall be provided to the  
10 attorney general's department to be used for further drug-related law enforcement activities  
11 including, but not limited to, investigations, prosecutions, and the administration of this chapter;  
12 seventy percent (70%) of the proceeds shall be divided among the state and local law  
13 enforcement agencies proportionately based upon their contribution to the investigation of the  
14 criminal activity related to the asset being forfeited; and ten percent (10%) of the proceeds shall  
15 be provided to the department of ~~health~~ [behavioral healthcare, developmental disabilities and](#)  
16 [hospitals](#) for distribution to substance abuse [prevention and](#) treatment programs.

17 (B) The law enforcement agencies involved in the investigation, with the assistance of the  
18 attorney general, shall by agreement determine the respective proportionate share to be received  
19 by each agency. If the agencies are unable to reach agreement, application shall be made by one  
20 or more of the agencies involved to the presiding justice of the superior court who shall determine  
21 the respective proportionate share attributable to each law enforcement agency. The proceeds  
22 from all forfeitures shall be held by the general treasurer in a separate account until such time as  
23 an allocation is determined by agreement of the agencies or by the presiding justice. It shall be the  
24 duty and responsibility of the general treasurer to disburse the allocated funds from the separate  
25 account to the respective law enforcement agencies.

26 (ii) Each state or local law enforcement agency shall be entitled to keep the forfeited  
27 money or the proceeds from sales of forfeited property. The funds shall be used for law  
28 enforcement purposes and investigations of violations of this chapter. The funds received by a  
29 state law enforcement agency shall be maintained in a separate account by the general treasurer.  
30 The funds received by a local law enforcement agency shall be maintained in a separate account  
31 by the local agency's city or town treasurer.

32 (c)(1) There is established in the state's treasury a special fund to be known as the asset  
33 forfeiture fund in which shall be deposited the excess proceeds of forfeitures arising out of  
34 criminal acts occurring before July 1, 1987. The asset forfeiture fund shall be used to fund drug-

1 related law enforcement activity and the treatment and rehabilitation of victims of drug abuse.  
2 The fund shall be administered through the office of the general treasurer. The presiding justice of  
3 the superior court shall have the authority to determine the feasibility and amount of disbursement  
4 to those state or local law enforcement agencies that have made application.

5 (2) Upon the application of any law enforcement agency of the state of Rhode Island,  
6 when a special need exists concerning the enforcement of the provisions of this chapter, the  
7 attorney general, or his or her designee, may apply to the presiding justice of the superior court  
8 for the release from the general treasury of sums of money. When the presiding justice upon  
9 consideration of the reasons set forth by that agency deems them to be reasonable and necessary  
10 to the accomplishment of a goal within the powers and duties of that law enforcement agency, he  
11 or she may issue an order ex parte providing for the release of the funds.

12 (d) Each law enforcement agency making any seizure(s) that result(s) in a forfeiture  
13 pursuant to this section shall certify and file with the state treasurer between January 1 and  
14 January 30 an annual report detailing the property or money forfeited during the previous  
15 calendar year and the use or disposition of the property or money. The report shall be made in the  
16 form and manner as may be provided or specified by the treasurer and these annual law  
17 enforcement agency reports shall be provided to the local governmental body governing the  
18 agency and to the house and senate judiciary committees.

19 (e) Any law enforcement agency whose duty it is to enforce the laws of this state relating  
20 to controlled substances is empowered to authorize designated officers or agents to carry out the  
21 seizure provisions of this chapter. It shall be the duty of any officer or agent authorized or  
22 designated, or authorized by law, whenever he or she shall discover any property or monies that  
23 have been, or are being, used in violation of any of the provisions of this chapter, or in, upon, or  
24 by means of which any violation of this chapter has taken or is taking place, to seize the property  
25 or monies and to place it in the custody of the person as may be authorized or designated for that  
26 purpose by the respective law enforcement agency pursuant to those provisions.

27 (f) For purposes of this section and § 30-14-2 only, the Rhode Island national guard shall  
28 be deemed a law enforcement agency eligible to participate in the forfeiture of money and assets  
29 seized through counterdrug operations in which members of the guard support federal, state or  
30 municipal efforts.

31 SECTION 6. Effective January 1, 2021, section 31-10.3-20 of the General Laws in  
32 Chapter 31-10.3 entitled "Rhode Island Uniform Commercial Driver's License Act" is hereby  
33 amended to read as follows:

34 [31-10.3-20. Fees. \[Effective January 1, 2020.\]](#)

1 The fees charged for commercial licenses, endorsements, classifications, restrictions, and  
2 required examinations shall be as follows:

3 (1) For every commercial operator's first license, thirty dollars (\$30.00);

4 (2) For every renewal of a commercial license, fifty dollars (\$50.00);

5 (3) For every duplicate commercial license, ten dollars (\$10.00);

6 (4) For every duplicate commercial learner's permit, ten dollars (\$10.00);

7 (5) For any change of:

8 (i) Classification(s), ten dollars (\$10.00);

9 (ii) Endorsement(s), ten dollars (\$10.00);

10 (iii) Restriction(s), ten dollars (\$10.00);

11 (6) For every written and/or oral examination, ten dollars (\$10.00);

12 (7) ~~The Rhode Island board of education shall establish fees that are deemed necessary~~  
13 ~~for the Community College of Rhode Island~~ For the division of motor vehicles to administer the  
14 skill test, ~~not to exceed~~ one hundred dollars (\$100);

15 (8) For every commercial learner's permit, sixty dollars (\$60.00).

16 (9) [Deleted by P.L. 2019, ch. 49, § 1 and P.L. 2019, ch. 75, § 1].

17 SECTION 7. Section 40.1-1-13 of the General Laws in Chapter 40.1-1 entitled  
18 "Behavioral Healthcare, Developmental Disabilities and Hospitals" is hereby amended to read as  
19 follows:

20 **40.1-1-13. Powers and duties of the office.**

21 (a) Notwithstanding any provision of the Rhode Island general laws to the contrary, the  
22 department of behavioral healthcare, developmental disabilities and hospitals shall have the  
23 following powers and duties:

24 (1) To establish and promulgate the overall plans, policies, objectives, and priorities for  
25 state substance-abuse education, prevention, and treatment; provided, however, that the director  
26 shall obtain and consider input from all interested state departments and agencies prior to the  
27 promulgation of any such plans or policies;

28 (2) Evaluate and monitor all state grants and contracts to local substance-abuse service  
29 providers;

30 (3) Develop, provide for, and coordinate the implementation of a comprehensive state  
31 plan for substance-abuse education, prevention, and treatment;

32 (4) Ensure the collection, analysis, and dissemination of information for planning and  
33 evaluation of substance-abuse services;



1 (5) Provide support, guidance, and technical assistance to individuals, local governments,  
2 community service providers, public and private organizations in their substance-abuse education,  
3 prevention, and treatment activities;

4 (6) Confer with all interested department directors to coordinate the administration of  
5 state programs and policies that directly affect substance-abuse treatment and prevention;

6 (7) Seek and receive funds from the federal government and private sources in order to  
7 further the purposes of this chapter;

8 (8) To act in conjunction with the executive office of health and human services as the  
9 state's co-designated agency (42 U.S.C. § 300x-30(a)) for administering federal aid and for the  
10 purposes of the calculation of the expenditures relative to the substance-abuse block grant and  
11 federal funding maintenance of effort. The department of behavioral healthcare, developmental  
12 disabilities and hospitals, as the state's substance-abuse authority, will have the sole responsibility  
13 for the planning, policy and implementation efforts as it relates to the requirements set forth in  
14 pertinent substance-abuse laws and regulations including 42 U.S.C. § 300x-21 et seq.;

15 (9) Propose, review, and/or approve, as appropriate, proposals, policies, or plans  
16 involving insurance and managed care systems for substance-abuse services in Rhode Island;

17 (10) To enter into, in compliance with the provisions of chapter 2 of title 37, contractual  
18 relationships and memoranda of agreement as necessary for the purposes of this chapter;

19 (11) To license facilities and programs for the care and treatment of substance abusers  
20 and for the prevention of substance abuse, and provide the list of licensed chemical dependency  
21 professionals (LCDP) and licensed chemical dependency clinical supervisors (LCDCS) (licensed  
22 by the department of health pursuant to chapter 69 of title 5) for use by state agencies including,  
23 but not limited to, the adjudication office of the department of transportation, the district court  
24 and superior court and the division of probation and parole for referral of individuals requiring  
25 substance-use disorder treatment;

26 (12) To promulgate rules and regulations necessary to carry out the requirements of this  
27 chapter;

28 (13) Perform other acts and exercise any other powers necessary or convenient to carry  
29 out the intent and purposes of this chapter;

30 (14) To exercise the authority and responsibilities relating to education, prevention, and  
31 treatment of substance abuse, as contained in, but not limited to, the following chapters: chapter  
32 1.10 of title 23; chapter 10.1 of title 23; chapter 28.2 of title 23; chapter 21.2 of title 16; chapter  
33 21.3 of title 16; chapter 50.1 of title 42; chapter 109 of title 42; chapter 69 of title 5 and § 35-4-  
34 18;

1 (15) To establish a Medicare Part D restricted-receipt account in the hospitals and  
2 community rehabilitation services program to receive and expend Medicare Part D  
3 reimbursements from pharmacy benefit providers consistent with the purposes of this chapter;

4 (16) To establish a ~~RICLAS~~ group home operations restricted-receipt account in the  
5 services for the developmentally disabled program to receive and expend rental income from  
6 ~~RICLAS~~ group clients for group home-related expenditures, including food, utilities, community  
7 activities, and the maintenance of group homes;

8 (17) To establish a non-Medicaid, third-party payor restricted-receipt account in the  
9 hospitals and community rehabilitation services program to receive and expend reimbursement  
10 from non-Medicaid, third-party payors to fund hospital patient services that are not Medicaid  
11 eligible; and

12 (18) To certify recovery housing facilities directly, or through a contracted entity, as  
13 defined by department guidelines, that includes adherence to using National Alliance for  
14 Recovery Residences (NARR) standards. In accordance with a schedule to be determined by the  
15 department, all referrals from state agencies or state-funded facilities shall be to certified houses,  
16 and only certified recovery housing facilities shall be eligible to receive state funding to deliver  
17 recovery housing services.

18 SECTION 8. Section 42-142-8 of the General Laws in Chapter 42-142 entitled  
19 "Department of Revenue" is hereby amended to read as follows:

20 **42-142-8. Collection Unit**

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

25 (b) The director of the department of revenue shall initially implement a pilot program to  
26 assist the agency(ies) with the collection of delinquent debts owed to the state. All state  
27 agencies, including, but not limited to quasi-agencies, boards and commissions, shall begin  
28 participating in the collection unit pilot program no later than October 1, 2020 and shall refer all  
29 eligible debts pursuant to the criteria in paragraph (c) no later than January 31, 2021, unless  
30 prohibited by federal law, rule or regulation. After February 1, 2021, the participating agencies  
31 shall refer all eligible debts to the collection unit within thirty (30) days of eligibility pursuant to  
32 paragraph (c) of this statute. Nothing herein shall prohibit the collection unit from exercising its  
33 discretion in determining whether or not to accept a referred debt.

34 (c) The agency(ies) ~~participating in the pilot program~~ shall refer to the collection unit within

1 the department of revenue, debts owed by delinquent debtors where the nature and amount of  
2 the debt owed has been determined and reconciled by the agency and the debt is: (i) The subject  
3 of a written settlement agreement and/or written waiver agreement and the delinquent debtor has  
4 failed to timely make payments under the agreement and/or waiver and is therefore in violation  
5 of the terms of the agreement and/or waiver; (ii) The subject of a final order, judgment, or  
6 decision of a court of competent jurisdiction, or an agency's final order or decision, and the  
7 debtor has not timely appealed the order, judgment, or decision; or (iii) The subject of a final  
8 order, judgment, or decision of a court of competent jurisdiction and the debtor has not timely  
9 appealed the order, judgment, or decision. The collection unit shall not accept a referral of any  
10 delinquent debt unless it satisfies subsections (c) (i), (ii) or (iii) of this section.

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

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

19 (f) At such time as the agency(ies) refers a delinquent debt to the collection unit, the agency  
20 shall: (i) Represent in writing to the collection unit that it has complied with all applicable state  
21 and federal laws and regulations relating to the collection of the debt, including, but not limited  
22 to, the requirement to provide the debtor with the notice of referral to the collection unit under  
23 subsection (e) of this section; and (ii) Provide the collection unit personnel with all relevant  
24 supporting documentation including, but not limited to, notices, invoices, ledgers,  
25 correspondence, agreements, waivers, decisions, orders, and judgments necessary for the  
26 collection unit to attempt to collect the delinquent debt.

27 (g) The referring agency(ies) shall assist the collection unit by providing any and all  
28 information, expertise, and resources deemed necessary by the collection unit to collect the  
29 delinquent debts referred to the collection unit.

30 (h) Upon receipt of a referral of a delinquent debt from an agency(ies), the amount of the  
31 delinquent debt shall accrue interest at the annual rate of interest established by law for the  
32 referring agency or at an annual rate of 13%, whichever percentage is greater.

33 (i) Upon receipt of a referral of a delinquent debt from the agency(ies), the collection unit  
34 shall provide the delinquent debtor with a "Notice of Referral" advising the debtor that:

1 (1) The delinquent debt has been referred to the collection unit for collection; and

2 (2) The collection unit will initiate, in its names, any action that is available under state law  
3 for the collection of the delinquent debt, including, but not limited to, referring the debt to a  
4 third party to initiate and prosecute said action.

5 (j) Upon receipt of a referral of a delinquent debt from an agency(ies), the director of the  
6 department of revenue shall have the authority to initiate, in its name, any action(s) that are  
7 available under state law for collection of the delinquent debt and may negotiate the terms of a  
8 settlement agreement, including the amount of principal, interest, penalties, and/or fees thereon  
9 and ~~to~~, with or without initiating suit, to settle the delinquent debt. The collection unit shall  
10 have discretion to refer a debt back to the referring agency when the unit deems it appropriate.

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

13 (l) Upon the receipt of payment from a delinquent debtor, whether a full or partial payment,  
14 the collection unit shall disburse ~~/~~ or deposit the proceeds of the payment in the following order:

15 (1) To the appropriate federal account to reimburse the federal government funds owed ~~to~~  
16 ~~them~~ by the state from the funds that are recovered;

17 (2) In the event that less than fifty percent (50%) of the amount collected on the debt is to be  
18 deposited into the general fund as general revenues, the central collections unit shall withhold  
19 fifteen percent (15%) of the collected amount and that amount shall be deposited into the general  
20 fund as general revenues; and

21 ~~(2)~~(3) The balance of the amount collected to the referring agency.

22 (a) Notwithstanding the above, the establishment of a collection unit within the department  
23 of revenue shall be contingent upon an annual appropriation by the general assembly of amounts  
24 necessary and sufficient to cover the costs and expenses to establish, maintain, and operate the  
25 collection unit including, but not limited to, computer hardware and software, maintenance of  
26 the computer system to manage the system, and personnel to perform work within the collection  
27 unit.

28 (b) In addition to the implementation of any pilot program, the collection unit shall comply  
29 with the provisions of this section in the collection of all delinquent debts under this section.

30 (c) The department of revenue is authorized to promulgate rules and regulations as it deems  
31 appropriate with respect to the collection unit.

32 (d) By September 1, 2020, and each year thereafter, the department of revenue shall  
33 specifically assess the performance, effectiveness, and revenue impact of the collections  
34 associated with this section, including, but not limited to, the total amounts referred and

1 collected by each referring agency during the previous state fiscal year to the governor, the  
2 speaker of the house of representatives, the president of the senate, the chairpersons of the house  
3 and senate finance committees, and the house and senate fiscal advisors. The report shall include  
4 the net revenue impact to the state of the collection unit.

5 (e) No operations of a collection unit pursuant to this chapter shall be authorized after June  
6 30, 2021.

7 SECTION 9. Section 45-13-1.1 of the General Laws in Chapter 45-13 entitled “State  
8 Aid” is hereby amended to read as follows:

9 **45-13-1.1. Aid reduced by amounts owed state entities.**

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

21 SECTION 10. Section 45-42-1 of the General Laws in Chapter 45-42 entitled “Emergency  
22 Police Power” is hereby amended to read as follows:

23 **45-42-1. Emergency police power.**

24 (a) When the police chief of a city or town within the state, or his or her designee,  
25 requests emergency police assistance from another city or town police department within the  
26 state, the officers responding to the request shall be subject to the authority of the requesting chief  
27 and have the same authority, powers, duties, privileges, and immunities as a duly appointed  
28 police officer of the city or town making the request, until the requesting chief of police  
29 discharges and releases the assisting police officers to their own city or town departments.

30 (b) Law enforcement officers from out of state shall have limited emergency police  
31 powers to transport, guard, and maintain custody of any person who is arrested out of state but  
32 transported to a Rhode Island medical facility for emergency medical treatment. Prior to entry  
33 into Rhode Island, the out-of-state police department maintaining custody of said arrested person  
34 shall notify the Rhode Island state police of the transport and the site of the emergency medical

1 treatment. The emergency police powers granted shall cease immediately upon the expiration of  
2 eight (8) hours from the time ~~of notification~~ the arrested person is released from the medical  
3 facility, or upon a fugitive-from-justice warrant being executed, whichever shall arise first.

4 SECTION 11. This section shall serve as joint resolution required pursuant to Section 1,  
5 Article XIV of the Constitution of the State of Rhode Island and Providence Plantations.

6 JOINT RESOLUTION

7 TO APPROVE AND PUBLISH AND SUBMIT TO THE ELECTORS A  
8 PROPOSITION OF AMENDMENT TO THE CONSITUTION OF THE STATE –ITEM VETO

9 RESOLVED, That a majority of the members elected to each house of the general  
10 assembly noting therefor, the following amendment to the Constitution of the state be proposed to  
11 the qualified electors of the state for their approval in accordance with the provisions of Article  
12 XIV of the Constitution:

13 ARTICLE IX – OF THE EXECUTIVE POWER

14 **Section 14.** Veto power of governor -- Veto overrides by general assembly -- Acts  
15 effective without action by governor. -- Every bill, resolution, or vote (except such as relate to  
16 adjournment, the organization or conduct of either or both houses of the general assembly, and  
17 resolutions proposing amendment to the Constitution) which shall have passed both houses of  
18 the general assembly shall be presented to the governor. If the governor approves it the  
19 governor shall sign it, and thereupon it shall become operative, but if the governor does not  
20 approve it the governor shall return it, accompanied by the governor's objections in writing to  
21 the house in which it originated, which shall enter the governor's objections in full upon its  
22 journal and proceed to reconsider it. If, after such reconsideration, three-fifths of the members  
23 present and voting in (except for any bill addressing appropriation of money, two-thirds of the  
24 members elected to) that house shall vote to pass the measure, it shall be sent with the  
25 objections, to the other house, by which it shall likewise be reconsidered, and if approved by  
26 three-fifths of the members present and voting in (except for any bill addressing appropriation  
27 of money, two-thirds of the members elected to) that house, it shall become operative in the  
28 same manner as if the governor had approved it, but in such cases the votes of both houses shall  
29 be determined by ayes and nays and the names of the members voting for and against the  
30 measure shall be entered upon the journal of each house, respectively. If the measure shall not  
31 be returned by the governor within six days (Sundays excepted) after it shall have been  
32 presented to the governor the same shall become operative unless the general assembly, by  
33 adjournment, prevents its return, in which case it shall become operative unless transmitted by

1 the governor to the secretary of state, with the governor's disapproval in writing within ten days  
2 after such adjournment.

3 If any bill presented to the governor shall address appropriation of money, the governor  
4 may:

5 (a) Approve or disapprove the entire bill in like manner as the passage of other bills set  
6 forth in this section; or

7 (b) Reduce or eliminate any sum or sums of money appropriated in the bill while  
8 approving other portions of the bill, in which case the portions of the bill approved by the  
9 governor shall become law, and each reduced or eliminated sum of money shall also become law  
10 unless the general assembly reconsiders and separately and individually passes the original sum  
11 according to the rules and limitations prescribed in this section for the passage of other bills over  
12 the governor's veto; and/or

13 (c) Disapprove one or more items or parts of items of the bill (other than sum or sums of  
14 money described in the immediately preceding paragraph (b) of this section), in which case the  
15 portions of the bill approved by the governor shall become law, and each item or part of an item  
16 disapproved by the governor shall not become law unless the general assembly reconsiders and  
17 separately and individually passes the original version of the item or part of an item according to  
18 the rules and limitations prescribed in this section for the passage of other bills over the  
19 governor's veto, provided:

20 (1) That

21 in approving the bill in part, the governor may not create:

22 (i) a new word by rejecting individual letters in the words; or

23 (ii) a new sentence by combining parts or two or more sentences; and

24 (2) Further, that to the extent an item or part of an item disapproved by the governor  
25 constitutes a condition, including but not limited to directing or restricting the use, of an  
26 appropriated fund, the sum corresponding to the specific item of appropriated fund to which the  
27 disapproved condition applies shall not be reduced but shall remain as part of the appropriated  
28 funds.

29 RESOLVED, That this proposition of amendment shall be submitted to qualified electors  
30 for their approval or rejection at the next statewide general election. The voting places in the  
31 several cities and towns shall be kept open during the hours required by law for voting therein for  
32 general officers of the state; and be it further

33 RESOLVED, That the secretary of state shall cause this proposition of amendment to be  
34 published in the newspapers of the state prior to the date of the meetings of qualified electors; and

1 this proposition of amendment shall be inserted in notices to be issued prior to the meetings of  
2 qualified electors for the purpose of warning the town, ward, or district meetings, and this  
3 proposition of amendment shall be read by the town, ward, or district meetings to be held as  
4 aforesaid; and be it further

5         RESOLVED, That the town, ward, and district meetings to be held as aforesaid shall be  
6 warned, and the list of voters shall be canvassed and made up, and the town, ward, and district  
7 meetings shall be conducted in the same manner as now provided by law for the town, ward, and  
8 district meetings for the election of general officers of the state; and be it further

9         RESOLVED, That upon approval by the qualified electors, this proposition of  
10 amendment shall take effect and amend Section 14 of Article IX of the Constitution of the state  
11 on January 3, 2023.

12         SECTION 12. This article shall take effect upon passage.



1 **ARTICLE 4**

2 **RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS**

3 SECTION 1. This article shall serve as joint resolution required pursuant to Rhode Island  
4 General Law § 35-18-1, *et seq.* and propose legislation related thereto.

5 SECTION 2. *Enterprise Resource Planning Information Technology Improvements*

6 WHEREAS, The funds generated from the sale of State property to be deposited into the  
7 information technology investment fund will be insufficient to fund the Enterprise Resource  
8 Planning system and application upgrades that are required and anticipated by the State in the  
9 immediate future; and

10 WHEREAS, The projects which make up the Enterprise Resource Planning System and  
11 are not able to be financed through the information technology investment fund include, but are  
12 not limited to: department of administration statewide human resources, payroll, grants  
13 management, and financial information software applications; and

14 WHEREAS, Modernizing the existing enterprise software applications will greatly  
15 reduce risk and increase security, enable new capabilities, and address significant repeat audit  
16 findings from the office of the auditor general; and

17 WHEREAS, The total project costs associated with these information technology  
18 improvements are estimated to be seventy three million seven hundred thousand dollars  
19 (\$73,700,000). Of those project costs, eighteen million nine hundred thousand dollars  
20 (\$18,900,000) will be financed from the information technology internal service fund. The  
21 balance of fifty four million eight hundred thousand (\$54,800,000) may be financed through two  
22 series of certificates of participation. Thirty six million three hundred thousand dollars  
23 (\$36,300,000) may be issued in fiscal year 2021 with a term of seven (7) years, and eighteen  
24 million five hundred thousand dollars (\$18,500,000) may be issued in fiscal year 2023 with a  
25 term of seven (7) years. Total debt service on the bonds is not expected to exceed sixty one  
26 million dollars (\$61,000,000) in the aggregate based on an estimated average interest rate of two  
27 and seventy five hundredths percent (2.75%); now, therefore be it

28 RESOLVED, That this general assembly hereby approves financing in an amount not to  
29 exceed fifty four million eight hundred thousand dollars (\$54,800,000) for the provision of  
30 information technology improvements, which includes costs of financing; and be it further

31 RESOLVED, That this joint resolution shall take effect immediately upon its passage by  
32 the General Assembly.

33 SECTION 3. *DCYF Child Welfare Information System Replacement*

1           WHEREAS, The Rhode Island department of children, youth, and families is a  
2 department of the State of Rhode Island, exercising public and essential governmental functions  
3 of the State, created by the General Assembly pursuant to chapter 72 of title 42; and

4           WHEREAS, A new Statewide Automated Child Welfare Information System would be a  
5 comprehensive, automated case management tool that supports child welfare practice. This  
6 information system would be a complete, current accurate and unified case management history  
7 of all children and families served by Rhode Island's Title IV-E. Such modern systems allow  
8 child welfare agencies to respond more adeptly to changes in standards and practices, as well as  
9 provide advanced analytics and data to ensure that children in care are kept safe; and

10           WHEREAS, The current department of children, youth, and families Child Welfare  
11 Information System (RICHIST) is over twenty two (22) years old and relies on dated technology  
12 (Sybase with PowerBuilder). The system has been highly customized over the years and is  
13 difficult to maintain. This technology, as set up today, impedes current child welfare practice  
14 through its lack of configurability, lack of mobile access for workers in the field, and lack of  
15 access to real-time information when making decisions impacting child placement and services.  
16 The system is currently on premise supported by a vendor. This dated technology also makes it  
17 difficult to acquire appropriate technical support to work on the system.); and

18           WHEREAS, The project costs associated with the replacement of RICHIST are estimated  
19 to be twenty eight million dollars (\$28,000,000) and implementation costs would be shared by the  
20 federal government at forty percent (40%) begin in fiscal year 2021.

21           WHEREAS, The total payments on the State's obligation over ten (10) years on the  
22 state's share of seventeen million dollars (\$17,000,000) issuance are projected to be nineteen  
23 million seven hundred thousand dollars (\$19,700,000), assuming an estimated average interest  
24 rate of two and seventy five hundredths percent (2.75%). The payments would be financed within  
25 the department of administration from general revenue appropriations; and

26           WHEREAS, The department of children, youth, and families will be able to leverage  
27 federal funding available to pay for forty percent (40%) of the system implementation costs  
28 during development; now, therefore be it

29           RESOLVED, That this general assembly hereby approves financing in an amount not to  
30 exceed seventeen million dollars (\$17,000,000) for the provision of replacing the department of  
31 children, youth, and families child welfare information system, including costs of financing; and  
32 be it further

33           RESOLVED, That this joint resolution shall take effect immediately upon its passage by  
34 the General Assembly.

1           SECTION 4. *Eleanor Slater Hospital Project-Regan Building Renovation*

2           WHEREAS, The Eleanor Slater Hospital ("Hospital") provides long-term care for  
3 approximately two hundred twenty (220) individuals with complex psychiatric and medical needs  
4 on two campuses: Pastore and Zambarano; and

5           WHEREAS, The Hospital is licensed by the Rhode Island department of health and  
6 accredited triennially by the Joint Commission for the Accreditation of Health Care Organizations  
7 ("JCAHO") that enables it to bill Medicare, Medicaid, and commercial insurances for the care it  
8 provides; and

9           WHEREAS, The Hospital generates approximately fifty five million dollars  
10 (\$55,000,000) in revenue annually; and

11           WHEREAS, The Eleanor Slater Hospital at Pastore Center has patients with psychiatric  
12 needs who are currently in three buildings (Benton, Regan and Adolph Meyer) of which Regan  
13 and Adolph Meyer are older buildings that have not been renovated in many years; and have  
14 been cited by the JCAHO for a significant number of ligature risks that exist; and

15           WHEREAS, In January 2017, the Center for Medicare and Medicaid Services ("CMS")  
16 published standards designed to address the increased number of suicides and suicide attempts in  
17 hospitals; such standards required significant renovations to reduce ligature risks on inpatient  
18 psychiatric units; and

19           WHEREAS, In September 2017, JCAHO performed its triennial survey, identified  
20 significant ligature risks at the Pinel, Regan and the Adolph Meyer Buildings and as a result, gave  
21 the Hospital a conditional accreditation, requiring it to submit a remedial action plan to address  
22 the ligature risks in all three buildings; and

23           WHEREAS, The Regan and the Adolph Meyer Buildings currently do not meet JCAHO  
24 and CMS requirements and a loss of accreditation for failure to meet the submitted plan could  
25 lead to the loss of approximately fifty five million dollars (\$55,000,000) in annual revenue; and

26           WHEREAS, The Hospital submitted a plan to JCAHO to renovate both the Benton  
27 Center and the Regan Building, and to close the Pinel and Adolph Meyer Buildings, thus enabling  
28 it to achieve full accreditation; and

29           WHEREAS, The Hospital has completed renovations at the Benton Center converting it  
30 to a forensic psychiatric hospital and closed the Pinel building; and

31           WHEREAS, A renovation of the Adolph Meyer Building is not feasible and not  
32 financially prudent due to the magnitude of renovations required to achieve compliance; and

33           WHEREAS, The Regan Building is newer, has fewer ligature risks and has two floors  
34 currently not housing patients; and

1           WHEREAS, There are significant ligature risks that exist in Adolph Meyer and the  
2 current size of the units are twelve (12) to fifteen (15) beds which are too small to be efficient in  
3 hospitals, while the size of the patient care units in Regan are twenty-four (24) to twenty-eight  
4 (28) beds - more typical of patient care units today; and

5           WHEREAS, Closing the Adolph Meyer Building will enable the Hospital to reduce  
6 operating costs and address the deficiencies cited by the JCAHO; and

7           WHEREAS, The current Regan facility is underutilized and can accommodate additional  
8 bed capacity once renovations are complete; and

9           WHEREAS, To accommodate the remaining psychiatric patients from the Adolph Meyer  
10 Building, the Regan building requires extensive renovations to meet the current building  
11 standards for psychiatric inpatient units, including requirements for ligature resistant features,  
12 program areas, step down areas, quiet rooms, restraint rooms and private rooms that currently do  
13 not exist in the Regan or the Adolph Meyer Buildings; and

14           WHEREAS, The renovated Regan facility will have a total of one hundred six (106) beds  
15 with larger inpatient units and program space within the units, allowing the closure of Adolph  
16 Meyer, thus enabling the Hospital to reduce operating costs and develop programs to assist  
17 patients in their recovery and ultimate discharge; and

18           WHEREAS, Due to its age and deferred maintenance, the Regan Building requires  
19 significant infrastructure upgrades including: elevator replacement, masonry and envelope leak  
20 repair, and a roof replacement with an estimated total cost of nineteen million dollars  
21 (\$19,000,000); and

22           WHEREAS, The capital costs associated with this project are estimated to be sixty one  
23 million, eight hundred fifty thousand dollars (\$61,850,000). This includes twenty seven million  
24 eight hundred fifty thousand dollars (\$27,850,000) from the Rhode Island Capital Plan Fund for  
25 the renovation of the Benton and Regan Buildings and twenty two million (\$22,000,000) from a  
26 previous authorization of Certificates of Participation and a new issuance of Certificates of  
27 Participation totaling twelve million dollars (\$12,000,000) to finance the Regan Building  
28 renovations. Total lease payments over fifteen (15) years on the new \$12,000,000 issuance are  
29 projected to be fourteen million eight hundred thousand (\$14,800,000), assuming an estimated  
30 average interest rate of two and seventy five hundredths percent (2.75%). The lease payments  
31 would be financed within the department of administration from general revenue appropriations;  
32 now, therefore be it

1           RESOLVED, That a renovation of the Regan Building as part of Eleanor Slater Hospital,  
2 is critical to provide patients with an environment that meets current building standards for  
3 psychiatric hospitals and to meet CMS and JCAHO accreditation requirements; and be it further

4           RESOLVED, This General Assembly hereby approves the issuance of certificates of  
5 participation in an amount not to exceed twelve million dollars (\$12,000,000) for the renovation  
6 of the Regan Building, including costs of financing, as part of the Eleanor Slater Hospital; and be  
7 it further

8           RESOLVED, That this joint resolution shall apply to bonds issued within five (5) years  
9 of the date of passage of this resolution; and be it further

10          RESOLVED, That this joint resolution shall take effect upon passage by this general  
11 assembly.

12          SECTION 5. *Department of Public Safety – Southern Barracks*

13          WHEREAS, After Master Planning Services for facilities operated, controlled and  
14 occupied by the Rhode Island state police (“Division”) and Feasibility Study Services for the  
15 Wickford, Hope Valley and Portsmouth Barracks was conducted; and

16          WHEREAS, The Master Planning Committee comprised of contracted Architectural &  
17 Engineering Design Services, members of Rhode Island state police, the division of capital asset  
18 management and maintenance, and the office of management and budget collaborated; and

19          WHEREAS, The Master Plan and Feasibility Study indicates that the improvements of  
20 the current Wickford, Hope Valley and Portsmouth Barracks are not feasible as they were built in  
21 the 1930s, are undersized, are no longer located along the main thoroughfares of the State, are in  
22 poor condition with environmental health issues, are not Americans with Disability Act (ADA)  
23 and code compliant, have inadequate security and technology infrastructure and are expensive to  
24 operate and maintain; and,

25          WHEREAS, The Master Plan recommends consolidation of services provided by the  
26 Wickford, Hope Valley and Portsmouth barracks by constructing one consolidated modern  
27 southern barracks at approximately thirty eight thousand (38,000) square feet to accommodate  
28 eighty (80) sworn Division personnel located in a centralized area of the State best suitable for  
29 deployment of personnel and accessibility to citizens and motorists; and

30          WHEREAS, The project costs associated with the construction of a new, modern  
31 southern barracks for the Division are estimated to be thirty five million dollars (\$35,000,000).  
32 The total payments on the State’s obligation over fifteen (15) years are projected to be forty three  
33 million two hundred thousand dollars (\$43,200,000), assuming an estimated average interest rate

1 of two and seventy five hundredths percent (2.75%). The payments would be financed within the  
2 department of administration from general revenue appropriations; now, therefore, be it

3 RESOLVED, That the General Assembly hereby approves financing in an amount not to  
4 exceed thirty five million dollars (\$35,000,000) for the provision of financing for construction of  
5 a southern barracks including costs of financing at the site determined to be best suitable by the  
6 Master Plan Committee; and be it further

7 RESOLVED, That this Joint Resolution shall take effect immediately upon its passage by  
8 this General Assembly.

9 SECTION 6. *Joint Resolution and Enactment Approving the Financing of Various*  
10 *Department of Transportation Projects*

11 WHEREAS, The Rhode Island department of transportation (“Department”) is a  
12 department of the State of Rhode Island, exercising public and essential governmental functions  
13 of the State, created by the general assembly pursuant to chapter 13 of title 42 (as enacted,  
14 reenacted and amended, the "Act"); and

15 WHEREAS, The State recognizes that the Henderson Bridge and other facilities of or  
16 within the control of the Department are an essential part of the State's transportation system and  
17 facilitates the tourism industry; and it is the policy of the State that the public welfare and the  
18 further economic development and the prosperity of the state requires the maintenance of such  
19 facilities and the financing thereof; and

20 WHEREAS, The United States Department of Transportation Appropriations Act, 2019,  
21 title I of division G, Public Law 116-6 includes one-time funding to the State of approximately  
22 seventy million dollars (\$70,000,000) and increases to annual formula funding of approximately  
23 fifteen million dollars (\$15,000,000); and

24 WHEREAS, Obligating federal funds towards infrastructure projects requires State  
25 matching funds; and

26 WHEREAS, Existing State transportation funds are committed to active transportation  
27 infrastructure projects as programmed in the State Transportation Improvement Program; and

28 WHEREAS, The design, construction, equipping and completion of these improvements  
29 will be financed in whole or in part either through revenue bonds issued pursuant to the Motor  
30 Fuel Revenue Bonds Program by the State or through revenue bonds issued pursuant to the Motor  
31 Fuel Revenue Bonds Program by the Rhode Island commerce corporation (“Commerce  
32 Corporation”) or through revenue bonds issued pursuant to the Motor Fuel Revenue Bonds  
33 Program by another agency, instrumentality or quasi-public corporation established by the State  
34 now or hereafter and otherwise authorized and empowered pursuant to law to issue bonds of the

1 type referenced herein for the types of projects enumerated herein, with either issuance having an  
2 expected term of fifteen (15) years; and

3 WHEREAS, Pursuant to § 31-36-20, two cents (\$0.02) per gallon of the motor fuel tax is  
4 transferred to an indenture trustee, administrator, or other third party fiduciary, in an amount not  
5 to exceed two cents (\$0.02) per gallon of the gas tax imposed, in order to satisfy debt service  
6 payments on aggregate bonds issued pursuant to a Joint Resolution and Enactment approving the  
7 financing of various department projects; and

8 WHEREAS, Pursuant to §§ 35-18-3 and 35-18-4 of the Rhode Island Public Corporation  
9 Debt Management Act (as enacted, reenacted and amended, the "Debt Management Act"), the  
10 Department hereby requests the approval by the General Assembly of the issuance of not more  
11 than sixty four million two hundred forty five thousand dollars (\$64,245,000) Motor Fuel  
12 Revenue Bonds with a term not to exceed fifteen (15) years (the "bonds") to be secured by motor  
13 fuel taxes and/or other revenues, for the purpose of providing funds to finance the renovation,  
14 renewal, repair, rehabilitation, retrofitting, upgrading and improvement of the Henderson Bridge,  
15 and other projects authorized under the act, replacement of the components thereof, working  
16 capital, capitalized interest, a debt service reserve and the costs of issuing and insuring the Bonds  
17 ("Project"); and

18 WHEREAS, The Project constitutes essential public facilities directly benefiting the  
19 State; and

20 WHEREAS, The State shall directly benefit economically from the Project by the repair,  
21 maintenance and improvement of the State transportation infrastructure; now, therefore, be it

22 RESOLVED AND ENACTED, That this General Assembly finds that the Henderson  
23 Bridge replacement and other bridge and highway capital projects identified in the State  
24 Transportation Improvement Program are essential public facilities and are of a type and nature  
25 consistent with the purposes and within the powers of the Department to undertake, and hereby  
26 approves the issuance of not more than \$64,245,000 in bonds, which amount is in addition to all  
27 prior authorizations; and be further

28 RESOLVED, That the bonds be issued by the State of Rhode Island or the Commerce  
29 Corporation or a subsidiary thereof or other agency, instrumentality or quasi-public corporation  
30 established by the State now or hereafter and otherwise authorized and empowered pursuant to  
31 law to issue bonds of the type referenced herein for the types of projects enumerated herein and to  
32 incur and pay debt service payments for such bonds in an amount not to exceed eighty two  
33 million four hundred thousand dollars (\$82,400,000) as specified herein for bonds issued for  
34 Henderson Bridge and other bridge and highway capital projects, such debt service payments to

1 be made from the Motor Fuel Tax Allocation, as hereinafter defined, or such other revenue source  
2 as the Rhode Island general assembly shall designate from time to time, for the construction,  
3 design, maintenance, completion, finance costs, including, but not limited to, costs of issuance,  
4 credit enhancement, legal counsel and underwriter fees and expenses and other costs associated  
5 with the Henderson Bridge replacement and other bridge and highway capital projects; and be it  
6 further

7         RESOLVED, That any bonds or notes issued pursuant to Section 6 of this Joint  
8 Resolution and Act shall not constitute "State debt" within the meaning of Article 6, Section 16  
9 of the Rhode Island Constitution and shall be the obligations of only the issuer of such  
10 obligations; and be it further

11         RESOLVED, That the governor of the State of Rhode Island or the director of the Rhode  
12 Island department of transportation or the director of the Rhode Island department of  
13 administration or the president of the Commerce Corporation each be and each hereafter are,  
14 acting singly, authorized and empowered by the Rhode Island general assembly to enter into a  
15 financing lease, guarantee, loan and trust agreement, indenture or other obligations or contracts or  
16 agreements and to take such other actions as such official shall deem necessary or appropriate in  
17 order to issue or facilitate the issuance of bonds referenced herein and to provide the Commerce  
18 Corporation or any subsidiary thereof or other instrumentality, agency or quasi-public corporation  
19 otherwise authorized and empowered to issue the bonds specified in this Joint Resolution and Act  
20 for the projects specified above with the necessary debt service payments up to the amounts  
21 specified above and the necessary security for such bonds consistent with the provisions of this  
22 Joint Resolution and Act, including any action to pledge, assign or otherwise transfer the right to  
23 receive all or any portion of revenues permitted by the laws of the State to secure or provide for  
24 the payment of any such bonds; and be it further

25         RESOLVED, That, this Joint Resolution shall take effect upon passage; and be it further

26         RESOLVED, That any issuance of bonds or notes authorized in the preceding paragraphs  
27 may be effectuated in an aggregate principal amount representing the sum of the authorized State  
28 Match Bonds, and that the Rhode Island General Laws be amended as follows:

29         SECTION 7. Section 31-36-20 of the General Laws in Chapter 31-36 entitled "Motor  
30 Fuel Tax" is hereby amended to read as follows:

31         **31-36-20. Disposition of proceeds.** -- (a) Notwithstanding any other provision of law to  
32 the contrary, all moneys paid into the general treasury under the provisions of this chapter or  
33 chapter 37 of this title, and title 46 shall be applied to and held in a separate fund and be  
34 deposited in any depositories that may be selected by the general treasurer to the credit of the



1 fund, which fund shall be known as the Intermodal Surface Transportation Fund; provided, that in  
2 fiscal year 2004 for the months of July through April six and eighty-five hundredth cents  
3 (\$0.0685) per gallon of the tax imposed and accruing for the liability under the provisions of §  
4 31-36-7, less refunds and credits, shall be transferred to the Rhode Island public transit authority  
5 as provided under § 39-18-21. For the months of May and June in fiscal year 2004, the allocation  
6 shall be five and five hundredth cents (\$0.0505). Thereafter, until fiscal year 2006, the allocation  
7 shall be six and twenty-five hundredth cents (\$0.0625). For fiscal years 2006 through FY 2008,  
8 the allocation shall be seven and twenty-five hundredth cents (\$0.0725); provided, that  
9 expenditures shall include the costs of a market survey of non-transit users and a management  
10 study of the agency to include the feasibility of moving the Authority into the Department of  
11 Transportation, both to be conducted under the auspices of the state budget officer. The state  
12 budget officer shall hire necessary consultants to perform the studies, and shall direct payment by  
13 the Authority. Both studies shall be transmitted by the Budget Officer to the 2006 session of the  
14 General Assembly, with comments from the Authority. For fiscal year 2009, the allocation shall  
15 be seven and seventy-five hundredth cents (\$0.0775), of which one-half cent (\$0.005) shall be  
16 derived from the one cent (\$0.01) per gallon environmental protection fee pursuant to § 46-12.9-  
17 11. For fiscal years 2010 and thereafter, the allocation shall be nine and seventy-five hundredth  
18 cents (\$0.0975), of which of one-half cent (\$0.005) shall be derived from the one cent (\$0.01) per  
19 gallon environmental protection fee pursuant to § 46-12.9-11. One cent (\$0.01) per gallon shall  
20 be transferred to the Elderly/Disabled Transportation Program of the department of human  
21 services, and the remaining cents per gallon shall be available for general revenue as determined  
22 by the following schedule:

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

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

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

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

31 (v) For the months of July through April in fiscal year 2004, one and four-tenths cents  
32 (\$0.014) shall be available for general revenue. For the months of May through June in fiscal year  
33 2004, three and two-tenths cents (\$0.032) shall be available for general revenue, and thereafter,

1 until fiscal year 2006, two cents (\$0.02) shall be available for general revenue. For fiscal year  
2 2006 through fiscal year 2009 one cent (\$0.01) shall be available for general revenue.

3 (2) All deposits and transfers of funds made by the tax administrator under this section,  
4 including those to the Rhode Island public transit authority, the department of human services, the  
5 Rhode Island turnpike and bridge authority, and the general fund, shall be made within twenty-  
6 four (24) hours of receipt or previous deposit of the funds in question.

7 (3) Commencing in fiscal year 2004, the Director of the Rhode Island Department of  
8 Transportation is authorized to remit, on a monthly or less frequent basis as shall be determined  
9 by the Director of the Rhode Island Department of Transportation, or his or her designee, or at the  
10 election of the Director of the Rhode Island Department of Transportation, with the approval of  
11 the Director of the Department of Administration, to an indenture trustee, administrator, or other  
12 third party fiduciary, in an amount not to exceed two cents (\$0.02) per gallon of the gas tax  
13 imposed, in order to satisfy debt service payments on aggregate bonds issued pursuant to a Joint  
14 Resolution and Enactment Approving the Financing of Various Department of Transportation  
15 Projects adopted during the 2003 session [and during the 2020 session](#) of the General Assembly,  
16 and approved by the Governor.

17 (4) Commencing in fiscal year 2015, three and one-half cents (\$0.035) shall be  
18 transferred to the Rhode Island Turnpike and Bridge Authority to be used for maintenance,  
19 operations, capital expenditures and debt service on any of its projects as defined in chapter 12 of  
20 title 24 in lieu of a toll on the Sakonnet River Bridge. The Rhode Island turnpike and bridge  
21 authority is authorized to remit to an indenture trustee, administrator, or other third-party  
22 fiduciary any or all of the foregoing transfers in order to satisfy and/or secure its revenue bonds  
23 and notes and/or debt service payments thereon, including, but not limited to, the bonds and notes  
24 issued pursuant to the Joint Resolution set forth in Section 3 of Article 6 of Chapter 23 of the  
25 Public Laws of 2010. Notwithstanding any other provision of said Joint Resolution, the Rhode  
26 Island turnpike and bridge authority is expressly authorized to issue bonds and notes previously  
27 authorized under said Joint Resolution for the purpose of financing all expenses incurred by it for  
28 the formerly authorized tolling of the Sakonnet River Bridge and the termination thereof.

29 (b) Notwithstanding any other provision of law to the contrary, all other funds in the fund  
30 shall be dedicated to the department of transportation, subject to annual appropriation by the  
31 general assembly. The director of transportation shall submit to the general assembly, budget  
32 office and office of the governor annually an accounting of all amounts deposited in and credited  
33 to the fund together with a budget for proposed expenditures for the succeeding fiscal year in  
34 compliance with §§ 35-3-1 and 35-3-4. On order of the director of transportation, the state

1 controller is authorized and directed to draw his or her orders upon the general treasurer for the  
2 payments of any sum or portion of the sum that may be required from time to time upon receipt  
3 of properly authenticated vouchers.

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

12 SECTION 8. This article shall take effect upon passage.

13

1 **ARTICLE 5**

2 **RELATING TO CAPITAL DEVELOPMENT PROGRAM**

3 SECTION 1. **Proposition to be submitted to the people.** -- At the general election to be  
4 held on the Tuesday next after the first Monday in November 2020, there shall be submitted to  
5 the people ("People") of the State of Rhode Island ("State"), for their approval or rejection, the  
6 following proposition:

7 "Shall the action of the general assembly, by an act passed at the January 2020 session,  
8 authorizing the issuance of bonds, refunding bonds, and temporary notes of the State of Rhode  
9 Island for the capital projects and in the amount with respect to each such project listed below be  
10 approved, and the issuance of bonds, refunding bonds, and temporary notes authorized in  
11 accordance with the provisions of said act?"

12 Project

13 (1) Higher Education Facilities Bond \$117,300,000

14 Approval of this question will allow the State of Rhode Island to issue general obligation  
15 bonds, refunding bonds, and/or temporary notes in an amount not to exceed one hundred seventeen  
16 million three hundred thousand dollars (\$117,300,000) for capital improvements to higher  
17 education facilities, to be allocated as follows:

18 (a) University of Rhode Island Fine Arts Center \$57,300,000

19 Provides fifty-seven million three hundred thousand dollars (\$57,300,000) to fund repairs  
20 and construct a new facility on the University of Rhode Island's Kingston campus in support of the  
21 educational needs for the musical, theatrical, visual, and graphic arts disciplines.

22 (b) Rhode Island College Clarke Science Building Renovation \$38,000,000

23 Provides thirty-eight million dollars (\$38,000,000) to reconstruct Clarke Science  
24 Building on the campus of Rhode Island College. This project will improve the science and  
25 technology laboratories and facilities that support high-demand degree programs critical to the  
26 college's mission of statewide workforce development.

27 (c) Community College of Rhode Island Renovation and Modernization \$12,000,000

28 Provides twelve million dollars (\$12,000,000) to fund restoration and enhancement of  
29 academic and student support spaces and other infrastructure on the four campuses of the  
30 Community College of Rhode Island (CCRI). Funds will go towards modernizing and renovating  
31 facilities, addressing repairs, improving safety and energy efficiency, and replacing outdated  
32 technology and equipment used for teaching and learning.

33 (d) Center for Ocean Innovation \$10,000,000

1 Provides ten million dollars (\$10,000,000) for the development of a Center for Ocean  
2 Innovation in collaboration with the URI Graduate School of Oceanography, promoting cutting  
3 edge education, research and innovation, solidifying Rhode Island’s leadership in the Blue  
4 Economy. The funds will support the construction, renovation, attaining and securing of  
5 facilities/spaces as well as investment in infrastructure and equipment to support the education  
6 and the creation, incubation, exploration, testing, prototyping, piloting, and deployment of  
7 undersea and other maritime technologies to create a “Smart Bay”.

8 (2) Beach, Clean Water and Green Bond \$64,000,000

9 Approval of this question will allow the State of Rhode Island to issue general obligation  
10 bonds, refunding bonds, and/or temporary notes in an amount not to exceed sixty-four million  
11 dollars (\$64,000,000) for environmental and recreational purposes, to be allocated as follows:

12 (a) State Beaches, Parks, and Campgrounds \$35,00,000

13 Provides thirty-five million dollars (\$35,000,000) for major capital improvements to state  
14 beaches, parks, and campgrounds, including the design, development, expansion, and renovation  
15 of new and existing facilities. Improvements may include a new facility at Goddard Park beach;  
16 upgraded facilities including new bathrooms at Roger Wheeler State beach, Scarborough State  
17 beach, Misquamicut State beach, and Brenton Point; and campground improvements including  
18 new bathrooms facilities and utility upgrades.

19 (b) Local Recreation Projects \$4,000,000

20 Provides four million dollars (\$4,000,000) for up to eighty percent (80%) matching grants  
21 for municipalities to acquire, develop, or rehabilitate local recreational facilities to meet the growing  
22 needs for active outdoor recreational facilities.

23 (c) Natural and Working Lands \$3,000,000

24 Provides three million dollars (\$3,000,000) to protect working forest and farm lands  
25 throughout Rhode Island including through the purchase of forest conservation easements, the  
26 purchase of development rights by the Agricultural Lands Preservation Commission, and the State  
27 Farmland Access Program.

28 (d) Clean Water and Drinking Water \$15,000,000

29 Provides fifteen million dollars (\$15,000,000) for clean water and drinking water  
30 infrastructure improvements. Clean water projects include wastewater collection and treatment  
31 upgrades, stormwater resilience improvements, combined sewer overflow initiatives, water  
32 pollution control, and other water quality protection activities. Drinking water projects include  
33 construction of and improvements to water supply, treatment, and distribution infrastructure.

34 (e) Municipal Resiliency \$7,000,000

1 Provides seven million dollars (\$7,000,000) for up to seventy-five percent (75%) matching  
2 grants to municipalities for restoring and/or improving resiliency of infrastructure, vulnerable  
3 coastal habitats, and restoring rivers and stream floodplains. These funds are expected to leverage  
4 significant matching funds to support local programs to improve community resiliency and public  
5 safety in the face of increased flooding, major storm events, and environmental degradation.

6 (3) Housing and Infrastructure Bond \$87,500,000

7 Approval of this question will allow the State of Rhode Island to issue general obligation  
8 bonds, refunding bonds, and/or temporary notes in an amount not to exceed eighty-seven million  
9 five hundred thousand dollars (\$87,500,000) to housing, facility improvement and infrastructure  
10 projects, to be allocated as follows:

11 (a) Housing Opportunity \$25,000,000

12 Provides twenty-five million dollars (\$25,000,000) to increase the availability of affordable  
13 housing through the redevelopment of existing structures and new construction.

14 (b) Port of Davisville Infrastructure at Quonset \$20,000,000

15 Provides twenty million dollars (\$20,000,000) for infrastructure projects that will support  
16 the continued growth and modernization at the Port of Davisville. This investment will finance the  
17 Port master plan, including construction of a new Pier at Terminal Five, the rehabilitation of Pier  
18 One, and dredging. These projects will position Davisville to accommodate offshore wind project  
19 cargo and logistics staging while continuing to support the Port's existing businesses.

20 (c) Industrial Site Development \$21,500,000

21 Provides twenty-one million five hundred thousand dollars (\$21,500,000) for industrial site  
22 development and economic revitalization. The funds will be allocated competitively to prepare sites  
23 for the development of facilities for purposes related to manufacturing, assembly, distribution, and  
24 other job-producing commercial activities. Funds may also be used for infrastructure, including  
25 municipal infrastructure, to catalyze development.

26 (d) Early Childhood Care and Education Capital Fund \$15,000,000

27 Provides fifteen million dollars (\$15,000,000) for physical improvements to and  
28 development of licensed early childhood care and education facilities through the Early Childhood  
29 Care and Education Capital Fund. Quality early childhood education and child care is necessary for  
30 a robust economy in support of parents in the workplace and as foundation to the academic success  
31 of Rhode Island's children. In 2019, only twenty percent (20%) of the physical space licensed for  
32 the State's four-year-old population meets the State definition of quality, and there are eighteen (18)  
33 cities and towns that do not have any infant/toddler care options. These funds will support greater  
34 access to safe, high-quality early learning opportunities for Rhode Island children.

1 (e) Cultural Arts and the Economy Grant Program \$5,000,000

2 Provides five million dollars (\$5,000,000) in funding for 1:1 matching grants to continue  
3 the Cultural Arts and the Economy Grant program administered by the Rhode Island State Council  
4 on the Arts (RISCA) for capital improvement, preservation and renovation projects for public and  
5 nonprofit artistic, performance centers, museums and cultural art centers located throughout the  
6 State of Rhode Island.

7 1. Trinity Repertory Company \$2,500,000

8 For the Lederer Theater and the Pell Chafee Performance Center, both in Providence, used  
9 for performance facilities, educational instruction, production and administration.

10 2. Rhode Island Philharmonic \$1,500,000

11 For the Carter Center for Music Education and Performance in East Providence, used for  
12 music teaching, learning, performance and administration.

13 3. Other funds to be allocated by RISCA \$1,000,000

14 For 1:1 matching grants to be allocated by RISCA to 501(c)(3) nonprofit cultural  
15 organizations which lease or own their performance space, and for RISCA expenses in  
16 administering the program. In awarding such grants RISCA shall consider financial need, the  
17 availability or actual expenditure of matching funds for the projects, available gifts or grants for  
18 projects, the amount of square footage to be improved, the geographical location and characteristics  
19 of audiences benefitted.

20 (f) State Preservation Grants Program \$1,000,000

21 Provides one million dollars (\$1,000,000) in funding to cities, towns and nonprofit  
22 organizations to preserve, renovate and improve public and nonprofit historic sites, museums, and  
23 cultural art centers located in historic structures in the State of Rhode Island to be administered by  
24 the Rhode Island Historical Preservation and Heritage Commission.

25 SECTION 2. [Ballot labels and applicability of general election laws.](#) -- The Secretary of  
26 State shall prepare and deliver to the State Board of Elections ballot labels for each of the projects  
27 provided for in Section 1 hereof with the designations "approve" or "reject" provided next to the  
28 description of each such project to enable voters to approve or reject each such proposition. The  
29 general election laws, so far as consistent herewith, shall apply to this proposition.

30 SECTION 3. [Approval of projects by people.](#) -- If a majority of the People voting on the  
31 proposition in Section 1 hereof shall vote to approve any project stated therein, said project shall be  
32 deemed to be approved by the People. The authority to issue bonds, refunding bonds and/or  
33 temporary notes of the State shall be limited to the aggregate amount for all such projects as set  
34 forth in the proposition, which has been approved by the People.

1           SECTION 4. Bonds for capital development program. -- The General Treasurer is  
2 hereby authorized and empowered, with the approval of the Governor, and in accordance with the  
3 provisions of this Act to issue capital development bonds in serial form, in the name of and on  
4 behalf of the State of Rhode Island, in amounts as may be specified by the Governor in an aggregate  
5 principal amount not to exceed the total amount for all projects approved by the People and  
6 designated as "capital development loan of 2020 bonds." Provided, however, that the aggregate  
7 principal amount of such capital development bonds and of any temporary notes outstanding at any  
8 one time issued in anticipation thereof pursuant to Section 7 hereof shall not exceed the total  
9 amount for all such projects approved by the People. All provisions in this Act relating to "bonds"  
10 shall also be deemed to apply to "refunding bonds."

11           Capital development bonds issued under this Act shall be in denominations of one thousand  
12 dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency of the  
13 United States which at the time of payment shall be legal tender for public and private debts. These  
14 capital development bonds shall bear such date or dates, mature at specified time or times, but not  
15 mature beyond the end of the twentieth (20<sup>th</sup>) State fiscal year following the fiscal year in which  
16 they are issued; bear interest payable semi-annually at a specified rate or different or varying rates:  
17 be payable at designated time or times at specified place or places; be subject to express terms of  
18 redemption or recall, with or without premium; be in a form, with or without interest coupons  
19 attached; carry such registration, conversion, reconversion, transfer, debt retirement, acceleration  
20 and other provisions as may be fixed by the General Treasurer, with the approval by the Governor,  
21 upon each issue of such capital development bonds at the time of each issue. Whenever the  
22 Governor shall approve the issuance of such capital development bonds, the Governor's approval  
23 shall be certified to the Secretary of State; the bonds shall be signed by the General Treasurer and  
24 countersigned by Secretary of State and shall bear the seal of the State. The signature approval of  
25 the Governor shall be endorsed on each bond.

26           SECTION 5. Refunding bonds for 2020 capital development program. -- The General  
27 Treasurer is hereby authorized and empowered, with the approval of the Governor, and in  
28 accordance with the provisions of this Act, to issue bonds to refund the 2020 capital development  
29 program bonds, in the name of and on behalf of the state, in amounts as may be specified by the  
30 Governor in an aggregate principal amount not to exceed the total amount approved by the People,  
31 to be designated as "capital development program loan of 2020 refunding bonds" (hereinafter  
32 "Refunding Bonds").

33           The General Treasurer with the approval of the Governor shall fix the terms and form of  
34 any Refunding Bonds issued under this Act in the same manner as the capital development bonds



1 issued under this Act, except that the Refunding Bonds may not mature more than twenty (20) years  
2 from the date of original issue of the capital development bonds being refunded.

3 The proceeds of the Refunding Bonds, exclusive of any premium and accrual interest and  
4 net the underwriters' cost, and cost of bond issuance, shall, upon their receipt, be paid by the  
5 General Treasurer immediately to the paying agent for the capital development bonds which are to  
6 be called and prepaid. The paying agent shall hold the Refunding Bond proceeds in trust until they  
7 are applied to prepay the capital development bonds. While such proceeds are held in trust, the  
8 proceeds may be invested for the benefit of the State in obligations of the United States of America  
9 or the State of Rhode Island.

10 If the General Treasurer shall deposit with the paying agent for the capital development  
11 bonds the proceeds of the Refunding Bonds, or proceeds from other sources, amounts that, when  
12 invested in obligations of the United States or the State of Rhode Island, are sufficient to pay all  
13 principal, interest, and premium, if any, on the capital development bonds until these bonds are  
14 called for prepayment, then such capital development bonds shall not be considered debts of the  
15 State of Rhode Island for any purpose starting from the date of deposit of such moneys with the  
16 paying agent. The Refunding Bonds shall continue to be a debt of the State until paid.

17 The term "bond" shall include "note," and the term "refunding bonds" shall include  
18 "refunding notes" when used in this Act.

19 SECTION 6. Proceeds of capital development program. -- The General Treasurer is  
20 directed to deposit the proceeds from the sale of capital development bonds issued under this Act,  
21 exclusive of premiums and accrued interest and net the underwriters' cost, and cost of bond  
22 issuance, in one or more of the depositories in which the funds of the State may be lawfully kept in  
23 special accounts (hereinafter cumulatively referred to as "such capital development bond fund")  
24 appropriately designated for each of the projects set forth in Section 1 hereof which shall have been  
25 approved by the People to be used for the purpose of paying the cost of all such projects so  
26 approved.

27 All monies in the capital development bond fund shall be expended for the purposes  
28 specified in the proposition provided for in Section 1 hereof under the direction and supervision of  
29 the Director of Administration (hereinafter referred to as "Director"). The Director or his or her  
30 designee shall be vested with all power and authority necessary or incidental to the purposes of this  
31 Act, including but not limited to, the following authority: (a) to acquire land or other real property  
32 or any interest, estate or right therein as may be necessary or advantageous to accomplish the  
33 purposes of this Act; (b) to direct payment for the preparation of any reports, plans and  
34 specifications, and relocation expenses and other costs such as for furnishings, equipment



1 the creation, incubation, exploration, testing, prototyping, piloting, and deployment of undersea and  
2 other maritime technologies to create a “Smart Bay”.

3 Question 2, relating to bonds in the amount of exceed sixty-four million dollars  
4 (\$64,000,000) for environmental and recreational purposes, to be allocated as follows:

5 (a) State Beaches, Parks, and Campgrounds \$35,00,000

6 Provides thirty-five million dollars (\$35,000,000) for major capital improvements to state  
7 beaches, parks, and campgrounds, including the design, development, expansion, and renovation of  
8 new and existing facilities. Improvements may include a new facility at Goddard Park beach;  
9 upgraded facilities including new bathrooms at Roger Wheeler State beach, Scarborough State  
10 beach, Misquamicut State beach, and Brenton Point; and campground improvements including new  
11 bathrooms facilities and utility upgrades.

12 (b) Local Recreation Projects \$4,000,000

13 Provides four million dollars (\$4,000,000) for up to eighty percent (80%) matching grants  
14 for municipalities to acquire, develop, or rehabilitate local recreational facilities to meet the growing  
15 needs for active outdoor recreational facilities.

16 (c) Natural and Working Lands \$3,000,000

17 Provides three million dollars (\$3,000,000) to protect working forest and farm lands  
18 throughout Rhode Island including through the purchase of forest conservation easements, the  
19 purchase of development rights by the Agricultural Lands Preservation Commission, and the State  
20 Farmland Access Program.

21 (d) Clean Water and Drinking Water \$15,000,000

22 Provides fifteen million (\$15,000,000) for clean water and drinking water infrastructure  
23 improvements. Clean water projects include wastewater collection and treatment upgrades,  
24 stormwater resilience improvements, combined sewer overflow initiatives, water pollution control,  
25 and other water quality protection activities. Drinking water projects include construction of and  
26 improvements to water supply, treatment, and distribution infrastructure.

27 (e) Municipal Resiliency Projects \$7,000,000

28 Provides seven million dollars (\$7,000,000) for up to seventy-five percent (75%) matching  
29 grants to municipalities for restoring and/or improving resiliency of infrastructure, vulnerable  
30 coastal habitats, and restoring rivers and stream floodplains. These funds are expected to leverage  
31 significant matching funds to support local programs to improve community resiliency and public  
32 safety in the face of increased flooding, major storm events, and environmental degradation.

1 Question 3, relating to bonds in the amount of eighty-seven million five hundred thousand  
2 dollars (\$87,500,000) for housing, facility improvement, and infrastructure purposes, to be allocated  
3 as follows:

4 (a) Housing Opportunity \$25,000,000

5 Provides twenty-five million dollars (\$25,000,000) to increase the availability of affordable  
6 housing through the redevelopment of existing structures and new construction.

7 (b) Port of Davisville Infrastructure at Quonset \$20,000,000

8 Provides twenty million dollars (\$20,000,000) for infrastructure projects that will support  
9 the continued growth and modernization at the Port of Davisville. This investment will finance the  
10 Port master plan, including construction of a new Pier at Terminal Five, the rehabilitation of Pier  
11 One, and dredging. These projects will position Davisville to accommodate offshore wind project  
12 cargo and logistics staging while continuing to support the Port's existing businesses.

13 (c) Industrial Site Development (Site Readiness) \$21,500,000

14 Provides twenty-one million five hundred thousand dollars (\$21,500,000) for industrial site  
15 development and economic revitalization. The funds will be allocated competitively to prepare sites  
16 for the development of facilities for purposes related to manufacturing, assembly, distribution, and  
17 other job-producing commercial activities. Funds may also be used for infrastructure, including  
18 municipal infrastructure, to catalyze development.

19 (d) Early Childhood Care and Education Capital Fund \$15,000,000

20 Provides fifteen million dollars (\$15,000,000) for physical improvements to and  
21 development of early childhood education facilities through the Early Childhood Care and  
22 Education Capital Fund. Quality early childhood education and child care is necessary for a robust  
23 economy in support of parents in the workplace and as foundation to the academic success of Rhode  
24 Island's children. In 2019, only twenty percent (20%) of the physical space licensed for the State's  
25 four-year-old population meets the State definition of quality, and there are eighteen (18) cities and  
26 towns that do not have any infant/toddler care options. These funds will support greater access to  
27 safe, high-quality early learning opportunities for Rhode Island children.

28 (e) Cultural Arts and the Economy Grant Program

29 Provides funds for 1:1 matching grants to continue the Cultural Arts and the Economy  
30 Grant program administered by the Rhode Island State Council on the Arts (RISCA) for capital  
31 improvement, preservation and renovation projects for public and nonprofit artistic, performance  
32 centers and cultural art centers located throughout the State of Rhode Island. Contracts for  
33 construction entered into, on, or after November 6, 2014 shall be in compliance with § 37-13-1 et

1 seq. (prevailing wage); however, contracts entered into prior to November 6, 2014 shall not be  
2 subject to this requirement.

3 1. Trinity Repertory Company \$2,500,000

4 For the Lederer Theater, in Providence, used for performance facilities, educational  
5 instruction, production and administration.

6 2. Rhode Island Philharmonic \$1,500,000

7 For the Carter Center for Music Education and Performance in East Providence, used for  
8 music teaching, learning, performance and administration.

9 3. Other funds to be allocated by RISCA \$1,000,000

10 For 1:1 matching grants to be allocated by RISCA to 501(c)(3) nonprofit cultural  
11 organizations which lease or own their performance space, and for RISCA expenses in  
12 administering the program. In awarding such grants RISCA shall consider financial need, the  
13 availability or actual expenditure of matching funds for the projects, available gifts or grants for  
14 projects, the amount of square footage to be improved, the geographical location and characteristics  
15 of audiences benefitted.

16 (f) State Preservation Grants Program \$1,000,000

17 Provides one million dollars (\$1,000,000) in funding to cities, towns and nonprofit  
18 organizations to preserve, renovate and improve public and nonprofit historic sites, museums, and  
19 cultural art centers located in historic structures in the State of Rhode Island to be administered by  
20 the Rhode Island Historical Preservation and Heritage Commission.

21 SECTION 7. Sale of bonds and notes. -- Any bonds or notes issued under the authority of  
22 this Act shall be sold at not less than the principal amount thereof, in such mode and on such terms  
23 and conditions as the General Treasurer, with the approval of the Governor, shall deem to be in the  
24 best interests of the State.

25 Any premiums and accrued interest, net of the cost of bond issuance and underwriter's  
26 discount, which may be received on the sale of the capital development bonds or notes shall become  
27 part of the Municipal Road and Bridge Revolving Fund of the State, unless directed by federal law  
28 or regulation to be used for some other purpose.

29 In the event that the amount received from the sale of the capital development bonds or  
30 notes exceeds the amount necessary for the purposes stated in Section 6 hereof, the surplus may be  
31 used to the extent possible to retire the bonds as the same may become due, to redeem them in  
32 accordance with the terms thereof or otherwise to purchase them as the General Treasurer, with the  
33 approval of the Governor, shall deem to be in the best interests of the state.

1 Any bonds or notes issued under the provisions of this Act and coupons on any capital  
2 development bonds, if properly executed by the manual or electronic signatures of officers of the  
3 State in office on the date of execution, shall be valid and binding according to their tenor,  
4 notwithstanding that before the delivery thereof and payment therefor, any or all such officers shall  
5 for any reason have ceased to hold office.

6 SECTION 8. Bonds and notes to be tax exempt and general obligations of the State. --

7 All bonds and notes issued under the authority of this Act shall be exempt from taxation in the State  
8 and shall be general obligations of the State, and the full faith and credit of the State is hereby  
9 pledged for the due payment of the principal and interest on each of such bonds and notes as the  
10 same shall become due.

11 SECTION 9. Investment of moneys in fund. -- All moneys in the capital development

12 fund not immediately required for payment pursuant to the provisions of this act may be invested by  
13 the investment commission, as established by Chapter 10 of Title 35, entitled "State Investment  
14 Commission," pursuant to the provisions of such chapter; provided, however, that the securities in  
15 which the capital development fund is invested shall remain a part of the capital development fund  
16 until exchanged for other securities; and provided further, that the income from investments of the  
17 capital development fund shall become a part of the general fund of the State and shall be applied to  
18 the payment of debt service charges of the State, unless directed by federal law or regulation to be  
19 used for some other purpose, or to the extent necessary, to rebate to the United States treasury any  
20 income from investments (including gains from the disposition of investments) of proceeds of  
21 bonds or notes to the extent deemed necessary to exempt (in whole or in part) the interest paid on  
22 such bonds or notes from federal income taxation.

23 SECTION 10. Appropriation. -- To the extent the debt service on these bonds is not

24 otherwise provided, a sum sufficient to pay the interest and principal due each year on bonds and  
25 notes hereunder is hereby annually appropriated out of any money in the treasury not otherwise  
26 appropriated.

27 SECTION 11. Advances from general fund. -- The General Treasurer is authorized, with

28 the approval of the Director and the Governor, in anticipation of the issue of notes or bonds under  
29 the authority of this Act, to advance to the capital development bond fund for the purposes specified  
30 in Section 6 hereof, any funds of the State not specifically held for any particular purpose; provided,  
31 however, that all advances made to the capital development bond fund shall be returned to the  
32 general fund from the capital development bond fund forthwith upon the receipt by the capital  
33 development fund of proceeds resulting from the issue of notes or bonds to the extent of such  
34 advances.

1           SECTION 12. Federal assistance and private funds. -- In carrying out this act, the  
2 Director, or his or her designee, is authorized on behalf of the State, with the approval of the  
3 Governor, to apply for and accept any federal assistance which may become available for the  
4 purpose of this Act, whether in the form of loan or grant or otherwise, to accept the provision of any  
5 federal legislation therefor, to enter into, act and carry out contracts in connection therewith, to act  
6 as agent for the federal government in connection therewith, or to designate a subordinate so to act.  
7 Where federal assistance is made available, the project shall be carried out in accordance with  
8 applicable federal law, the rules and regulations thereunder and the contract or contracts providing  
9 for federal assistance, notwithstanding any contrary provisions of State law. Subject to the  
10 foregoing, any federal funds received for the purposes of this Act shall be deposited in the capital  
11 development bond fund and expended as a part thereof. The Director or his or her designee may  
12 also utilize any private funds that may be made available for the purposes of this Act.

13           SECTION 13. Effective Date. -- Sections 1, 2, 3, 11, 12 and this Section 13 of this article  
14 shall take effect upon passage. The remaining sections of this article shall take effect when and if  
15 the State Board of Elections shall certify to the Secretary of State that a majority of the qualified  
16 electors voting on the proposition contained in Section 1 hereof have indicated their approval of all  
17 or any projects thereunder.

18





1 (2) The director may charge an examination fee for examinations for an emergency  
2 medical technician license and an inspection fee for inspections for a vehicle license as set forth  
3 in § 23-1-54.

4 (3) The director is also authorized to establish reasonable fees for other administrative  
5 actions that the director shall deem necessary to implement this chapter. The fees provided for in  
6 this section shall be deposited as general revenues, ~~and shall not apply to any city or town~~  
7 ~~employee providing services referenced in this chapter on behalf of the city or town, and shall not~~  
8 ~~apply to any individual providing services referenced in this chapter on behalf of any bona fide~~  
9 ~~volunteer or not for profit organization.~~ Further, ~~the services licensure fees and~~ vehicle inspection  
10 fees shall not apply to services and vehicles operated by any city, town, or fire district or to  
11 services and vehicles operated by bona fide volunteer or not for profit organizations.

12 SECTION 3. Section 28-14-19.1 of the General Laws in Chapter 28-14 entitled "Payment of  
13 Wages" is hereby amended to read as follows:

14 **28-14-19.1. Misclassification of employees.**

15 (a) The misclassification of a worker whether performing work as a natural person,  
16 business, corporation, or entity of any kind, as an independent contractor when the worker should  
17 be considered and paid as an employee shall be considered a violation of this chapter.

18 (b) In addition to any other relief to which any department or an aggrieved party may be  
19 entitled for such a violation, the employer shall be liable for a civil penalty in an amount not less  
20 than ~~one~~ three thousand ~~five hundred~~ dollars (~~\$1,500~~ \$3,000) and not greater than four thousand  
21 ~~dollars~~ (~~\$3,000~~ \$4,000) for each misclassified employee for a first offense and up to five  
22 thousand dollars (\$5,000) for each misclassified employee for any subsequent offense, which  
23 shall be shared equally between the department and the aggrieved party.

24 (c) In determining the amount of any penalty imposed under this section, the director or  
25 his or her designee shall consider the size of the employer's business; the good faith of the  
26 employer; the gravity of the violation; the history of previous violations; and whether or not the  
27 violation was an innocent mistake or willful.

28 (d) A violation of this section may be adjudicated under § 28-14-19 and consolidated  
29 with any labor standards violation or under §§ 37-13-14.1 and 37-13-15 and consolidated with  
30 any prevailing wage violation.

31 (e) A violation of this section may be brought or adjudicated by any division of the  
32 department of labor and training.

33 (f) The department shall notify the contractor's registration board and the tax  
34 administrator of any violation of this section.

1 SECTION 4. Sections 23-28.2-26 and 23-28.2-27 of Chapter 23-28.2 of the General  
2 Laws entitled "Office of the State Fire Marshal" are hereby amended to read as follows:

3 23-28.2-26. Plan review fees.

4 (a) Every request for plan review, by the state fire marshal's office, under the provisions of  
5 the Fire Safety Code shall be accompanied by the fee prescribed in this section. Plan review fees  
6 shall be as follows:

7 NEW BUILDING, ADDITIONS, ALTERATION, STRUCTURES, ETC. General permit  
8 fees based on cost of construction

9	\$500 or less . . . . .	<del>\$25.00</del>	<u>\$35.00</u>
10	Over \$500 but not over \$1,000 . . . . .	<del>-\$35.00</del>	<u>\$45.00</u>
11	Over \$1,000 but not over \$2,000 . . . . .	<del>-\$45.00</del>	<u>\$55.00</u>
12	Over \$2,000 but not over \$500,000 . . . . .	<del>\$45.00+</del>	<u>\$55.00+</u>
13	(plus <del>\$6.00</del> <u>\$7.00</u> per \$1,000 or fraction thereof over \$2,000)		
14	Over \$500,000 . . . . .	<del>\$3,033.00+</del>	<u>\$3,292.00+</u>
15	(plus <del>\$4.00</del> <u>\$6.75</u> per \$1,000 or fraction thereof over \$500,000)		

16 (b) All fees collected pursuant to this section shall be deposited as general revenue.

17 23-28.2-27. Inspection Fees

18 (a) The state fire marshal's office shall assess an inspection fee of ~~one hundred dollars~~  
19 ~~(\$100.00)~~ two hundred and fifty dollars (\$250) per inspection for any inspection performed by  
20 that office pursuant to chapter 28.1 of Title 23, or any other provisions of the state fire code,  
21 including any rule or regulation promulgated by either the fire safety code board of appeal and  
22 review or the state fire marshal. The inspection fee shall ~~be assessed for each required inspection.~~  
23 ~~Initial inspections and any required subsequent re-inspection shall constitute separate visits for~~  
24 ~~which separate inspection fees will be payable.~~ constitute payment for the initial inspection and  
25 any required subsequent reinspections.

26 (b) In the case of an inspection involving residential use, the fee shall be paid by the property  
27 owner.

28 (c) In the case of any inspection involving any assembly, industrial, mercantile, business  
29 educational, health care, ambulatory health care, day care or municipal government use, the fee  
30 shall be paid by one of the following parties:

31 (1) The occupant/tenant of the property if the occupant/tenant holds any license issued by the  
32 State of Rhode Island that requires fire code compliance; or

33 (2) The lessee of the property if the lessee is the sole tenant; or

1 (3) If neither (1) nor (2) apply, the owner of the property will be responsible for payment of  
2 the inspection fee.

3 (d) The fee shall be waived for a specific inspection in the event that no violation of any  
4 provision of the state fire code including any rule or regulation is found.

5 (e) No inspection fee shall be assessed against any municipality or municipal agency or the  
6 State of Rhode Island, or any department, board, or commission thereof. No inspection fee shall  
7 be assessed for any inspection conducted for the purpose of updating the compliance status of a  
8 building in preparation for a hearing before the fire safety code board of appeal and review or  
9 before any court.

10 (f) All fees collected pursuant to this section shall be deposited as general revenue.

11 SECTION 5. Sections 23-28.28-10 and 23-28.28-31 of Chapter 23-28.28 of the General  
12 Laws entitled "Explosives" are hereby amended to read as follows:

13 **23-28.28-10. Permit fees.**

14 (a) Each application for a license under this chapter shall be accompanied by the fee  
15 prescribed in this section, which fee shall be returned in the event the application is denied. The  
16 permit fee shall be as follows:

- 17 Manufacturer's / Dealer's / Possessor's permit . . . . . ~~\$85.00~~ \$100.00 annually
- 18 ~~Dealer's permit . . . . . \$50.00 annually~~
- 19 ~~Possessor's permit . . . . . \$50.00 annually~~
- 20 User's permit ~~based on estimated project costs~~ . . . . . \$50.00 per ~~\$10,000.00~~  
21 ~~or fraction thereof.~~ project.

22 (b) All fees collected pursuant to this section shall be deposited as general revenue.

23 **23-28.28-31. License to conduct blasting operations.**

24 (a) No person shall conduct blasting operations unless he or she holds a license issued by the  
25 state fire marshal. Any person desiring to obtain a license to conduct blasting operations shall  
26 make application to the state fire marshal. A nonreturnable fee of ten dollars (\$10.00) shall  
27 accompany each application; five dollars (\$5.00) of which shall be for processing the application  
28 and five dollars (\$5.00) for the examination. There shall be a fifty dollar (\$50.00) fee for the  
29 license if issued. The application shall be in such form and contain such information as the state  
30 fire marshal may require. Within three (3) months after the date of receipt of his or her  
31 application, the applicant shall be examined as to his or her experience and ability to conduct  
32 blasting operations and, if found by the examiner to be qualified, he or she shall forthwith be  
33 issued a license. The license shall expire on June 30 of each year and may be renewed after its  
34 expiration without examination upon a payment fee of fifty dollars (\$50.00). A holder of a license

1 to conduct blasting operations whose license is lost, misplaced, or stolen may obtain a duplicate  
2 license from the state fire marshal upon payment of ten dollars (\$10.00).

3 (b) Persons holding a valid out-of-state blasting certificate of competency shall be subject to  
4 all the requirements under this chapter.

5 (c) The state fire marshal is empowered to deny or immediately suspend or revoke the license  
6 of any holder found to be in violation of this law or any provision of chapter 28.28 of this title or  
7 rule or regulation related to explosives or has been convicted of arson at common law, or  
8 statutory burning involving the property of another.

9 (d) All fees collected pursuant to this section shall be deposited as general revenue.

10 (e) No person shall be permitted to work with blasting explosives unless he or she possesses a  
11 valid blasting license or possesses an apprentice permit and work under direct supervision of a  
12 licensed blaster.

13 (f) An apprentice permittee shall be required to be employed by a licensed blaster for a period  
14 of not less than eighteen (18) months prior to eligibility for examination. If the apprentice fails  
15 the examination, a re-examination can be given not less than one hundred eighty-three (183) days  
16 after the last examination date. ~~A non-refundable fee of twenty five dollars (\$25.00) shall~~  
17 ~~accompany each application for processing and issuance of each apprentice permit.~~

18 SECTION 6. Effective October 1, 2020, Chapter 31-2 of the General Laws entitled "Division  
19 of Motor Vehicles" is hereby amended by adding thereto the following section:

20 **31-2-29. Late Fees.**

21 The following fees shall be paid to the division of motor vehicles:

22 (1) For the renewal of an operator's license, chauffeur's license, or commercial driver's  
23 license after its expiration date, fifteen dollars (\$15.00) in addition to the applicable renewal fee;

24 (2) For the renewal of a motor vehicle registration after its expiration date, fifteen dollars  
25 (\$15.00) in addition to the applicable renewal fee.

26 SECTION 7. Section 31-2-10 of the General Laws in Chapter 31-2 entitled "Division of  
27 Motor Vehicles" is hereby amended to read as follows:

28 **31-2-10. Abstracts of operator's records.**

29 The administrator shall upon request furnish a certified abstract of the record of any  
30 operator on file fully designating the motor vehicles, if any, registered in the name of the  
31 operator, the record of all convictions of the operator of any of the provisions of this title, and the  
32 record of all the operator's involvements in accidents required to be reported under the provisions  
33 of § 31-33-1. If the operator has no such record, the administrator shall so certify. The  
34 administrator shall collect for each certificate the sum of sixteen dollars (\$16.00); provided,

1 however, if the request for the certificate is made by a person through an online subscription  
2 service, the administrator shall collect for each certificate the sum of twenty dollars (\$20.00).  
3 Provided, further, however, if the request for the certificate is made by any governmental agency,  
4 bureau, or department for use in its official capacity, the administrator shall collect no fee. The  
5 requirement of this section that the certificate shall be furnished shall not make the certificate  
6 admissible as evidence in any legal proceeding or in any trial, whether criminal or civil.

7 SECTION 8. Section 31-8-4 of the General Laws in Chapter 31-8 entitled "Offenses  
8 Against Registration and Certificate of Title Laws " is hereby amended to read as follows:

9 **31-8-4. Suspension or revocation of registration or certificate of title.**

10 (a) The division of motor vehicles is authorized to suspend or revoke the registration of a  
11 vehicle or a certificate of title, registration card, or registration plate, or any nonresident or other  
12 permit, in any of the following events:

13 (1) When the division of motor vehicles is satisfied that the registration or that the  
14 certificate, card, plate, or permit was fraudulently or erroneously issued;

15 (2) When the division of motor vehicles determines that a registered vehicle is  
16 mechanically unfit or unsafe to be operated or moved upon the highways;

17 (3) When a registered vehicle has been dismantled or wrecked;

18 (4) When the division of motor vehicles determines that the required fee has not been  
19 paid and the fee is not paid upon reasonable notice and demand;

20 (5) When a registration plate or permit is knowingly displayed upon a vehicle other than  
21 the one for which issued;

22 (6) When the division of motor vehicles determines that the owner has committed any  
23 offense under chapters 3 – 9 of this title involving the registration or the certificate, card, plate, or  
24 permit to be suspended or revoked;

25 (7) When the division of motor vehicles is so authorized under any other provision of  
26 law; or

27 (8) Upon receipt of notice the carrier and/or operator of a commercial motor vehicle has  
28 violated or is not in compliance with 49 C.F.R. 386.72 or 49 C.F.R. 390.5 et seq. of the motor  
29 carrier safety regulations or chapter 23 of this title.

30 (b) Upon removal of cause for which the registration or certificate of title was revoked,  
31 denied, or suspended, the division of motor vehicles shall require the registrant or applicant to  
32 pay a restoration fee of two hundred and fifty dollars (\$250), provided that ~~no restoration fee shall~~  
33 ~~be required~~ the restoration fee shall be one hundred dollars (\$100.00) if the revocation, denial, or

1 suspension was issued pursuant to subsection (a)(2) of this section, §§ 31-38-2, 31-38-3, 31-38-4,  
2 or 31-47.1-3.

3 SECTION 9. Effective January 1, 2021, sections 31-27-2 and 31-27-2.1 of the General  
4 Laws in Chapter 31-27 entitled "Motor Vehicle Offenses" are hereby amended to read as follows:

5 **31-27-2. Driving under influence of liquor or drugs.**

6 (a) Whoever drives or otherwise operates any vehicle in the state while under the  
7 influence of any intoxicating liquor, drugs, toluene, or any controlled substance as defined in  
8 chapter 28 of title 21, or any combination of these, shall be guilty of a misdemeanor, except as  
9 provided in subsection (d)(3), and shall be punished as provided in subsection (d).

10 (b)(1) Any person charged under subsection (a), whose blood alcohol concentration is  
11 eight one-hundredths of one percent (.08%) or more by weight, as shown by a chemical analysis  
12 of a blood, breath, or urine sample, shall be guilty of violating subsection (a). This provision shall  
13 not preclude a conviction based on other admissible evidence. Proof of guilt under this section  
14 may also be based on evidence that the person charged was under the influence of intoxicating  
15 liquor, drugs, toluene, or any controlled substance defined in chapter 28 of title 21, or any  
16 combination of these, to a degree that rendered the person incapable of safely operating a vehicle.  
17 The fact that any person charged with violating this section is, or has been, legally entitled to use  
18 alcohol or a drug shall not constitute a defense against any charge of violating this section.

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

23 (c) In any criminal prosecution for a violation of subsection (a), evidence as to the  
24 amount of intoxicating liquor, toluene, or any controlled substance as defined in chapter 28 of  
25 title 21, or any combination of these, in the defendant's blood at the time alleged as shown by a  
26 chemical analysis of the defendant's breath, blood, or urine or other bodily substance, shall be  
27 admissible and competent, provided that evidence is presented that the following conditions have  
28 been complied with:

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

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

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

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

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

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

18 (d)(1)(i) Every person found to have violated subsection (b)(1) shall be sentenced as  
19 follows: for a first violation whose blood alcohol concentration is eight one-hundredths of one  
20 percent (.08%), but less than one-tenth of one percent (.1%), by weight, or who has a blood  
21 presence of any scheduled controlled substance as defined in subsection (b)(2), shall be subject to  
22 a fine of not less than one hundred dollars (\$100), nor more than three hundred dollars (\$300);  
23 shall be required to perform ten (10) to sixty (60) hours of public community restitution, and/or  
24 shall be imprisoned for up to one year. The sentence may be served in any unit of the adult  
25 correctional institutions in the discretion of the sentencing judge and/or shall be required to attend  
26 a special course on driving while intoxicated or under the influence of a controlled substance;  
27 provided, however, that the court may permit a servicemember or veteran to complete any court  
28 approved counseling program administered or approved by the Veterans' Administration, and his  
29 or her driver's license shall be suspended for thirty (30) days up to one hundred eighty (180) days.  
30 The sentencing judge or magistrate may prohibit that person from operating a motor vehicle that  
31 is not equipped with an ignition interlock system as provided in § 31-27-2.8.

32 (ii) Every person convicted of a first violation whose blood alcohol concentration is one-  
33 tenth of one percent (.1%) by weight or above, but less than fifteen hundredths of one percent  
34 (.15%), or whose blood alcohol concentration is unknown, shall be subject to a fine of not less

1 than one hundred (\$100) dollars, nor more than four hundred dollars (\$400), and shall be required  
2 to perform ten (10) to sixty (60) hours of public community restitution and/or shall be imprisoned  
3 for up to one year. The sentence may be served in any unit of the adult correctional institutions in  
4 the discretion of the sentencing judge. The person's driving license shall be suspended for a  
5 period of three (3) months to twelve (12) months. The sentencing judge shall require attendance  
6 at a special course on driving while intoxicated or under the influence of a controlled substance  
7 and/or alcoholic or drug treatment for the individual; provided, however, that the court may  
8 permit a servicemember or veteran to complete any court-approved counseling program  
9 administered or approved by the Veterans' Administration. The sentencing judge or magistrate  
10 may prohibit that person from operating a motor vehicle that is not equipped with an ignition  
11 interlock system as provided in § 31-27-2.8.

12 (iii) Every person convicted of a first offense whose blood alcohol concentration is fifteen  
13 hundredths of one percent (.15%) or above, or who is under the influence of a drug, toluene, or  
14 any controlled substance as defined in subsection (b)(1), shall be subject to a fine of five hundred  
15 dollars (\$500) and shall be required to perform twenty (20) to sixty (60) hours of public  
16 community restitution and/or shall be imprisoned for up to one year. The sentence may be served  
17 in any unit of the adult correctional institutions in the discretion of the sentencing judge. The  
18 person's driving license shall be suspended for a period of three (3) months to eighteen (18)  
19 months. The sentencing judge shall require attendance at a special course on driving while  
20 intoxicated or under the influence of a controlled substance and/or alcohol or drug treatment for  
21 the individual; provided, however, that the court may permit a servicemember or veteran to  
22 complete any court-approved counseling program administered or approved by the Veterans'  
23 Administration. The sentencing judge or magistrate shall prohibit that person from operating a  
24 motor vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8.

25 (2)(i) Every person convicted of a second violation within a five-year (5) period with a  
26 blood alcohol concentration of eight one-hundredths of one percent (.08%) or above, but less than  
27 fifteen hundredths of one percent (.15%), or whose blood alcohol concentration is unknown, or  
28 who has a blood presence of any controlled substance as defined in subsection (b)(2), and every  
29 person convicted of a second violation within a five-year (5) period, regardless of whether the  
30 prior violation and subsequent conviction was a violation and subsequent conviction under this  
31 statute or under the driving under the influence of liquor or drugs statute of any other state, shall  
32 be subject to a mandatory fine of four hundred dollars (\$400). The person's driving license shall  
33 be suspended for a period of one year to two (2) years, and the individual shall be sentenced to  
34 not less than ten (10) days, nor more than one year, in jail. The sentence may be served in any



1 unit of the adult correctional institutions in the discretion of the sentencing judge; however, not  
2 less than forty-eight (48) hours of imprisonment shall be served consecutively. The sentencing  
3 judge shall require alcohol or drug treatment for the individual; provided, however, that the court  
4 may permit a servicemember or veteran to complete any court-approved counseling program  
5 administered or approved by the Veterans' Administration and shall prohibit that person from  
6 operating a motor vehicle that is not equipped with an ignition interlock system as provided in §  
7 31-27-2.8.

8 (ii) Every person convicted of a second violation within a five-year (5) period whose  
9 blood alcohol concentration is fifteen hundredths of one percent (.15%) or above, by weight as  
10 shown by a chemical analysis of a blood, breath, or urine sample, or who is under the influence of  
11 a drug, toluene, or any controlled substance as defined in subsection (b)(1), shall be subject to  
12 mandatory imprisonment of not less than six (6) months, nor more than one year; a mandatory  
13 fine of not less than one thousand dollars (\$1,000); and a mandatory license suspension for a  
14 period of two (2) years from the date of completion of the sentence imposed under this  
15 subsection. The sentencing judge shall require alcohol or drug treatment for the individual;  
16 provided, however, that the court may permit a servicemember or veteran to complete any court  
17 approved counseling program administered or approved by the Veterans' Administration. The  
18 sentencing judge or magistrate shall prohibit that person from operating a motor vehicle that is  
19 not equipped with an ignition interlock system as provided in § 31-27-2.8

20 (3)(i) Every person convicted of a third or subsequent violation within a five-year (5)  
21 period with a blood alcohol concentration of eight one-hundredths of one percent (.08%) or  
22 above, but less than fifteen hundredths of one percent (.15%), or whose blood alcohol  
23 concentration is unknown or who has a blood presence of any scheduled controlled substance as  
24 defined in subsection (b)(2), regardless of whether any prior violation and subsequent conviction  
25 was a violation and subsequent conviction under this statute or under the driving under the  
26 influence of liquor or drugs statute of any other state, shall be guilty of a felony and be subject to  
27 a mandatory fine of four hundred (\$400) dollars. The person's driving license shall be suspended  
28 for a period of two (2) years to three (3) years, and the individual shall be sentenced to not less  
29 than one year and not more than three (3) years in jail. The sentence may be served in any unit of  
30 the adult correctional institutions in the discretion of the sentencing judge; however, not less than  
31 forty-eight (48) hours of imprisonment shall be served consecutively. The sentencing judge shall  
32 require alcohol or drug treatment for the individual; provided, however, that the court may permit  
33 a servicemember or veteran to complete any court-approved counseling program administered or

1 approved by the Veterans' Administration, and shall prohibit that person from operating a motor  
2 vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8.

3 (ii) Every person convicted of a third or subsequent violation within a five-year (5) period  
4 whose blood alcohol concentration is fifteen hundredths of one percent (.15%) above by weight  
5 as shown by a chemical analysis of a blood, breath, or urine sample, or who is under the influence  
6 of a drug, toluene, or any controlled substance as defined in subsection (b)(1), shall be subject to  
7 mandatory imprisonment of not less than three (3) years, nor more than five (5) years; a  
8 mandatory fine of not less than one thousand dollars (\$1,000), nor more than five thousand  
9 dollars (\$5,000); and a mandatory license suspension for a period of three (3) years from the date  
10 of completion of the sentence imposed under this subsection. The sentencing judge shall require  
11 alcohol or drug treatment for the individual. The sentencing judge or magistrate shall prohibit that  
12 person from operating a motor vehicle that is not equipped with an ignition interlock system as  
13 provided in § 31-27-2.8.

14 (iii) In addition to the foregoing penalties, every person convicted of a third or subsequent  
15 violation within a five-year (5) period, regardless of whether any prior violation and subsequent  
16 conviction was a violation and subsequent conviction under this statute or under the driving under  
17 the influence of liquor or drugs statute of any other state, shall be subject, in the discretion of the  
18 sentencing judge, to having the vehicle owned and operated by the violator seized and sold by the  
19 state of Rhode Island, with all funds obtained by the sale to be transferred to the general fund.

20 (4) Whoever drives or otherwise operates any vehicle in the state while under the  
21 influence of any intoxicating liquor, drugs, toluene, or any controlled substance as defined in  
22 chapter 28 of title 21, or any combination of these, when his or her license to operate is  
23 suspended, revoked, or cancelled for operating under the influence of a narcotic drug or  
24 intoxicating liquor, shall be guilty of a felony punishable by imprisonment for not more than three  
25 (3) years and by a fine of not more than three thousand dollars (\$3,000). The court shall require  
26 alcohol and/or drug treatment for the individual; provided, the penalties provided for in this  
27 subsection (d)(4) shall not apply to an individual who has surrendered his or her license and  
28 served the court-ordered period of suspension, but who, for any reason, has not had his or her  
29 license reinstated after the period of suspension, revocation, or suspension has expired; provided,  
30 further, the individual shall be subject to the provisions of subdivision (d)(2)(i), (d)(2)(ii),  
31 (d)(3)(i), (d)(3)(ii), or (d)(3)(iii) regarding subsequent offenses, and any other applicable  
32 provision of this section.

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

1           (ii) Any person over the age of eighteen (18) who is convicted under this section for  
2 operating a motor vehicle while under the influence of alcohol, other drugs, or a combination of  
3 these, while a child under the age of thirteen (13) years was present as a passenger in the motor  
4 vehicle when the offense was committed shall be subject to immediate license suspension  
5 pending prosecution. Any person convicted of violating this section shall be guilty of a  
6 misdemeanor for a first offense and may be sentenced to a term of imprisonment of not more than  
7 one year and a fine not to exceed one thousand dollars (\$1,000). Any person convicted of a  
8 second or subsequent offense shall be guilty of a felony offense and may be sentenced to a term  
9 of imprisonment of not more than five (5) years and a fine not to exceed five thousand dollars  
10 (\$5,000). The sentencing judge shall also order a license suspension of up to two (2) years,  
11 require attendance at a special course on driving while intoxicated or under the influence of a  
12 controlled substance, and alcohol or drug education and/or treatment. The individual may also be  
13 required to pay a highway assessment fee of no more than five hundred dollars (\$500) and the  
14 assessment shall be deposited in the general fund.

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

19           (ii) Any person convicted of a violation under this section shall be assessed a fee of  
20 eighty-six dollars (\$86).

21           (iii) Any person convicted of a violation under this section shall be assessed a substance  
22 abuse education fee of two hundred fifty dollars (\$250), which shall be deposited as general  
23 revenues, with the estimated amount of fees collected to be allocated to the department of  
24 behavioral healthcare, development disabilities and hospitals (BHDDH) and used to fund  
25 substance abuse prevention programs and student assistance programs for youth pursuant to  
26 chapters 21.2 and 21.3 of title 16, and in accordance with the criteria set forth in §§ 16-21.2-4(a)  
27 and 16-21.3-2(a).

28           (7)(i) If the person convicted of violating this section is under the age of eighteen (18)  
29 years, for the first violation he or she shall be required to perform ten (10) to sixty (60) hours of  
30 public community restitution and the juvenile's driving license shall be suspended for a period of  
31 six (6) months, and may be suspended for a period up to eighteen (18) months. The sentencing  
32 judge shall also require attendance at a special course on driving while intoxicated or under the  
33 influence of a controlled substance and alcohol or drug education and/or treatment for the

1 juvenile. The juvenile may also be required to pay a highway assessment fine of no more than  
2 five hundred dollars (\$500) and the assessment imposed shall be deposited into the general fund.

3 (ii) If the person convicted of violating this section is under the age of eighteen (18)  
4 years, for a second or subsequent violation regardless of whether any prior violation and  
5 subsequent conviction was a violation and subsequent under this statute or under the driving  
6 under the influence of liquor or drugs statute of any other state, he or she shall be subject to a  
7 mandatory suspension of his or her driving license until such time as he or she is twenty-one (21)  
8 years of age and may, in the discretion of the sentencing judge, also be sentenced to the Rhode  
9 Island training school for a period of not more than one year and/or a fine of not more than five  
10 hundred dollars (\$500).

11 (8) Any person convicted of a violation under this section may undergo a clinical  
12 assessment at the community college of Rhode Island's center for workforce and community  
13 education. Should this clinical assessment determine problems of alcohol, drug abuse, or  
14 psychological problems associated with alcoholic or drug abuse, this person shall be referred to  
15 an appropriate facility, licensed or approved by the department of behavioral healthcare,  
16 developmental disabilities and hospitals, for treatment placement, case management, and  
17 monitoring. In the case of a servicemember or veteran, the court may order that the person be  
18 evaluated through the Veterans' Administration. Should the clinical assessment determine  
19 problems of alcohol, drug abuse, or psychological problems associated with alcohol or drug  
20 abuse, the person may have their treatment, case management, and monitoring administered or  
21 approved by the Veterans' Administration.

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

24 (f)(1) There is established an alcohol and drug safety unit within the division of motor  
25 vehicles to administer an alcohol safety action program. The program shall provide for placement  
26 and follow-up for persons who are required to pay the highway safety assessment. The alcohol  
27 and drug safety action program will be administered in conjunction with alcohol and drug  
28 programs licensed by the department of behavioral healthcare, developmental disabilities and  
29 hospitals.

30 (2) Persons convicted under the provisions of this chapter shall be required to attend a  
31 special course on driving while intoxicated or under the influence of a controlled substance,  
32 and/or participate in an alcohol or drug treatment program; provided, however, that the court may  
33 permit a servicemember or veteran to complete any court-approved counseling program  
34 administered or approved by the Veterans' Administration. The course shall take into

1 consideration any language barrier that may exist as to any person ordered to attend, and shall  
2 provide for instruction reasonably calculated to communicate the purposes of the course in  
3 accordance with the requirements of the subsection. Any costs reasonably incurred in connection  
4 with the provision of this accommodation shall be borne by the person being retrained. A copy of  
5 any violation under this section shall be forwarded by the court to the alcohol and drug safety  
6 unit. In the event that persons convicted under the provisions of this chapter fail to attend and  
7 complete the above course or treatment program, as ordered by the judge, then the person may be  
8 brought before the court, and after a hearing as to why the order of the court was not followed,  
9 may be sentenced to jail for a period not exceeding one year.

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

12 (g) The director of the department of health is empowered to make and file with the  
13 secretary of state regulations that prescribe the techniques and methods of chemical analysis of  
14 the person's body fluids or breath and the qualifications and certification of individuals authorized  
15 to administer this testing and analysis.

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

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

27 (j) An order to attend a special course on driving while intoxicated that shall be  
28 administered in cooperation with a college or university accredited by the state, shall include a  
29 provision to pay a reasonable tuition for the course in an amount not less than twenty-five dollars  
30 (\$25.00), and a fee of one hundred seventy-five dollars (\$175), which fee shall be deposited into  
31 the general fund.

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

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

5 (m) For the purposes of this section, "servicemember" means a person who is presently  
6 serving in the armed forces of the United States, including the Coast Guard, a reserve component  
7 thereof, or the National Guard. "Veteran" means a person who has served in the armed forces,  
8 including the Coast Guard of the United States, a reserve component thereof, or the National  
9 Guard, and has been discharged under other than dishonorable conditions.

10 **31-27-2.1. Refusal to submit to chemical test.**

11 (a) Any person who operates a motor vehicle within this state shall be deemed to have  
12 given his or her consent to chemical tests of his or her breath, blood, and/or urine for the purpose  
13 of determining the chemical content of his or her body fluids or breath. No more than two (2)  
14 complete tests, one for the presence of intoxicating liquor and one for the presence of toluene or  
15 any controlled substance, as defined in § 21-28-1.02(8), shall be administered at the direction of a  
16 law enforcement officer having reasonable grounds to believe the person to have been driving a  
17 motor vehicle within this state while under the influence of intoxicating liquor, toluene, or any  
18 controlled substance, as defined in chapter 28 of title 21, or any combination of these. The  
19 director of the department of health is empowered to make and file, with the secretary of state,  
20 regulations that prescribe the techniques and methods of chemical analysis of the person's body  
21 fluids or breath and the qualifications and certification of individuals authorized to administer the  
22 testing and analysis.

23 (b) If a person, for religious or medical reasons, cannot be subjected to blood tests, the  
24 person may file an affidavit with the division of motor vehicles stating the reasons why he or she  
25 cannot be required to take blood tests and a notation to this effect shall be made on his or her  
26 license. If that person is asked to submit to chemical tests as provided under this chapter, the  
27 person shall only be required to submit to chemical tests of his or her breath or urine. When a  
28 person is requested to submit to blood tests, only a physician or registered nurse, or a medical  
29 technician certified under regulations promulgated by the director of the department of health,  
30 may withdraw blood for the purpose of determining the alcoholic content in it. This limitation  
31 shall not apply to the taking of breath or urine specimens. The person tested shall be permitted to  
32 have a physician of his or her own choosing, and at his or her own expense, administer chemical  
33 tests of his or her breath, blood, and/or urine in addition to the tests administered at the direction  
34 of a law enforcement officer. If a person, having been placed under arrest, refuses upon the

1 request of a law enforcement officer to submit to the tests, as provided in § 31-27-2, none shall be  
2 given, but a judge or magistrate of the traffic tribunal or district court judge or magistrate, upon  
3 receipt of a report of a law enforcement officer: that he or she had reasonable grounds to believe  
4 the arrested person had been driving a motor vehicle within this state under the influence of  
5 intoxicating liquor, toluene, or any controlled substance, as defined in chapter 28 of title 21, or  
6 any combination of these; that the person had been informed of his or her rights in accordance  
7 with § 31-27-3; that the person had been informed of the penalties incurred as a result of  
8 noncompliance with this section; and that the person had refused to submit to the tests upon the  
9 request of a law enforcement officer; shall promptly order that the person's operator's license or  
10 privilege to operate a motor vehicle in this state be immediately suspended, however, said  
11 suspension shall be subject to the hardship provisions enumerated in § 31-27-2.8. A traffic  
12 tribunal judge or magistrate, or a district court judge or magistrate, pursuant to the terms of  
13 subsection (c), shall order as follows:

14 (1) Impose, for the first violation, a fine in the amount of two hundred dollars (\$200) to  
15 five hundred dollars (\$500) and shall order the person to perform ten (10) to sixty (60) hours of  
16 public community restitution. The person's driving license in this state shall be suspended for a  
17 period of six (6) months to one year. The traffic tribunal judge or magistrate shall require  
18 attendance at a special course on driving while intoxicated or under the influence of a controlled  
19 substance and/or alcohol or drug treatment for the individual. The traffic tribunal judge or  
20 magistrate may prohibit that person from operating a motor vehicle that is not equipped with an  
21 ignition interlock system as provided in § 31-27-2.8.

22 (2) Every person convicted of a second violation within a five-year (5) period, except  
23 with respect to cases of refusal to submit to a blood test, shall be guilty of a misdemeanor; shall  
24 be imprisoned for not more than six (6) months; shall pay a fine in the amount of six hundred  
25 dollars (\$600) to one thousand dollars (\$1,000); perform sixty (60) to one hundred (100) hours of  
26 public community restitution; and the person's driving license in this state shall be suspended for  
27 a period of one year to two (2) years. The judge or magistrate shall require alcohol and/or drug  
28 treatment for the individual. The sentencing judge or magistrate shall prohibit that person from  
29 operating a motor vehicle that is not equipped with an ignition interlock system as provided in §  
30 31-27-2.8.

31 (3) Every person convicted for a third or subsequent violation within a five-year (5)  
32 period, except with respect to cases of refusal to submit to a blood test, shall be guilty of a  
33 misdemeanor; and shall be imprisoned for not more than one year; fined eight hundred dollars  
34 (\$800) to one thousand dollars (\$1,000); shall perform not less than one hundred (100) hours of

1 public community restitution; and the person's operator's license in this state shall be suspended  
2 for a period of two (2) years to five (5) years. The sentencing judge or magistrate shall prohibit  
3 that person from operating a motor vehicle that is not equipped with an ignition interlock system  
4 as provided in § 31-27-2.8. The judge or magistrate shall require alcohol or drug treatment for  
5 the individual. Provided, that prior to the reinstatement of a license to a person charged with a  
6 third or subsequent violation within a three-year (3) period, a hearing shall be held before a judge  
7 or magistrate. At the hearing, the judge or magistrate shall review the person's driving record, his  
8 or her employment history, family background, and any other pertinent factors that would  
9 indicate that the person has demonstrated behavior that warrants the reinstatement of his or her  
10 license.

11 (4) For a second violation within a five-year (5) period with respect to a case of a refusal  
12 to submit to a blood test, a fine in the amount of six hundred dollars (\$600) to one thousand  
13 dollars (\$1,000); the person shall perform sixty (60) to one hundred (100) hours of public  
14 community restitution; and the person's driving license in this state shall be suspended for a  
15 period of two (2) years. The judicial officer shall require alcohol and/or drug treatment for the  
16 individual. The sentencing judicial officer shall prohibit that person from operating a motor  
17 vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8. Such a  
18 violation with respect to refusal to submit to a chemical blood test shall be a civil offense.

19 (5) For a third or subsequent violation within a five-year (5) period with respect to a case  
20 of a refusal to submit to a blood test, a fine in the amount of eight hundred dollars (\$800) to one  
21 thousand dollars (\$1,000); the person shall perform not less than one hundred (100) hours of  
22 public community restitution; and the person's driving license in this state shall be suspended for  
23 a period of two (2) to five (5) years. The sentencing judicial officer shall prohibit that person from  
24 operating a motor vehicle that is not equipped with an ignition interlock system as provided in §  
25 31-27-2.8. The judicial officer shall require alcohol and/or drug treatment for the individual. Such  
26 a violation with respect to refusal to submit to a chemical test of blood shall be a civil offense.  
27 Provided, that prior to the reinstatement of a license to a person charged with a third or  
28 subsequent violation within a three-year (3) period, a hearing shall be held before a judicial  
29 officer. At the hearing, the judicial officer shall review the person's driving record, his or her  
30 employment history, family background, and any other pertinent factors that would indicate that  
31 the person has demonstrated behavior that warrants the reinstatement of their license.

32 (6) For purposes of determining the period of license suspension, a prior violation shall  
33 constitute any charge brought and sustained under the provisions of this section or § 31-27-2.



1 (7) In addition to any other fines, a highway safety assessment of five hundred dollars  
2 (\$500) shall be paid by any person found in violation of this section, the assessment to be  
3 deposited into the general fund. The assessment provided for by this subsection shall be collected  
4 from a violator before any other fines authorized by this section.

5 (8) In addition to any other fines and highway safety assessments, a two-hundred-dollar  
6 (\$200) assessment shall be paid by any person found in violation of this section to support the  
7 department of health's chemical testing programs outlined in § 31-27-2(4), that shall be deposited  
8 as general revenues, not restricted receipts.

9 (9) Any person convicted of a violation under this section shall be assessed a substance  
10 abuse education fee of two hundred fifty dollars (\$250), which shall be deposited as general  
11 revenues, with the estimated amount of fees to be collected to be allocated to the department of  
12 behavioral healthcare, development disabilities and hospitals (BHDDH) and used to fund  
13 substance abuse prevention programs and student assistance programs for youth pursuant to  
14 chapters 21.2 and 21.3 of title 16, and in accordance with the criteria set forth in §§ 16-21.2-4(a)  
15 and 16-21.3-2(a).

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

19 (c) Upon suspending or refusing to issue a license or permit as provided in subsection (a),  
20 the traffic tribunal or district court shall immediately notify the person involved in writing, and  
21 upon his or her request, within fifteen (15) days, shall afford the person an opportunity for a  
22 hearing as early as practical upon receipt of a request in writing. Upon a hearing, the judge may  
23 administer oaths and may issue subpoenas for the attendance of witnesses and the production of  
24 relevant books and papers. If the judge finds after the hearing that:

25 (1) The law enforcement officer making the sworn report had reasonable grounds to  
26 believe that the arrested person had been driving a motor vehicle within this state while under the  
27 influence of intoxicating liquor, toluene, or any controlled substance, as defined in chapter 28 of  
28 title 21, or any combination of these;

29 (2) The person, while under arrest, refused to submit to the tests upon the request of a law  
30 enforcement officer;

31 (3) The person had been informed of his or her rights in accordance with § 31-27-3; and

32 (4) The person had been informed of the penalties incurred as a result of noncompliance  
33 with this section, the judge shall sustain the violation. The judge shall then impose the penalties

1 set forth in subsection (b). Action by the judge must be taken within seven (7) days after the  
2 hearing or it shall be presumed that the judge has refused to issue his or her order of suspension.

3 (d) For the purposes of this section, any test of a sample of blood, breath, or urine for the  
4 presence of alcohol that relies, in whole or in part, upon the principle of infrared light absorption  
5 is considered a chemical test.

6 (e) If any provision of this section, or the application of any provision, shall, for any  
7 reason, be judged invalid, the judgment shall not affect, impair, or invalidate the remainder of the  
8 section, but shall be confined in this effect to the provisions or application directly involved in the  
9 controversy giving rise to the judgment.

10 SECTION 10. Chapter 37-13 of the General Laws entitled “Labor and Payment of Debts  
11 of Contractors” is hereby amended by adding thereto the following section:

12 **37-13-12.5 Administrative Penalty for Violations.**

13 (a) Any employer that enters into a settlement agreement with the department of labor and  
14 training to administratively resolve potential violations of this chapter in lieu of a formal  
15 administrative hearing, in addition to any wages or supplements including interest found to be  
16 due, shall pay an administrative penalty in an amount not less than two (2) times the total amount  
17 agreed to be due and not greater than three (3) times the amount agreed to be due.

18 SECTION 11. Section 37-13-14.1 of the General Laws in Chapter 37-13 entitled “Labor and  
19 Payment of Debts of Contractors” is hereby amended to read as follows:

20 **37-13-14.1. Enforcement – Hearings.**

21 (a) Before issuing an order or determination, the director of labor and training shall order  
22 a hearing thereon at a time and place to be specified, and shall give notice thereof, together with a  
23 copy of the complaint or the purpose thereof, or a statement of the facts disclosed upon  
24 investigation, which notice shall be served personally or by mail on any person, firm, or  
25 corporation affected thereby. The person, firm, or corporation shall have an opportunity to be  
26 heard in respect to the matters complained of at the time and place specified in the notice, which  
27 time shall be not less than five (5) days from the service of the notice personally or by mail. The  
28 hearing shall be held within ~~ten (10)~~ thirty (30) days from the order of hearing. The hearing shall  
29 be conducted by the director of labor and training or his or her designee. The hearing officer in  
30 the hearing shall be deemed to be acting in a judicial capacity and shall have the right to issue  
31 subpoenas, administer oaths, and examine witnesses. The enforcement of a subpoena issued  
32 under this section shall be regulated by Rhode Island civil practice law and rules. The hearing  
33 shall be expeditiously conducted, and upon such hearing, the hearing officer shall determine the  
34 issues raised thereon and shall make a determination and enter an order within ~~ten (10)~~ thirty (30)

1 days of the close of the hearing, and forthwith serve a copy of the order, with a notice of the filing  
2 thereof, upon the parties to the proceeding, personally or by mail. The order shall dismiss the  
3 charges or direct payment of wages or supplements found to be due, including interest at the rate  
4 of twelve percentum (12%) per annum from the date of the underpayment to the date of payment,  
5 and may direct payment of reasonable attorney's fees and costs to the complaining party.

6 (b) In addition to directing payment of wages or supplements including interest found to  
7 be due, the order shall also require payment of a further sum as a civil penalty in an amount ~~up to~~  
8 not less than two (2) times the total amount found to be due and not greater than three (3) times  
9 the total amount found to be due. Further, if the amount of salary owed to an employee pursuant  
10 to this chapter but not paid to the employee in violation of thereof exceeds five thousand dollars  
11 (\$5,000), it shall constitute a misdemeanor and shall be referred to the office of the attorney  
12 general. The misdemeanor shall be punishable for a period of not more than one year in prison  
13 and/or fined not more than one thousand dollars (\$1,000). In assessing the amount of the penalty,  
14 due consideration shall be given to the size of the employer's business, the good faith of the  
15 employer, the gravity of the violation, the history of previous violations, and the failure to comply  
16 with recordkeeping or other nonwage requirements. The surety of the person, firm, or corporation  
17 found to be in violation of the provisions of this chapter shall be bound to pay any penalties  
18 assessed on such person, firm, or corporation. The penalty shall be paid to the department of labor  
19 and training for deposit in the state treasury; provided, however, it is hereby provided that the  
20 general treasurer shall establish a dedicated "prevailing wages enforcement fund" for the purpose  
21 of depositing the penalties paid as provided herein. There is hereby appropriated to the annual  
22 budget of the department of labor and training the amount of the fund collected annually under  
23 this section, to be used at the direction of the director of labor and training for the sole purpose of  
24 enforcing prevailing wage rates as provided in this chapter.

25 (c) For the purposes of this chapter, each day or part thereof of violation of any provision  
26 of this chapter by a person, firm, or corporation, whether the violation is continuous or  
27 intermittent, shall constitute a separate and succeeding violation.

28 (d) In addition to the above, any person, firm, or corporation found in violation of any of  
29 the provisions of this chapter by the director of labor and training, an awarding authority, or the  
30 hearing officer, shall be ineligible to bid on, or be awarded work by, an awarding authority or  
31 perform any such work for a period of no less than eighteen (18) months and no more than thirty-  
32 six (36) months from the date of the order entered by the hearing officer. Once a person, firm, or  
33 corporation is found to be in violation of this chapter, all pending bids with any awarding

1 authority shall be revoked, and any bid awarded by an awarding authority prior to the  
2 commencement of the work shall also be revoked.

3 (e) In addition to the above, any person, firm, or corporation found to have committed  
4 two (2) or more willful violations in any period of eighteen (18) months of any of the provisions  
5 of this chapter by the hearing officer, which violations are not arising from the same incident,  
6 shall be ineligible to bid on, or be awarded work by, an awarding authority or perform any work  
7 for a period of sixty (60) months from the date of the second violation.

8 (f) The order of the hearing officer shall remain in full force and effect unless stayed by  
9 order of the superior court.

10 (g) The director of labor and training, awarding authority, or hearing officer shall notify  
11 the bonding company of any person, firm, or corporation suspected of violating any section of  
12 this chapter. The notice shall be mailed certified mail and shall enumerate the alleged violations  
13 being investigated.

14 (h) In addition to the above, any person, firm, or corporation found to have willfully  
15 made a false or fraudulent representation on certified payroll records shall be referred to the  
16 office of the attorney general. A first violation of this section shall be considered a misdemeanor  
17 and shall be punishable for a period of not more than one year in prison and/or fined one thousand  
18 dollars (\$1,000). A second or subsequent violation of this section shall be considered a felony and  
19 shall be punishable for a period of not more than three (3) years imprisonment, a fine of three  
20 thousand dollars (\$3,000), or both. Further, any person, firm, or corporation found to have  
21 willfully made a false or fraudulent representation on certified payroll records shall be required to  
22 pay a civil penalty to the department of labor and training in an amount of no less than two  
23 thousand dollars (\$2,000) and not greater than fifteen thousand dollars (\$15,000) per  
24 representation.

25 SECTION 12. Title 39 of the General Laws entitled "Public Utilities and Carriers" is  
26 hereby amended by adding thereto the following chapter:

27 CHAPTER 2.3 UTILITY SERVICE RESTORATION ACT

28 **39-2.3 -1. Purpose.**

29 The purpose of this chapter is to ensure that each investor-owned electric and gas  
30 distribution company has in place emergency preparation plans designed to bring about the  
31 prompt restoration of service in the event of widespread outages occurring in the service area of  
32 each company.

33 **39-2.3-2. Definitions.**

34 As used in this chapter:

1 (1) “Commission” means the public utilities commission.

2 (2) “Company” means an investor-owned electric or gas distribution company.

3 (3) “Division” means the division of public utilities and carriers.

4 (4) “Emergency event” means an event where significant and/or widespread outages or  
5 service interruptions occurred in the service area of a company.

6 (5) “Emergency response plan” or “plan” means a company's plan which prepares the  
7 company to restore service in a safe and reasonably prompt and cost effective manner in the case  
8 of an emergency event.

9 (6) “Life support customers” means medical priority customers who have provided  
10 documentation to the electric distribution company of their medical conditions necessitating  
11 electric service.

12 (7) “Municipal liaison” means a liaison designated by a company to communicate with a  
13 municipality during an emergency event.

14 (8) “Mutual assistance agreement” means an agreement among a company and other  
15 utilities, both inside and outside of Rhode Island, that details specifics for obtaining or lending  
16 resources, including, but not limited to, material, equipment, and trained personnel, when internal  
17 resources are not sufficient to ensure the safe and reasonably prompt restoration of service during  
18 an emergency event.

19 **39-2.3-3. Emergency response plans required.**

20 (a) Each electric distribution company and natural gas distribution company conducting  
21 business in the state shall, on or before June 1, 2021, submit to the division an emergency  
22 response plan that shall be designed to achieve a prompt restoration of service after an emergency  
23 event. Such plans shall be filed annually with the division by the first Monday in June. After  
24 review of an electric distribution or natural gas distribution company’s emergency response plan,  
25 the division may request that the company amend the plan. The division may open an  
26 investigation and conduct hearings on any plan and order modifications if deemed necessary by  
27 the division.

28 (b) Any company that fails to file its emergency response plan may be fined five hundred  
29 dollars (\$500) for each day during which such failure continues. Any fines levied by the division  
30 shall be returned to ratepayers through distribution rates in a manner determined by the  
31 commission.

32 (c) Plans shall include, but not be limited to, the following information:

33 (1) Identification of management staff responsible for company operations, including a  
34 description of their specific duties; and estimation of the number of crews and full-time

1 equivalents available to respond within twenty-four (24) hours of an emergency event;

2 (2) A communications process with customers that provides continuous access to staff  
3 assistance, including, but not limited to, maintaining a website with estimated times of restoration  
4 that shall be prominently displayed and updated at least three (3) times per day. The  
5 communications process shall also provide estimated times of restoration at least three (3) times  
6 per day through at least one other form of media outreach, and when requested by customers via  
7 telephone;

8 (3) For electric distribution companies, procedures for maintaining an updated list of life  
9 support customers, including a process to immediately update a company's life support customer  
10 list when a customer notifies the company of a medical need for electric service, communicating  
11 with life support customers before, during and after an emergency event, providing information to  
12 public safety officials regarding the status of electric service to life support customers' homes, and  
13 procedures for prioritizing power restoration to life support customers;

14 (4) Designation of staff to communicate with local officials, including public safety  
15 officials, relevant regulatory agencies, and designated municipal liaisons, and designation of staff  
16 to be posted at the Rhode Island emergency management agency's emergency operations center,  
17 and in the event of a virtual activation of the emergency activation center, designation of an  
18 employee or employees to participate in the virtual activation;

19 (5) Provisions regarding how the company will assure the safety of its employees,  
20 contractors and the public;

21 (6) Procedures for deploying company and contractor crews, and crews acquired through  
22 mutual assistance agreements to work assignment areas;

23 (7) Identification of additional supplies and equipment needed during an emergency and  
24 the means of obtaining additional supplies and equipment;

25 (8) Designation of a continuously staffed call center in Rhode Island that is sufficiently  
26 staffed to handle all customer calls for service assistance for the duration of an emergency event  
27 or until full service is restored, whichever occurs first. If the call center is unable to operate  
28 during an emergency event, the company shall provide for a call center within fifty (50) miles of  
29 Rhode Island; and

30 (9) Designation of an employee or employees to serve as municipal liaisons for each  
31 affected municipality within its service territory. The plan shall provide that each municipal  
32 liaison has the necessary feeder map or maps outlining municipal substations and distribution  
33 networks and up-to-date customer outage reports at the time of the designation as municipal  
34 liaison. The plan shall provide that each municipal liaison has three (3) daily customer outage

1 report updates for the municipal liaison's respective municipality and that each municipal liaison  
2 shall use the maps and outage reports to respond to inquiries from state and local officials and  
3 relevant regulatory agencies.

4 **39-2.3-4. Standards for acceptable performance.**

5 (a) As part of its preparation for emergency events, electric distribution and gas  
6 distribution companies shall also adhere to certain minimum standards of acceptable  
7 performance. These standards are designed to buttress each company's emergency response plan  
8 and to further ensure that each company is sufficiently prepared to restore service to its customers  
9 in a safe and reasonably prompt manner after an emergency event. The following minimum  
10 performance standards shall apply:

11 (1) For electric distribution companies,

12 (i) Conducting the following on at least an annual basis:

13 (A) Meetings with state and local officials to ensure effective and efficient flow of  
14 information and substantial and frequent coordination between the company and local public  
15 safety officials, including coordination with local officials with respect to vegetation  
16 management; and

17 (B) Training and drills and/or exercises to ensure effective and efficient performance of  
18 personnel during emergency events, and to ensure that each company has the ability to restore  
19 service to its customers in a safe and reasonably prompt manner; and

20 (ii) Maintaining updated lists of local elected and appointed officials, state and local  
21 public safety officials, life support customers, and all internal personnel and external entities  
22 involved in the company's restoration efforts.

23 (2) For gas companies, the standards shall include, at a minimum, preparing and  
24 following written procedures consistent with those required by 49 U.S.C. §§ 60101 through  
25 60125; 49 CFR Part 192: Transportation of Natural and Other Gas by Pipeline: Minimum Federal  
26 Safety Standards; and all applicable division rules and regulations. Each gas company shall  
27 include these written procedures in their respective manuals for conducting operations and  
28 maintenance activities and for emergency response, and, where appropriate, in their manuals of  
29 written procedures to minimize hazards resulting from gas pipeline emergencies, as required by  
30 49 CFR Part 192; and all applicable division rules and regulations.

31 (3) The division shall have the authority to open a docket and establish additional  
32 standards of acceptable performance for emergency preparation and restoration of service for  
33 each investor-owned electric and gas distribution company doing business in the state.

34 (b) Each company shall comply with the following reporting requirements:

1           (1) Submit annually a report with supporting documentation to the division on its  
2 preparation for emergency events that details each meeting, training, and drill and or exercise  
3 held pursuant to § 39-2.3-4(a)(1);

4           (2) During an emergency event, each company shall provide periodic reports to the  
5 division, Rhode Island emergency management agency representatives and municipal emergency  
6 managers, or designees, that contain detailed information related to emergency conditions and  
7 restoration performance for each affected city and town;

8           (3) Following an emergency event, each company shall submit, within ninety (90) days, a  
9 detailed report with supporting documentation to the division on the company's restoration  
10 performance, including lessons learned; and

11           (4) Following an emergency event, and at the direction of the Division, the company shall  
12 submit a detailed report with supporting documentation to the division regarding causes of the  
13 emergency event, including lessons learned.

14           (5) Before, during, and after an emergency event, track, maintain, and ensure the  
15 accuracy of all emergency event related data that the company collects.

16           **39-2.3-5. Division review of company performance.**

17           (a) Notwithstanding any existing power or authority, the division may open an  
18 investigation to review the performance of any company in restoring service during an emergency  
19 event. If, after evidentiary hearings or other investigatory proceedings, the division finds that, as a  
20 result of the failure of the company to follow its approved emergency response plan or any other  
21 negligent actions or omissions by the company, the length of the outages were materially longer  
22 than they would have been but for the company's failure, the division shall recommend that the  
23 commission enter an order denying the recovery of all, or any part of, the service restoration costs  
24 through distribution rates, commensurate with the degree and impact of the service outage.

25           (b) In addition, if the division determines, after investigation and hearing, that the  
26 company has violated any of the prescribed standards of acceptable performance, the division  
27 shall have the authority to levy a penalty not to exceed one hundred thousand dollars (\$100,000)  
28 for each day that the violation of the standards persist; provided, however, that the maximum  
29 penalty shall not exceed seven million five hundred thousand dollars (\$7,500,000) for any related  
30 series of violations. In determining the amount of the penalty, the division shall consider, among  
31 other factors, the following:

32           (1) The gravity of the violation(s);

33           (2) The appropriateness of the penalty to the size of the company;

34           (3) The good faith of the company in attempting to achieve compliance; and



1 (4) The degree of control that the company had over the circumstances that led to the  
2 violation(s).

3 (c) Any penalty levied by the division against a company for any violation of the  
4 division's standards of acceptable performance for emergency preparation and restoration of  
5 service for electric and gas distribution companies shall be credited back to the company's  
6 customers in a manner determined by the commission.

7 (d) Nothing herein shall prohibit any affected city or town from filing a complaint with  
8 the division regarding a violation of the division's standards of acceptable performance by a  
9 company; provided, however, that said petition shall be filed with the division no later than ninety  
10 (90) days after the violation has been remedied. After an initial review of the complaint, the  
11 division shall make a determination as to whether to open a full investigation.\

12 SECTION 13. Section 39-4-22 of the General Laws in Chapter 39-4 entitled "Hearings and  
13 Investigations" is hereby amended to read as follows:

14 **39-4-22. Penalties for violations.**

15 ~~Every public utility or water supplier pursuant to title 46, chapter 15.4 and all officers and~~  
16 ~~agents thereof shall obey, observe, and comply with every order of the division made under the~~  
17 ~~authority of of chapters 1—5 of this title as long as the order, shall be and remain in force. Every~~  
18 ~~public utility or water supplier which shall violate any of the provisions of the chapters or which~~  
19 ~~fails, omits, or neglects to obey, observe, or comply with, any order of the division, shall be~~  
20 ~~subject to a penalty of not less than two hundred dollars (\$200), nor more than one thousand~~  
21 ~~dollars (\$1,000) for each and every offense. Every violation of the order shall be a separate and~~  
22 ~~distinct offense and, in case of a continuing violation, every day's continuance thereof shall be,~~  
23 ~~and be deemed to be, a separate and distinct offense.~~

24 (a) Every officer, agent, or employee of a public utility ~~or water supplier~~ who shall  
25 ~~violate~~ fail to obey, observe, and comply with any of the provisions of ~~the chapters,~~ chapters 1  
26 through 5 of this title, or any division rule, regulation or order, or who procures, aids, or abets any  
27 violation by any public utility, ~~or water supplier~~ or who shall fail to obey, observe, or comply  
28 with, any order of the division, or any provision of an order of the division, or who procures, aids,  
29 or abets any public utility ~~or water supplier~~ in its failure to obey, observe, or comply with, any  
30 order or provision, shall be guilty of a misdemeanor and shall be fined not less than ~~one hundred~~  
31 ~~dollars (\$100) nor more than five hundred dollars (\$500).~~ one thousand dollars (\$1,000). In  
32 construing and enforcing the provisions of this section, the act, omission, or failure of any officer,  
33 agent, or other person acting for or employed by any public utility, ~~or water supplier,~~ acting  
34 within the scope of his or her employment, shall in every case be deemed to be also the act,

1 omission, or failure of the public utility, ~~or water supplier.~~

2 (b) The administrator may, in his or her discretion, in lieu of seeking criminal sanctions  
3 provided in subsection (a) of this section, impose upon each public utility an administrative civil  
4 penalty (fine) for the failure to obey, observe, and comply with any of the provisions of chapters  
5 1 through 5 of this title, or division rule, regulation or order.

6 (1) In determining the amount of any penalty to be assessed pursuant to this section, the  
7 division shall consider:

8 (i) The seriousness of the violation for which a penalty is sought;  
9 (ii) The nature and extent of any previous violations for which penalties have been  
10 assessed against the public utility or officer;  
11 (iii) Whether there was knowledge of the violation;  
12 (iv) The gross revenues and financial status of the public utility; and  
13 (v) Such other factors as the division may deem appropriate and relevant

14 (2) Whenever the division has reason to believe that a public utility should be subject to  
15 imposition of a civil penalty as set forth in this section, it shall notify such public utility. Such  
16 notice shall include, but shall not be limited to:

17 (i) The date and a brief description of the facts and nature of each act or failure to act for  
18 which such penalty is proposed;  
19 (ii) A list of each provision of chapters 1 through 5 of this title, or division rule,  
20 regulation or order that the division alleges has been violated; and  
21 (iii) The amount of each penalty that the division proposes to assess.

22 (3) Whenever the division has reason to believe that a public utility should be subject to  
23 imposition of a civil penalty or penalties as set forth in this section, the division shall hold an  
24 evidentiary hearing to demonstrate why the proposed penalty or penalties should be assessed  
25 against such public utility.

26 (4) Any public utility determined by the division to have failed to reasonably comply as  
27 shown by a preponderance of the evidence with any provision of chapters 1 through 5 of this title,  
28 or division rule, regulation or order, shall forfeit a sum not exceeding the greater of two hundred  
29 thousand dollars (\$200,000) or two one-hundredths of one percent (0.02%) of the annual  
30 intrastate gross operating revenue of the public utility, not including taxes paid to and revenues  
31 collected on behalf of government entities, constituting a civil penalty for each and every offense  
32 and, in the case of a continuing violation, each day shall be deemed a separate and distinct  
33 offense.

34 (5) Any payment made by a public utility as a result of an assessment as provided in this

1 section, and the cost of litigation and investigation related to any such assessment, shall not be  
2 recoverable from ratepayers. All monies recovered pursuant to subsection (b) of this section,  
3 together with the costs thereof, shall be remitted to, or for the benefit of, the ratepayers in a  
4 manner to be determined by the division.

5 (6) In construing and enforcing the provisions of this section relating to penalties, the act  
6 of any director, officer, agent or employee of a public utility acting within the scope of his or her  
7 official duties or employment shall be deemed to be the act of such public utility.

8 (7) The penalties provided by this section are in addition to any other penalties or  
9 remedies provided in law.

10 SECTION 14. Section 42-29-1 of the General Laws in Chapter 42-29 entitled “Sheriffs” is  
11 hereby amended to read as follows:

12 **42-29-1. Appointment – Powers and duties – Removal.**

13 (a) The director of the department of public safety shall appoint deputy sheriffs and other  
14 necessary classifications pursuant to rank structure, subject to the appropriations process. Deputy  
15 sheriffs and other employees of the sheriff's division shall be subject to the supervision of the  
16 chief/sheriff appointed by the director of the department of public safety who may assign tasks  
17 and functions in order to ensure the proper management of the sheriffs' division. Any deputy  
18 sheriff hired after July 1, 2001 must successfully complete the sheriff academy and any courses  
19 deemed necessary at the municipal police training academy prior to assuming the duties of a  
20 deputy sheriff. Furthermore, the director of the department of public safety in conjunction with  
21 the personnel administrator shall be responsible for promulgating written class specifications with  
22 necessary minimum qualifications defined in them. Deputy sheriffs can be removed for just cause  
23 by their appointing authority.

24 (b) All deputy sheriffs, and the deputy sheriffs shall perform all the duties required and  
25 exercise all the powers prescribed in this chapter; chapter 15 of title 5; chapters 5 and 10 of title  
26 9; chapters 5, 10 and 14 of title 10; chapters 8, 31, 34, 36 and 44 of title 11; chapters 4, 5 and 6 of  
27 title 12; chapter 22 of title 17; chapters 4 and 6 of title 22; chapter 2 of title 28; chapter 6 of title  
28 35; chapter 8 of title 37; and all other provisions of the general laws and public laws insofar as  
29 those powers and duties relate to the deputy sheriffs and as required and prescribed in all other  
30 provisions of the general laws and public laws relating to the powers and duties of the sheriffs.

31 (c) All resources of the sheriffs shall be transferred to the division of sheriffs within the  
32 department of public safety. These resources include, but are not limited to, all positions,  
33 property, accounts and other funding pertinent to sheriffs.

1 (d)(1) Any reference in the general laws to a chief/sheriff within the division of sheriffs  
2 shall be deemed to mean a sworn member of the division of sheriffs.

3 (2) Any reference in the general laws to a member of the division of sheriffs shall be  
4 deemed to mean a sworn deputy sheriff within the division of sheriffs.

5 (e) Applicants to the division of sheriffs' training academy shall pay an application fee in  
6 the amount of fifty dollars (\$50.00); provided, however, the director of public safety may waive  
7 such application fee if the payment thereof would be a hardship to the applicant.

8 (f) All fees collected by the division pursuant to this section shall be deposited as general  
9 revenues.

10 SECTION 15. Section 6 shall take effect October 1, 2020. Section 9 shall take effect  
11 January 1, 2021. The remaining sections of this article shall take effect upon passage.

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**ARTICLE 7**

**RELATING TO THE ENVIRONMENT**

SECTION 1. Effective on July 1, 2020, section 20-1-13 of the General Laws in Chapter 20-1 entitled "General Provisions" is hereby amended to read as follows:

**20-1-13. Publication and effective date of seasons and bag limits.**

Notice of the director's intention to adopt regulations pursuant to § 20-1-12 and the holding of a public hearing on these regulations shall be published in at least one newspaper of general statewide circulation, not less than twenty (20) days prior to the date of the public hearing. ~~These regulations shall remain in effect not longer than one year following the date of their effectiveness.~~

SECTION 2. Effective on July 1, 2020, sections 20-2-15, 20-2-16, 20-2-17, 20-2-18, 20-2-18.1, 20-2-18.3, 20-2-30, 20-2-37 and 20-2-42 of the General Laws in Chapter 20-2 entitled "Licensing" are hereby amended to read as follows:

**20-2-15. Freshwater fishing license.**

\_\_\_(a)(1) *Resident*: ~~eighteen dollars (\$18.00).~~ twenty-one dollars (\$21.00); commencing July 1, 2024, twenty-four dollars (\$24.00); commencing July 1, 2027, twenty-seven dollars (\$27.00).

(2) *Nonresident*: ~~thirty-five dollars (\$35.00).~~ thirty-eight dollars (\$38.00); commencing July 1, 2024, forty-one dollars (\$41.00); commencing July 1, 2027, forty-four dollars (\$44.00).

(3) *Nonresident tourist*: ~~sixteen dollars (\$16.00).~~ eighteen dollars (\$18.00); commencing July 1, 2024, twenty dollars (\$20.00); commencing July 1, 2027, twenty-two dollars (\$22.00). This license shall entitle the licensee to fish in Rhode Island for three (3) consecutive days including the day of issue.

(b) Freshwater fishing licenses shall expire on the last day of February of each year.

**20-2-16. Hunting License.**

\_\_\_(a)(1) *Resident*: ~~eighteen dollars (\$18.00).~~ twenty-one dollars (\$21.00); commencing July 1, 2024, twenty-four dollars (\$24.00); commencing July 1, 2027, twenty-seven dollars (\$27.00).

(2) *Nonresident*: ~~forty-five dollars (\$45.00).~~ fifty-five dollars (\$55.00); commencing July 1, 2024, sixty-five dollars (\$65.00); commencing July 1, 2027, seventy-five dollars (\$75.00).

(3) *Nonresident landowner*: a nonresident citizen of the United States and owner of real estate in Rhode Island assessed for taxation at a valuation of not less than thirty thousand dollars (\$30,000) may obtain a resident's hunting license.

(4) *Shooting preserve*: three dollars and fifty cents (\$3.50).

1 (5) *Nonresident three (3) day*: ~~sixteen dollars (\$16.00)~~ twenty dollars (\$20.00). This license  
2 shall entitle the licensee to hunt in Rhode Island for three (3) consecutive days as validated by the  
3 issuing agent.

4 (6) Resident junior hunting license: fourteen dollars (\$14.00).

5 (7) Nonresident junior hunting license: forty dollars (\$40.00).

6 (b) Hunting licenses shall expire on the last day of February of each year.

7 **20-2-17. Combination fishing and hunting license.**

8 \_\_\_The director may grant to any eligible resident applying for a combination hunting and  
9 fishing license a license that shall entitle the licensee to the privileges of both hunting and fishing  
10 licenses, for a fee of ~~thirty-three dollars (\$33.00)~~ thirty-eight dollars (\$38.00); commencing July  
11 1, 2024, forty-three dollars (\$43.00); commencing July 1, 2027, forty-eight dollars (\$48.00). The  
12 license shall expire on the last day of February of each year.

13 **20-2-18. Deer Permits.**

14 (a)(1) *Resident*: ~~twelve dollars and fifty cents (\$12.50)~~ thirteen dollars (\$13.00); commencing  
15 July 1, 2024, fourteen dollars (\$14.00); commencing July 1, 2027, fifteen dollars (\$15.00).

16 (2) *Nonresident*: ~~twenty-five~~ twenty-six dollars and fifty cents (~~\$25.50~~\$26.50); commencing  
17 July 1, 2024, twenty-seven dollars and fifty cents (\$27.50); commencing July 1, 2027, twenty-  
18 eight dollars and fifty cents (\$28.50).

19 (b) A deer permit is good only for the season in which it is issued.

20 **20-2-18.1. Wild turkey permits.**

21 No person shall attempt to take any wild turkey without first obtaining a regular hunting  
22 license and a turkey permit for the current year. Permits shall be sold at the direction of the  
23 director for a fee of ~~seven dollars and fifty cents~~ eight dollars (\$7.50\$8.00) for residents and  
24 twenty-one dollars and fifty cents (~~\$20.00~~\$21.50) for nonresidents. Commencing July 1, 2024,  
25 permits shall be sold for a fee of nine dollars (\$9.00) for residents and twenty-three dollars  
26 (\$23.00) for nonresidents. Commencing July 1, 2027, permits shall be sold for a fee of ten dollars  
27 and fifty cents (\$10.50) for residents and twenty-four dollars and fifty cents (\$24.50) for  
28 nonresidents. The issuing agent may retain a fee of fifty cents (\$0.50) for each permit and shall  
29 remit ~~seven dollars (\$7.00) for resident permits and nineteen dollars and fifty cents (\$19.50) for~~  
30 ~~nonresident permits~~ the remainder to the department. A wild turkey permit shall be good only for  
31 the season in which it is issued. All monies derived by the department from the sale of wild  
32 turkey permits shall be expended for turkey habitat acquisition in Rhode Island and wild turkey  
33 restoration management and research.

34 **20-2-18.3. Stocked game bird permit fees and bag limits.**

1 Permits shall be sold at the direction of the director for a fee of ~~fifteen~~ seventeen dollars ~~and~~  
2 ~~fifty cents~~ (~~\$15.50~~\$17.00). Commencing July 1, 2024, the fee for a permit shall be eighteen  
3 dollars and fifty cents (\$18.50). Commencing July 1, 2027, the fee for a permit shall be twenty-  
4 one dollars (\$21.00). The issuing agent will retain a fee of fifty cents (\$0.50) for each permit and  
5 shall remit ~~fifteen dollars (\$15.00)~~ the remainder to the department. The permit will allow the  
6 person to harvest a daily bag and season limit as described in regulations promulgated by the  
7 director. All monies derived by the department from the sale of stocked game bird permits shall  
8 be expended for stocking game birds and wildlife habitat acquisition in Rhode Island.

9 **20-2-30. Fur trapping and licenses.**

10 (a)(1) Fur trapper – Resident: ~~ten~~ fifteen dollars (~~\$10.00~~\$15.00); commencing July 1, 2024,  
11 twenty dollars (\$20.00); commencing July 1, 2027, twenty-five dollars (\$25.00).

12 (2) Fur trapper – Nonresident: ~~thirty~~ fifty dollars (~~\$30.00~~\$50.00); commencing July 1, 2024,  
13 seventy-five dollars (\$75.00); commencing July 1, 2027, one hundred dollars (\$100.00).

14 (b) Fur trapper and fur licenses expire on the last day of March of each year.

15 **20-2-37. Waterfowl stamp fees.**

16 (a) Stamps shall be sold at the direction of the director for a fee of ~~seven~~ eight dollars ~~and~~  
17 ~~fifty cents~~ (~~\$7.50~~\$8.00). Commencing July 1, 2024, the fee for a stamp shall be nine dollars  
18 (\$9.00). Commencing July 1, 2027, the fee for a stamp shall be ten dollars (\$10.00). The issuing  
19 agent may retain a fee of fifty cents (\$.50) and shall remit ~~seven dollars (\$7.00)~~ the remainder of  
20 each fee to the department. The director shall establish a uniform sale price for all categories of  
21 by-products.

22 (b) [Deleted by P.L. 2002, ch. 65, art. 13, § 16.]

23 **20-2-42. Trout conservation stamp fee.**

24 Stamps shall be sold at the direction of the director for a fee of five dollars and fifty cents  
25 (\$5.50). Commencing July 1, 2024, the fee for a stamp shall be six dollars (\$6.00). Commencing  
26 July 1, 2027, the fee for a stamp shall be six dollars and fifty cents (\$6.50). The issuing agent may  
27 retain a fee of fifty cents (\$.50) for each stamp sold and shall remit ~~five dollars (\$5.00)~~ the  
28 remainder of each fee to the department. The director shall establish uniform sale prices for all  
29 categories of by-products.

30 SECTION 3. Section 20-2-27.1 of the General Laws in Chapter 20-2 entitled “Licensing.” is  
31 hereby amended to read as follows:

32 **20-2-27.1. Rhode Island party and charter ~~boat~~ vessel license.**

33 (a) All party and charter ~~boats~~ vessels carrying recreational passengers to take or attempt to  
34 take marine ~~fish~~ species upon the navigable state and coastal waters of Rhode Island shall be

1 required to obtain a Rhode Island party and charter ~~boat~~ vessel license. ~~The licenses shall be~~  
2 ~~issued by the department on a biennial basis for a fee of twenty five dollars (\$25) per vessel. The~~  
3 ~~annual fee shall be one hundred dollars (\$100) for a resident of Rhode Island and shall be three~~  
4 ~~hundred dollars (\$300) for a nonresident.~~ All licensed party and charter ~~boats~~ vessels shall be  
5 required to display a party and charter ~~boat~~ vessel decal provided by the department. To obtain a  
6 license, the owner of a qualified vessel must submit:

7 (1) A current copy of the operator's United States Coast Guard license to carry passengers for  
8 hire;

9 (2) A current copy of the vessel's " of Documentation" certifying that the vessel is  
10 documented "Coastwise," or if the vessel is under five (5) net tons, a copy of the vessel's state  
11 registration;

12 (3) Proof that the operator and crew are currently enrolled in a random drug testing program  
13 that complies with the federal government's 46 C.F.R. § 16.101 et seq. "Drug Testing Program"  
14 regulations; and

15 (4) A signed license application form certifying that the vessel is, and will be, operated in  
16 compliance with all state and federal safety regulations for the vessel.

17 (b) Rhode Island party and charter ~~boat~~ vessel licenses shall expire on the last day of  
18 ~~February~~ December every ~~other~~ year, ~~with the first expiration date being in February 2001.~~

19 SECTION 4. Sections 20-2.1-3, 20-2.1-4, 20-2.1-7 and 20-2.1-8 of the General Laws in  
20 Chapter 20-2.1 entitled "Commercial Fishing Licenses" are hereby amended to read as follows:

21 **20-2.1-3. Definitions.**

22 For the purposes of this chapter the following terms shall mean:

23 ~~(1) "Basic harvest and gear levels" means fishery specific harvest and/or gear levels,~~  
24 ~~established and regularly updated by the department by rule, that, in a manner consistent with the~~  
25 ~~state or federally sanctioned management plans or programs that may be in effect, and to the~~  
26 ~~extent possible given those plans and programs, provide a maximum level of participation for~~  
27 ~~commercial fishing license holders in accordance with applicable endorsements.~~

28 (1) "Activity Standard" means a level of fishing participation used to establish criteria for the  
29 issuance of new licenses.

30 (2) "Commercial fisherman" means a natural person licensed to ~~who~~ catches, harvests, or  
31 takes ~~finfish, crustaceans, or shellfish~~ marine species from the marine waters for sale.

32 (3) "Council" means the marine fisheries council established by chapter 3 of this title.

33 (4) "Crustaceans" means lobsters, crabs, shrimp, and for purposes of this chapter it also  
34 includes horseshoe crabs.



1 (5) "Director" means the director of the department of environmental management.

2 ~~(6) "Endorsement" means the designation of a fishery in which a license holder may~~  
3 ~~participate either basic or full harvest and gear levels. Endorsement categories and levels shall be~~  
4 ~~established annually by the department by rule, based on the status of the various fisheries, the~~  
5 ~~levels of participation of existing license holders, and the provisions of applicable management~~  
6 ~~plans or programs. At a minimum, endorsement categories and endorsement opportunities shall~~  
7 ~~include, but may not be limited to: non lobster crustacean; lobster; non quahaug shellfish;~~  
8 ~~quahaug; non restricted finfish; and restricted finfish. Endorsements, when available, shall be~~  
9 ~~issued in accordance with applicable qualifying criteria.~~

10 (6) "Family member" means a spouse, mother, father, brother, sister, child, or grandchild of  
11 the holder or transferor of a commercial fishing license.

12 ~~(7) "February 28" means the twenty eighth (28th) day in the month of February or the next~~  
13 ~~business day if February 28 falls on a Saturday or Sunday for the purpose of application~~  
14 ~~submittals and renewal deadlines.~~

15 ~~(8) "Finfish" means cold-blooded aquatic vertebrates with fins, including fish, sharks, rays,~~  
16 ~~skates, and eels and also includes, for the purposes of this chapter, squid.~~

17 ~~(9) "Fisheries sectors" means and comprises crustaceans, finfish, shellfish, as defined in this~~  
18 ~~section, each of which shall singularly be considered a fishery sector.~~

19 (9) "Fishery Endorsement" means the authorization for a license holder to participate in a  
20 designated fishery sector at a limited or unlimited level.

21 ~~(10) "Full harvest and gear levels" means fishery specific harvest and/or gear levels,~~  
22 ~~established and regularly updated by the department by rule, that, in a manner consistent with the~~  
23 ~~state or federally sanctioned management plans or programs that may be in effect, and to the~~  
24 ~~extent possible given those plans and programs, provide a maximum level of participation for~~  
25 ~~principal effort license holders in accordance with applicable endorsements and for all multi-~~  
26 ~~purpose license holders.~~

27 ~~(11) "Grace period" means sixty (60) calendar days commencing the last day of February~~  
28 ~~28, as defined herein, and shall only apply to renewals of licenses from the immediately~~  
29 ~~preceding year; provided, that for calendar year 2004 the grace period shall be ninety (90)~~  
30 ~~calendar days commencing February 29, 2004.~~

31 ~~(12) "Medical hardship" means a significant medical condition that ~~prevents a license~~~~  
32 ~~applicant from meeting the application requirements renders an active licensed person unable to~~  
33 ~~fish for a period in excess of fourteen (14) days, either as a result of the physical loss of function~~

1 or impairment of a body part or parts, or debilitating pain. Demonstration of the medical hardship  
2 shall be in the form of a diagnosis and prognosis signed by a medical doctor (M.D. or O.D.).

3 (12) "Medical Incapacity" means death or injury that renders an active license holder  
4 permanently unable to actively fish. Demonstration of medical incapacity shall be in the form of a  
5 death, or a diagnosis and prognosis signed by a medical doctor (M.D. or O.D.).

6 (13) "Other Endorsement" means the authorization for a license holder or vessel to participate  
7 in a designated activity.

8 ~~(13)~~<sup>14</sup> "Shellfish" means quahogs, clams, mussels, scallops, oysters, conches, and mollusks  
9 in general other than squid.

10 ~~(14)~~<sup>15</sup> "Student commercial fisherman" means a resident, twenty-three (23) years of age or  
11 younger, licensed pursuant to this chapter, who is a full-time student.

12 **20-2.1-4. Licenses— General provisions governing licenses issued.**

13 (a) ~~Licenses and vessel declarations required~~ Applicability. It shall be unlawful for any  
14 person in Rhode Island or the waters of the state: (1) To take, catch, harvest, possess, or to hold,  
15 or transport for sale in Rhode Island any marine ~~finfish, crustacean, or shellfish~~ species without a  
16 license issued under the provisions of this title, provided, however, that marine ~~finfish,~~  
17 ~~crustaceans, or shellfish~~ species may be transported by a duly licensed dealer if the marine  
18 ~~finfish, crustaceans, or shellfish~~ species have previously been sold by a duly licensed person; or  
19 (2) To engage in commercial fishing from a vessel unless the vessel has been declared a  
20 commercial fishing vessel as provided in § 20-2.1-5(~~23~~) and has a decal affixed to it or is  
21 displaying a plate.

22 (b) *Validation of license*. No license issued under this chapter shall be valid until signed by  
23 the licensee in his or her own handwriting.

24 (c) *Transfer or loan of license*. Unless otherwise provided for in this title, a license issued to a  
25 person under this chapter shall be good only for the person to whom it is issued and any transfer  
26 or loan of the license shall be grounds for revocation or suspension of that license pursuant to §  
27 20-2-13.

28 (d) *Reporting and inspections condition of license*. All persons granted a license under the  
29 provisions of this chapter are deemed to have consented to the reporting requirements applicable  
30 to commercial fishing actively that are established pursuant to this title and to the reasonable  
31 inspection of any ~~boat,~~ vessel, net, rake, bullrake, tong, dredge, trap, pot, vehicle, structure, or  
32 other contrivance used regularly for the keeping or storage of ~~fish, shellfish or crustaceans~~ marine  
33 species, and any creel, box, locker, basket, crate, blind, fishing, or paraphernalia used in

1 conjunction with the licensed activity by persons duly authorized by the director. The provisions  
2 of § 20-1-8(a)(7)(ii) shall apply to these inspections.

3 (e) *Possession, inspection, and display of license.* Every person holding a license issued  
4 under this chapter shall have that license in his or her possession at all times while engaged in the  
5 licensed activity and shall present the license for inspection on demand by any authorized person.  
6 Any person who shall refuse to present a license on demand shall be liable to the same  
7 punishment as if that person were fishing without a license.

8 (f) *Application for license.* Every person entitled to a license under this chapter shall file an  
9 application with the director, or the director's authorized agent, properly sworn to, stating the  
10 name, age, occupation, place of residence, mailing address, weight, height, and color of hair and  
11 eyes of the applicant for whom the license is wanted and providing any other information that  
12 may be required pursuant to rule in order to effectuate the purposes of this chapter, and pay the  
13 fees as provided in this chapter. All licenses issued under this chapter shall be valid only for the  
14 calendar year of issuance, unless otherwise specified in this chapter or in the rules and regulations  
15 adopted pursuant to this chapter. If the person will be either the owner or the operator as provided  
16 in § 20-2.1-5(~~57~~) of a commercial fishing vessel, the person shall declare, on the application for  
17 each commercial fishing vessel, the vessel name, length, horsepower, state registration number or  
18 coast guard documentation number, federal permit number, ~~if any, gear type(s), the principal~~  
19 ~~fishery or fisheries~~, and average projected crew size.

20 (g) *Application deadline, grace period for renewals, and limitation on appeals after the*  
21 *deadlines.* For commercial marine fishing licenses provided for in §§ 20-2.1-5 and 20-2.1-6, the  
22 following provisions shall apply:

23 (1) Unless otherwise specified in this chapter, an individual qualified to obtain a license must  
24 submit an application to the department of environmental management no later than the last day  
25 of February ~~28 of each year~~; license application shall be deemed valid if submitted to the  
26 department prior to the close of regular office hours on the last day of February ~~28~~ or if  
27 postmarked by the last day of February ~~28~~;

28 (2) Unless otherwise specified in this title, no new or renewed licenses shall be issued after  
29 the last day of February ~~28~~ of each year, unless an applicant has submitted an application by the  
30 ~~February 28~~ deadline required by this section;

31 (3) The department shall notify all license holders, in writing, regarding the December 31  
32 expiration and the ~~February 28~~ renewal deadline no later than November 1 of each year;

33 (4) For renewals of existing commercial marine fishing licenses that expire on December 31  
34 of the immediately preceding year, there shall be a sixty-day (60) grace period from the renewal

1 deadline ~~of February 28~~; licenses issued during the grace period shall be subject to a late fee in  
2 the amount of two-hundred dollars (\$200) in addition to all other applicable fees;

3 (5) Except as provided for in subsection (g)(4) or § 20-2.1-5(1)(~~iviii~~)(A), the department shall  
4 not accept any applications submitted after the last day of February 28; and

5 (6) There shall be no right to request ~~reconsideration by the commercial fishing license~~  
6 ~~review board or an~~ appeal to the department of environmental management's administrative  
7 adjudication division (AAD) for the rejection of any new license applications submitted after the  
8 last day of February 28, or any license renewal applications submitted after the sixty-day (60)  
9 grace period; ~~except in~~ In the case of a documented ~~medical hardship as defined herein~~ medical  
10 condition that prevents a license applicant from meeting the application requirements, the license  
11 applicant has no more than one year after the expiration of a license to appeal to AAD.  
12 Demonstration of such medical condition shall be in the form of a diagnosis and prognosis signed  
13 by a medical doctor (M.D. or O.D.).

14 (h) *Lost or destroyed licenses and duplicate licenses.* Whoever loses, or by a mistake or  
15 accident destroys his or her of a commercial marine fisheries license, may, upon application to  
16 the department accompanied by an affidavit fully setting forth the circumstances of the loss,  
17 receive a duplicate ~~license~~ for the remainder of the year covered by the original , for a fee of ten  
18 dollars (\$10.00) for each duplicate license.

19 (i) *Revocation of licenses.*

20 (1) *License revocation.* The license of any person who has violated the provisions of this  
21 chapter; or rules adopted pursuant to the provisions of this chapter; or rules and regulations that  
22 pertain to commercial fishing and reporting issued pursuant to this title, may be suspended or  
23 revoked by the director as the director shall determine by regulation. Any person aggrieved by an  
24 order of suspension or revocation may appeal this order in accordance with the provisions of the  
25 Administrative Procedures Act, chapter 35 of title 42.

26 (2) *False statements and violations; cancellation of license.* Any person who willfully makes  
27 a false representation as to birthplace or requirements of identification or of other facts required  
28 in an application for license under this chapter or is otherwise directly or indirectly a party to a  
29 false representation, shall be punished by a fine of not more than fifty dollars (\$50.00). A license  
30 obtained by any person through a false representation shall be null and void and the license shall  
31 be surrendered immediately to the director. No license shall be issued under this title to this  
32 person for a period of one year from the date of imposition of a penalty under this section.

33 (3) *False, altered, forged, or counterfeit licenses.* Every person who falsely makes, alters,  
34 forges, or counterfeits, or who causes to be made, altered, forged, or counterfeited, a license

1 issued under this chapter or title, or purporting to be a license issued under this chapter or title, or  
2 who shall have in his or her possession such a license knowing it to be false, altered, forged, or  
3 counterfeit, is guilty of a misdemeanor and is subject to the penalties prescribed in § 20-1-16.

4 (j) *Expiration.* Unless otherwise specified in this title, all licenses issued under this chapter  
5 shall be annual and shall expire on December 31 of each year. It shall be unlawful for any person  
6 to fish commercially in Rhode Island waters on an expired license; and the application and grace  
7 periods set forth in subsections (g)(1) and (g)(4) above shall not extend the validity of any expired  
8 license.

9 (k) *Notice of change of address.* Whenever any person holding any commercial fishing  
10 license shall move from the address named in his or her last application, that person shall, within  
11 ten (10) days subsequent to moving, notify the office of boat registration and licensing of his or  
12 her former and current address.

#### 13 20-2.1-7. Landing permits and fees.

14 ~~Landing permits shall be issued as provided for in chapter 4 of this title. In addition, a~~  
15 ~~nonresident must obtain a landing permit, for a fee of two hundred dollars (\$200), to off load or~~  
16 ~~land species harvested outside Rhode Island waters. The landing permit shall be valid for the~~  
17 ~~calendar year in which it was issued. The department shall adopt any rules and procedures that~~  
18 ~~may be necessary for the timely issuance of landing permits in order to facilitate the off loading~~  
19 ~~and sale of non-quota species harvested outside state waters.~~

20 (a) All residents or nonresidents, with the exception of persons or vessels with qualifying  
21 Rhode Island fishing licenses, who have charge of a vessel carrying seafood products legally  
22 harvested outside Rhode Island waters shall obtain a permit to land, sell or offer for sale seafood  
23 products in Rhode Island. The permit shall be issued by the department upon proof that the  
24 applicant holds a valid state or federal commercial fishing license.

25 (1) Resident landing permit: for the landing, sale or offering for sale of marine species  
26 (including process product), caught by any means: the fee shall be three hundred dollars (\$ 300).

27 (2) Nonresident landing permit: for the landing, sale or offering for sale of marine species  
28 (including process product), caught by any means, excluding restricted species as defined by rule.  
29 The fee shall be six hundred dollars (\$600).

30 (3) Nonresident exempted landing permits.

31 (i) A new landing permit shall not be issued to any nonresident to off-load, land, offer for  
32 sale, or sell any restricted marine species, the definition of which shall be established by the  
33 department by rule and shall take into account species for which a quota has been allocated to the

1 state of Rhode Island by the Atlantic States Marine Fisheries Council or the National Marine  
2 Fisheries service, unless:

3 (A) the landing shall be counted against the quota of the state where the vessel making the  
4 landing is registered or documented; or

5 (B) the state where the vessel making the landing is registered or documented issues new  
6 landing permits to Rhode Island residents to land against that state's quota for the same species.  
7 For purposes of this section, the renewal of any nonresident landing permit shall be considered a  
8 new nonresident landing permit unless the applicant can show, to the satisfaction of the director,  
9 historic participation in the fishery and landings of the species; and any change or upgrade of a  
10 vessel twenty percent (20%) or greater in length, displacement, or horsepower above the named  
11 vessel shall be considered a new landing permit. Issuance of a landing permit shall not be deemed  
12 to create a property right that can be sold, transferred, or encumbered; landing permits shall be  
13 surrendered to the state upon their non-renewal or forfeiture, and the acquisition of a named  
14 vessel by a nonresident who does not already have a landing permit shall not entitle the  
15 nonresident to a landing permit unless a new landing permit can be issued as allowed in this  
16 section.

17 (4) Fee: The fee shall be six hundred dollars (\$600).

18 (b) Landing permits shall be valid for the calendar year in which they are issued.

19 (c) The department shall adopt any rules and procedures that may be necessary for the timely  
20 issuance of these permits in order to facilitate the off-loading and sale of seafood products, except  
21 restricted finfish, harvested outside Rhode Island waters.

22 (d) Notwithstanding the provisions of this section, a commercial vessel with seafood products  
23 on board may, without a landing permit, enter Rhode Island waters and be secured to a shoreside  
24 facility for purposes other than landing, selling, or offering for sale the seafood products on board  
25 if the person having charge of the vessel obtains permission from the department's division of law  
26 enforcement prior to securing the vessel to the shoreside facility.

27 **20-2.1-8 Dealers' licenses and fees.**

28 ~~In accordance with §§ 20-4-1.1, 20-6-24, and 20-7-5.1, the following dealers' licenses shall~~  
29 ~~be issued by the department:~~

30 (a) No person, partnership, firm, association, or corporation shall barter or trade in marine  
31 species taken by persons licensed under this chapter unless a license so to do has been obtained  
32 from the director of environmental management.

1        (b) Any licensee operating under the provisions of this section shall purchase marine species  
2 from licensed persons only and shall purchase or possess only those lobsters legally taken or  
3 possessed.

4        (c) The director shall issue and enforce rules and regulations and orders governing bartering  
5 and trading in marine species by licensed persons of marine species and licensed dealers, and  
6 other persons, partnerships, firms, associations, or corporations.

7        (d) License types and fees:

8        (1) *Multi-purpose ~~Rhode Island~~ dealer's license.* This license shall allow the ~~holder~~ dealer to  
9 ~~deal~~ purchase or sell all marine products in the state of Rhode Island. The license shall be valid  
10 for the calendar year in which it is issued. The ~~cost of the license fee~~ fee shall be ~~three hundred four~~  
11 hundred and fifty dollars (~~\$300~~ 450).

12        (2) *Finfish dealer's license.* This license shall allow the ~~holder~~ dealer to ~~deal~~ purchase or sell  
13 all finfish products in the state of Rhode Island. The license shall be valid for the calendar year in  
14 which it is issued. The ~~cost of the license fee~~ fee shall be ~~two hundred~~ three hundred dollars (~~\$200~~  
15 300).

16        (3) *Shellfish dealer's license.* This license shall allow the ~~holder~~ dealer to ~~deal~~ purchase or  
17 sell all shellfish products in the state of Rhode Island. The license shall be valid for the calendar  
18 year in which it is issued. The ~~cost of the license fee~~ fee shall be ~~two hundred~~ three hundred dollars  
19 (~~\$200~~ 300).

20        (4) Crustacean dealer license. This license shall allow the dealer to purchase all crustacean  
21 products in the state of Rhode Island. The license shall be valid for the calendar year in which it is  
22 issued. The fee shall be three hundred dollars (\$300).

23        (e) Seafood dealers license – suspension or revocation. The director may suspend, revoke, or  
24 deny the license of a seafood dealer or fisher of marine species for the violation of any provision  
25 of this title or the rules, regulations, or orders adopted or issued pursuant to this title.

26        (f) Any person aggrieved by the decisions of the director may appeal the decision pursuant to  
27 the provisions of the Administrative Procedures Act, chapter 35 of title 42.

28        (g) The director is authorized to enter and inspect the business premises, appurtenant  
29 structures, vehicles, or vessels of any seafood dealer and to inspect the records maintained by a  
30 seafood dealer for the purpose of determining compliance with the provisions of this section and  
31 any rules, regulations, or orders issued under this section, and no person shall interfere with,  
32 obstruct the entrance, or inspection of the director or the director's agents of those business  
33 premises, appurtenant structures, vehicles or vessels.

1 [\(h\) Any violation of the provisions of this section or any rule, regulation, or order adopted](#)  
2 [under this section shall be subject to penalties prescribed in § 20-1-16.](#)

3 SECTION 5. Effective on July 1, 2021, 20-2.1-5 and 20-2.1-6 of the General Laws in  
4 Chapter 20-2.1 entitled “Commercial Fishing Licenses” are hereby amended to read as follows:

5 **20-2.1-5. Resident licenses, endorsements and fees.**

6 The director shall establish, as a minimum, the following types of licenses [and endorsements](#)  
7 set forth in this section. In addition, the director may establish any other classes and types of  
8 licenses and endorsements, consistent with the provisions of this chapter and with adopted  
9 management plans that may be necessary to accomplish the purposes of this chapter:

10 (1) *Types of licenses.*

11 (i) [Standard resident commercial](#)~~Commercial~~ fishing license. Rhode Island residents shall be  
12 eligible to obtain a [standard resident](#) commercial fishing license; the license shall allow the holder  
13 to engage in commercial fishing in fisheries sectors, ~~per~~ [dictated by the fishery](#) endorsement(s)  
14 [associated with the license at basic harvest and gear levels.](#) [Fishery endorsements shall be](#)  
15 [established by the department consistent with fishery management plans developed pursuant to](#)  
16 [this chapter.](#) ~~The annual fee for a commercial fishing license shall be fifty dollars (\$50.00) and~~  
17 ~~twenty five dollars (\$25.00) for each endorsement at the basic harvest and gear levels.~~

18 (ii) ~~Principal effort license.~~ ~~Duly licensed persons, in a fishery as of December 31 of the~~  
19 ~~immediately preceding year, shall be eligible to obtain a principal effort license for the fishery~~  
20 ~~sector for which they were licensed on December 31 of the immediately preceding year, which~~  
21 ~~principal effort license shall allow its holder to fish in a fishery sector at the full harvest and gear~~  
22 ~~levels. The annual fee for a principal effort license shall be one hundred fifty dollars (\$150).~~  
23 ~~Principal effort license holders, in addition to the fishery sector of their principal effort, shall be~~  
24 ~~eligible to obtain endorsements for the other fishery sectors at the full harvest and gear levels, if~~  
25 ~~and when those endorsements are made available, the annual fee for each other fishery sector~~  
26 ~~endorsement shall be seventy five dollars (\$75.00). Principal effort license holders shall also be~~  
27 ~~eligible to obtain a commercial fishing license with endorsements, except for fisheries in which~~  
28 ~~the license holder can fish at the full harvest and gear levels.~~

29 (iii) *Multi-purpose license.* All multi-purpose license holders as of December 31 of the  
30 immediately preceding year shall be eligible to obtain a multi-purpose license that shall allow the  
31 holder to engage in commercial fishing in all fisheries sectors ~~at the full harvest and gear levels.~~  
32 ~~At the time of application for a multi-purpose license and each annual renewal of it, the applicant~~  
33 ~~shall make a non-binding declaration of which fishing sectors the applicant intends to place~~



1 ~~significant fishing effort during the period covered by the license. The annual fee for multi-~~  
2 ~~purpose license shall be three hundred dollars (\$300).~~

3 ~~(iv) *Special licenses.*~~

4 (Aiii) *Student shellfish license.* A resident twenty-three (23) years or younger shall pay fifty  
5 dollars (\$50.00) for a student commercial license to take shellfish upon provision of proof of full-  
6 time student status. An individual qualified to obtain a license must submit an application to the  
7 department of environmental management no later than June 30 of each year; a license  
8 application shall be deemed valid if submitted to the department prior to the close of regular  
9 office hours on June 30 or if postmarked by June 30.

10 (Biv) *Over sixty-five (65) shellfish license.* A resident sixty-five (65) years of age and over  
11 shall be eligible for a shellfish license to shellfish commercially and there shall be no fee for this  
12 license.

13 (v) *Multipurpose vessel license.* Any multipurpose license holder shall be eligible to obtain a  
14 multipurpose vessel license that shall allow the vessel owner to designate any operator to engage  
15 in commercial fishing for all marine species aboard their owned vessel, provided the vessel owner  
16 has consigned a multipurpose fishing license to the department. The department may then re-issue  
17 the consigned multipurpose fishing license to the commercially declared fishing vessel as a  
18 multipurpose vessel license. The director has the authority to limit the number of multipurpose  
19 vessel licenses issued annually by rule. The fee for a multipurpose vessel license shall be one  
20 thousand dollars (\$1,000).

21 (2) *Fees.*

22 (i) *Standard resident commercial fishing license.*

23 (A) Standard resident commercial fishing license plus one limited fishery endorsement: The  
24 fee shall be one hundred fifty dollars (\$150).

25 (B) Standard resident commercial fishing license plus two limited fishery endorsement: The  
26 fee shall be two hundred dollars (\$200).

27 (C) Standard resident commercial fishing license plus three limited fishery endorsement: The  
28 fee shall be two hundred fifty dollars (\$250).

29 (D) Standard resident commercial fishing license plus one unlimited fishery endorsement:  
30 The fee shall be three hundred dollars (\$300).

31 (E) Standard resident commercial fishing license plus one unlimited fishery endorsement and  
32 one limited fishery endorsement: The fee shall be three hundred fifty dollars (\$350).

33 (F) Standard resident commercial fishing license plus two unlimited fishery endorsement:  
34 The fee shall be three hundred seventy-five dollars (\$375).

1 (G) Standard resident commercial fishing license plus one unlimited fishery endorsement and  
2 two limited fishery endorsement: The fee shall be four hundred dollars (\$400).

3 (H) Standard resident commercial fishing license plus two unlimited fishery endorsement and  
4 one limited fishery endorsement: The fee shall be four hundred twenty-five dollars (\$425).

5 (ii) Multipurpose license: The fee shall be four hundred fifty dollars (\$450).

6 ~~(23) Vessel declaration and fees; gear endorsement and fees.~~

7 (i) *Vessel declaration and fee.* (A) The department shall require the owner and/or the operator  
8 of a commercial fishing vessel to declare the vessel on the owner/operator's commercial fishing  
9 license. The declaration shall be made at the time of initial license issuance and each renewal, or  
10 prior to the vessel being used for commercial fishing by the owner and/or operator if the first  
11 usage of the vessel for commercial fishing occurs during the course of a year after the license has  
12 been issued or renewed. If the declaration is for a vessel of less than twenty-five feet (25') in  
13 length, the declaration shall be transferable to another vessel less than twenty-five feet (25') in  
14 length, provided the vessel is identified as commercial fishing vessel while it is being used for  
15 commercial fishing by displaying a plate as provided in § 20-2.1-4.

16 (B) The annual fee for each vessel declaration shall be twenty-five dollars (\$25.00) for the  
17 first twenty-five feet (25') or under, plus fifty cents (\$0.50) per foot for each whole foot over  
18 twenty-five feet (25'); this declaration fee shall entitle the holder to a decal. The holder of a valid  
19 decal for twenty-five feet (25') in length or under may obtain a plate from the department for  
20 display on a vessel twenty-five feet (25') in length that is being used temporarily for commercial  
21 fishing; the annual fee for a plate shall be fifteen dollars (\$15.00).

22 ~~(ii4) Gear endorsements and fees.~~

23 ~~(A) Shellfish dredging endorsement. A resident of this state who holds a multipurpose license~~  
24 ~~and/or an appropriate shellfish license is also eligible to apply for a shellfish dredging~~  
25 ~~endorsement to take quahogs, mussels, and surf clams by dredges hauled by powerboat. The~~  
26 ~~annual fee shall be twenty dollars (\$20.00).~~

27 ~~(B) Fish trap endorsements. A person who holds a multi purpose license and/or a principal~~  
28 ~~effort license for finfish is also eligible to apply for a fish trap endorsement in accordance with~~  
29 ~~the permitting provisions in chapter 5 of this title. The fee shall be twenty dollars (\$20.00) per~~  
30 ~~trap location for a three year (3) period. Applicants who possessed a valid fish trap endorsement~~  
31 ~~as of the immediately preceding year may obtain a fish trap endorsement for the immediately~~  
32 ~~following year, subject to the same terms and conditions in effect as the immediately preceding~~  
33 ~~year. New fish trap endorsement opportunities shall be established by the department by rule,~~  
34 ~~pursuant to applicable management plans and the provisions in chapter 5 of this title.~~

1        ~~(E)~~ *Gill net endorsements.* A person who holds a multipurpose license, or a vessel with a  
2 multipurpose vessel license, and/or a principal effort license for finfish is also eligible to apply for  
3 a commercial gill net endorsement in accordance with the provisions of this section. The ~~annual~~  
4 fee for a commercial gill net endorsement ~~is~~ shall be twenty dollars (\$20.00). Applicants who  
5 possessed a gill net endorsement as of the immediately preceding year may obtain a gill net  
6 endorsement for the immediately following year. New gill net endorsement opportunities shall be  
7 established by the department by rule, pursuant to applicable management plans.

8        ~~(Dii)~~ ~~Miscellaneous gear~~ *Other endorsements.* The department may establish by rule any  
9 ~~specific gear~~ endorsements that may be necessary or appropriate to effectuate the purposes of this  
10 chapter and facilitate participation in a specific fishery ~~with a specific type of gear~~; the fee for  
11 such ~~a gear~~ endorsement shall not be greater than two hundred dollars (\$200), ~~but may be a lesser~~  
12 ~~amount.~~ This endorsement shall be issued only in a manner consistent with the general  
13 requirements of this chapter, including specifically those governing residency.

14        ~~(35)~~ *New licenses.*

15        (i) *Eligibility.* For new ~~principal effort~~ standard resident commercial fishing and multi-  
16 purpose licenses, priority shall be given to applicants who have held a ~~lower level of~~ commercial  
17 fishing license for two (2) years or more, applicants with military service, and applicants who  
18 have completed a department authorized commercial fishing training program, with preference to  
19 family members and crew members of a license holder who is retiring his or her license.

20        (ii) *Priority or preference applicants.* A new license shall be granted to priority/preference  
21 applicants who have acquired vessel and/or gear from a license holder who has retired a license,  
22 provided, that as the result of any such transaction, for each license retired, not more than one  
23 new license may be granted, nor may the nominal effort, including the total number of licenses, in  
24 a fishery subject to effort controls or catch restrictions be increased.

25        (iii) *Availability of new or additional licenses.* New ~~principal effort~~ standard resident  
26 commercial fishing and multipurpose licenses that increase the total number of licenses in the  
27 fishery may be made available by rule consistent with management plan for issuance effective  
28 January 1, in any year, based on status of resource and economic condition of fishery. Priority for  
29 new licenses shall be given to Rhode Island residents.

30        ~~(46)~~ *Retirement of licenses.* Issuance of a commercial fishing license shall not be deemed to  
31 create a property right such that the license can be sold or transferred by the license holder;  
32 fishing licenses shall be surrendered to the state upon their non-renewal, forfeiture, or revocation.

33        ~~(57)~~ ~~Transfer for~~ Issuance of temporary operator permits in cases of medical  
34 hardship. ~~Notwithstanding the provisions of § 20-2.1-4(c), a license may be transferred to a~~

1 ~~family member upon the incapacity or death of the license holder who has actively participated in~~  
2 ~~commercial fishing. The transfer shall be effective upon its registration with the department. A~~  
3 ~~family member shall be defined as the spouse, mother, father, brother, sister, child, or grandchild~~  
4 ~~of the transferor.~~ The department shall make available, as necessary, temporary operator permits  
5 to provide solely for the continued operation of a fishing vessel upon the ~~illness, incapacity, or~~  
6 ~~death~~ determination of medical hardship of a license holder who has actively ~~participated in~~  
7 ~~commercial fishing~~ fished. ~~, which~~ Temporary operator permits shall be subject at a minimum to  
8 the conditions and restrictions that applied to the license holder.

9 (8) Issuance of new Licenses to family members in cases of medical incapacity: Upon  
10 determination of medical incapacity, an actively fished license may be surrendered to the  
11 Department for the purpose of the concurrent issuance of a new license to a resident family  
12 member.

13 (9) Issuance of new licenses upon the sale of a commercial fishing business: Upon the sale of  
14 a commercial fishing business, as defined by rule, a new license may be issued to the buyer upon  
15 the surrender of the seller's license to the department for the purpose of the concurrent issuance  
16 of a new license.

17 ~~(6)10~~ Transfer of vessels and gear. Vessels and gear may be sold, transferred, or disposed at  
18 the sole discretion of the owner; provided, however, that the subsequent level of use of the gear  
19 may be restricted in Rhode Island waters in order to accomplish the purposes of a duly adopted  
20 management plan or other duly adopted program to reduce effort.

21 **20-2.1-6. Nonresident licenses, endorsements and fees.**

22 Subject to the rules of the department, nonresidents may apply for the following commercial  
23 fishing licenses:

24 (1) ~~Nonresident principal effort~~ Standard nonresident commercial fishing license.

25 (i) Nonresidents age eighteen (18) and over shall be eligible to obtain a standard nonresident  
26 commercial fishing license and, in accordance with applicable qualifying criteria, available  
27 fishery sector endorsements, provided that the state of residence of the person affords the same  
28 privilege in a manner that is not more restrictive to Rhode Island residents. A standard  
29 nonresident ~~principal effort~~ commercial fishing license shall allow the license holder to harvest,  
30 land, and sell in a lawful manner any marine species ~~of finfish, per~~ as dictated by the fishery  
31 endorsement(s), at principal harvest and gear levels and as allowed in a management plan adopted  
32 by the department associated with the license. Fishery endorsements shall be established by the  
33 department consistent with fishery management plans developed pursuant to this chapter.

1 (ii) Duly Rhode Island-licensed nonresidents in a commercial fishery as of December 31 of  
2 the immediately preceding year shall be eligible to obtain a standard nonresident ~~principal effort~~  
3 commercial fishing license with a single sector endorsement applicable to the fishery sectors for  
4 which they were licensed as of December 31 of the immediately preceding year; provided:

5 (A) that the state of residence of the person affords the same privilege in a manner that is not  
6 more restrictive to Rhode Island residents;

7 (B) that those persons apply for the standard nonresident ~~principal effort~~ commercial fishing  
8 license in accordance with § 20-2.1-4(g); and

9 (C) that those persons shall also be subject to any other restrictions that were applicable to the  
10 license as of December 31 of the immediately preceding year, which other restrictions may be  
11 altered or changed consistent with ~~a fishery management plans adopted by the department~~  
12 developed pursuant to this chapter.

13 (iii) Persons not duly licensed as of December 31 of the immediately preceding year shall be  
14 eligible to obtain a standard nonresident ~~principal effort~~ commercial fishing license, per  
15 endorsement, when available, consistent with fishery management plans developed pursuant to  
16 this chapter. in accordance with applicable qualifying criteria ~~and as allowed in a management~~  
17 ~~plan adopted by the department,~~ provided that the state of residence of the person affords the  
18 same privilege in a manner that is not more restrictive to Rhode Island residents.

19 ~~(iv) The annual fee for a standard nonresident principal effort license shall be four hundred~~  
20 ~~dollars (\$400), plus one hundred dollars (\$100) per endorsement.~~

21 ~~(2) Nonresident commercial fishing license. (i) A nonresident commercial fishing license~~  
22 ~~shall allow the holder to harvest, land, and sell in a lawful manner any species of finfish, per~~  
23 ~~endorsement(s), at basic harvest and gear levels and as allowed in a management plans adopted~~  
24 ~~by the department.~~

25 ~~(ii) Nonresidents age eighteen (18) and over shall be eligible to obtain a nonresident~~  
26 ~~commercial fishing license and, in accordance with applicable qualifying criteria, available~~  
27 ~~fishery sector endorsements, provided that the state of residence of the person affords the same~~  
28 ~~privilege in a manner that is not more restrictive to Rhode Island residents.~~

29 ~~(iii) Holders of nonresident principal effort licenses shall not be eligible to obtain nonresident~~  
30 ~~commercial fishing licenses with the same fishery sector endorsements.~~

31 ~~(iv) Duly Rhode Island licensed nonresidents in a commercial fishery as of December 31 of~~  
32 ~~the immediately preceding year, shall be eligible to obtain a nonresident commercial fishing~~  
33 ~~license in their endorsed fishery sector as of December 31 of the immediately preceding year~~  
34 ~~provided:~~

1 ~~(A) That the state of residence of the person affords the same privilege in a manner that is not~~  
2 ~~more restrictive to Rhode Island residents;~~

3 ~~(B) That those persons apply for the nonresident commercial fishing license in accordance~~  
4 ~~with § 20-2.1-4(g); and~~

5 ~~(C) That those persons shall also be subject to any other restrictions that were applicable to~~  
6 ~~the license as of December 31 of the immediately preceding year which other restrictions may be~~  
7 ~~altered or changed consistent with a management plan adopted by the department.~~

8 ~~(v) The annual fee for a nonresident commercial fishing license shall be one hundred fifty~~  
9 ~~dollars (\$150), plus fifty dollars (\$50.00) per endorsement.~~

10 (2) Fees.

11 (i) Standard nonresident commercial fishing license.

12 (A) Standard nonresident commercial fishing license plus one limited fishery endorsement:  
13 The fee shall be three hundred fifty dollars (\$350).

14 (B) Standard nonresident commercial fishing license plus one unlimited fishery endorsement:  
15 The fee shall be seven hundred dollars (\$700).

16 (C) Standard nonresident commercial fishing license plus two limited fishery endorsements:  
17 The fee shall be seven hundred dollars (\$700).

18 (D) Standard nonresident commercial fishing license plus three limited fishery endorsements:  
19 The fee shall be one thousand fifty dollars (\$1050).

20 (E) Standard nonresident commercial fishing license plus one unlimited fishery endorsement  
21 and one limited fishery endorsement: The fee shall be one thousand fifty dollars (\$1050).

22 (F) Standard nonresident commercial fishing license plus one unlimited fishery endorsement  
23 and two limited fishery endorsements: The fee shall be one thousand four hundred dollars  
24 (\$1400).

25 (G) Standard nonresident commercial fishing license plus two unlimited fishery  
26 endorsements: The fee shall be one thousand four hundred dollars (\$1400).

27 (H) Standard nonresident commercial fishing license plus two unlimited and one limited  
28 fishery endorsement: The fee shall be one thousand seven hundred fifty dollars (\$1750).

29 (3) *Vessel declaration and fees.* The department shall require a nonresident owner and/or  
30 operator of a commercial fishing vessel to make a declaration for that vessel; which shall be made  
31 at the time of initial license issuance and each renewal, or prior to the vessel's being used for  
32 commercial fishing in Rhode Island waters by the nonresident owner and/or operator if the first  
33 usage of the vessel for commercial fishing occurs during the course of a year after the license has

1 been issued or renewed, for a cost of fifty dollars (\$50.00), plus one dollar and fifty cents (\$1.50)  
2 for each whole foot over twenty-five feet (25') in length overall.

3 (4) *New licenses.* Any resident of a state that accords to Rhode Island residents commercial  
4 fishing privileges that include an ability to obtain a new license to fish for finfish species that are  
5 subject to restrictions and/or quotas, may on species specific reciprocal basis be eligible to obtain  
6 ~~commercial fishing licenses and principal effort~~ standard nonresident commercial fishing licenses  
7 by endorsement as provided in this section, subject to availability and with the priority  
8 established in § 20-2.1-5(3)(iii).

9 SECTION 6. Sections 20-4-1.1, 20-4-1.2 and 20-4-1.3 of the General Laws in Chapter 20-4  
10 entitled "Commercial Fisheries" are hereby repealed.

11 ~~**20-4-1.1. Finfish dealers license—License for finfish buyers—Suspension or revocation.**~~

12 ~~(a) No person, partnership, firm, association, or corporation shall barter or trade in finfish  
13 taken by persons licensed under this chapter unless a license so to do has been obtained from the  
14 director of environmental management.~~

15 ~~(b) Any licensee operating under the provisions of this section shall purchase finfish from  
16 licensed persons only and shall purchase or possess only those finfish legally taken or possessed.~~

17 ~~(c) The director shall issue and enforce rules and regulations and orders governing bartering  
18 and trading in finfish by licensed fishers of finfish and licensed finfish buyers and other persons,  
19 partnerships, firms, associations, or corporations.~~

20 ~~(d) The director may suspend, revoke, or deny the license of a finfish buyer or fisher of  
21 finfish for the violation of any provision of this title or the rules, regulations, or orders adopted or  
22 issued pursuant to this title.~~

23 ~~(e) Any person aggrieved by the decisions of the director may appeal the decision pursuant to  
24 the provisions of the Administrative Procedures Act, chapter 35 of title 42.~~

25 ~~(f) The director of the department of environmental management and the director's agents are  
26 authorized to enter and inspect the business premises, appurtenant structures, vehicles, or vessels  
27 of any finfish buyer and to inspect the records maintained by a finfish buyer for the purpose of  
28 determining compliance with the provisions of this section and any rules, regulations, or orders  
29 issued under this section, and no person shall interfere with, obstruct the entrance, or inspection  
30 of the director or the director's agents of those business premises, appurtenant structures, vehicles  
31 or vessels.~~

32 ~~(g) Any violation of the provisions of this section or any rule, regulation, or order adopted  
33 under this section shall be subject to penalties prescribed in § 20-4-16.~~

34 ~~**20-4-1.2. Resident or nonresident commercial landing permit.**~~

1       ~~(a) Each resident or nonresident who has charge of a vessel carrying seafood products legally~~  
2 ~~harvested outside Rhode Island waters shall obtain a permit to land, sell or offer for sale seafood~~  
3 ~~products in Rhode Island. The permit shall be issued by the department upon proof that the~~  
4 ~~applicant holds a valid state or federal commercial fishing license and upon payment of the~~  
5 ~~following fees:~~

6       ~~(1) Resident or nonresident finfish landing permit: for the landing sale or offering for sale of~~  
7 ~~non-restricted finfish, the definition of which shall be established by the department by rule,~~  
8 ~~caught by any means, two hundred dollars (\$200) for residents of the state; four hundred dollars~~  
9 ~~(\$400) for nonresidents of the state.~~

10       ~~(2) Resident or nonresident shellfish landing permit: (includes process product), two hundred~~  
11 ~~dollars (\$200) for residents of the state; four hundred dollars (\$400) for nonresidents of the state.~~  
12 ~~This permit allows the holder to land shellfish (surf clams, blue mussels, ocean quahaugs, sea~~  
13 ~~scallops) legally harvested in federal water.~~

14       ~~(3) Resident or nonresident miscellaneous landing permit: includes all other seafood products~~  
15 ~~not specified under any other provision of this chapter, two hundred dollars (\$200) for residents~~  
16 ~~of the state; four hundred dollars (\$400) for nonresidents of the state.~~

17       ~~(4) Multi-purpose resident or nonresident landing permit: This permit allows a resident or~~  
18 ~~nonresident to land and sell all marine products in the state of Rhode Island, except restricted~~  
19 ~~finfish, the definition of which shall be established by the department by rule, three hundred~~  
20 ~~dollars (\$300) for residents of the state; six hundred dollars (\$600) for nonresidents of the state.~~

21       ~~(b) Landing permits shall be valid for the calendar year in which they are issued.~~

22       ~~(c) The department shall adopt any rules and procedures that may be necessary for the timely~~  
23 ~~issuance of these permits in order to facilitate the off-loading and sale of seafood products, except~~  
24 ~~restricted finfish, harvested outside Rhode Island waters.~~

25       ~~(d) Notwithstanding the provisions of this section, a commercial vessel with seafood products~~  
26 ~~on board may, without a landing permit, enter Rhode Island waters and be secured to a shoreside~~  
27 ~~facility for purposes other than landing, selling, or offering for sale the seafood products on board~~  
28 ~~if the person having charge of the vessel obtains permission from the department's division of law~~  
29 ~~enforcement prior to securing the vessel to the shoreside facility.~~

30       ~~**20-4-1.3. Nonresident landing permits.**~~

31       ~~A new landing permit shall not be issued to any nonresident to off load, land, offer for sale,~~  
32 ~~or sell any restricted marine species, the definition of which shall be established by the~~  
33 ~~department by rule and shall take into account species for which a quota has been allocated to the~~  
34 ~~state of Rhode Island by the Atlantic States Marine Fisheries Council or the National Marine~~



1 ~~Fisheries service, unless: (1) the landing shall be counted against the quota of the state where the~~  
2 ~~vessel making the landing is registered or documented; or (2) the state where the vessel making~~  
3 ~~the landing is registered or documented issues new landing permits to Rhode Island residents to~~  
4 ~~land against that state's quota for the same species. For purposes of this section, the renewal of~~  
5 ~~any nonresident landing permit shall be considered a new nonresident landing permit unless the~~  
6 ~~applicant can show, to the satisfaction of the director, historic participation in the fishery and~~  
7 ~~landings of the species; and any change or upgrade of a vessel twenty percent (20%) or greater in~~  
8 ~~length, displacement, or horsepower above the named vessel shall be considered a new landing~~  
9 ~~permit. Issuance of a landing permit shall not be deemed to create a property right that can be~~  
10 ~~sold, transferred, or encumbered; landing permits shall be surrendered to the state upon their non-~~  
11 ~~renewal or forfeiture, and the acquisition of a named vessel by a nonresident who does not~~  
12 ~~already have a landing permit shall not entitle the nonresident to a landing permit unless a new~~  
13 ~~landing permit can be issued as allowed in this section.~~

14 SECTION 7. Section 20-6-24 of the General Laws in Chapter 20-6 entitled "Shellfish" is  
15 hereby repealed.

16 ~~**20-6-24. License for shellfish buyers—Suspension or revocation.**~~

17 ~~(a) No person, partnership, firm, association, or corporation shall barter or trade in shellfish~~  
18 ~~taken by persons licensed under this chapter unless a license so to do has been obtained from the~~  
19 ~~director of environmental management.~~

20 ~~(b) Any licensee operating under the provisions of this section shall purchase shellfish from~~  
21 ~~licensed persons only and shall purchase or possess only those shellfish legally taken or~~  
22 ~~possessed.~~

23 ~~(c) The director shall issue and enforce rules and regulations and orders governing bartering~~  
24 ~~and trading in shellfish by licensed fishers of shellfish, licensed shellfish buyers and other~~  
25 ~~persons, partnerships, firms, associations, or corporations.~~

26 ~~(d) The director may suspend, revoke, or deny the license of a shellfish buyer or fisher of~~  
27 ~~shellfish for the violation of any provision of this title or the rules, regulations, or orders adopted~~  
28 ~~or issued pursuant to this title.~~

29 ~~(e) Any person aggrieved by the decision of the director may appeal the decision pursuant to~~  
30 ~~the provisions of the Administrative Procedures Act, chapter 35 of title 42.~~

31 ~~(f) The director of the department of environmental management and the director's agents are~~  
32 ~~authorized to enter and inspect the business premises, appurtenant structures, vehicles, or vessels~~  
33 ~~of any shellfish buyer and to inspect records maintained by a shellfish buyer for the purpose of~~  
34 ~~determining compliance with the provisions of this section and any rules, regulations, or orders~~

1 ~~issued under this section, and no person shall interfere with or obstruct the entrance or inspection~~  
2 ~~of the director or the director's agents of those business premises, appurtenant structures, vehicles,~~  
3 ~~or vessels.~~

4 ~~(g) Any violation of the provisions of this section or any rule, regulation, or order adopted~~  
5 ~~under this section shall be subject to the penalties prescribed in § 20-1-16.~~

6 SECTION 8. Section 20-7-5.1 of the General Laws in Chapter 20-7 entitled "Lobsters and  
7 Other Crustaceans" is hereby repealed.

8 **20-7-5.1. Lobster dealer's license.**

9 ~~(a) No person, partnership, firm, association, or corporation shall barter or trade in lobsters~~  
10 ~~taken by persons licensed under this chapter unless a license so to do has been obtained from the~~  
11 ~~director of environmental management.~~

12 ~~(b) Any licensee operating under the provisions of this section shall purchase lobsters from~~  
13 ~~licensed persons only and shall purchase or possess only those lobsters legally taken or possessed.~~

14 ~~(c) The director shall issue and enforce rules and regulations and orders governing bartering~~  
15 ~~and trading in lobsters by licensed fishers of lobster and licensed lobster buyers and other~~  
16 ~~persons, partnerships, firms, associations, or corporations.~~

17 ~~(d) The director may suspend, revoke, or deny the license of a lobster buyer or fisher of~~  
18 ~~lobster for the violation of any provision of this title or the rules, regulations, or orders adopted or~~  
19 ~~issued pursuant to this title.~~

20 ~~(e) Any person aggrieved by the decision of the director may appeal the decision pursuant to~~  
21 ~~the provision of the Administrative Procedures Act, chapter 35 of title 42.~~

22 ~~(f) The director of the department of environmental management and the director's agents are~~  
23 ~~authorized to enter and inspect the business premises, appurtenant structures, vehicles or vessels~~  
24 ~~of any lobster buyer and to inspect records maintained by a lobster buyer for the purposes of~~  
25 ~~determining compliance with the provisions of this section and any rules, regulations, or orders~~  
26 ~~issued under this section, and no person shall interfere with or obstruct the entrance or inspection~~  
27 ~~of the director or the director's her agents of those business premises, appurtenant structures,~~  
28 ~~vehicles or vessels.~~

29 ~~(g) Any violation of the provisions of this section or any rule, regulation or order adopted~~  
30 ~~hereunder shall be subject to the penalties prescribed in § 20-1-16.~~

31 SECTION 9. Section 21-14-12 of the General Laws in Chapter 21-14 entitled "Shellfish  
32 Packing Houses" is hereby amended to read as follows:

33 **21-14-12. Inspection of business premises.**

1       (a) The director shall make regular inspections of the business premises of licensees and no  
2 person shall interfere with or obstruct the entrance of the director to any packing house or  
3 structural appurtenance to it, vessel, or vehicle for the purpose of making inspection as to sanitary  
4 conditions during reasonable business hours, and no person shall obstruct the conduct of this  
5 inspection; provided, that inspections as to sanitary conditions shall be made only by the director  
6 or employees of the department ~~of health~~. These employees of the department ~~of health~~ shall not  
7 be construed to include agents whom the director may appoint in other departments for the  
8 purpose of enforcing other provisions of this chapter; and provided, that nothing in this section  
9 shall be construed as having granted to the director or any duly authorized official of the  
10 department the right of search and seizure without a warrant.

11       (b) The director shall be authorized to establish a dockside program, including the  
12 promulgation of any rules and regulations deemed necessary or advisable in connection  
13 therewith, pursuant to the relevant provisions of the National Shellfish Sanitation Program  
14 (NSSP) Model Ordinance. Promulgating such rules and regulations pursuant to the NSSP Model  
15 Ordinance shall assure that the marine shellfish processors, licensed by the department to land  
16 and process surf clams and/or other marine shellfish species acquired in federal waters, are doing  
17 so in sanitary fashion that comports with national standards. Such rules and regulations shall also  
18 be consistent with the landing permit requirements of the department of environmental  
19 management in section 20-2.1-7. The dockside program shall not apply to aquaculture processors.

20       (c) The licensing fees from the dockside program shall be deposited into the general fund,  
21 and the revenues shall be allocated to the department for its administration. The director shall  
22 have the authority to establish the licensing fees for the dockside program, at his or her sole  
23 discretion and limit the number of licenses issued.

24       SECTION 10. Section 42-17.1-2 of the General Laws in Chapter 42-17.1 entitled  
25 "Department of Environmental Management" is hereby amended to read as follows:

26       **42-17.1-2. Powers and duties.**

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

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

32       (2) To exercise all functions, powers, and duties heretofore vested in the department of  
33 agriculture and conservation, and in each of the divisions of the department, such as the  
34 promotion of agriculture and animal husbandry in their several branches, including the inspection

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

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

24 (4) To exercise all the functions, powers, and duties heretofore vested in the division of  
25 harbors and rivers of the department of public works, or in the department itself by such as were  
26 previously applicable to the division or the department, of chapters 1 through 22 and sections  
27 thereof, as amended, in title 46 entitled "Waters and Navigation"; and by any other general or  
28 public law relating to the division of harbors and rivers;

29 (5) To exercise all the functions, powers, and duties heretofore vested in the department of  
30 health by chapters 25, 18.9, and 19.5 of title 23, as amended, entitled "Health and Safety"; and by  
31 chapters 12 and 16 of title 46, as amended, entitled "Waters and Navigation"; by chapters 3, 4, 5,  
32 6, 7, 9, 11, 13, 18, and 19 of title 4, as amended, entitled "Animals and Animal Husbandry"; and  
33 those functions, powers, and duties specifically vested in the director of environmental  
34 management by the provisions of § 21-2-22, as amended, entitled "Inspection of Animals and

1 Milk"; together with other powers and duties of the director of the department of health as are  
2 incidental to, or necessary for, the performance of the functions transferred by this section;

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

6 (7) To cooperate with, advise, and guide conservation commissions of cities and towns  
7 created under chapter 35 of title 45 entitled "Conservation Commissions", as enacted by chapter  
8 203 of the Public Laws, 1960;

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

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

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

20 (11) To provide for the maintenance of waterways and boating facilities, consistent with  
21 chapter 6.1 of title 46, by: (i) Establishing minimum standards for upland beneficial use and  
22 disposal of dredged material; (ii) Promulgating and enforcing rules for water quality, ground  
23 water protection, and fish and wildlife protection pursuant to § 42-17.1-24; (iii) Planning for the  
24 upland beneficial use and/or disposal of dredged material in areas not under the jurisdiction of the  
25 council pursuant to § 46-23-6(2); and (iv) Cooperating with the coastal resources management  
26 council in the development and implementation of comprehensive programs for dredging as  
27 provided for in §§ 46-23-6(1)(ii)(H) and 46-23-18.3; and (v) Monitoring dredge material  
28 management and disposal sites in accordance with the protocols established pursuant to § 46-6.1-  
29 5(a)(3) and the comprehensive program provided for in § 46-23-6(1)(ii)(H); no powers or duties  
30 granted herein shall be construed to abrogate the powers or duties granted to the coastal resources  
31 management council under chapter 23 of title 46, as amended;

32 (12) To establish minimum standards, subject to the approval of the environmental standards  
33 board, relating to the location, design, construction, and maintenance of all sewage-disposal  
34 systems;

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

17 (14) To establish minimum standards for the establishment and maintenance of salutary  
18 environmental conditions, including standards and methods for the assessment and the  
19 consideration of the cumulative effects on the environment of regulatory actions and decisions,  
20 which standards for consideration of cumulative effects shall provide for: (i) Evaluation of  
21 potential cumulative effects that could adversely affect public health and/or impair ecological  
22 functioning; (ii) Analysis of other matters relative to cumulative effects as the department may  
23 deem appropriate in fulfilling its duties, functions, and powers; which standards and methods  
24 shall only be applicable to ISDS systems in the town of Jamestown in areas that are dependent for  
25 water supply on private and public wells, unless broader use is approved by the general assembly.  
26 The department shall report to the general assembly not later than March 15, 2008, with regard to  
27 the development and application of the standards and methods in Jamestown;

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

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

33 (17) To exercise all functions, powers, and duties necessary for the administration of chapter  
34 19.1 of title 23 entitled "Rhode Island Hazardous Waste Management Act";

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

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

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

20 (20) To enter, examine, or survey, at any reasonable time, places as the director deems  
21 necessary to carry out his or her responsibilities under any provision of law subject to the  
22 following provisions:

23 (i) For criminal investigations, the director shall, pursuant to chapter 5 of title 12, seek a  
24 search warrant from an official of a court authorized to issue warrants, unless a search without a  
25 warrant is otherwise allowed or provided by law;

26 (ii)(A) All administrative inspections shall be conducted pursuant to administrative guidelines  
27 promulgated by the department in accordance with chapter 35 of title 42;

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

30 (I) For closely regulated industries;

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

32 (III) In emergency situations;

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

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

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

4 (C) Whenever it shall be constitutionally or otherwise required by law, or whenever the  
5 director in his or her discretion deems it advisable, an administrative search warrant, or its  
6 functional equivalent, may be obtained by the director from a neutral magistrate for the purpose  
7 of conducting an administrative inspection. The warrant shall be issued in accordance with the  
8 applicable constitutional standards for the issuance of administrative search warrants. The  
9 administrative standard of probable cause, not the criminal standard of probable cause, shall  
10 apply to applications for administrative search warrants;

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

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

16 (III) An administrative warrant may authorize the review and copying of documents that are  
17 relevant to the purpose of the inspection. If documents must be seized for the purpose of copying,  
18 and the warrant authorizes the seizure, the person executing the warrant shall prepare an  
19 inventory of the documents taken. The time, place, and manner regarding the making of the  
20 inventory shall be set forth in the terms of the warrant itself, as dictated by the court. A copy of  
21 the inventory shall be delivered to the person from whose possession or facility the documents  
22 were taken. The seized documents shall be copied as soon as feasible under circumstances  
23 preserving their authenticity, then returned to the person from whose possession or facility the  
24 documents were taken;

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

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

31 (D) *Penalties.* Any willful and unjustified refusal of right of entry and inspection to  
32 department personnel pursuant to an administrative warrant shall constitute a contempt of court  
33 and shall subject the refusing party to sanctions, which in the court's discretion may result in up to



1 six (6) months imprisonment and/or a monetary fine of up to ten thousand dollars (\$10,000) per  
2 refusal.

3 (21) To give notice of an alleged violation of law to the person responsible therefor whenever  
4 the director determines that there are reasonable grounds to believe that there is a violation of any  
5 provision of law within his or her jurisdiction or of any rule or regulation adopted pursuant to  
6 authority granted to him or her, unless other notice and hearing procedure is specifically provided  
7 by that law. Nothing in this chapter shall limit the authority of the attorney general to prosecute  
8 offenders as required by law;

9 (i) The notice shall provide for a time within which the alleged violation shall be remedied,  
10 and shall inform the person to whom it is directed that a written request for a hearing on the  
11 alleged violation may be filed with the director within ten (10) days after service of the notice.  
12 The notice will be deemed properly served upon a person if a copy thereof is served him or her  
13 personally; or sent by registered or certified mail to his or her last known address; or if he or she  
14 is served with notice by any other method of service now or hereafter authorized in a civil action  
15 under the laws of this state. If no written request for a hearing is made to the director within ten  
16 (10) days of the service of notice, the notice shall automatically become a compliance order;

17 (ii)(A) Whenever the director determines that there exists a violation of any law, rule, or  
18 regulation within his or her jurisdiction that requires immediate action to protect the environment,  
19 he or she may, without prior notice of violation or hearing, issue an immediate-compliance order  
20 stating the existence of the violation and the action he or she deems necessary. The compliance  
21 order shall become effective immediately upon service or within such time as is specified by the  
22 director in such order. No request for a hearing on an immediate-compliance order may be made;

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

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

30 (iv) If a person upon whom a notice of violation has been served under the provisions of this  
31 section or if a person aggrieved by any such notice of violation requests a hearing before the  
32 director within ten (10) days of the service of notice of violation, the director shall set a time and  
33 place for the hearing, and shall give the person requesting that hearing at least five (5) days  
34 written notice thereof. After the hearing, the director may make findings of fact and shall sustain,

1 modify, or withdraw the notice of violation. If the director sustains or modifies the notice, that  
2 decision shall be deemed a compliance order and shall be served upon the person responsible in  
3 any manner provided for the service of the notice in this section;

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

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

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

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

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

25 (i) *Director*: The term "director" shall mean the director of environmental management of the  
26 state of Rhode Island or his or her duly authorized agent;

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

31 (iii) *Service*: (A) Service upon a corporation under this section shall be deemed to include  
32 service upon both the corporation and upon the person having active and general supervision of  
33 the properties of the corporation;

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

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

8 (ii) Additionally, the director of the department of environmental management shall take  
9 additional steps, including, but not limited to, matters related to funding as may be necessary to  
10 establish such other additional recreational facilities and areas as are deemed to be in the public  
11 interest.

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

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

29 (26) To establish fee schedules by regulation, with the approval of the governor, for the  
30 processing of applications and the performing of related activities in connection with the  
31 department's responsibilities pursuant to subsection (12); chapter 19.1 of title 23, as it relates to  
32 inspections performed by the department to determine compliance with chapter 19.1 and rules  
33 and regulations promulgated in accordance therewith; chapter 18.9 of title 23, as it relates to  
34 inspections performed by the department to determine compliance with chapter 18.9 and the rules

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

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

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

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

33 (i) The director may promulgate and enforce rules and regulations to provide for the orderly  
34 and consistent protection, management, continuity of ownership and purpose, and centralized

1 records-keeping for lands, water, and open spaces owned in fee or controlled in full or in part  
2 through other interests, rights, or devices such as conservation easements or restrictions, by  
3 private and public land trusts in Rhode Island. The director may charge a reasonable fee for filing  
4 of each document submitted by a land trust;

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

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

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

33 (29) The director will contact in writing, not less often than once every two (2) years, each  
34 public or private land trust to ascertain: that all lands held by the land trust are recorded with the

1 director; the current status and condition of each land holding; that any funds or other assets of  
2 the land trust held as endowment for specific lands have been properly audited at least once  
3 within the two-year (2) period; the name of the successor organization named in the public or  
4 private land trust's bylaws or articles of association; and any other information the director deems  
5 essential to the proper and continuous protection and management of land and interests or rights  
6 in land held by the land trust. In the event that the director determines that a public or private land  
7 trust holding land or interest in land appears to have become inactive, he or she shall initiate  
8 proceedings to effect the termination of the land trust and the transfer of its lands, assets, land  
9 rights, and land interests to the successor organization named in the defaulting trust's bylaws or  
10 articles of association or to another organization created for the same or similar purposes. Should  
11 such a transfer not be possible, then the land trust, assets, and interest and rights in land will be  
12 held in trust by the state of Rhode Island and managed by the director for the purposes stated at  
13 the time of original acquisition by the trust. Any trust assets or interests other than land or rights  
14 in land accruing to the state under such circumstances will be held and managed as a separate  
15 fund for the benefit of the designated trust lands;

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

21 (31) To enforce, by such means as provided by law, the standards for the quality of air, and  
22 water, and the location, design, construction, and operation of all underground storage facilities  
23 used for storing petroleum products or hazardous materials; any order or notice issued by the  
24 director relating to the location, design, construction, operation, or maintenance of an  
25 underground storage facility used for storing petroleum products or hazardous materials shall be  
26 eligible for recordation under chapter 13 of title 34. The director shall forward the order or notice  
27 to the city or town wherein the subject facility is located, and the order or notice shall be recorded  
28 in the general index by the appropriate municipal officer in the land-evidence records in the city  
29 or town wherein the subject facility is located. Any subsequent transferee of that facility shall be  
30 responsible for complying with the requirements of the order or notice. Upon satisfactory  
31 completion of the requirements of the order or notice, the director shall provide written notice of  
32 the same, which notice shall be eligible for recordation. The original, written notice shall be  
33 forwarded to the city or town wherein the subject facility is located, and the notice of satisfactory  
34 completion shall be recorded in the general index by the appropriate municipal official in the

1 land-evidence records in the city or town wherein the subject facility is located. A copy of the  
2 written notice shall be forwarded to the owner of the subject facility within five (5) days of a  
3 request for it, and, in any event, shall be forwarded to the owner of the subject facility within  
4 thirty (30) days after correction;

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

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

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

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

27 (a) Maintenance of an organizational unit within the department with the express purpose of  
28 providing technical assistance to customers and helping customers comply with environmental  
29 regulations and requirements;

30 (b) Maintenance of an employee-training program to promote customer service across the  
31 department;

32 (c) Implementation of a continuous business process evaluation and improvement effort,  
33 including process reviews to encourage development of quality proposals; ensure timely and

1 predictable reviews; and result in effective decisions and consistent follow up and implementation  
2 throughout the department; and publish an annual report on such efforts;

3 (d) Creation of a centralized location for the acceptance of permit applications and other  
4 submissions to the department;

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

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

14 (g) Exploration of the use of performance-based regulations coupled with adequate inspection  
15 and oversight, as an alternative to requiring applications or submissions for approval prior to  
16 initiation of projects. ~~The department shall work with the office of regulatory reform to evaluate~~  
17 ~~the potential for adopting alternative compliance approaches and provide a report to the governor~~  
18 ~~and the general assembly by May 1, 2015; and~~

19 (h) Designate case managers, reporting to the director or deputy director, as necessary to  
20 facilitate and expedite project permitting, particularly for complex or multi-jurisdictional projects,  
21 and coordinate permitting with the mitigation of non-compliant conditions on project sites.

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

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

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

31 (ii) Extreme or unusual fuel or fuel additive supply circumstances are the result of a natural  
32 disaster, an act of God, a pipeline or refinery equipment failure, or another event that could not  
33 reasonably have been foreseen; and

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



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

4 SECTION 11. Effective on July 1, 2020, section 46-12.7-4.1 of the General Laws in Chapter  
5 46-12.7 entitled "Oil Spill Prevention, Administration and Response Fund" is hereby amended to  
6 read as follows:

7 **46-12.7-4.1. Uniform oil response and prevention fee.**

8 (a) A uniform oil spill response and prevention fee in an amount not exceeding ~~five cents~~  
9 ~~(\$0.05)~~ ten cents (\$0.10) for each barrel of petroleum products, as set by the director pursuant to  
10 subsection (d) of this section, shall be imposed upon every person owning petroleum products at  
11 the time the petroleum products are received at a marine terminal within this state by means of a  
12 vessel from a point of origin outside this state. The fee shall be remitted to the division of taxation  
13 on the 30th day of each month based upon the number of barrels of petroleum products received  
14 during the preceding month.

15 (b) Every owner of petroleum products shall be liable for the fee until it has been paid to the  
16 state, except that payment to a marine terminal operator registered under this chapter is sufficient  
17 to relieve the owner from further liability for the fee; provided, however, that the fee for asphalt  
18 products and asphalt derivatives shall be one cent (\$.01) per barrel of asphalt products or  
19 derivatives.

20 (c) Whenever the director, in consultation with the department and the division of taxation,  
21 estimates that the amount in the fund will reach the amount specified in subsection (e) of this  
22 section, and the money in the fund is not required for the purposes specified in § 46-12.7-5.1, the  
23 director shall instruct the division of taxation to cease collecting the fee.

24 (d) The director shall set the amount of the oil spill prevention and response fees. The  
25 administrator, except for the fee set out in subsection (b), shall not set the amount of the fee at  
26 less than five cents (\$0.05) for each barrel of petroleum products or crude oil, unless the director  
27 finds that the assessment of a lesser fee will cause the fund to reach the designated amount within  
28 six (6) months.

29 (e) For the purposes of this chapter, "designated amount" means an amount equal to ten  
30 million dollars (\$10,000,000), adjusted for inflation after January 1, 1998, according to an index  
31 which the director may reasonably choose.

32 (f) ~~All~~ For every ten cents (\$0.10) in fees collected pursuant to this section, seven cents (0.07)  
33 shall be deposited in the oil spill prevention, administration, and response fund, and shall be

1 disbursed according to the purposes expressed in § 46-12.7-5.1-~~1~~. and three cents (\$0.03) shall be  
2 deposited in the ocean state climate adaptation and resilience fund established by § 46-23.3-2.

3 (g) Notwithstanding the provisions of subsection (f) of this section, each July 1st, two  
4 hundred and fifty thousand dollars (\$250,000) of the fees collected under this section for the oil  
5 spill prevention, administration, and response fund shall be deposited into the coastal and  
6 estuarine habitat restoration trust fund (the "trust").

7 SECTION 12. Effective on July 1, 2020, Title 46 of the General Laws entitled "Waters and  
8 Navigation" is hereby amended by adding thereto the following chapter:

9 CHAPTER 23.3

10 THE OCEAN STATE CLIMATE ADAPTATION AND RESILIENCE FUND

11 ~~46-23.3-1. Definitions.~~

12 For the purposes of this chapter, the following definitions shall apply:

13 (1) "Adaptation and resilience projects" are those projects on public land and open space, as  
14 defined in subsections (6) and (7) of this section, that protect or enhance natural systems and  
15 habitats, that are proposed in response to climate change impacts as defined in subsection (2) of  
16 this section, and that improve climate resilience. Adaptation and resilience projects include those  
17 projects that reduce the vulnerability of low-lying infrastructure on public land through measures  
18 that include removal and relocation of infrastructure, restoration of river and stream floodplains  
19 including regrading of banks, revegetation, acquisition of that area of land necessary to maintain  
20 and preserve public access, habitat improvements, and redesign, resizing and replacement of  
21 culverts and bridge spans at existing wetland crossings.

22 (2) "Climate change impacts" in Rhode Island include, but are not limited to, sea level rise,  
23 coastal erosion, flooding, warming land and water, and storm surge and are consistent with the  
24 impacts recognized by the Executive Climate Change Coordinating Council.

25 (3) "Department" means the department of environmental management.

26 (4) "Director" means the director of the department of environmental management.

27 (5) "Infrastructure" includes roads, parking lots and other paved surfaces, shoreline protection  
28 structures, buildings, boat ramps and piers, water control structures, other structures, and  
29 remnants of development.

30 (6) "Public land" means property owned by state or municipal governments. Public land  
31 includes properties where the state or municipality holds an easement for public purposes.

32 (7) "Open space" means land in its natural state that conserves forests, enhances wildlife  
33 habitat or protects ecosystem health or any tract or contiguous tracts of undeveloped land, where

1 the undeveloped land serves to enhance agricultural values or public access to shorelines and  
2 riverbanks.

3 (8) “Shoreline protection structures” includes revetments, bulkheads, seawalls and  
4 floodwalls, groins, breakwaters, jetties, and other structures, the purpose or effect of which is to  
5 control the erosion of coastal or river features, and includes any sheet pile walls, concrete or stone  
6 walls.

7 **46-23.3-2. Establishment of the Ocean State climate adaptation and resilience fund.**

8 (a) There is established within the department of environmental management an “ocean state  
9 climate adaptation and resilience fund” (the “OSCAR fund”). The OSCAR fund shall constitute a  
10 restricted receipt account within the general fund of the state and housed within the budget of the  
11 department of environmental management.

12 (b) OSCAR fund grants. Factors to be taken into account by the technical committee for the  
13 purposes of recommending the granting of monies to municipalities and the state for OSCAR  
14 grants, determining the eligibility of projects for financial assistance, and in prioritizing the  
15 recommendation of projects by the technical committee shall include, but need not be limited to:

16 (1) Consistency with the following where applicable: the state’s resilience strategy, the  
17 coastal resources management council's most recent projections for sea level rise, the coastal  
18 habitat restoration strategy, the state nonpoint pollution control plan and other applicable state  
19 and federal laws.

20 (2) The ability and authority of the applicant to carry out and properly maintain the adaptation  
21 project;

22 (3) Whether the project will enhance public access;

23 (4) The severity, risk and/or extent of infrastructure degradation on public land;

24 (5) The extent of the use by the public of the land;

25 (6) The proposed milestones to ensure that the project is completed as designed and  
26 approved;

27 (7) Whether the adaptation project can also be shown to create or replace habitat losses that  
28 benefit fish and wildlife resources;

29 (8) Potential water quality improvements;

30 (9) Potential improvements to fish and wildlife habitats for species which are identified as  
31 rare or endangered by the Rhode Island natural history survey or the Federal Endangered Species  
32 Act [16 U.S.C. §1531 et seq.];

33 (10) The level and extent of collaboration by partners (e.g., municipality, nongovernment  
34 organization, watershed council, federal agency, etc.); and

1 (11) Overall potential benefits to the public and estimated length of time frame of benefit.

2 (c) Nothing contained in this chapter is intended to abrogate or affect the existing powers of  
3 the department of environmental management.

4 **46-23.3-3. Eligible and Ineligible projects.**

5 (a) Monies in the OSCAR fund shall be used solely for adaptation and resilience projects as  
6 defined in § 46-23.3-1.

7 (b) Monies in the OSCAR fund shall not be used for:

8 (1) Mitigating any current, planned, or future projects that degrade, fill, or otherwise destroy  
9 coastal, estuarine, or riverine habitats;

10 (2) Fulfilling any liability for restoration required by any local, state, or federal agency  
11 pursuant to an environmental or public health enforcement action;

12 (3) With the exception of culverts and bridge spans as specifically described in 46-23.2-2 (1),  
13 elevating, repairing or replacing infrastructure, or constructing new infrastructure, in its existing  
14 location that is experiencing climate change impacts as defined in Section 46-23.3-2(2);

15 (4) Constructing new shoreline protection structures, with the exception of repairing or  
16 upgrading an existing bulkhead or seawall at a public park; or

17 (5) Constructing roads or bridges.

18 **46-23.3-4. Financing of the OSCAR fund.**

19 (a) The OSCAR fund shall consist of the following sources:

20 (1) Sums the legislature may appropriate;

21 (2) Monies received from federal, state, or other sources, including bond funds, for the  
22 purpose of climate adaptation that the Director allocates to the OSCAR fund;

23 (3) Monies received from any private donor for the OSCAR fund;

24 (4) Fees collected pursuant to § 46-12.7-4.1 for the OSCAR fund; and

25 (5) Any interest earned on the monies in the fund.

26 **46-23.3-5. Allocation of the fund.**

27 Monies from the OSCAR fund shall be used to carry out the purposes of this chapter as  
28 follows:

29 (1) The administrative expenses required to carry out the activities of the program as  
30 described in this chapter not to exceed \$75,000 annually;

31 (2) The scope of grant applications may include the planning and design, engineering,  
32 construction, and monitoring of adaptation projects as described in this chapter; and

1 (3) The OSCAR projects approved by the department upon recommendation of the technical  
2 advisory committee. Only applications approved through the process established by the  
3 Department shall be eligible for funding under this program.

4 **46-23.3-6. Technical advisory committee.**

5 Members of the technical advisory committee shall include representatives from the  
6 department, the council, statewide planning, and Rhode Island emergency management authority.  
7 The technical advisory committee shall serve as an advisory board to the department throughout  
8 this process.

9 **46-23.3-7. Disbursement process and reporting.**

10 (a) The department shall establish and execute a process for the solicitation, evaluation and  
11 award of grants for projects that meet the requirements set forth in in this chapter.

12 (b) The department shall submit a report to the legislature not later than the tenth (10th) day  
13 following the convening of each regular session of the legislature, starting in January 2022. The  
14 report shall include the following:

15 (1) The amount of money awarded from the OSCAR fund during the preceding fiscal year;

16 (2) A brief summary of the projects that received funding and a timeline of implementation;

17 and;

18 (3) Any other information requested by the general assembly.

19 **46-23.3-5. Regulations.**

20 The director may adopt all rules and regulations necessary for the administration and  
21 enforcement of this chapter, in consultation with the coastal resources management council.

22 SECTION 13. Sections 1, 2, 11 and 12 shall take effect on July 1, 2020. Section 5 shall take  
23 effect on July 1, 2021. The remainder of this article shall take effect upon passage.

24  
25



1 (d) A distiller who distills spirits in this state that is actively and directly owned,  
2 managed, and operated by an authorized legal entity that has owned, managed, and operated a  
3 distillery in this state for at least twelve (12) consecutive months, shall receive a tax exemption on  
4 the first fifty thousand (50,000) gallons of distilled spirits that it produces and distributes in this  
5 state in any calendar year.

6 SECTION 2. Sections 42-63.1-3 and 42-63.1-12 of the General Laws in Chapter 42-63.1  
7 entitled "Tourism and Development" is hereby amended as follows:

8 **42-63.1-3. Distribution of tax.**

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

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

27 (2) Twenty-five percent (25%) of the hotel tax shall be given to the city or town where  
28 the hotel that generated the tax is physically located, to be used for whatever purpose the city or  
29 town decides.

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

33 (b) For returns and tax payments received after December 31, 2015, except as provided in  
34 § 42-63.1-12, the proceeds of the hotel tax, excluding the portion of the hotel tax collected from

1 residential units offered for tourist or transient use through a hosting platform, shall be distributed  
2 as follows by the division of taxation and the city of Newport:

3 (1) For the tax generated by the hotels in the Aquidneck Island district, as defined in §  
4 42-63.1-5, forty-two percent (42%) of the tax shall be given to the Aquidneck Island district,  
5 twenty-five (25%) of the tax shall be given to the city or town where the hotel that generated the  
6 tax is physically located, five percent (5%) of the tax shall be given to the Greater Providence-  
7 Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-eight percent  
8 (28%) of the tax shall be given to the Rhode Island commerce corporation established in chapter  
9 64 of this title.

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

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

24 (4) For the tax generated by the hotels in the Statewide district, as defined in § 42-63.1-5,  
25 twenty-five percent (25%) of the tax shall be given to the city or town where the hotel that  
26 generated the tax is physically located, five percent (5%) of the tax shall be given to the Greater  
27 Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11, and seventy  
28 percent (70%) of the tax shall be given to the Rhode Island commerce corporation established in  
29 chapter 64 of this title.

30 (5) With respect to the tax generated by hotels in districts other than those set forth in  
31 subsections (b)(1) through (b)(4) of this section, forty-two percent (42%) of the tax shall be given  
32 to the regional tourism district, as defined in § 42-63.1-5, wherein the hotel is located, twenty-five  
33 percent (25%) of the tax shall be given to the city or town where the hotel that generated the tax is  
34 physically located, five percent (5%) of the tax shall be given to the Greater Providence-Warwick



1 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-eight (28%) of the tax  
2 shall be given to the Rhode Island commerce corporation established in chapter 64 of this title.

3 (c) For returns and tax payments received before July 1, 2019, the proceeds of the hotel  
4 tax collected from residential units offered for tourist or transient use through a hosting platform  
5 shall be distributed as follows by the division of taxation and the city of Newport: twenty-five  
6 percent (25%) of the tax shall be given to the city or town where the residential unit that  
7 generated the tax is physically located, and seventy-five percent (75%) of the tax shall be given to  
8 the Rhode Island commerce corporation established in chapter 64 of this title.

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

13 (e) Notwithstanding the foregoing provisions of this section, for returns and tax payments  
14 received on or after July 1, 2016, and on or before June 30, 2017, except as provided in § 42-  
15 63.1-12, the proceeds of the hotel tax, excluding the portion of the hotel tax collected from  
16 residential units offered for tourist or transient use through a hosting platform, shall be distributed  
17 in accordance with the distribution percentages established in subsections (a)(1) through (a)(3) of  
18 this section by the division of taxation and the city of Newport.

19 (f) For returns and tax payments received on or after July 1, 2018 [and on or prior to June](#)  
20 [30 2019](#), except as provided in § 42-63.1-12, the proceeds of the hotel tax, excluding the portion  
21 of the hotel tax collected from residential units offered for tourist or transient use through a  
22 hosting platform, shall be distributed as follows by the division of taxation and the city of  
23 Newport:

24 (1) For the tax generated by the hotels in the Aquidneck Island district, as defined in §  
25 42-63.1-5, forty-five percent (45%) of the tax shall be given to the Aquidneck Island district,  
26 twenty-five (25%) of the tax shall be given to the city or town where the hotel that generated the  
27 tax is physically located, five percent (5%) of the tax shall be given to the Greater Providence-  
28 Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-five percent  
29 (25%) of the tax shall be given to the Rhode Island commerce corporation established in chapter  
30 64 of this title.

31 (2) For the tax generated by the hotels in the Providence district as defined in § 42-63.1-  
32 5, thirty percent (30%) of the tax shall be given to the Providence district, twenty-five percent  
33 (25%) of the tax shall be given to the city or town where the hotel that generated the tax is  
34 physically located, twenty-four (24%) of the tax shall be given to the Greater Providence-

1 Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-one (21%) of  
2 the tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this  
3 title.

4 (3) For the tax generated by the hotels in the Warwick district as defined in § 42-63.1-5,  
5 thirty percent (30%) of the tax shall be given to the Warwick District, twenty-five percent (25%)  
6 of the tax shall be given to the city or town where the hotel that generated the tax is physically  
7 located, twenty-four percent (24%) of the tax shall be given to the Greater Providence-Warwick  
8 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-one (21%) of the tax  
9 shall be given to the Rhode Island commerce corporation established in chapter 64 of this title.

10 (4) For the tax generated by the hotels in the Statewide district, as defined in § 42-63.1-5,  
11 twenty-five percent (25%) of the tax shall be given to the city or town where the hotel that  
12 generated the tax is physically located, five percent (5%) of the tax shall be given to the Greater  
13 Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11, and seventy  
14 percent (70%) of the tax shall be given to the Rhode Island commerce corporation established in  
15 chapter 64 of this title.

16 (5) With respect to the tax generated by hotels in districts other than those set forth in  
17 subsections (b)(1) through (b)(4) of this section, forty-five percent (45%) of the tax shall be given  
18 to the regional tourism district, as defined in § 42-63.1-5, wherein the hotel is located, twenty-five  
19 percent (25%) of the tax shall be given to the city or town where the hotel that generated the tax is  
20 physically located, five percent (5%) of the tax shall be given to the Greater Providence-Warwick  
21 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-five (25%) of the tax  
22 shall be given to the Rhode Island commerce corporation established in chapter 64 of this title.

23 (g) For returns and tax payments received on or after July 1, 2019 [and on or prior to June](#)  
24 [30, 2020](#), except as provided in § 42-63.1-12, the proceeds of the hotel tax, including the portion  
25 of the hotel tax collected from residential units offered for tourist or transient use through a  
26 hosting platform, shall be distributed as follows by the division of taxation and the city of  
27 Newport:

28 (1) For the tax generated in the Aquidneck Island district, as defined in § 42-63.1-5,  
29 forty-five percent (45%) of the tax shall be given to the Aquidneck Island district, twenty-five  
30 percent (25%) of the tax shall be given to the city or town where the hotel or residential unit that  
31 generated the tax is physically located, five percent (5%) of the tax shall be given to the Greater  
32 Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-  
33 five percent (25%) of the tax shall be given to the Rhode Island commerce corporation  
34 established in chapter 64 of this title.

1 (2) For the tax generated in the Providence district as defined in § 42-63.1-5, thirty  
2 percent (30%) of the tax shall be given to the Providence district, twenty-five percent (25%) of  
3 the tax shall be given to the city or town where the hotel or residential unit that generated the tax  
4 is physically located, twenty-four percent (24%) of the tax shall be given to the Greater  
5 Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-  
6 one percent (21%) of the tax shall be given to the Rhode Island commerce corporation established  
7 in chapter 64 of this title.

8 (3) For the tax generated in the Warwick district as defined in § 42-63.1-5, thirty percent  
9 (30%) of the tax shall be given to the Warwick District, twenty-five percent (25%) of the tax shall  
10 be given to the city or town where the hotel or residential unit that generated the tax is physically  
11 located, twenty-four percent (24%) of the tax shall be given to the Greater Providence-Warwick  
12 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-one percent (21%) of the  
13 tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this  
14 title.

15 (4) For the tax generated in the Statewide district, as defined in § 42-63.1-5, twenty-five  
16 percent (25%) of the tax shall be given to the city or town where the hotel or residential unit that  
17 generated the tax is physically located, five percent (5%) of the tax shall be given to the Greater  
18 Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11, and seventy  
19 percent (70%) of the tax shall be given to the Rhode Island commerce corporation established in  
20 chapter 64 of this title.

21 (5) With respect to the tax generated in districts other than those set forth in subsections  
22 (g)(1) through (g)(4) of this section, forty-five percent (45%) of the tax shall be given to the  
23 regional tourism district, as defined in § 42-63.1-5, wherein the hotel or residential unit is located,  
24 twenty-five percent (25%) of the tax shall be given to the city or town where the hotel or  
25 residential unit that generated the tax is physically located, five percent (5%) of the tax shall be  
26 given to the Greater Providence-Warwick Convention and Visitors Bureau established in § 42-  
27 63.1-11, and twenty-five percent (25%) of the tax shall be given to the Rhode Island commerce  
28 corporation established in chapter 64 of this title.

29 (h) For returns and tax payments received on or after July 1, 2020, except as provided in  
30 § 42-63.1-12, the proceeds of the hotel tax, including the portion of the hotel tax collected from  
31 residential units offered for tourist or transient use through a hosting platform, shall be distributed  
32 as follows by the division of taxation and the city of Newport:

33 (1) For the tax generated in the Aquidneck Island district, as defined in § 42-63.1-5,  
34 thirty-seven and a half percent (37.5%) of the tax shall be given to the Aquidneck Island district,

1 twenty and eight tenths percent (20.8%) of the tax shall be given to the city or town where the  
2 hotel or residential unit that generated the tax is physically located, four and two tenths percent  
3 (4.2%) of the tax shall be given to the Greater Providence-Warwick Convention and Visitors  
4 Bureau established in § 42-63.1-11, sixteen and seven tenths percent (16.7%) of the tax shall be  
5 transferred to General Revenue, and twenty and eight tenths percent (20.8%) of the tax shall be  
6 given to the Rhode Island commerce corporation established in chapter 64 of this title.

7 (2) For the tax generated in the Providence district as defined in § 42-63.1-5, twenty-five  
8 percent (25%) of the tax shall be given to the Providence district, twenty and eight tenths percent  
9 (20.8%) of the tax shall be given to the city or town where the hotel or residential unit that  
10 generated the tax is physically located, twenty percent (20%) of the tax shall be given to the  
11 Greater Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11,  
12 sixteen and seven tenths percent (16.7%) of the tax shall be transferred to General Revenue, and  
13 seventeen and a half percent (17.5%) of the tax shall be given to the Rhode Island commerce  
14 corporation established in chapter 64 of this title.

15 (3) For the tax generated in the Warwick district as defined in § 42-63.1-5, twenty-five  
16 percent (25%) of the tax shall be given to the Warwick District, twenty and eight tenths percent  
17 (20.8%) of the tax shall be given to the city or town where the hotel or residential unit that  
18 generated the tax is physically located, twenty percent (20%) of the tax shall be given to the  
19 Greater Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11,  
20 sixteen and seven tenths percent (16.7%) of the tax shall be transferred to General Revenue, and  
21 seventeen and a half percent (17.5%) of the tax shall be given to the Rhode Island commerce  
22 corporation established in chapter 64 of this title.

23 (4) For the tax generated in the Statewide district, as defined in § 42-63.1-5, twenty and  
24 eight tenths percent (20.8%) of the tax shall be given to the city or town where the hotel or  
25 residential unit that generated the tax is physically located, four and two tenths percent (4.2%) of  
26 the tax shall be given to the Greater Providence-Warwick Convention and Visitors Bureau  
27 established in § 42-63.1-11, sixteen and seven tenths percent (16.7%) of the tax shall be  
28 transferred to General Revenue, and fifty-eight and three tenths percent (58.3%) of the tax shall  
29 be given to the Rhode Island commerce corporation established in chapter 64 of this title.

30 (5) With respect to the tax generated in districts other than those set forth in subsections  
31 (h)(1) through (h)(4) of this section, thirty-seven and a half percent (37.5%) of the tax shall be  
32 given to the regional tourism district, as defined in § 42-63.1-5, wherein the hotel or residential  
33 unit is located, twenty and eight tenths percent (20.8%) of the tax shall be given to the city or  
34 town where the hotel or residential unit that generated the tax is physically located, four and two

1 tenths percent (4.2%) of the tax shall be given to the Greater Providence-Warwick Convention  
2 and Visitors Bureau established in § 42-63.1-11, sixteen and seven tenths percent (16.7%) of the  
3 tax shall be transferred to General Revenue, and twenty and eight tenths percent (20.8%) of the  
4 tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this  
5 title.

6 (6) With respect to the revenue collected by the division of taxation on behalf of each  
7 municipality in subsections (h)(1) through (h)(5) of this section, before distributing said revenue  
8 to the municipalities, a two percent (2%) administrative fee shall be deducted therefrom and  
9 transferred to the general fund.

10 **42-63.1-12. Distribution of tax to Rhode Island Convention Center Authority.**

11 (a) For returns and tax received on or before December 31, 2015, the proceeds of the  
12 hotel tax generated by any and all hotels physically connected to the Rhode Island Convention  
13 Center shall be distributed as follows: twenty-seven percent (27%) shall be deposited as general  
14 revenues; thirty-one percent (31%) shall be given to the convention authority of the city of  
15 Providence; twelve percent (12%) shall be given to the greater Providence-Warwick convention  
16 and visitor's bureau; thirty percent (30%) shall be given to the Rhode Island convention center  
17 authority to be used in the furtherance of the purposes set forth in § 42-99-4.

18 (b) For returns and tax received after December 31, 2015, the proceeds of the hotel tax  
19 generated by any and all hotels physically connected to the Rhode Island Convention Center shall  
20 be distributed as follows: twenty-eight percent (28%) shall be given to the convention authority of  
21 the city of Providence; twelve percent (12%) shall be given to the greater Providence-Warwick  
22 convention and visitor's bureau; and sixty percent (60%) shall be given to the Rhode Island  
23 Commerce Corporation established in chapter 64 of title 42.

24 (c) The Rhode Island Convention Center Authority is authorized and empowered to enter  
25 into contracts with the Greater Providence-Warwick Convention and Visitors' Bureau in the  
26 furtherance of the purposes set forth in this chapter.

27 (d) For returns and tax received on or after July 1, 2018 and on or before June 30, 2020,  
28 the proceeds of the hotel tax generated by any and all hotels physically connected to the Rhode  
29 Island Convention Center shall be distributed as follows: thirty percent (30%) shall be given to  
30 the convention authority of the city of Providence; twenty percent (20%) shall be given to the  
31 greater Providence-Warwick convention and visitor's bureau; and fifty percent (50%) shall be  
32 given to the Rhode Island Commerce Corporation established in chapter 64 of title 42.

33 (e) For returns and tax received on or after July 1, 2020, the proceeds of the hotel tax  
34 generated by any and all hotels physically connected to the Rhode Island Convention Center shall

1 be distributed as follows: twenty-five percent (25%) shall be given to the convention authority of  
2 the city of Providence; sixteen and seven tenths percent (16.7%) shall be given to the greater  
3 Providence-Warwick convention and visitor's bureau; sixteen and seven tenths percent (16.7%) of  
4 the tax shall be given to general revenue; and forty-one and six tenths percent (41.6%) shall be  
5 given to the Rhode Island commerce corporation established in chapter 64 of title 42.

6 (f) With respect to the revenue collected by the division of taxation on behalf of each  
7 municipality in subsection (e) of this section, before distributing said revenue to the  
8 municipalities, a two percent (2%) administrative fee shall be deducted therefrom and transferred  
9 to the general fund.

10 SECTION 3. Chapter 44-1 of the General Laws entitled "State Tax Officials" is hereby  
11 amended by adding thereto the following section:

12 **44-1-11.2 Set-off for delinquent taxes-Reciprocal Agreements for Refunds**

13 **(a) Definitions**

14 (1) "federal payment offset" is any offset against federal nontax payments to collect state  
15 tax debts and/or any nontax debts owed to the state, a state agency or a quasi-public agency, to  
16 the extent permitted by law.

17 (2) "state payment offset" is any offset against state tax refunds to collect federal nontax  
18 debts, to the extent permitted by law.

19 (3) "debtor" is any person or entity that owes money to the state, a state agency or a  
20 quasi-public agency.

21 **(b) The tax administrator is hereby authorized to:**

22 (1) establish and implement a federal payment offset and state payment offset reciprocal  
23 program (State Reciprocal Program) with the United States Department of the Treasury pursuant  
24 to which the United States Department of the Treasury would offset federal nontax payments to  
25 collect state tax debts and/or any nontax debts owed to the state, a state agency, or a quasi-public  
26 agency and the tax administrator would offset state tax refunds to collect federal nontax debts;

27 (2) enter into an agreement with the United States Department of the Treasury to  
28 implement the State Reciprocal Program; and,

29 (3) charge the debtor a reasonable fee per transaction for each federal payment offset and  
30 such fee may be collected from the debtor by deducting the fee from the amount of the offset.

31 **(c) Federal and state payment offsets shall be subject to applicable notice requirements**  
32 **pursuant to 31 U.S.C. 3716(a) prior to said offset.**

1 (d) The payment offset process authorized in this section is in addition to the set-off of  
2 refunds of personal income tax in 44-30.1 and is not in substitution of that chapter for any other  
3 remedy available by law.

4 (e) If any provision of this section or the application of this section is for any reason held  
5 invalid, illegal or unenforceable said holding shall not affect the legality, validity or  
6 enforceability of the rest of the section.

7 SECTION 4. Effective October 1, 2020, section 44-18-7.3 of the General Laws in  
8 Chapter 44-18 entitled "Sales and Use Taxes – Liability and Computation" is hereby amended to  
9 read as follows:

10 **44-18-7.3. Services defined.**

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

14 (b) The following businesses and services performed in this state, along with the  
15 applicable 2017 North American Industrial Classification System (NAICS) codes, are included in  
16 the definition of services:

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

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

19 (ii) Limousine services (485320).

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

21 (i) Charter bus service (485510);

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

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

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

30 (4)(i) "Room reseller" or "reseller" means any person, except a tour operator as defined in  
31 § 42-63.1-2, having any right, permission, license, or other authority from or through a hotel as  
32 defined in § 42-63.1-2, to reserve, or arrange the transfer of occupancy of, accommodations the  
33 reservation or transfer of which is subject to this chapter, such that the occupant pays all or a  
34 portion of the rental and other fees to the room reseller or reseller. Room reseller or reseller shall

1 include, but not be limited to, sellers of travel packages as defined in this section.  
2 Notwithstanding the provisions of any other law, where said reservation or transfer of occupancy  
3 is done using a room reseller or reseller, the application of the sales and use tax under §§ 44-18-  
4 18 and 44-18-20, and the hotel tax under § 44-18-36.1 shall be as follows: The room reseller or  
5 reseller is required to register with, and shall collect and pay to, the tax administrator the sales  
6 and use and hotel taxes, with said taxes being calculated upon the amount of rental and other fees  
7 paid by the occupant to the room reseller or reseller, less the amount of any rental and other fees  
8 paid by the room reseller or reseller to the hotel. The hotel shall collect and pay to the tax  
9 administrator said taxes upon the amount of rental and other fees paid to the hotel by the room  
10 reseller or reseller and/or the occupant. No assessment shall be made by the tax administrator  
11 against a hotel because of an incorrect remittance of the taxes under this chapter by a room  
12 reseller or reseller. No assessment shall be made by the tax administrator against a room reseller  
13 or reseller because of an incorrect remittance of the taxes under this chapter by a hotel. If the  
14 hotel has paid the taxes imposed under this chapter, the occupant and/or room reseller or reseller,  
15 as applicable, shall reimburse the hotel for said taxes. If the room reseller or reseller has paid said  
16 taxes, the occupant shall reimburse the room reseller or reseller for said taxes. Each hotel and  
17 room reseller or reseller shall add and collect, from the occupant or the room reseller or the  
18 reseller, the full amount of the taxes imposed on the rental and other fees. When added to the  
19 rental and other fees, the taxes shall be a debt owed by the occupant to the hotel or room reseller  
20 or reseller, as applicable, and shall be recoverable at law in the same manner as other debts. The  
21 amount of the taxes collected by the hotel and/or room reseller or reseller from the occupant  
22 under this chapter shall be stated and charged separately from the rental and other fees, and shall  
23 be shown separately on all records thereof, whether made at the time the transfer of occupancy  
24 occurs, or on any evidence of the transfer issued or used by the hotel or the room reseller or the  
25 reseller. A room reseller or reseller shall not be required to disclose to the occupant the amount of  
26 tax charged by the hotel; provided, however, the room reseller or reseller shall represent to the  
27 occupant that the separately stated taxes charged by the room reseller or reseller include taxes  
28 charged by the hotel. No person shall operate a hotel in this state, or act as a room reseller or  
29 reseller for any hotel in the state, unless the tax administrator has issued a permit pursuant to §  
30 44-19-1.

31 (ii) "Travel package" means a room, or rooms, bundled with one or more other, separate  
32 components of travel such as air transportation, car rental, or similar items, which travel package  
33 is charged to the customer or occupant for a single, retail price. When the room occupancy is  
34 bundled for a single consideration, with other property, services, amusement charges, or any other



1 items, the separate sale of which would not otherwise be subject to tax under this chapter, the  
2 entire single consideration shall be treated as the rental or other fees for room occupancy subject  
3 to tax under this chapter; provided, however, that where the amount of the rental, or other fees for  
4 room occupancy is stated separately from the price of such other property, services, amusement  
5 charges, or other items, on any sales slip, invoice, receipt, or other statement given the occupant,  
6 and such rental and other fees are determined by the tax administrator to be reasonable in relation  
7 to the value of such other property, services, amusement charges, or other items, only such  
8 separately stated rental and other fees will be subject to tax under this chapter. The value of the  
9 transfer of any room, or rooms, bundled as part of a travel package may be determined by the tax  
10 administrator from the room reseller's and/or reseller's and/or hotel's books and records that are  
11 kept in the regular course of business.

12 (5) Investigation, Guard, and Armored Car Services (561611, 561612 & 561613).

13 [\(6\) Hunting, Trapping and Shooting Services \(114210 & that part of 713990 applicable](#)  
14 [to: archery ranges, recreational fishing clubs, fishing guide services, shooting galleries, hunting](#)  
15 [guide services, recreational gun clubs, recreational hunting clubs, fishing, hunting, and game](#)  
16 [outfitters, recreational rifle clubs, recreational shooting clubs, shooting ranges, skeet shooting](#)  
17 [facilities, and recreational trapshooting facilities](#)

18 [\(7\) Lobbying Services as defined in § 42-139.1-3\(a\)\(3\)](#)

19 [\(8\) Computer System Design and Related Services \(541511, 541512, 541513, 541519\)](#)

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

23 (d) The tax administrator is authorized to promulgate rules and regulations in accordance  
24 with the provisions of chapter 35 of title 42 to carry out the provisions, policies, and purposes of  
25 this chapter.

26 SECTION 5. Effective January 1, 2021, section 44-18-7.3 of the General Laws in  
27 Chapter 44-18 entitled "Sales and Use Taxes – Liability and Computation" is hereby amended to  
28 read as follows:

29 **44-18-7.3. Services defined.**

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

1 (b) The following businesses and services performed in this state, along with the  
2 applicable 2017 North American Industrial Classification System (NAICS) codes, are included in  
3 the definition of services:

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

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

6 (ii) Limousine services (485320).

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

8 (i) Charter bus service (485510);

9 (ii) "Transportation network companies" (TNC) defined as an entity that uses a digital  
10 network to connect transportation network company riders to transportation network operators  
11 who provide prearranged rides. Any TNC operating in this state is a retailer as provided in § 44-  
12 18-15 and is required to file a business application and registration form and obtain a permit to  
13 make sales at retail with the tax administrator, to charge, collect, and remit Rhode Island sales  
14 and use tax; and

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

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

17 (4)(i) "Room reseller" or "reseller" means any person, except a tour operator as defined in  
18 § 42-63.1-2, having any right, permission, license, or other authority from or through a hotel as  
19 defined in § 42-63.1-2, to reserve, or arrange the transfer of occupancy of, accommodations the  
20 reservation or transfer of which is subject to this chapter, such that the occupant pays all or a  
21 portion of the rental and other fees to the room reseller or reseller. Room reseller or reseller shall  
22 include, but not be limited to, sellers of travel packages as defined in this section.  
23 Notwithstanding the provisions of any other law, where said reservation or transfer of occupancy  
24 is done using a room reseller or reseller, the application of the sales and use tax under §§ 44-18-  
25 18 and 44-18-20, and the hotel tax under § 44-18-36.1 shall be as follows: The room reseller or  
26 reseller is required to register with, and shall collect and pay to, the tax administrator the sales  
27 and use and hotel taxes, with said taxes being calculated upon the amount of rental and other fees  
28 paid by the occupant to the room reseller or reseller, less the amount of any rental and other fees  
29 paid by the room reseller or reseller to the hotel. The hotel shall collect and pay to the tax  
30 administrator said taxes upon the amount of rental and other fees paid to the hotel by the room  
31 reseller or reseller and/or the occupant. No assessment shall be made by the tax administrator  
32 against a hotel because of an incorrect remittance of the taxes under this chapter by a room  
33 reseller or reseller. No assessment shall be made by the tax administrator against a room reseller  
34 or reseller because of an incorrect remittance of the taxes under this chapter by a hotel. If the

1 hotel has paid the taxes imposed under this chapter, the occupant and/or room reseller or reseller,  
2 as applicable, shall reimburse the hotel for said taxes. If the room reseller or reseller has paid said  
3 taxes, the occupant shall reimburse the room reseller or reseller for said taxes. Each hotel and  
4 room reseller or reseller shall add and collect, from the occupant or the room reseller or the  
5 reseller, the full amount of the taxes imposed on the rental and other fees. When added to the  
6 rental and other fees, the taxes shall be a debt owed by the occupant to the hotel or room reseller  
7 or reseller, as applicable, and shall be recoverable at law in the same manner as other debts. The  
8 amount of the taxes collected by the hotel and/or room reseller or reseller from the occupant  
9 under this chapter shall be stated and charged separately from the rental and other fees, and shall  
10 be shown separately on all records thereof, whether made at the time the transfer of occupancy  
11 occurs, or on any evidence of the transfer issued or used by the hotel or the room reseller or the  
12 reseller. A room reseller or reseller shall not be required to disclose to the occupant the amount of  
13 tax charged by the hotel; provided, however, the room reseller or reseller shall represent to the  
14 occupant that the separately stated taxes charged by the room reseller or reseller include taxes  
15 charged by the hotel. No person shall operate a hotel in this state, or act as a room reseller or  
16 reseller for any hotel in the state, unless the tax administrator has issued a permit pursuant to §  
17 44-19-1.

18 (ii) "Travel package" means a room, or rooms, bundled with one or more other, separate  
19 components of travel such as air transportation, car rental, or similar items, which travel package  
20 is charged to the customer or occupant for a single, retail price. When the room occupancy is  
21 bundled for a single consideration, with other property, services, amusement charges, or any other  
22 items, the separate sale of which would not otherwise be subject to tax under this chapter, the  
23 entire single consideration shall be treated as the rental or other fees for room occupancy subject  
24 to tax under this chapter; provided, however, that where the amount of the rental, or other fees for  
25 room occupancy is stated separately from the price of such other property, services, amusement  
26 charges, or other items, on any sales slip, invoice, receipt, or other statement given the occupant,  
27 and such rental and other fees are determined by the tax administrator to be reasonable in relation  
28 to the value of such other property, services, amusement charges, or other items, only such  
29 separately stated rental and other fees will be subject to tax under this chapter. The value of the  
30 transfer of any room, or rooms, bundled as part of a travel package may be determined by the tax  
31 administrator from the room reseller's and/or reseller's and/or hotel's books and records that are  
32 kept in the regular course of business.

33 (5) Investigation, Guard, and Armored Car Services (561611, 561612 & 561613).

1 [\(6\) Hunting, Trapping and Shooting Services \(114210 & that part of 713990 applicable](#)  
2 [to: archery ranges, recreational fishing clubs, fishing guide services, shooting galleries, hunting](#)  
3 [guide services, recreational gun clubs, recreational hunting clubs, fishing, hunting, and game](#)  
4 [outfitters, recreational rifle clubs, recreational shooting clubs, shooting ranges, skeet shooting](#)  
5 [facilities, and recreational trapshooting facilities](#)

6 [\(7\) Lobbying Services as defined in § 42-139.1-3\(a\)\(3\)](#)

7 [\(8\) Computer System Design and Related Services \(541511, 541512, 541513, 541519\)](#)

8 [\(9\) Interior Design Services \(541410\)](#)

9 [\(10\) Couriers and Messengers \(492110, 492210\) \(Couriers and Messengers services shall](#)  
10 [be distinct and separate from “delivery charges” as defined and taxed in this chapter.\)](#)

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

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

17 SECTION 6. Sections 44-18-18.1, 44-18-30, and 44-18-36.1 of the General Laws in  
18 Chapter 44-18 entitled "Sales and Use Taxes – Liability and Computation" is hereby amended as  
19 follows:

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

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

28 (b) All sums received by the division of taxation under this section as taxes, penalties, or  
29 forfeitures, interest, costs of suit, and fines shall be distributed at least quarterly and credited and  
30 paid by the state treasurer to the city or town where the meals and beverages are delivered. [With](#)  
31 [respect to the revenue collected by the division of taxation on behalf of each municipality in this](#)  
32 [section, before distributing said revenue to the municipalities, a two percent \(2%\) administrative](#)  
33 [fee shall be deducted therefrom and transferred to the general fund.](#)

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

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

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

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

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

27 **44-18-30. Gross receipts exempt from sales and use taxes.**

28 There are exempted from the taxes imposed by this chapter the following gross receipts:

29 (1) *Sales and uses beyond constitutional power of state.* From the sale and from the  
30 storage, use, or other consumption in this state of tangible personal property the gross receipts  
31 from the sale of which, or the storage, use, or other consumption of which, this state is prohibited  
32 from taxing under the Constitution of the United States or under the constitution of this state.

33 (2) *Newspapers.*

1 (i) From the sale and from the storage, use, or other consumption in this state of any  
2 newspaper.

3 (ii) "Newspaper" means an unbound publication printed on newsprint that contains news,  
4 editorial comment, opinions, features, advertising matter, and other matters of public interest.

5 (iii) "Newspaper" does not include a magazine, handbill, circular, flyer, sales catalog, or  
6 similar item unless the item is printed for, and distributed as, a part of a newspaper.

7 (3) *School meals.* From the sale and from the storage, use, or other consumption in this  
8 state of meals served by public, private, or parochial schools, school districts, colleges,  
9 universities, student organizations, and parent-teacher associations to the students or teachers of a  
10 school, college, or university whether the meals are served by the educational institutions or by a  
11 food service or management entity under contract to the educational institutions.

12 (4) *Containers.*

13 (i) From the sale and from the storage, use, or other consumption in this state of:

14 (A) Non-returnable containers, including boxes, paper bags, and wrapping materials that  
15 are biodegradable and all bags and wrapping materials utilized in the medical and healing arts,  
16 when sold without the contents to persons who place the contents in the container and sell the  
17 contents with the container.

18 (B) Containers when sold with the contents if the sale price of the contents is not required  
19 to be included in the measure of the taxes imposed by this chapter.

20 (C) Returnable containers when sold with the contents in connection with a retail sale of  
21 the contents or when resold for refilling.

22 (D) Keg and barrel containers, whether returnable or not, when sold to alcoholic beverage  
23 producers who place the alcoholic beverages in the containers.

24 (ii) As used in this subdivision, the term "returnable containers" means containers of a  
25 kind customarily returned by the buyer of the contents for reuse. All other containers are "non-  
26 returnable containers."

27 (5)(i) *Charitable, educational, and religious organizations.* From the sale to, as in  
28 defined in this section, and from the storage, use, and other consumption in this state, or any other  
29 state of the United States of America, of tangible personal property by hospitals not operated for a  
30 profit; "educational institutions" as defined in subdivision (18) not operated for a profit; churches,  
31 orphanages, and other institutions or organizations operated exclusively for religious or charitable  
32 purposes; interest-free loan associations not operated for profit; nonprofit, organized sporting  
33 leagues and associations and bands for boys and girls under the age of nineteen (19) years; the  
34 following vocational student organizations that are state chapters of national vocational student

1 organizations: Distributive Education Clubs of America (DECA); Future Business Leaders of  
2 America, Phi Beta Lambda (FBLA/PBL); Future Farmers of America (FFA); Future  
3 Homemakers of America/Home Economics Related Occupations (FHA/HERD); Vocational  
4 Industrial Clubs of America (VICA); organized nonprofit golden age and senior citizens clubs for  
5 men and women; and parent-teacher associations; and from the sale, storage, use, and other  
6 consumption in this state, of and by the Industrial Foundation of Burrillville, a Rhode Island  
7 domestic nonprofit corporation.

8 (ii) In the case of contracts entered into with the federal government, its agencies, or  
9 instrumentalities, this state, or any other state of the United States of America, its agencies, any  
10 city, town, district, or other political subdivision of the states; hospitals not operated for profit;  
11 educational institutions not operated for profit; churches, orphanages, and other institutions or  
12 organizations operated exclusively for religious or charitable purposes, the contractor may  
13 purchase such materials and supplies (materials and/or supplies are defined as those that are  
14 essential to the project) that are to be utilized in the construction of the projects being performed  
15 under the contracts without payment of the tax.

16 (iii) The contractor shall not charge any sales or use tax to any exempt agency,  
17 institution, or organization but shall in that instance provide his or her suppliers with certificates  
18 in the form as determined by the division of taxation showing the reason for exemption and the  
19 contractor's records must substantiate the claim for exemption by showing the disposition of all  
20 property so purchased. If any property is then used for a nonexempt purpose, the contractor must  
21 pay the tax on the property used.

22 (6) *Gasoline.* From the sale and from the storage, use, or other consumption in this state  
23 of: (i) Gasoline and other products taxed under chapter 36 of title 31 and (ii) Fuels used for the  
24 propulsion of airplanes.

25 (7) *Purchase for manufacturing purposes.*

26 (i) From the sale and from the storage, use, or other consumption in this state of computer  
27 software, tangible personal property, electricity, natural gas, artificial gas, steam, refrigeration,  
28 and water, when the property or service is purchased for the purpose of being manufactured into a  
29 finished product for resale and becomes an ingredient, component, or integral part of the  
30 manufactured, compounded, processed, assembled, or prepared product, or if the property or  
31 service is consumed in the process of manufacturing for resale computer software, tangible  
32 personal property, electricity, natural gas, artificial gas, steam, refrigeration, or water.

33 (ii) "Consumed" means destroyed, used up, or worn out to the degree or extent that the  
34 property cannot be repaired, reconditioned, or rendered fit for further manufacturing use.

1 (iii) "Consumed" includes mere obsolescence.

2 (iv) "Manufacturing" means and includes: manufacturing, compounding, processing,  
3 assembling, preparing, or producing.

4 (v) "Process of manufacturing" means and includes all production operations performed  
5 in the producing or processing room, shop, or plant, insofar as the operations are a part of and  
6 connected with the manufacturing for resale of tangible personal property, electricity, natural gas,  
7 artificial gas, steam, refrigeration, or water and all production operations performed insofar as the  
8 operations are a part of and connected with the manufacturing for resale of computer software.

9 (vi) "Process of manufacturing" does not mean or include administration operations such  
10 as general office operations, accounting, collection, or sales promotion, nor does it mean or  
11 include distribution operations that occur subsequent to production operations, such as handling,  
12 storing, selling, and transporting the manufactured products, even though the administration and  
13 distribution operations are performed by, or in connection with, a manufacturing business.

14 (8) *State and political subdivisions.* From the sale to, and from the storage, use, or other  
15 consumption by, this state, any city, town, district, or other political subdivision of this state.  
16 Every redevelopment agency created pursuant to chapter 31 of title 45 is deemed to be a  
17 subdivision of the municipality where it is located.

18 (9) *Food and food ingredients.* From the sale and storage, use, or other consumption in  
19 this state of food and food ingredients as defined in § 44-18-7.1(l).

20 For the purposes of this exemption "food and food ingredients" shall not include candy, soft  
21 drinks, dietary supplements, alcoholic beverages, tobacco, food sold through vending machines,  
22 or prepared food, as those terms are defined in § 44-18-7.1, unless the prepared food is:

23 (i) Sold by a seller whose primary NAICS classification is manufacturing in sector 311,  
24 except sub-sector 3118, (bakeries);

25 (ii) Sold in an unheated state by weight or volume as a single item;

26 (iii) Bakery items, including: bread, rolls, buns, biscuits, bagels, croissants, pastries,  
27 donuts, danish, cakes, tortes, pies, tarts, muffins, bars, cookies, tortillas; and

28 is not sold with utensils provided by the seller, including: plates, knives, forks, spoons, glasses,  
29 cups, napkins, or straws.

30 (10) *Medicines, drugs, and durable medical equipment.* From the sale and from the  
31 storage, use, or other consumption in this state, of:

32 (i) "Drugs" as defined in § 44-18-7.1(h)(i), sold on prescriptions, medical oxygen, and  
33 insulin whether or not sold on prescription. For purposes of this exemption drugs shall not



1 include over-the-counter drugs and grooming and hygiene products as defined in § 44-18-  
2 7.1(h)(iii).

3 (ii) Durable medical equipment as defined in § 44-18-7.1(k) for home use only,  
4 including, but not limited to: syringe infusers, ambulatory drug delivery pumps, hospital beds,  
5 convalescent chairs, and chair lifts. Supplies used in connection with syringe infusers and  
6 ambulatory drug delivery pumps that are sold on prescription to individuals to be used by them to  
7 dispense or administer prescription drugs, and related ancillary dressings and supplies used to  
8 dispense or administer prescription drugs, shall also be exempt from tax.

9 (11) *Prosthetic devices and mobility enhancing equipment.* From the sale and from the  
10 storage, use, or other consumption in this state, of prosthetic devices as defined in § 44-18-7.1(t),  
11 sold on prescription, including, but not limited to: artificial limbs, dentures, spectacles,  
12 eyeglasses, and artificial eyes; artificial hearing devices and hearing aids, whether or not sold on  
13 prescription; and mobility enhancing equipment as defined in § 44-18-7.1(p), including  
14 wheelchairs, crutches, and canes.

15 (12) *Coffins, caskets, urns, shrouds and burial garments.* From the sale and from the  
16 storage, use, or other consumption in this state of coffins, caskets, urns, shrouds, and other burial  
17 garments that are ordinarily sold by a funeral director as part of the business of funeral directing.

18 (13) *Motor vehicles sold to nonresidents.*

19 (i) From the sale, subsequent to June 30, 1958, of a motor vehicle to a bona fide  
20 nonresident of this state who does not register the motor vehicle in this state, whether the sale or  
21 delivery of the motor vehicle is made in this state or at the place of residence of the nonresident.  
22 A motor vehicle sold to a bona fide nonresident whose state of residence does not allow a like  
23 exemption to its nonresidents is not exempt from the tax imposed under § 44-18-20. In that event,  
24 the bona fide nonresident pays a tax to Rhode Island on the sale at a rate equal to the rate that  
25 would be imposed in his or her state of residence not to exceed the rate that would have been  
26 imposed under § 44-18-20. Notwithstanding any other provisions of law, a licensed motor vehicle  
27 dealer shall add and collect the tax required under this subdivision and remit the tax to the tax  
28 administrator under the provisions of chapters 18 and 19 of this title. When a Rhode Island  
29 licensed, motor vehicle dealer is required to add and collect the sales and use tax on the sale of a  
30 motor vehicle to a bona fide nonresident as provided in this section, the dealer in computing the  
31 tax takes into consideration the law of the state of the nonresident as it relates to the trade-in of  
32 motor vehicles.

33 (ii) The tax administrator, in addition to the provisions of §§ 44-19-27 and 44-19-28, may  
34 require any licensed motor vehicle dealer to keep records of sales to bona fide nonresidents as the

1 tax administrator deems reasonably necessary to substantiate the exemption provided in this  
2 subdivision, including the affidavit of a licensed motor vehicle dealer that the purchaser of the  
3 motor vehicle was the holder of, and had in his or her possession a valid out-of-state motor  
4 vehicle registration or a valid out-of-state driver's license.

5 (iii) Any nonresident who registers a motor vehicle in this state within ninety (90) days of  
6 the date of its sale to him or her is deemed to have purchased the motor vehicle for use, storage,  
7 or other consumption in this state, and is subject to, and liable for, the use tax imposed under the  
8 provisions of § 44-18-20.

9 (14) *Sales in public buildings by blind people.* From the sale and from the storage, use, or  
10 other consumption in all public buildings in this state of all products or wares by any person  
11 licensed under § 40-9-11.1.

12 (15) *Air and water pollution control facilities.* From the sale, storage, use, or other  
13 consumption in this state of tangible personal property or supplies acquired for incorporation into  
14 or used and consumed in the operation of a facility, the primary purpose of which is to aid in the  
15 control of the pollution or contamination of the waters or air of the state, as defined in chapter 12  
16 of title 46 and chapter 23 of title 23, respectively, and that has been certified as approved for that  
17 purpose by the director of environmental management. The director of environmental  
18 management may certify to a portion of the tangible personal property or supplies acquired for  
19 incorporation into those facilities or used and consumed in the operation of those facilities to the  
20 extent that that portion has as its primary purpose the control of the pollution or contamination of  
21 the waters or air of this state. As used in this subdivision, "facility" means any land, facility,  
22 device, building, machinery, or equipment.

23 (16) *Camps.* From the rental charged for living quarters, or sleeping, or housekeeping  
24 accommodations at camps or retreat houses operated by religious, charitable, educational, or  
25 other organizations and associations mentioned in subsection (5), or by privately owned and  
26 operated summer camps for children.

27 (17) *Certain institutions.* From the rental charged for living or sleeping quarters in an  
28 institution licensed by the state for the hospitalization, custodial, or nursing care of human beings.

29 (18) *Educational institutions.* From the rental charged by any educational institution for  
30 living quarters, or sleeping, or housekeeping accommodations or other rooms or accommodations  
31 to any student or teacher necessitated by attendance at an educational institution. "Educational  
32 institution" as used in this section means an institution of learning not operated for profit that is  
33 empowered to confer diplomas, educational, literary, or academic degrees; that has a regular  
34 faculty, curriculum, and organized body of pupils or students in attendance throughout the usual

1 school year; that keeps and furnishes to students and others records required and accepted for  
2 entrance to schools of secondary, collegiate, or graduate rank; and no part of the net earnings of  
3 which inures to the benefit of any individual.

4 (19) *Motor vehicle and adaptive equipment for persons with disabilities.*

5 (i) From the sale of: (A) Special adaptations; (B) The component parts of the special  
6 adaptations; or (C) A specially adapted motor vehicle; provided that the owner furnishes to the  
7 tax administrator an affidavit of a licensed physician to the effect that the specially adapted motor  
8 vehicle is necessary to transport a family member with a disability or where the vehicle has been  
9 specially adapted to meet the specific needs of the person with a disability. This exemption  
10 applies to not more than one motor vehicle owned and registered for personal, noncommercial  
11 use.

12 (ii) For the purpose of this subsection the term "special adaptations" includes, but is not  
13 limited to: wheelchair lifts, wheelchair carriers, wheelchair ramps, wheelchair securements, hand  
14 controls, steering devices, extensions, relocations, and crossovers of operator controls, power-  
15 assisted controls, raised tops or dropped floors, raised entry doors, or alternative signaling devices  
16 to auditory signals.

17 (iii) From the sale of: (a) Special adaptations, (b) The component parts of the special  
18 adaptations, for a "wheelchair accessible taxicab" as defined in § 39-14-1, and/or a "wheelchair  
19 accessible public motor vehicle" as defined in § 39-14.1-1.

20 (iv) For the purpose of this subdivision the exemption for a "specially adapted motor  
21 vehicle" means a use tax credit not to exceed the amount of use tax that would otherwise be due  
22 on the motor vehicle, exclusive of any adaptations. The use tax credit is equal to the cost of the  
23 special adaptations, including installation.

24 (20) *Heating fuels.* From the sale and from the storage, use, or other consumption in this  
25 state of every type of heating fuel.

26 (21) *Electricity and gas.* From the sale and from the storage, use, or other consumption in  
27 this state of electricity and gas.

28 (22) *Manufacturing machinery and equipment.*

29 (i) From the sale and from the storage, use, or other consumption in this state of tools,  
30 dies, molds, machinery, equipment (including replacement parts), and related items to the extent  
31 used in an industrial plant in connection with the actual manufacture, conversion, or processing of  
32 tangible personal property, or to the extent used in connection with the actual manufacture,  
33 conversion, or processing of computer software as that term is utilized in industry numbers 7371,  
34 7372, and 7373 in the standard industrial classification manual prepared by the Technical

1 Committee on Industrial Classification, Office of Statistical Standards, Executive Office of the  
2 President, United States Bureau of the Budget, as revised from time to time, to be sold, or that  
3 machinery and equipment used in the furnishing of power to an industrial manufacturing plant.  
4 For the purposes of this subdivision, "industrial plant" means a factory at a fixed location  
5 primarily engaged in the manufacture, conversion, or processing of tangible personal property to  
6 be sold in the regular course of business;

7 (ii) Machinery and equipment and related items are not deemed to be used in connection  
8 with the actual manufacture, conversion, or processing of tangible personal property, or in  
9 connection with the actual manufacture, conversion, or processing of computer software as that  
10 term is utilized in industry numbers 7371, 7372, and 7373 in the standard industrial classification  
11 manual prepared by the Technical Committee on Industrial Classification, Office of Statistical  
12 Standards, Executive Office of the President, United States Bureau of the Budget, as revised from  
13 time to time, to be sold to the extent the property is used in administration or distribution  
14 operations;

15 (iii) Machinery and equipment and related items used in connection with the actual  
16 manufacture, conversion, or processing of any computer software or any tangible personal  
17 property that is not to be sold and that would be exempt under subdivision (7) or this subdivision  
18 if purchased from a vendor or machinery and equipment and related items used during any  
19 manufacturing, converting, or processing function is exempt under this subdivision even if that  
20 operation, function, or purpose is not an integral or essential part of a continuous production flow  
21 or manufacturing process;

22 (iv) Where a portion of a group of portable or mobile machinery is used in connection  
23 with the actual manufacture, conversion, or processing of computer software or tangible personal  
24 property to be sold, as previously defined, that portion, if otherwise qualifying, is exempt under  
25 this subdivision even though the machinery in that group is used interchangeably and not  
26 otherwise identifiable as to use.

27 (23) *Trade-in value of motor vehicles.* From the sale and from the storage, use, or other  
28 consumption in this state of so much of the purchase price paid for a new or used automobile as is  
29 allocated for a trade-in allowance on the automobile of the buyer given in trade to the seller, or of  
30 the proceeds applicable only to the automobile as are received from the manufacturer of  
31 automobiles for the repurchase of the automobile whether the repurchase was voluntary or not  
32 towards the purchase of a new or used automobile by the buyer. For the purpose of this  
33 subdivision, the word "automobile" means a private passenger automobile not used for hire and  
34 does not refer to any other type of motor vehicle.

1           (24) *Precious metal bullion.*

2           (i) From the sale and from the storage, use, or other consumption in this state of precious  
3 metal bullion, substantially equivalent to a transaction in securities or commodities.

4           (ii) For purposes of this subdivision, "precious metal bullion" means any elementary  
5 precious metal that has been put through a process of smelting or refining, including, but not  
6 limited to: gold, silver, platinum, rhodium, and chromium, and that is in a state or condition that  
7 its value depends upon its content and not upon its form.

8           (iii) The term does not include fabricated precious metal that has been processed or  
9 manufactured for some one or more specific and customary industrial, professional, or artistic  
10 uses.

11           (25) *Commercial vessels.* From sales made to a commercial ship, barge, or other vessel of  
12 fifty (50) tons burden or over, primarily engaged in interstate or foreign commerce, and from the  
13 repair, alteration, or conversion of the vessels, and from the sale of property purchased for the use  
14 of the vessels including provisions, supplies, and material for the maintenance and/or repair of the  
15 vessels.

16           (26) *Commercial fishing vessels.* From the sale and from the storage, use, or other  
17 consumption in this state of vessels and other watercraft that are in excess of five (5) net tons and  
18 that are used exclusively for "commercial fishing," as defined in this subdivision, and from the  
19 repair, alteration, or conversion of those vessels and other watercraft, and from the sale of  
20 property purchased for the use of those vessels and other watercraft including provisions,  
21 supplies, and material for the maintenance and/or repair of the vessels and other watercraft and  
22 the boats nets, cables, tackle, and other fishing equipment appurtenant to or used in connection  
23 with the commercial fishing of the vessels and other watercraft. "Commercial fishing" means  
24 taking or attempting to take any fish, shellfish, crustacea, or bait species with the intent of  
25 disposing of it for profit or by sale, barter, trade, or in commercial channels. The term does not  
26 include subsistence fishing, i.e., the taking for personal use and not for sale or barter; or sport  
27 fishing; but shall include vessels and other watercraft with a Rhode Island party and charter boat  
28 license issued by the department of environmental management pursuant to § 20-2-27.1 that meet  
29 the following criteria: (i) The operator must have a current United States Coast Guard (U.S.C.G.)  
30 license to carry passengers for hire; (ii) U.S.C.G. vessel documentation in the coast wide fishery  
31 trade; (iii) U.S.C.G. vessel documentation as to proof of Rhode Island home port status or a  
32 Rhode Island boat registration to prove Rhode Island home port status; and (iv) The vessel must  
33 be used as a commercial passenger carrying fishing vessel to carry passengers for fishing. The  
34 vessel must be able to demonstrate that at least fifty percent (50%) of its annual gross income

1 derives from charters or provides documentation of a minimum of one hundred (100) charter trips  
2 annually; and (v) The vessel must have a valid Rhode Island party and charter boat license. The  
3 tax administrator shall implement the provisions of this subdivision by promulgating rules and  
4 regulations relating thereto.

5 (27) *Clothing and footwear.* From the sales of articles of clothing, including footwear,  
6 intended to be worn or carried on or about the human body for sales prior to October 1, 2012.  
7 Effective October 1, 2012, the exemption will apply to the sales of articles of clothing, including  
8 footwear, intended to be worn or carried on or about the human body up to two hundred and fifty  
9 dollars (\$250) of the sales price per item. For the purposes of this section, "clothing or footwear"  
10 does not include clothing accessories or equipment or special clothing or footwear primarily  
11 designed for athletic activity or protective use as these terms are defined in section 44-18-7.1(f).  
12 In recognition of the work being performed by the streamlined sales and use tax governing board,  
13 upon passage of any federal law that authorizes states to require remote sellers to collect and  
14 remit sales and use taxes, this unlimited exemption will apply as it did prior to October 1, 2012.  
15 The unlimited exemption on sales of clothing and footwear shall take effect on the date that the  
16 state requires remote sellers to collect and remit sales and use taxes.

17 (28) *Water for residential use.* From the sale and from the storage, use, or other  
18 consumption in this state of water furnished for domestic use by occupants of residential  
19 premises.

20 (29) *Bibles.* [Unconstitutional; see *Ahlburn v. Clark*, 728 A.2d 449 (R.I. 1999); see Notes  
21 to Decisions.] From the sale and from the storage, use, or other consumption in the state of any  
22 canonized scriptures of any tax-exempt nonprofit religious organization including, but not limited  
23 to, the Old Testament and the New Testament versions.

24 (30) *Boats.*

25 (i) From the sale of a boat or vessel to a bona fide nonresident of this state who does not  
26 register the boat or vessel in this state or document the boat or vessel with the United States  
27 government at a home port within the state, whether the sale or delivery of the boat or vessel is  
28 made in this state or elsewhere; provided, that the nonresident transports the boat within thirty  
29 (30) days after delivery by the seller outside the state for use thereafter solely outside the state.

30 (ii) The tax administrator, in addition to the provisions of §§ 44-19-27 and 44-19-28, may  
31 require the seller of the boat or vessel to keep records of the sales to bona fide nonresidents as the  
32 tax administrator deems reasonably necessary to substantiate the exemption provided in this  
33 subdivision, including the affidavit of the seller that the buyer represented himself or herself to be  
34 a bona fide nonresident of this state and of the buyer that he or she is a nonresident of this state.

1           (31) *Youth activities equipment.* From the sale, storage, use, or other consumption in this  
2 state of items for not more than twenty dollars (\$20.00) each by nonprofit Rhode Island  
3 eleemosynary organizations, for the purposes of youth activities that the organization is formed to  
4 sponsor and support; and by accredited elementary and secondary schools for the purposes of the  
5 schools or of organized activities of the enrolled students.

6           (32) *Farm equipment.* From the sale and from the storage or use of machinery and  
7 equipment used directly for commercial farming and agricultural production; including, but not  
8 limited to: tractors, ploughs, harrows, spreaders, seeders, milking machines, silage conveyors,  
9 balers, bulk milk storage tanks, trucks with farm plates, mowers, combines, irrigation equipment,  
10 greenhouses and greenhouse coverings, graders and packaging machines, tools and supplies and  
11 other farming equipment, including replacement parts appurtenant to or used in connection with  
12 commercial farming and tools and supplies used in the repair and maintenance of farming  
13 equipment. "Commercial farming" means the keeping or boarding of five (5) or more horses or  
14 the production within this state of agricultural products, including, but not limited to, field or  
15 orchard crops, livestock, dairy, and poultry, or their products, where the keeping, boarding, or  
16 production provides at least two thousand five hundred dollars (\$2,500) in annual gross sales to  
17 the operator, whether an individual, a group, a partnership, or a corporation for exemptions issued  
18 prior to July 1, 2002. For exemptions issued or renewed after July 1, 2002, there shall be two (2)  
19 levels. Level I shall be based on proof of annual, gross sales from commercial farming of at least  
20 twenty-five hundred dollars (\$2,500) and shall be valid for purchases subject to the exemption  
21 provided in this subdivision except for motor vehicles with an excise tax value of five thousand  
22 dollars (\$5,000) or greater. Level II shall be based on proof of annual gross sales from  
23 commercial farming of at least ten thousand dollars (\$10,000) or greater and shall be valid for  
24 purchases subject to the exemption provided in this subdivision including motor vehicles with an  
25 excise tax value of five thousand dollars (\$5,000) or greater. For the initial issuance of the  
26 exemptions, proof of the requisite amount of annual gross sales from commercial farming shall be  
27 required for the prior year; for any renewal of an exemption granted in accordance with this  
28 subdivision at either level I or level II, proof of gross annual sales from commercial farming at  
29 the requisite amount shall be required for each of the prior two (2) years. Certificates of  
30 exemption issued or renewed after July 1, 2002, shall clearly indicate the level of the exemption  
31 and be valid for four (4) years after the date of issue. This exemption applies even if the same  
32 equipment is used for ancillary uses, or is temporarily used for a non-farming or a non-  
33 agricultural purpose, but shall not apply to motor vehicles acquired after July 1, 2002, unless the

1 vehicle is a farm vehicle as defined pursuant to § 31-1-8 and is eligible for registration displaying  
2 farm plates as provided for in § 31-3-31.

3 (33) *Compressed air*. From the sale and from the storage, use, or other consumption in  
4 the state of compressed air.

5 (34) *Flags*. From the sale and from the storage, consumption, or other use in this state of  
6 United States, Rhode Island or POW-MIA flags.

7 (35) *Motor vehicle and adaptive equipment to certain veterans*. From the sale of a motor  
8 vehicle and adaptive equipment to and for the use of a veteran with a service-connected loss of or  
9 the loss of use of a leg, foot, hand, or arm, or any veteran who is a double amputee, whether  
10 service connected or not. The motor vehicle must be purchased by and especially equipped for  
11 use by the qualifying veteran. Certificate of exemption or refunds of taxes paid is granted under  
12 rules or regulations that the tax administrator may prescribe.

13 (36) *Textbooks*. From the sale and from the storage, use, or other consumption in this  
14 state of textbooks by an "educational institution," as defined in subsection (18) of this section,  
15 and any educational institution within the purview of § 16-63-9(4), and used textbooks by any  
16 purveyor.

17 (37) *Tangible personal property and supplies used in on-site hazardous waste recycling,*  
18 *reuse, or treatment*. From the sale, storage, use, or other consumption in this state of tangible  
19 personal property or supplies used or consumed in the operation of equipment, the exclusive  
20 function of which is the recycling, reuse, or recovery of materials (other than precious metals, as  
21 defined in subdivision (24)(ii) of this section) from the treatment of "hazardous wastes," as  
22 defined in § 23-19.1-4, where the "hazardous wastes" are generated in Rhode Island solely by the  
23 same taxpayer and where the personal property is located at, in, or adjacent to a generating  
24 facility of the taxpayer in Rhode Island. The taxpayer shall procure an order from the director of  
25 the department of environmental management certifying that the equipment and/or supplies as  
26 used or consumed, qualify for the exemption under this subdivision. If any information relating to  
27 secret processes or methods of manufacture, production, or treatment is disclosed to the  
28 department of environmental management only to procure an order, and is a "trade secret" as  
29 defined in § 28-21-10(b), it is not open to public inspection or publicly disclosed unless  
30 disclosure is required under chapter 21 of title 28 or chapter 24.4 of title 23.

31 (38) *Promotional and product literature of boat manufacturers*. From the sale and from  
32 the storage, use, or other consumption of promotional and product literature of boat  
33 manufacturers shipped to points outside of Rhode Island that either: (i) Accompany the product



1 that is sold; (ii) Are shipped in bulk to out-of-state dealers for use in the sale of the product; or  
2 (iii) Are mailed to customers at no charge.

3 (39) *Food items paid for by food stamps.* From the sale and from the storage, use, or other  
4 consumption in this state of eligible food items payment for which is properly made to the retailer  
5 in the form of U.S. government food stamps issued in accordance with the Food Stamp Act of  
6 1977, 7 U.S.C. § 2011 et seq.

7 (40) *Transportation charges.* From the sale or hiring of motor carriers as defined in § 39-  
8 12-2(1) to haul goods, when the contract or hiring cost is charged by a motor freight tariff filed  
9 with the Rhode Island public utilities commission on the number of miles driven or by the  
10 number of hours spent on the job.

11 (41) *Trade-in value of boats.* From the sale and from the storage, use, or other  
12 consumption in this state of so much of the purchase price paid for a new or used boat as is  
13 allocated for a trade-in allowance on the boat of the buyer given in trade to the seller or of the  
14 proceeds applicable only to the boat as are received from an insurance claim as a result of a stolen  
15 or damaged boat, towards the purchase of a new or used boat by the buyer.

16 (42) *Equipment used for research and development.* From the sale and from the storage,  
17 use, or other consumption of equipment to the extent used for research and development purposes  
18 by a qualifying firm. For the purposes of this subsection, "qualifying firm" means a business for  
19 which the use of research and development equipment is an integral part of its operation and  
20 "equipment" means scientific equipment, computers, software, and related items.

21 (43) *Coins.* From the sale and from the other consumption in this state of coins having  
22 numismatic or investment value.

23 (44) *Farm structure construction materials.* Lumber, hardware, and other materials used  
24 in the new construction of farm structures, including production facilities such as, but not limited  
25 to: farrowing sheds, free stall and stanchion barns, milking parlors, silos, poultry barns, laying  
26 houses, fruit and vegetable storages, rooting cellars, propagation rooms, greenhouses, packing  
27 rooms, machinery storage, seasonal farm worker housing, certified farm markets, bunker and  
28 trench silos, feed storage sheds, and any other structures used in connection with commercial  
29 farming.

30 (45) *Telecommunications carrier access service.* Carrier access service or  
31 telecommunications service when purchased by a telecommunications company from another  
32 telecommunications company to facilitate the provision of telecommunications service.

33 (46) *Boats or vessels brought into the state exclusively for winter storage, maintenance,*  
34 *repair, or sale.* Notwithstanding the provisions of §§ 44-18-10, 44-18-11 and 44-18-20, the tax

1 imposed by § 44-18-20 is not applicable for the period commencing on the first day of October in  
2 any year up to and including the 30th day of April next succeeding with respect to the use of any  
3 boat or vessel within this state exclusively for purposes of: (i) Delivery of the vessel to a facility  
4 in this state for storage, including dry storage and storage in water by means of apparatus  
5 preventing ice damage to the hull, maintenance, or repair; (ii) The actual process of storage,  
6 maintenance, or repair of the boat or vessel; or (iii) Storage for the purpose of selling the boat or  
7 vessel.

8 (47) *Jewelry display product.* From the sale and from the storage, use, or other  
9 consumption in this state of tangible personal property used to display any jewelry product;  
10 provided that title to the jewelry display product is transferred by the jewelry manufacturer or  
11 seller and that the jewelry display product is shipped out of state for use solely outside the state  
12 and is not returned to the jewelry manufacturer or seller.

13 (48) *Boats or vessels generally.* Notwithstanding the provisions of this chapter, the tax  
14 imposed by §§ 44-18-20 and 44-18-18 shall not apply with respect to the sale and to the storage,  
15 use, or other consumption in this state of any new or used boat. The exemption provided for in  
16 this subdivision does not apply after October 1, 1993, unless prior to October 1, 1993, the federal  
17 ten percent (10%) surcharge on luxury boats is repealed.

18 (49) *Banks and regulated investment companies interstate toll-free*  
19 *calls.* Notwithstanding the provisions of this chapter, the tax imposed by this chapter does not  
20 apply to the furnishing of interstate and international, toll-free terminating telecommunication  
21 service that is used directly and exclusively by or for the benefit of an eligible company as  
22 defined in this subdivision; provided that an eligible company employs on average during the  
23 calendar year no less than five hundred (500) "full-time equivalent employees" as that term is  
24 defined in § 42-64.5-2. For purposes of this section, an "eligible company" means a "regulated  
25 investment company" as that term is defined in the Internal Revenue Code of 1986, 26 U.S.C. §  
26 851, or a corporation to the extent the service is provided, directly or indirectly, to or on behalf of  
27 a regulated investment company, an employee benefit plan, a retirement plan or a pension plan, or  
28 a state-chartered bank.

29 (50) *Mobile and manufactured homes generally.* From the sale and from the storage, use,  
30 or other consumption in this state of mobile and/or manufactured homes as defined and subject to  
31 taxation pursuant to the provisions of chapter 44 of title 31.

32 (51) *Manufacturing business reconstruction materials.*

33 (i) From the sale and from the storage, use, or other consumption in this state of lumber,  
34 hardware, and other building materials used in the reconstruction of a manufacturing business

1 facility that suffers a disaster, as defined in this subdivision, in this state. "Disaster" means any  
2 occurrence, natural or otherwise, that results in the destruction of sixty percent (60%) or more of  
3 an operating manufacturing business facility within this state. "Disaster" does not include any  
4 damage resulting from the willful act of the owner of the manufacturing business facility.

5 (ii) Manufacturing business facility includes, but is not limited to, the structures housing  
6 the production and administrative facilities.

7 (iii) In the event a manufacturer has more than one manufacturing site in this state, the  
8 sixty percent (60%) provision applies to the damages suffered at that one site.

9 (iv) To the extent that the costs of the reconstruction materials are reimbursed by  
10 insurance, this exemption does not apply.

11 (52) *Tangible personal property and supplies used in the processing or preparation of*  
12 *floral products and floral arrangements.* From the sale, storage, use, or other consumption in this  
13 state of tangible personal property or supplies purchased by florists, garden centers, or other like  
14 producers or vendors of flowers, plants, floral products, and natural and artificial floral  
15 arrangements that are ultimately sold with flowers, plants, floral products, and natural and  
16 artificial floral arrangements or are otherwise used in the decoration, fabrication, creation,  
17 processing, or preparation of flowers, plants, floral products, or natural and artificial floral  
18 arrangements, including descriptive labels, stickers, and cards affixed to the flower, plant, floral  
19 product, or arrangement, artificial flowers, spray materials, floral paint and tint, plant shine,  
20 flower food, insecticide, and fertilizers.

21 (53) *Horse food products.* From the sale and from the storage, use, or other consumption  
22 in this state of horse food products purchased by a person engaged in the business of the boarding  
23 of horses.

24 (54) *Non-motorized recreational vehicles sold to nonresidents.*

25 (i) From the sale, subsequent to June 30, 2003, of a non-motorized recreational vehicle to  
26 a bona fide nonresident of this state who does not register the non-motorized recreational vehicle  
27 in this state, whether the sale or delivery of the non-motorized recreational vehicle is made in this  
28 state or at the place of residence of the nonresident; provided that a non-motorized recreational  
29 vehicle sold to a bona fide nonresident whose state of residence does not allow a like exemption  
30 to its nonresidents is not exempt from the tax imposed under § 44-18-20; provided, further, that in  
31 that event the bona fide nonresident pays a tax to Rhode Island on the sale at a rate equal to the  
32 rate that would be imposed in his or her state of residence not to exceed the rate that would have  
33 been imposed under § 44-18-20. Notwithstanding any other provisions of law, a licensed, non-  
34 motorized recreational vehicle dealer shall add and collect the tax required under this subdivision

1 and remit the tax to the tax administrator under the provisions of chapters 18 and 19 of this title.  
2 Provided, that when a Rhode Island licensed, non-motorized recreational vehicle dealer is  
3 required to add and collect the sales and use tax on the sale of a non-motorized recreational  
4 vehicle to a bona fide nonresident as provided in this section, the dealer in computing the tax  
5 takes into consideration the law of the state of the nonresident as it relates to the trade-in of motor  
6 vehicles.

7 (ii) The tax administrator, in addition to the provisions of §§ 44-19-27 and 44-19-28, may  
8 require any licensed, non-motorized recreational vehicle dealer to keep records of sales to bona  
9 fide nonresidents as the tax administrator deems reasonably necessary to substantiate the  
10 exemption provided in this subdivision, including the affidavit of a licensed, non-motorized  
11 recreational vehicle dealer that the purchaser of the non-motorized recreational vehicle was the  
12 holder of, and had in his or her possession a valid out-of-state non-motorized recreational vehicle  
13 registration or a valid out-of-state driver's license.

14 (iii) Any nonresident who registers a non-motorized recreational vehicle in this state  
15 within ninety (90) days of the date of its sale to him or her is deemed to have purchased the non-  
16 motorized recreational vehicle for use, storage, or other consumption in this state, and is subject  
17 to, and liable for, the use tax imposed under the provisions of § 44-18-20.

18 (iv) "Non-motorized recreational vehicle" means any portable dwelling designed and  
19 constructed to be used as a temporary dwelling for travel, camping, recreational, and vacation use  
20 that is eligible to be registered for highway use, including, but not limited to, "pick-up coaches"  
21 or "pick-up campers," "travel trailers," and "tent trailers" as those terms are defined in chapter 1  
22 of title 31.

23 (55) *Sprinkler and fire alarm systems in existing buildings.* From the sale in this state of  
24 sprinkler and fire alarm systems; emergency lighting and alarm systems; and the materials  
25 necessary and attendant to the installation of those systems that are required in buildings and  
26 occupancies existing therein in July 2003 in order to comply with any additional requirements for  
27 such buildings arising directly from the enactment of the Comprehensive Fire Safety Act of 2003  
28 and that are not required by any other provision of law or ordinance or regulation adopted  
29 pursuant to that act. The exemption provided in this subdivision shall expire on December 31,  
30 2008.

31 (56) *Aircraft.* Notwithstanding the provisions of this chapter, the tax imposed by §§ 44-  
32 18-18 and 44-18-20 shall not apply with respect to the sale and to the storage, use, or other  
33 consumption in this state of any new or used aircraft or aircraft parts.

1           (57) *Renewable energy products.* Notwithstanding any other provisions of Rhode Island  
2 general laws, the following products shall also be exempt from sales tax: solar photovoltaic  
3 modules or panels, or any module or panel that generates electricity from light; solar thermal  
4 collectors, including, but not limited to, those manufactured with flat glass plates, extruded  
5 plastic, sheet metal, and/or evacuated tubes; geothermal heat pumps, including both water-to-  
6 water and water-to-air type pumps; wind turbines; towers used to mount wind turbines if  
7 specified by or sold by a wind turbine manufacturer; DC to AC inverters that interconnect with  
8 utility power lines; and manufactured mounting racks and ballast pans for solar collector, module,  
9 or panel installation. Not to include materials that could be fabricated into such racks; monitoring  
10 and control equipment, if specified or supplied by a manufacturer of solar thermal, solar  
11 photovoltaic, geothermal, or wind energy systems or if required by law or regulation for such  
12 systems but not to include pumps, fans or plumbing or electrical fixtures unless shipped from the  
13 manufacturer affixed to, or an integral part of, another item specified on this list; and solar storage  
14 tanks that are part of a solar domestic hot water system or a solar space heating system. If the tank  
15 comes with an external heat exchanger it shall also be tax exempt, but a standard hot water tank is  
16 not exempt from state sales tax.

17           (58) *Returned property.* The amount charged for property returned by customers upon  
18 rescission of the contract of sale when the entire amount exclusive of handling charges paid for  
19 the property is refunded in either cash or credit, and where the property is returned within one  
20 hundred twenty (120) days from the date of delivery.

21           (59) *Dietary supplements.* From the sale and from the storage, use, or other consumption  
22 of dietary supplements as defined in § 44-18-7.1(l)(v), sold on prescriptions.

23           (60) *Blood.* From the sale and from the storage, use, or other consumption of human  
24 blood.

25           (61) *Agricultural products for human consumption.* From the sale and from the storage,  
26 use, or other consumption of livestock and poultry of the kinds of products that ordinarily  
27 constitute food for human consumption and of livestock of the kind the products of which  
28 ordinarily constitute fibers for human use.

29           (62) *Diesel emission control technology.* From the sale and use of diesel retrofit  
30 technology that is required by § 31-47.3-4.

31           (63) *Feed for certain animals used in commercial farming.* From the sale of feed for  
32 animals as described in subsection (61) of this section.

33           ~~(64) *Alcoholic beverages.* From the sale and storage, use, or other consumption in this~~  
34 ~~state by a Class A licensee of alcoholic beverages, as defined in § 44-18-7.1, excluding beer and~~

1 ~~malt beverages; provided, further, notwithstanding § 6-13-1 or any other general or public law to~~  
2 ~~the contrary, alcoholic beverages, as defined in § 44-18-7.1, shall not be subject to minimum~~  
3 ~~markup.~~

4 (654) *Seeds and plants used to grow food and food ingredients.* From the sale, storage,  
5 use, or other consumption in this state of seeds and plants used to grow food and food ingredients  
6 as defined in § 44-18-7.1(l)(i). "Seeds and plants used to grow food and food ingredients" shall  
7 not include marijuana seeds or plants.

8 (665) *Feminine hygiene products.* From the sale and from the storage, use, or other  
9 consumption of tampons, panty liners, menstrual cups, sanitary napkins, and other similar  
10 products the principal use of which is feminine hygiene in connection with the menstrual cycle.

#### 11 44-18-36.1. Hotel tax.

12 (a) There is imposed a hotel tax of ~~five percent (5%)~~ six percent (6%) upon the total  
13 consideration charged for occupancy of any space furnished by any hotel, travel packages, or  
14 room reseller or reseller as defined in § 44-18-7.3(b) in this state. A house, condominium, or  
15 other resident dwelling shall be exempt from the ~~five percent (5%)~~ six percent (6%) hotel tax  
16 under this subsection if the house, condominium, or other resident dwelling is rented in its  
17 entirety. The hotel tax is in addition to any sales tax imposed. This hotel tax is administered and  
18 collected by the division of taxation and unless provided to the contrary in this chapter, all the  
19 administration, collection, and other provisions of chapters 18 and 19 of this title apply. Nothing  
20 in this chapter shall be construed to limit the powers of the convention authority of the city of  
21 Providence established pursuant to the provisions of chapter 84 of the public laws of 1980, except  
22 that distribution of hotel tax receipts shall be made pursuant to chapter 63.1 of title 42 rather than  
23 chapter 84 of the public laws of 1980.

24 (b) There is hereby levied and imposed, upon the total consideration charged for  
25 occupancy of any space furnished by any hotel in this state, in addition to all other taxes and fees  
26 now imposed by law, a local hotel tax at a rate of one percent (1%). The local hotel tax shall be  
27 administered and collected in accordance with subsection (a).

28 (c) All sums received by the division of taxation from the local hotel tax, penalties or  
29 forfeitures, interest, costs of suit and fines shall be distributed at least quarterly, credited and paid  
30 by the state treasurer to the city or town where the space for occupancy that is furnished by the  
31 hotel is located. Unless provided to the contrary in this chapter, all of the administration,  
32 collection, and other provisions of chapters 18 and 19 of this title shall apply.

1 (d) Notwithstanding the provisions of subsection (a) of this section, the city of Newport  
2 shall have the authority to collect from hotels located in the city of Newport the tax imposed by  
3 subsection (a) of this section.

4 (1) Within ten (10) days of collection of the tax, the city of Newport shall distribute the  
5 tax as provided in § 42-63.1-3. No later than the first day of March and the first day of September  
6 in each year in which the tax is collected, the city of Newport shall submit to the division of  
7 taxation a report of the tax collected and distributed during the six (6) month period ending thirty  
8 (30) days prior to the reporting date.

9 (2) The city of Newport shall have the same authority as the division of taxation to  
10 recover delinquent hotel taxes pursuant to chapter 44-19, and the amount of any hotel tax, penalty  
11 and interest imposed by the city of Newport until collected constitutes a lien on the real property  
12 of the taxpayer.

13 SECTION 7. SECTION 1 and SECTION 4 shall be effective October 1, 2020.  
14 SECTION 5 shall be effective January 1, 2021. All other sections of this article shall take effect  
15 July 1, 2020.

16  
17





- 1 (ii) the effective date for the rate reduction;
- 2 (iii) methods for sustaining the rate reduction over time;
- 3 (iv) evidence that the municipality's reduction of the tangible personal property rate
- 4 complies with all applicable property tax classification laws and local ordinances;
- 5 (v) a representation of a municipality's ability to reduce its tangible personal property tax rate
- 6 while complying with the levy cap requirements as provided for under §44-5-2.

7 (2) Method for Calculating Payments: The division of municipal finance, in consultation with  
8 the commerce corporation, shall develop a method for fund payments to selected municipalities,  
9 based on tiered partial reimbursement rates for estimated tangible levy losses resulting from  
10 reductions in tangible personal property tax rates. The estimated tangible levy losses shall be  
11 based upon the following:

12 (i) The reduced tangible personal property tax rate in effect in the year for which state aid  
13 applies;

14 (ii) The lesser of the tangible personal property tax rates in the full fiscal year preceding the  
15 enactment of the aid program and the full fiscal year prior to the submission of the municipality's  
16 preliminary application.

17  
18 (iii) The lesser of the net tangible personal property assessments in the full fiscal year  
19 preceding the enactment of the aid program and the full fiscal year prior to the submission of the  
20 municipality's preliminary application.

21 (3) Tiered Reimbursement Rates. In fiscal year 2022, these tiered partial reimbursement  
22 rates, which for future applications may be updated by the division of municipal finance in  
23 consultation with the commerce corporation, shall be:

24 (i) 50% of estimated tangible levy loss resulting from a reduction in the tangible personal  
25 property tax rate within a range above a 6.5% rate for the applicable certified assessment date;

26 (ii) 25% of estimated tangible levy loss resulting from a reduction in the tangible personal  
27 property tax rate between the interval of and below a 6.5% rate and above a 5% rate; and

28 (iii) 10% of estimated tangible levy loss resulting from a reduction in the tangible personal  
29 property tax rate between the interval of and below a 5% rate and above a 2.15% rate.

30 (4) Notification: After a preliminary application is submitted, the division of municipal  
31 finance shall notify the municipality of whether the preliminary application is acceptable,  
32 acceptable with conditions, or denied, and shall provide the municipality with the methodology  
33 for calculating the amount of state aid.

1 (5) Confirmation of Participation: Following the notification under subsection (e)(3) of this  
2 section, the municipality requesting aid under the tangible personal property tax competitiveness  
3 program shall confirm in writing with the division of municipal finance of its intention to  
4 continue forward in the application process.

5 (6) Final Application: A final application shall, on a form to be determined by the division of  
6 municipal finance in consultation with the commerce corporation, be submitted to the division of  
7 municipal finance.

8 (7) Incomplete Applications: The division of municipal finance shall provide a method of  
9 considering or rejecting preliminary and/or final applications that are incomplete.

10 (8) Pro Rata Reduction: If there is insufficient funding upon review of preliminary  
11 applications, the division of municipal finance may determine a method for a pro rata reduction in  
12 state aid among participating municipalities.

13 (9) Timelines: The division of municipal finance may establish deadlines periodically to  
14 facilitate administration of the program.

15 (10) Qualifications for receiving funds. To qualify for and receive state aid through this  
16 program, a municipality shall demonstrate to the division of municipal finance compliance with  
17 the approved final-application.

18 (11) Duration: A municipality shall be eligible to receive funds through this program for a  
19 period of up to five consecutive years subject to continued performance.

20 (f) Reporting requirements. Beginning in fiscal year 2022 the division of municipal finance  
21 shall publish a report on the program at the end of each fiscal year. The report shall contain  
22 information on the commitment, disbursement, and use of funds allocated under the program.  
23 The report is due no later than sixty (60) days after the end of the fiscal year, and shall be  
24 provided to the governor, the speaker of the house of representatives, the president of the senate,  
25 and the secretary of commerce.

26 SECTION 2. Section 44-3-3 of the General Laws in Chapter 44-3 entitled "Property Subject  
27 to Taxation" is hereby amended as follows:

28 **44-3-3. Property exempt.**

29 (a) The following property is exempt from taxation:

30 (1) Property belonging to the state, except as provided in § 44-4-4.1;

31 (2) Lands ceded or belonging to the United States;

32 (3) Bonds and other securities issued and exempted from taxation by the government of the  
33 United States or of this state;

1 (4) Real estate, used exclusively for military purposes, owned by chartered or incorporated  
2 organizations approved by the adjutant general and composed of members of the national guard,  
3 the naval militia, or the independent, chartered-military organizations;

4 (5) Buildings for free public schools, buildings for religious worship, and the land upon  
5 which they stand and immediately surrounding them, to an extent not exceeding five (5) acres so  
6 far as the buildings and land are occupied and used exclusively for religious or educational  
7 purposes;

8 (6) Dwellings houses and the land on which they stand, not exceeding one acre in size, or the  
9 minimum lot size for zone in which the dwelling house is located, whichever is the greater,  
10 owned by, or held in trust for, any religious organization and actually used by its officiating  
11 clergy; provided, further, that in the town of Charlestown, where the property previously  
12 described in this paragraph is exempt in total, along with dwelling houses and the land on which  
13 they stand in Charlestown, not exceeding one acre in size, or the minimum lot size for zone in  
14 which the dwelling house is located, whichever is the greater, owned by, or held in trust for, any  
15 religious organization and actually used by its officiating clergy, or used as a convent, nunnery, or  
16 retreat center by its religious order;

17 (7) Intangible personal property owned by, or held in trust for, any religious or charitable  
18 organization, if the principal or income is used or appropriated for religious or charitable  
19 purposes;

20 (8) Buildings and personal estate owned by any corporation used for a school, academy, or  
21 seminary of learning, and of any incorporated public charitable institution, and the land upon  
22 which the buildings stand and immediately surrounding them to an extent not exceeding one acre,  
23 so far as they are used exclusively for educational purposes, but no property or estate whatever is  
24 hereafter exempt from taxation in any case where any part of its income or profits, or of the  
25 business carried on there, is divided among its owners or stockholders; provided, however, that  
26 unless any private nonprofit corporation organized as a college or university located in the town  
27 of Smithfield reaches a memorandum of agreement with the town of Smithfield, the town of  
28 Smithfield shall bill the actual costs for police, fire, and rescue services supplied, unless  
29 otherwise reimbursed, to said corporation commencing March 1, 2014;

30 (9) Estates, persons, and families of the president and professors for the time being of Brown  
31 University for not more than ten thousand dollars (\$10,000) for each officer, the officer's estate,  
32 person, and family included, but only to the extent that any person had claimed and utilized the  
33 exemption prior to, and for a period ending, either on or after December 31, 1996;

1 (10) Property especially exempt by charter unless the exemption has been waived in whole or  
2 in part;

3 (11) Lots of land exclusively for burial grounds;

4 (12) Property, real and personal, held for, or by, an incorporated library, society, or any free  
5 public library, or any free public library society, so far as the property is held exclusively for  
6 library purposes, or for the aid or support of the aged poor, or poor friendless children, or the poor  
7 generally, or for a nonprofit hospital for the sick or disabled so far as the property is used  
8 exclusively for the purpose for which the nonprofit hospital is incorporated. Further, where part  
9 of a property owned by a nonprofit hospital is used exclusively for hospital purposes and part of  
10 said property is not used exclusively for hospital purposes, then the part of said property used  
11 exclusively for hospital purposes shall be exempt from taxation, and the personal property located  
12 within said property used exclusively for hospital purposes shall be exempt from taxation;

13 (13) Real or personal estate belonging to, or held in trust for, the benefit of incorporated  
14 organizations of veterans of any war in which the United States has been engaged, the parent  
15 body of which has been incorporated by act of Congress, to the extent of four hundred thousand  
16 dollars (\$400,000) if actually used and occupied by the association; provided, that the city council  
17 of the city of Cranston may by ordinance exempt the real or personal estate as previously  
18 described in this subdivision located within the city of Cranston to the extent of five hundred  
19 thousand dollars (\$500,000);

20 (14) Property, real and personal, held for, or by, the fraternal corporation, association, or  
21 body created to build and maintain a building or buildings for its meetings or the meetings of the  
22 general assembly of its members, or subordinate bodies of the fraternity, and for the  
23 accommodation of other fraternal bodies or associations, the entire net income of which real and  
24 personal property is exclusively applied or to be used to build, furnish, and maintain an asylum or  
25 asylums, a home or homes, a school or schools, for the free education or relief of the members of  
26 the fraternity, or the relief, support, and care of worthy and indigent members of the fraternity,  
27 their wives, widows, or orphans, and any fund given or held for the purpose of public education,  
28 almshouses, and the land and buildings used in connection therewith;

29 (15) Real estate and personal property of any incorporated volunteer fire engine company or  
30 incorporated volunteer ambulance or rescue corps in active service;

31 (16) The estate of any person who, in the judgment of the assessors, is unable from infirmity  
32 or poverty to pay the tax; provided, that in the towns of Burrillville and West Greenwich, the tax  
33 shall constitute a lien for five (5) years on the property where the owner is entitled to the  
34 exemption. At the expiration of five (5) years, the lien shall be abated in full. Provided, if the

1 property is sold or conveyed, or if debt secured by the property is refinanced during the five-year  
2 (5) period, the lien immediately becomes due and payable; any person claiming the exemption  
3 aggrieved by an adverse decision of an assessor shall appeal the decision to the local board of tax  
4 review and thereafter according to the provisions of § 44-5-26;

5 (17) Household furniture and family stores of a housekeeper in the whole, including clothing,  
6 bedding, and other white goods, books, and all other tangible personal property items that are  
7 common to the normal household;

8 (18) Improvements made to any real property to provide a shelter and fallout protection from  
9 nuclear radiation, to the amount of one thousand five hundred dollars (\$1,500); provided, that the  
10 improvements meet applicable standards for shelter construction established, from time to time,  
11 by the Rhode Island emergency management agency. The improvements are deemed to comply  
12 with the provisions of any building code or ordinance with respect to the materials or the methods  
13 of construction used and any shelter or its establishment is deemed to comply with the provisions  
14 of any zoning code or ordinance;

15 (19) Aircraft for which the fee required by § 1-4-6 has been paid to the tax administrator;

16 (20) *Manufacturer's inventory.*

17  
18 (i) For the purposes of §§ 44-4-10, 44-5-3, 44-5-20, and 44-5-38, a person is deemed to be a  
19 manufacturer within a city or town within this state if that person uses any premises, room, or  
20 place in it primarily for the purpose of transforming raw materials into a finished product for  
21 trade through any or all of the following operations: adapting, altering, finishing, making, and  
22 ornamenting; provided, that public utilities; non-regulated power producers commencing  
23 commercial operation by selling electricity at retail or taking title to generating facilities on or  
24 after July 1, 1997; building and construction contractors; warehousing operations, including  
25 distribution bases or outlets of out-of-state manufacturers; and fabricating processes incidental to  
26 warehousing or distribution of raw materials, such as alteration of stock for the convenience of a  
27 customer; are excluded from this definition;

28 (ii) For the purposes of this section and §§ 44-4-10 and 44-5-38, the term "manufacturer's  
29 inventory," or any similar term, means and includes the manufacturer's raw materials, the  
30 manufacturer's work in process, and finished products manufactured by the manufacturer in this  
31 state, and not sold, leased, or traded by the manufacturer or its title or right to possession  
32 divested; provided, that the term does not include any finished products held by the manufacturer  
33 in any retail store or other similar selling place operated by the manufacturer whether or not the

1 retail establishment is located in the same building in which the manufacturer operates the  
2 manufacturing plant;

3 (iii) For the purpose of § 44-11-2, a "manufacturer" is a person whose principal business in  
4 this state consists of transforming raw materials into a finished product for trade through any or  
5 all of the operations described in paragraph (i) of this subdivision. A person will be deemed to be  
6 principally engaged if the gross receipts that person derived from the manufacturing operations in  
7 this state during the calendar year or fiscal year mentioned in § 44-11-1 amounted to more than  
8 fifty percent (50%) of the total gross receipts that person derived from all the business activities  
9 in which that person engaged in this state during the taxable year. For the purpose of computing  
10 the percentage, gross receipts derived by a manufacturer from the sale, lease, or rental of finished  
11 products manufactured by the manufacturer in this state, even though the manufacturer's store or  
12 other selling place may be at a different location from the location of the manufacturer's  
13 manufacturing plant in this state, are deemed to have been derived from manufacturing;

14 (iv) Within the meaning of the preceding paragraphs of this subdivision, the term  
15 "manufacturer" also includes persons who are principally engaged in any of the general activities  
16 coded and listed as establishments engaged in manufacturing in the Standard Industrial  
17 Classification Manual prepared by the Technical Committee on Industrial Classification, Office  
18 of Statistical Standards, Executive Office of the President, United States Bureau of the Budget, as  
19 revised from time to time, but eliminating as manufacturers those persons, who, because of their  
20 limited type of manufacturing activities, are classified in the manual as falling within the trade  
21 rather than an industrial classification of manufacturers. Among those thus eliminated, and  
22 accordingly also excluded as manufacturers within the meaning of this paragraph, are persons  
23 primarily engaged in selling, to the general public, products produced on the premises from which  
24 they are sold, such as neighborhood bakeries, candy stores, ice cream parlors, shade shops, and  
25 custom tailors, except, that a person who manufactures bakery products for sale primarily for  
26 home delivery, or through one or more non-baking retail outlets, and whether or not retail outlets  
27 are operated by the person, is a manufacturer within the meaning of this paragraph;

28 (v) The term "Person" means and includes, as appropriate, a person, partnership, or  
29 corporation; and

30 (vi) The department of revenue shall provide to the local assessors any assistance that is  
31 necessary in determining the proper application of the definitions in this subdivision;

32 (21) Real and tangible personal property acquired to provide a treatment facility used  
33 primarily to control the pollution or contamination of the waters or the air of the state, as defined  
34 in chapter 12 of title 46 and chapter 25 of title 23, respectively, the facility having been

1 constructed, reconstructed, erected, installed, or acquired in furtherance of federal or state  
2 requirements or standards for the control of water or air pollution or contamination, and certified  
3 as approved in an order entered by the director of environmental management. The property is  
4 exempt as long as it is operated properly in compliance with the order of approval of the director  
5 of environmental management; provided, that any grant of the exemption by the director of  
6 environmental management in excess of ten (10) years is approved by the city or town in which  
7 the property is situated. This provision applies only to water and air pollution control properties  
8 and facilities installed for the treatment of waste waters and air contaminants resulting from  
9 industrial processing; furthermore, it applies only to water or air pollution control properties and  
10 facilities placed in operation for the first time after April 13, 1970;

11 (22) New manufacturing machinery and equipment acquired or used by a manufacturer and  
12 purchased after December 31, 1974. Manufacturing machinery and equipment is defined as:

13 (i) Machinery and equipment used exclusively in the actual manufacture or conversion of raw  
14 materials or goods in the process of manufacture by a manufacturer, as defined in subdivision  
15 (20), and machinery, fixtures, and equipment used exclusively by a manufacturer for research and  
16 development or for quality assurance of its manufactured products;

17 (ii) Machinery and equipment that is partially used in the actual manufacture or conversion of  
18 raw materials or goods in process of manufacture by a manufacturer, as defined in subdivision  
19 (20), and machinery, fixtures, and equipment used by a manufacturer for research and  
20 development or for quality assurance of its manufactured products, to the extent to which the  
21 machinery and equipment is used for the manufacturing processes, research and development, or  
22 quality assurance. In the instances where machinery and equipment is used in both manufacturing  
23 and/or research and development and/or quality assurance activities and non-manufacturing  
24 activities, the assessment on machinery and equipment is prorated by applying the percentage of  
25 usage of the equipment for the manufacturing, research and development, and quality-assurance  
26 activity to the value of the machinery and equipment for purposes of taxation, and the portion of  
27 the value used for manufacturing, research and development, and quality assurance is exempt  
28 from taxation. The burden of demonstrating this percentage usage of machinery and equipment  
29 for manufacturing and for research and development and/or quality assurance of its manufactured  
30 products rests with the manufacturer; and

31 (iii) Machinery and equipment described in §§ 44-18-30(7) and 44-18-30(22) that was  
32 purchased after July 1, 1997; provided that the city or town council of the city or town in which  
33 the machinery and equipment is located adopts an ordinance exempting the machinery and  
34 equipment from taxation. For purposes of this subsection, city councils and town councils of any

1 municipality may, by ordinance, wholly or partially exempt from taxation the machinery and  
2 equipment discussed in this subsection for the period of time established in the ordinance and  
3 may, by ordinance, establish the procedures for taxpayers to avail themselves of the benefit of  
4 any exemption permitted under this section; provided, that the ordinance does not apply to any  
5 machinery or equipment of a business, subsidiary, or any affiliated business that locates or  
6 relocates from a city or town in this state to another city or town in the state;

7 (23) Precious metal bullion, meaning any elementary metal that has been put through a  
8 process of melting or refining, and that is in a state or condition that its value depends upon its  
9 content and not its form. The term does not include fabricated precious metal that has been  
10 processed or manufactured for some one or more specific and customary industrial, professional,  
11 or artistic uses;

12 (24) Hydroelectric power-generation equipment, which includes, but is not limited to,  
13 turbines, generators, switchgear, controls, monitoring equipment, circuit breakers, transformers,  
14 protective relaying, bus bars, cables, connections, trash racks, headgates, and conduits. The  
15 hydroelectric power-generation equipment must have been purchased after July 1, 1979, and  
16 acquired or used by a person or corporation who or that owns or leases a dam and utilizes the  
17 equipment to generate hydroelectric power;

18 (25) Subject to authorization by formal action of the council of any city or town, any real or  
19 personal property owned by, held in trust for, or leased to an organization incorporated under  
20 chapter 6 of title 7, as amended, or an organization meeting the definition of "charitable trust" set  
21 out in § 18-9-4, as amended, or an organization incorporated under the not-for-profits statutes of  
22 another state or the District of Columbia, the purpose of which is the conserving of open space, as  
23 that term is defined in chapter 36 of title 45, as amended, provided the property is used  
24 exclusively for the purposes of the organization;

25 (26) Tangible personal property, the primary function of which is the recycling, reuse, or  
26 recovery of materials (other than precious metals, as defined in § 44-18-30(24)(ii) and (iii)), from,  
27 or the treatment of "hazardous wastes," as defined in § 23-19.1-4, where the "hazardous wastes"  
28 are generated primarily by the same taxpayer and where the personal property is located at, in, or  
29 adjacent to a generating facility of the taxpayer. The taxpayer may, but need not, procure an order  
30 from the director of the department of environmental management certifying that the tangible  
31 personal property has this function, which order effects a conclusive presumption that the tangible  
32 personal property qualifies for the exemption under this subdivision. If any information relating  
33 to secret processes or methods of manufacture, production, or treatment is disclosed to the  
34 department of environmental management only to procure an order, and is a "trade secret" as



1 defined in § 28-21-10(b), it shall not be open to public inspection or publicly disclosed unless  
2 disclosure is otherwise required under chapter 21 of title 28 or chapter 24.4 of title 23;

3 (27) Motorboats as defined in § 46-22-2 for which the annual fee required in § 46-22-4 has  
4 been paid;

5 (28) Real and personal property of the Providence Performing Arts Center, a non-business  
6 corporation as of December 31, 1986;

7 (29) Tangible personal property owned by, and used exclusively for the purposes of, any  
8 religious organization located in the city of Cranston;

9 (30) Real and personal property of the Travelers Aid Society of Rhode Island, a nonprofit  
10 corporation, the Union Mall Real Estate Corporation, and any limited partnership or limited  
11 liability company that is formed in connection with, or to facilitate the acquisition of, the  
12 Providence YMCA Building;

13 (31) Real and personal property of Meeting Street Center or MSC Realty, Inc., both not-for-  
14 profit Rhode Island corporations, and any other corporation, limited partnership, or limited  
15 liability company that is formed in connection with, or to facilitate the acquisition of, the  
16 properties designated as the Meeting Street National Center of Excellence on Eddy Street in  
17 Providence, Rhode Island;

18 (32) The buildings, personal property, and land upon which the buildings stand, located on  
19 Pomham Island, East Providence, currently identified as Assessor's Map 211, Block 01, Parcel  
20 001.00, that consists of approximately twenty-one thousand three hundred (21,300) square feet  
21 and is located approximately eight hundred sixty feet (860'), more or less, from the shore, and  
22 limited exclusively to these said buildings, personal estate and land, provided that said property is  
23 owned by a qualified 501(c)(3) organization, such as the American Lighthouse Foundation, and is  
24 used exclusively for a lighthouse;

25 (33) The Stadium Theatre Performing Arts Centre building located in Monument Square,  
26 Woonsocket, Rhode Island, so long as said Stadium Theatre Performing Arts Center is owned by  
27 the Stadium Theatre Foundation, a Rhode Island nonprofit corporation;

28 (34) Real and tangible personal property of St. Mary Academy – Bay View, located in East  
29 Providence, Rhode Island;

30 (35) Real and personal property of East Bay Community Action Program and its predecessor,  
31 Self Help, Inc; provided, that the organization is qualified as a tax-exempt corporation under §  
32 501(c)(3) of the United States Internal Revenue Code;

33 (36) Real and personal property located within the city of East Providence of the Columbus  
34 Club of East Providence, a Rhode Island charitable nonprofit corporation;

1 (37) Real and personal property located within the city of East Providence of the Columbus  
2 Club of Barrington, a Rhode Island charitable nonprofit corporation;

3 (38) Real and personal property located within the city of East Providence of Lodge 2337  
4 BPO Elks, a Rhode Island nonprofit corporation;

5 (39) Real and personal property located within the city of East Providence of the St. Andrews  
6 Lodge No. 39, a Rhode Island charitable nonprofit corporation;

7 (40) Real and personal property located within the city of East Providence of the Trustees of  
8 Methodist Health and Welfare service a/k/a United Methodist Elder Care, a Rhode Island  
9 nonprofit corporation;

10 (41) Real and personal property located on the first floor of 90 Leonard Avenue within the  
11 city of East Providence of the Zion Gospel Temple, Inc., a religious nonprofit corporation;

12 (42) Real and personal property located within the city of East Providence of the Cape  
13 Verdean Museum Exhibit, a Rhode Island nonprofit corporation;

14 (43) The real and personal property owned by a qualified 501(c)(3) organization that is  
15 affiliated and in good standing with a national, congressionally chartered organization and  
16 thereby adheres to that organization's standards and provides activities designed for recreational,  
17 educational, and character building purposes for children from ages six (6) years to seventeen  
18 (17) years;

19 (44) Real and personal property of the Rhode Island Philharmonic Orchestra and Music  
20 School; provided, that the organization is qualified as a tax-exempt corporation under § 501(c)(3)  
21 of the United States Internal Revenue Code;

22 (45) The real and personal property located within the town of West Warwick at 211  
23 Cowesett Avenue, Plat 29-Lot 25, which consists of approximately twenty-eight thousand seven  
24 hundred fifty (28,750) square feet and is owned by the Station Fire Memorial Foundation of East  
25 Greenwich, a Rhode Island nonprofit corporation;

26 (46) Real and personal property of the Comprehensive Community Action Program, a  
27 qualified tax-exempt corporation under § 501(c)(3) of the United States Internal Revenue Code;

28 (47) Real and personal property located at 52 Plain Street, within the city of Pawtucket of the  
29 Pawtucket Youth Soccer Association, a Rhode Island nonprofit corporation;

30 (48) Renewable energy resources, as defined in § 39-26-5, used in residential systems and  
31 associated equipment used therewith in service after December 31, 2015;

32 (49) Renewable energy resources, as defined in § 39-26-5, if employed by a manufacturer, as  
33 defined in subsection (a) of this section, shall be exempt from taxation in accordance with  
34 subsection (a) of this section;

1 (50) Real and personal property located at 415 Tower Hill Road within the town of North  
2 Kingstown, of South County Community Action, Inc., a qualified tax-exempt corporation under §  
3 501(c)(3) of the United States Internal Revenue Code;

4  
5 (51) As an effort to promote business growth, tangible business or personal property, in  
6 whole or in part, within the town of Charlestown's community limits, subject to authorization by  
7 formal action of the town council of the town of Charlestown;

8 (52) All real and personal property located at 1300 Frenchtown Road, within the town of East  
9 Greenwich, identified as assessor's map 027, plat 019, lot 071, and known as the New England  
10 Wireless and Steam Museum, Inc., a qualified tax-exempt corporation under § 501(c)(3) of the  
11 United States Internal Revenue Code;

12 (53) Real and tangible personal property of Mount Saint Charles Academy located within the  
13 city of Woonsocket, specifically identified as the following assessor's plats and lots: Logee Street,  
14 plat 23, lot 62, Logee Street, plat 24, lots 304 and 305; Welles Street, plat 23, lot 310; Monroe  
15 Street, plat 23, lot 312; and Roberge Avenue, plat 24, lot 47;

16 (54) Real and tangible personal property of Steere House, a Rhode Island nonprofit  
17 corporation, located in Providence, Rhode Island;

18 (55) Real and personal property located within the town of West Warwick of Tides Family  
19 Services, Inc., a Rhode Island nonprofit corporation;

20 (56) Real and personal property of Tides Family Services, Inc., a Rhode Island nonprofit  
21 corporation, located in the city of Pawtucket at 242 Dexter Street, plat 44, lot 444;

22 (57) Real and personal property located within the town of Middletown of Lucy's Hearth, a  
23 Rhode Island nonprofit corporation;

24 (58) Real and tangible personal property of Habitat for Humanity of Rhode Island—Greater  
25 Providence, Inc., a Rhode Island nonprofit corporation, located in Providence, Rhode Island;

26 (59) Real and personal property of the Artic Playhouse, a Rhode Island nonprofit corporation,  
27 located in the town of West Warwick at 1249 Main Street;

28 (60) Real and personal property located at 321 Main Street, within the town of South  
29 Kingstown, of the Contemporary Theatre Company, a qualified, tax-exempt corporation under §  
30 501(c)(3) of the United States Internal Revenue Code;

31 (61) Real and personal property of The Samaritans, Inc., a Rhode Island nonprofit § 501(c)(3)  
32 corporation located at 67 Park Place, Pawtucket, Rhode Island, to the extent the city council of  
33 Pawtucket may from time to time determine;

1 (62) Real and personal property of North Kingstown, Exeter Animal Protection League, Inc.,  
2 dba "Pet Refuge," 500 Stony Lane, a Rhode Island nonprofit corporation, located in North  
3 Kingstown, Rhode Island;

4 (63) Real and personal property located within the city of East Providence of Foster Forward  
5 (formerly the Rhode Island Foster Parents Association), a Rhode Island charitable nonprofit  
6 corporation;

7 (64) Real and personal property located at 54 Kelly Avenue within the town of East  
8 Providence, of the Associated Radio Amateurs of Southern New England, a Rhode Island  
9 nonprofit corporation; and

10 (65) Real and tangible personal property of Providence Country Day School, a Rhode Island  
11 nonprofit corporation, located in East Providence, Rhode Island and further identified as plat 406,  
12 block 6, lot 6, and plat 506, block 1, lot 8.

13 (b) Except as provided below, when a city or town taxes a for-profit hospital facility, the  
14 value of its real property shall be the value determined by the most recent full revaluation or  
15 statistical property update performed by the city or town; provided, however, in the year a  
16 nonprofit hospital facility converts to or otherwise becomes a for-profit hospital facility, or a for-  
17 profit hospital facility is initially established, the value of the real property and personal property  
18 of the for-profit hospital facility shall be determined by a valuation performed by the assessor for  
19 the purpose of determining an initial assessed value of real and personal property, not previously  
20 taxed by the city or town, as of the most recent date of assessment pursuant to § 44-5-1, subject to  
21 a right of appeal by the for-profit hospital facility which shall be made to the city or town tax  
22 assessor with a direct appeal from an adverse decision to the Rhode Island superior court business  
23 calendar.

24 A "for-profit hospital facility" includes all real and personal property affiliated with any  
25 hospital as identified in an application filed pursuant to chapter 17 or 17.14 of title 23.  
26 Notwithstanding the above, a city or town may enter into a stabilization agreement with a for-  
27 profit hospital facility under § 44-3-9 or other laws specific to the particular city or town relating  
28 to stabilization agreements. In a year in which a nonprofit hospital facility converts to, or  
29 otherwise becomes, a for-profit hospital facility, or a for-profit hospital facility is otherwise  
30 established, in that year only the amount levied by the city or town and/or the amount payable  
31 under the stabilization agreement for that year related to the for-profit hospital facility shall not be  
32 counted towards determining the maximum tax levy permitted under § 44-5-2.

33 (c) [Cities and towns. Authorization to impose taxes on certain properties of nonprofit entities.](#)

1       (1) Any laws or acts that incorporate, restate or amend the articles of incorporation of  
2 nonprofit institutions of higher education or nonprofit hospitals and, which exempt real and  
3 personal property from taxation are hereby amended to be consistent with subparagraphs (i)  
4 through (iv) below as follows:

5       (i) All real and personal property shall be exempt from taxation so far as said property is used  
6 exclusively for educational purposes by nonprofit institutions of higher education or hospital  
7 purposes by nonprofit hospitals.

8       (ii) Where part of a property owned by a nonprofit institution of higher education is used  
9 exclusively for educational purposes and part of said property is not used exclusively for  
10 educational purposes, then the part of said property used exclusively for educational purposes  
11 shall be exempt from taxation, and the personal property located within said property used  
12 exclusively for educational purposes shall be exempt from taxation.

13       (iii) Where part of a property owned by a nonprofit hospital is used exclusively for hospital  
14 purposes and part of said property is not used exclusively for hospital purposes, then the part of  
15 said property used exclusively for hospital purposes shall be exempt from taxation, and the  
16 personal property located within said property used exclusively for hospital purposes shall  
17 be exempt from taxation.

18       (iv) Notwithstanding §44-3-3(c)(1)(a), vacant lots, improved or unimproved, shall not be  
19 exempt from taxation.

20       (2) In the event that a nonprofit institution of higher education or a nonprofit hospital has  
21 made one or more voluntary payments in lieu of taxation during a tax year to a city or town with  
22 respect to all or any portion of real or personal property, said payments shall be credited against  
23 and shall reduce any taxes owed and due to the city or town for said tax year.

24       (3) Notwithstanding the exemption from taxation pursuant to §44-3-3(c)(1), cities and towns  
25 are authorized to waive, or reduce taxes levied against real and personal property owned by  
26 nonprofit institutions of higher education or nonprofit hospitals in the event the  
27 nonprofit institutions of higher education or nonprofit hospitals agree to make payments in lieu of  
28 taxes.

29       (4) Cities and towns may use December 31st of the year prior to the effective date of this  
30 section as the date of assessment for any property that first becomes subject to taxation as a result  
31 of §44-3-3(c)(1) above.

32       (5) As used in this section, "nonprofit institution of higher education" means any institution  
33 engaged primarily in education beyond the high school level, and "nonprofit hospital" means any

1 nonprofit hospital licensed by the state and which is used for the purpose of general medical,  
2 surgical, or psychiatric care and treatment.

3 (d) Notwithstanding any other provision of Rhode Island law, in an effort to provide relief  
4 for businesses, including small businesses, and to promote economic development, a city or town  
5 may establish a minimum filing threshold and/or exemption for tangible personal property within  
6 a city or town's geographic limits by ordinance, which thresholds and exemptions shall be  
7 uniformly applied.

8 SECTION 3. Section 44-5-2 of the General Laws in Chapter 44-5 entitled "Levy and  
9 Assessment of Local Taxes" is hereby amended to read as follows:

10 **44-5-2. Maximum levy**

11 (a) Through and including its fiscal year 2007, a city or town may levy a tax in an amount not  
12 more than five and one-half percent (5.5%) in excess of the amount levied and certified by that  
13 city or town for the prior year. Through and including its fiscal year 2007, but in no fiscal year  
14 thereafter, the amount levied by a city or town is deemed to be consistent with the five and one-  
15 half percent (5.5%) levy growth cap if the tax rate is not more than one hundred and five and one-  
16 half percent (105.5%) of the prior year's tax rate and the budget resolution or ordinance, as  
17 applicable, specifies that the tax rate is not increasing by more than five and one-half percent  
18 (5.5%) except as specified in subsection (c) of this section. In all years when a revaluation or  
19 update is not being implemented, a tax rate is deemed to be one hundred five and one-half percent  
20 (105.5%) or less of the prior year's tax rate if the tax on a parcel of real property, the value of  
21 which is unchanged for purpose of taxation, is no more than one hundred five and one-half  
22 percent (105.5%) of the prior year's tax on the same parcel of real property. In any year through  
23 and including fiscal year 2007 when a revaluation or update is being implemented, the tax rate is  
24 deemed to be one hundred five and one-half percent (105.5%) of the prior year's tax rate as  
25 certified by the division of property valuation and municipal finance in the department of  
26 revenue.

27 (b) In its fiscal year 2008, a city or town may levy a tax in an amount not more than five and  
28 one-quarter percent (5.25%) in excess of the total amount levied and certified by that city or town  
29 for its fiscal year 2007. In its fiscal year 2009, a city or town may levy a tax in an amount not  
30 more than five percent (5%) in excess of the total amount levied and certified by that city or town  
31 for its fiscal year 2008. In its fiscal year 2010, a city or town may levy a tax in an amount not  
32 more than four and three-quarters percent (4.75%) in excess of the total amount levied and  
33 certified by that city or town in its fiscal year 2009. In its fiscal year 2011, a city or town may  
34 levy a tax in an amount not more than four and one-half percent (4.5%) in excess of the total

1 amount levied and certified by that city or town in its fiscal year 2010. In its fiscal year 2012, a  
2 city or town may levy a tax in an amount not more than four and one-quarter percent (4.25%) in  
3 excess of the total amount levied and certified by that city or town in its fiscal year 2011. In its  
4 fiscal year 2013 and in each fiscal year thereafter, a city or town may levy a tax in an amount not  
5 more than four percent (4%) in excess of the total amount levied and certified by that city or town  
6 for its previous fiscal year. For purposes of this levy calculation, taxes levied pursuant to chapters  
7 34 and 34.1 of this title shall not be included. For FY 2018, in the event that a city or town, solely  
8 as a result of the exclusion of the motor vehicle tax in the new levy calculation, exceeds the  
9 property tax cap when compared to FY 2017 after taking into account that there was a motor  
10 vehicle tax in FY 2017, said city or town shall be permitted to exceed the property tax cap for the  
11 FY 2018 transition year, but in no event shall it exceed the four percent (4%) levy cap growth  
12 with the car tax portion included; provided, however, nothing herein shall prohibit a city or town  
13 from exceeding the property tax cap if otherwise permitted pursuant to subsection (~~e~~) of this  
14 section.

15 (c) The division of property valuation in the department of revenue shall monitor city and  
16 town compliance with this levy cap, issue periodic reports to the general assembly on compliance,  
17 and make recommendations on the continuation or modification of the levy cap on or before  
18 December 31, 1987, December 31, 1990, and December 31, every third year thereafter. The chief  
19 elected official in each city and town shall provide to the division of property and municipal  
20 finance within thirty (30) days of final action, in the form required, the adopted tax levy and rate  
21 and other pertinent information.

22 (d) For any fiscal year in which a municipality receives aid under § 44-3-66 the amount  
23 levied by a city or town may not exceed the percentage increase as specified in subsection (a) or  
24 (b) of this section minus amount of levy lost due to the aid program:

25 ~~(d)~~ (e) The amount levied by a city or town may exceed the percentage increase as specified  
26 in subsection (a) or (b) of this section if the city or town qualifies under one or more of the  
27 following provisions:

28 (1) The city or town forecasts or experiences a loss in total non-property tax revenues and the  
29 loss is certified by the department of revenue.

30 (2) The city or town experiences or anticipates an emergency situation, which causes or will  
31 cause the levy to exceed the percentage increase as specified in subsection (a) or (b) of this  
32 section. In the event of an emergency or an anticipated emergency, the city or town shall notify  
33 the auditor general who shall certify the existence or anticipated existence of the emergency.  
34 Without limiting the generality of the foregoing, an emergency shall be deemed to exist when the

1 city or town experiences or anticipates health insurance costs, retirement contributions, or utility  
2 expenditures that exceed the prior fiscal year's health insurance costs, retirement contributions, or  
3 utility expenditures by a percentage greater than three (3) times the percentage increase as  
4 specified in subsection (a) or (b) of this section.

5 (3) A city or town forecasts or experiences debt services expenditures that exceed the prior  
6 year's debt service expenditures by an amount greater than the percentage increase as specified in  
7 subsection (a) or (b) of this section and that are the result of bonded debt issued in a manner  
8 consistent with general law or a special act. In the event of the debt service increase, the city or  
9 town shall notify the department of revenue which shall certify the debt service increase above  
10 the percentage increase as specified in subsection (a) or (b) of this section the prior year's debt  
11 service. No action approving or disapproving exceeding a levy cap under the provisions of this  
12 section affects the requirement to pay obligations as described in subsection (~~de~~) of this section.

13 (4) The city or town experiences substantial growth in its tax base as the result of major new  
14 construction that necessitates either significant infrastructure or school housing expenditures by  
15 the city or town or a significant increase in the need for essential municipal services and such  
16 increase in expenditures or demand for services is certified by the department of revenue.

17 ~~(e)~~ (f) Any levy pursuant to subsection (~~de~~) of this section in excess of the percentage  
18 increase specified in subsection (a) or (b) of this section shall be approved by the affirmative vote  
19 of at least four-fifths (4/5) of the full membership of the governing body of the city or town, or in  
20 the case of a city or town having a financial town meeting, the majority of the electors present  
21 and voting at the town financial meeting shall also approve the excess levy.

22 ~~(f)~~ (g) Nothing contained in this section constrains the payment of present or future  
23 obligations as prescribed by § 45-12-1, and all taxable property in each city or town is subject to  
24 taxation without limitation as to rate or amount to pay general obligation bonds or notes of the  
25 city or town except as otherwise specifically provided by law or charter.

26 SECTION 4. Section 44-34-11 of the General Laws in Chapter 44-34-11 entitled "Excise on  
27 Motor Vehicles and Trailers" is hereby amended to read as follows:

28 **44-34-11. Rhode Island vehicle value commission.**

29 (a) There is hereby authorized, created, and established the "Rhode Island vehicle value  
30 commission" whose function it is to establish presumptive values of vehicles and trailers subject  
31 to the excise tax.

32 (b) The commission shall consist of the following seven (7) members as follows:

33 (1) The director of the department of revenue or his/her designee from the department of  
34 revenue;



1 (2) Five (5) local tax officials named by the governor, at least one of whom shall be from a  
2 city or town under ten thousand (10,000) population and at least one of whom is from a city or  
3 town over fifty thousand (50,000) population. In making these appointments, the governor shall  
4 give due consideration to the recommendations submitted by the President of the Rhode Island  
5 League of Cities and Towns and each appointment shall be subject to the advice and consent of  
6 the senate; and

7 (3) One motor vehicle dealer appointed by the governor upon giving due consideration to the  
8 recommendation of the director of revenue and subject to the advice and consent of the senate.

9 (4) All members shall serve for a term of three (3) years.

10 (5) Current legislative appointees shall cease to be members of the commission upon the  
11 effective date of this act. Non-legislative appointees to the commission may serve out their terms  
12 whereupon their successors shall be appointed in accordance with this act. No one shall be  
13 eligible for appointment to the commission unless he or she is a resident of this state.

14 (6) Public members of the commission shall be removable by the governor pursuant to § 36-  
15 1-7 for cause only, and removal solely for partisan or personal reasons unrelated to capacity or  
16 fitness for the office shall be unlawful.

17 (7) The governor shall appoint a chairperson from the commission's members. The  
18 commission shall elect from among its members other officers as it may deem appropriate.

19 (c) The commission shall annually determine the presumptive values of vehicles and trailers  
20 subject to the excise tax in the following manner:

21 (1) Not earlier than September 30 and not later than December 31 of each year, the  
22 commission shall by rule adopt a methodology for determining the presumptive value of vehicles  
23 and trailers subject to the excise tax that shall give consideration to the following factors:

24 (i) The average retail price of similar vehicles of the same make, model, type, and year of  
25 manufacture as reported by motor vehicle dealers or by official used car guides, such as that of  
26 the National Automobile Dealers Association for New England. Where regional guides are not  
27 available, the commission shall use other publications deemed appropriate; and

28 (ii) Other information concerning the average retail prices for make, model, type, and year of  
29 manufacture of motor vehicles as the director and the Rhode Island vehicle value commission  
30 may deem appropriate to determine fair values.

31 (iii) Notwithstanding the foregoing, the presumptive value of vehicles and trailers subject to  
32 the excise tax shall not exceed the following percentage of clean retail value for those vehicles  
33 reported by the National Automobile Dealers Association Official Used Car Guide New England  
34 Edition:

1 FISCAL YEAR PERCENTAGE

2 2018 95%

3 2019 90%

4 2020 85%

5 2021 ~~80%~~ 82.5%

6 2022 ~~75%~~ 80%

7 2023 ~~70%~~ 77.5%

8 2024 75%

9 2025 72.5%

10 2026 70%

11 2027 67.5%

12 2028 65%

13 In the event that no such clean retail value is reported, the presumptive value shall not exceed  
14 the above percentages of the following:

15 (A) Manufacturer's suggested retail price (MSRP) for new model year vehicles as  
16 reported by the National Automobile Dealers Association Guides; or

17

18

19 (B) Average retail value for those vehicles reported by the National Automobile Dealers  
20 Association Official Used Car Guide National Edition and  
21 Motorcycle/Snowmobile/ATV/Personal Watercraft Appraisal Guide; or

22 (C) Used retail value for those vehicles reported in the National Association of Automobile  
23 Dealers Recreational Vehicle Appraisal Guide; or

24 (D) Low value for those vehicles reported in the National Automobile Dealers Association  
25 Classic, Collectible, Exotic and Muscle Car Appraisal Guide & Directory.

26 (2) On or before February 1 of each year, it shall adopt a list of values for vehicles and  
27 trailers of the same make, model, type, and year of manufacture as of the preceding December 31  
28 in accordance with the methodology adopted between September 30 and December 31; the list  
29 shall be subject to a public hearing at least five (5) business days prior to the date of its adoption.

30 (3) Nothing in this section shall be deemed to require the commission to determine the  
31 presumptive value of vehicles and trailers that are unique, to which special equipment has been  
32 added or to which special modifications have been made, or for which adequate information is  
33 not available from the sources referenced in subdivision (1) of this subsection; provided, that the  
34 commission may consider those factors in its lists or regulations.

1 (4) The commission shall annually provide the list of presumptive values of vehicles and  
2 trailers to each tax assessor on or before February 15 of each year.

3 (d) The commission shall adopt rules governing its organization and the conduct of its  
4 business; prior to the adoption of the rules, the chair shall have the power to call meetings, and a  
5 simple majority of the members of the commission, as provided for in subsection (b) of this  
6 section, is necessary for a quorum, which quorum by majority vote shall have the power to  
7 conduct business in the name of the commission. The commission may adopt rules and elect from  
8 among its members such other officers as it deems necessary.

9 (e) The commission shall have the power to contract for professional services that it deems  
10 necessary for the development of the methodology for determining presumptive values; for  
11 calculating presumptive values according to the methodology; and for preparing the list of  
12 presumptive values in a form and format that is generally usable by cities and towns in their  
13 preparation of tax bills. The commission shall also have the power to incur reasonable expenses  
14 in the conduct of its business as required by this chapter and to authorize payments for the  
15 expenses.

16 (f) Commission members shall receive no compensation for the performance of their duties  
17 but may be reimbursed for their reasonable expenses incurred in carrying out such duties.

18 (g) The commission shall respond to petitions of appeal by local boards of review in  
19 accordance with the provisions of § 44-34-9.

20 (h) The commission shall establish, by rule, procedures for adopting an annual budget and for  
21 administering its finances. After July 1, 1986, one-half (1/2) of the cost of the commission's  
22 operations shall be borne by the state and one-half (1/2) shall be borne by cities and towns within  
23 the state, with the city and town share distributed among cities and towns on a per capita basis.

24 (i) Within ninety (90) days after the end of each fiscal year, the commission shall approve and  
25 submit an annual report to the governor, the speaker of the house of representatives, the president  
26 of the senate, and the secretary of state of its activities during that fiscal year. The report shall  
27 provide: an operating statement summarizing meetings or hearings held, meeting minutes if  
28 requested, subjects addressed, decisions rendered, rules or regulations promulgated, studies  
29 conducted, policies and plans developed, approved, or modified, and programs administered or  
30 initiated; a consolidated financial statement of all funds received and expended including the  
31 source of the funds, a listing of any staff supported by these funds, and a summary of any clerical,  
32 administrative or technical support received; a summary of performance during the previous  
33 fiscal year including accomplishments, shortcomings and remedies; a synopsis of hearings,  
34 complaints, suspensions, or other legal matters related to the authority of the commission; a

1 summary of any training courses held pursuant to this subsection, a briefing on anticipated  
2 activities in the upcoming fiscal year; and findings and recommendations for improvements. The  
3 report shall be posted electronically on the general assembly and the secretary of state's websites  
4 as prescribed in § 42-20-8.2. The director of the department of revenue shall be responsible for  
5 the enforcement of this provision.

6 SECTION 5. Section 44-34.1-1 of the General Laws in Chapter 44-34.1 entitled "Motor  
7 Vehicle and Trailer Excise Tax Elimination Act of 1998" is hereby amended to read as follows:

8 **44-34.1-1. Excise tax phase-out.**

9 (a)(1) Notwithstanding the provisions of chapter 34 of this title or any other provisions to the  
10 contrary, the motor vehicle and trailer excise tax established by § 44-34-1 may be phased out. The  
11 phase-out shall apply to all motor vehicles and trailers, including leased vehicles.

12 (2) Lessors of vehicles that pay excise taxes directly to municipalities shall provide lessees, at  
13 the time of entering into the lease agreement, an estimate of annual excise taxes payable  
14 throughout the term of the lease. In the event the actual excise tax is less than the estimated excise  
15 tax, the lessor shall annually rebate to the lessee the difference between the actual excise tax and  
16 the estimated excise tax.

17 (b) Pursuant to the provisions of this section, all motor vehicles shall be assessed a value by  
18 the vehicle value commission. That value shall be assessed according to the provisions of § 44-  
19 34-11(c)(1) and in accordance with the terms as defined in subsection (d) of this section;  
20 provided, however, that the maximum taxable value percentage applicable to model year values  
21 as of December 31, 1997, shall continue to be applicable in future year valuations aged by one  
22 year in each succeeding year.

23 (c)(1) The motor vehicle excise tax phase-out shall commence with the excise tax bills mailed  
24 to taxpayers for the fiscal year 2000. The phase-out, beyond fiscal year 2003, shall be subject to  
25 annual review and appropriation by the general assembly. The tax assessors of the various cities  
26 and towns and fire districts shall reduce the average retail value of each vehicle assessed by using  
27 the prorated exemptions from the following table:

Local Fiscal Year	State fiscal year	
Exempt from value	Local Exemption	Reimbursement
fiscal year 1999	0	\$1,500
fiscal year 2000	\$1,500	\$2,500
fiscal year 2001	\$2,500	\$3,500
fiscal year 2002	\$3,500	\$4,500
fiscal years 2003, 2004 and 2005	\$4,500	\$4,500

1 for fiscal year 2006 and \$5,000 \$5,000

2 for fiscal year 2007 \$6,000 \$6,000

3 for fiscal years 2008, 2009 and 2010 the exemption and the state fiscal year reimbursement  
4 shall be increased, at a minimum, to the maximum amount to the nearest two hundred and fifty  
5 dollar (\$250) increment within the allocation of one and twenty-two hundredths percent (1.22%)  
6 of net terminal income derived from video lottery games pursuant to the provisions of § 42-61-15,  
7 and in no event shall the exemption in any fiscal year be less than the prior fiscal year.

8 (i) For fiscal year 2011 through fiscal year 2017, the exemption shall be five hundred dollars  
9 (\$500). Cities and towns may provide an additional exemption; provided, however, any such  
10 additional exemption shall not be subject to reimbursement.

11 (ii) For fiscal year 2018, cities, towns, and fire districts shall provide an exemption equal to  
12 the greater of one thousand dollars (\$1,000) or the exemption in effect in fiscal year 2017.

13 (iii) For fiscal year 2019, cities, towns, and fire districts shall provide an exemption equal to  
14 the greater of two thousand dollars (\$2,000) or the exemption in effect in fiscal year 2017.

15 (iv) For fiscal year 2020, cities, towns, and fire districts shall provide an exemption equal to  
16 the greater of three thousand dollars (\$3,000) or the exemption in effect in fiscal year 2017.

17 (v) For fiscal year 2021, cities, towns, and fire districts shall provide an exemption equal to  
18 the greater of ~~four thousand dollars (\$4,000)~~ three thousand five hundred dollars (\$3,500) or the  
19 exemption in effect in fiscal year 2017.

20 (vi) For fiscal year 2022, cities, towns, and fire districts shall provide an exemption equal to  
21 the greater of ~~five thousand dollars (\$5,000)~~ four thousand dollars (\$4,000) or the exemption in  
22 effect in fiscal year 2017.

23

24 (vii) For fiscal year 2023, cities, towns, and fire districts shall provide an exemption equal to  
25 the greater of ~~six thousand dollars (\$6,000)~~ four thousand five hundred dollars (\$4,500) or the  
26 exemption in effect in fiscal year 2017.

27 (viii) For fiscal year 2024, cities, towns, and fire districts shall provide an exemption equal to  
28 the greater of five thousand dollars (\$5,000) or the exemption in effect in fiscal year 2017.

29 (ix) For fiscal year 2025, cities, towns, and fire districts shall provide an exemption equal to  
30 the greater of five thousand five hundred dollars (\$5,500) or the exemption in effect in fiscal year  
31 2017.

32 (x) For fiscal year 2026, cities, towns, and fire districts shall provide an exemption equal to  
33 the greater of six thousand dollars (\$6,000) or the exemption in effect in fiscal year 2017.

1 (xi) For fiscal year 2027, cities, towns, and fire districts shall provide an exemption equal to  
2 the greater of seven thousand dollars (\$7,000) or the exemption in effect in fiscal year 2017.

3 (xii) For fiscal year 2028, cities, towns, and fire districts shall provide an exemption equal to  
4 the greater of eight thousand dollars (\$8,000) or the exemption in effect in fiscal year 2017.

5 ~~(viii)~~ (xiii) For fiscal year ~~2024~~ 2029 and thereafter, no tax shall be levied.

6 (2) The excise tax phase-out shall provide levels of assessed value reductions until the tax is  
7 eliminated or reduced as provided in this chapter.

8 (3) Current exemptions shall remain in effect as provided in this chapter.

9 (4) The excise tax rates and ratios of assessment shall be maintained at a level identical to the  
10 level in effect for fiscal year 1998 for each city, town, and fire district; provided, in the town of  
11 Johnston, the excise tax rate and ratios of assessment shall be maintained at a level identical to the  
12 level in effect for fiscal year 1999 levels and the levy of a city, town, or fire district shall be  
13 limited to the lesser of the maximum taxable value or net assessed value for purposes of  
14 collecting the tax in any given year. Provided, however, for fiscal year 2011 through fiscal year  
15 2017, the rates and ratios of assessment may be less than but not more than the rates described in  
16 this subsection (4).

17 (5) For fiscal year 2018 and thereafter, the excise tax rate applied by a city, town, or fire  
18 district, shall not exceed the rate in effect in fiscal year 2017 and shall not exceed the rate set  
19 forth below:

Fiscal Year	Tax Rate (Per \$1,000 of Value)
20 2018	\$60.00
21 2019	\$50.00
22 2020	\$35.00
23 2021	\$35.00
24 2022	<del>\$30.00</del> <u>\$33.00</u>
25 2023	<del>\$20.00</del> <u>\$31.00</u>
26 <u>2024</u>	<u>\$26.50</u>
27 <u>2025</u>	<u>\$22.50</u>
28 <u>2026</u>	<u>\$19.00</u>
29 <u>2027</u>	<u>\$15.00</u>
30 <u>2028</u>	<u>\$10.00</u>

31  
32 (6) In no event shall a taxpayer be billed more than the prior year for a vehicle owned up to  
33 the same number of days unless an increased bill is the result of no longer being eligible for a  
34 local tax exemption.

1 (d) Definitions.

2 (1) "Maximum taxable value" means the value of vehicles as prescribed by § 44-34-11  
3 reduced by the percentage of assessed value applicable to model year values as determined by the  
4 Rhode Island vehicle value commission as of December 31, 1997, for the vehicles valued by the  
5 commission as of December 31, 1997. For all vehicle value types not valued by the Rhode Island  
6 vehicle value commission as of December 31, 1997, the maximum taxable value shall be the  
7 latest value determined by a local assessor from an appropriate pricing guide, multiplied by the  
8 ratio of assessment used by that city, town, or fire district for a particular model year as of  
9 December 31, 1997. The maximum taxable value shall be determined in such a manner as to  
10 incorporate the application of the percentage corresponding with the appropriate fiscal year as  
11 specified in § 44-34-11(c)(1)(iii).

12 (2) "Net assessed value" means the motor vehicle values as determined in accordance with §  
13 44-34-11 less all personal exemptions allowed by cities, towns, fire districts, and the state of  
14 Rhode Island exemption value as provided for in subsection (c)(1) of this section.

15 (e) If any provision of this chapter shall be held invalid by any court of competent  
16 jurisdiction, the remainder of this chapter and the applications of the provisions hereof shall not  
17 be effected thereby.

18 SECTION 6. Section 45-13-14 of the General Laws in Chapter 45-13 entitled "State Aid" is  
19 hereby amended as follows:

20 **45-13-14. Adjustments to tax levy, assessed value, and full value when computing state**  
21 **aid.**

22 (a) Whenever the director of revenue computes the relative wealth of municipalities for the  
23 purpose of distributing state aid in accordance with title 16 and the provisions of § 45-13-12, he  
24 or she shall base it on the full value of all property except:

25 (1) That exempted from taxation by acts of the general assembly and reimbursed under § 45-  
26 13-5.1 of the general laws, which shall have its value calculated as if the payment in lieu of tax  
27 revenues received pursuant to § 45-13-5.1, has resulted from a tax levy;

28 (2) That whose tax levy or assessed value is based on a tax treaty agreement authorized by a  
29 special public law or by reason of agreements between a municipality and the economic  
30 development corporation in accordance with § 42-64-20 prior to May 15, 2005, which shall not  
31 have its value included;

32 (3) That whose tax levy or assessed value is based on tax treaty agreements or tax  
33 stabilization agreements in force prior to May 15, 2005, which shall not have its value included;

1 (4) That which is subject to a payment in lieu of tax agreement in force prior to May 15,  
2 2005;

3 (5) Any other property exempt from taxation under state law; or

4 (6) Any property subject to chapter 27 of title 44, taxation of Farm, Forest, and Open Space  
5 Land.

6 [\(7\) Any personal property subject to the provisions of § 44-3-3 \(c\).](#)

7 (b) The tax levy of each municipality and fire district shall be adjusted for any real estate and  
8 personal property exempt from taxation by act of the general assembly by the amount of payment  
9 in lieu of property tax revenue anticipated to be received pursuant to § 45-13-5.1 relating to  
10 property tax from certain exempt private and state properties, and for any property subject to any  
11 payment in lieu of tax agreements, any tax treaty agreements or tax stabilization agreements in  
12 force after May 15, 2005, by the amount of the payment in lieu of taxes pursuant to such  
13 agreements.

14 (c) Fire district tax levies within a city or town shall be included as part of the total levy  
15 attributable to that city or town.

16 (d) The changes as required by subsections (a) through (c) of this section shall be  
17 incorporated into the computation of entitlements effective for distribution in fiscal year 2007-  
18 2008 and thereafter.

19 SECTION 7. Section 4 and Section 5 shall take effect upon passage. The remainder of  
20 this article shall take effect on July 1, 2020.

21





1 (d) Beginning in the 2021 fiscal year, the department of elementary and secondary  
2 education shall include the number of students enrolled in RI Pre-K classrooms approved by the  
3 department in the average daily membership.

4 ~~(e)~~(e) Local education agencies may set aside a portion of funds received under  
5 subsection (a) to expand learning opportunities such as after school and summer programs, full-  
6 day kindergarten and/or multiple pathway programs, provided that the basic education program  
7 and all other approved programs required in law are funded.

8 ~~(f)~~(f) The department of elementary and secondary education shall promulgate such  
9 regulations as are necessary to implement fully the purposes of this chapter.

10 **16-7.2-6. Categorical programs, state funded expenses.**

11 In addition to the foundation education aid provided pursuant to § 16-7.2-3, the  
12 permanent foundation education-aid program shall provide direct state funding for:

13 (a) Excess costs associated with special education students. Excess costs are defined  
14 when an individual special education student's cost shall be deemed to be "extraordinary".  
15 Extraordinary costs are those educational costs that exceed the state-approved threshold based on  
16 an amount above five times the core foundation amount (total of core-instruction amount plus  
17 student success amount). The department of elementary and secondary education shall prorate the  
18 funds available for distribution among those eligible school districts if the total approved costs for  
19 which school districts are seeking reimbursement exceed the amount of funding appropriated in  
20 any fiscal year; and the department of elementary and secondary education shall also collect data  
21 on those educational costs that exceed the state-approved threshold based on an amount above  
22 two (2), three (3), and four (4) times the core-foundation amount;

23 (b) Career and technical education costs to help meet initial investment requirements  
24 needed to transform existing, or create new, comprehensive, career and technical education  
25 programs and career pathways in critical and emerging industries and to help offset the higher-  
26 than-average costs associated with facilities, equipment maintenance and repair, and supplies  
27 necessary for maintaining the quality of highly specialized programs that are a priority for the  
28 state. The department shall develop criteria for the purpose of allocating any and all career and  
29 technical education funds as may be determined by the general assembly on an annual basis. The  
30 department of elementary and secondary education shall prorate the funds available for  
31 distribution among those eligible school districts if the total approved costs for which school  
32 districts are seeking reimbursement exceed the amount of funding available in any fiscal year;

33 (c) Programs to increase access to voluntary, free, high-quality pre-kindergarten  
34 programs. The department shall recommend criteria for the purpose of allocating any and all early

1 childhood program funds ~~as may be determined by the general assembly~~ [consistent with chapter](#)  
2 [16-87](#);

3 (d) Central Falls, Davies, and the Met Center Stabilization Fund is established to ensure  
4 that appropriate funding is available to support their students. Additional support for Central Falls  
5 is needed due to concerns regarding the city's capacity to meet the local share of education costs.  
6 This fund requires that education aid calculated pursuant to § 16-7.2-3 and funding for costs  
7 outside the permanent foundation education-aid formula, including, but not limited to,  
8 transportation, facility maintenance, and retiree health benefits shall be shared between the state  
9 and the city of Central Falls. The fund shall be annually reviewed to determine the amount of the  
10 state and city appropriation. The state's share of this fund may be supported through a reallocation  
11 of current state appropriations to the Central Falls school district. At the end of the transition  
12 period defined in § 16-7.2-7, the municipality will continue its contribution pursuant to § 16-7-24.  
13 Additional support for the Davies and the Met Center is needed due to the costs associated with  
14 running a stand-alone high school offering both academic and career and technical coursework.  
15 The department shall recommend criteria for the purpose of allocating any and all stabilization  
16 funds as may be determined by the general assembly;

17 (e) Excess costs associated with transporting students to out-of-district non-public  
18 schools. This fund will provide state funding for the costs associated with transporting students to  
19 out-of-district non-public schools, pursuant to chapter 21.1 of this title. The state will assume the  
20 costs of non-public out-of-district transportation for those districts participating in the statewide  
21 system. The department of elementary and secondary education shall prorate the funds available  
22 for distribution among those eligible school districts if the total approved costs for which school  
23 districts are seeking reimbursement exceed the amount of funding available in any fiscal year;

24 (f) Excess costs associated with transporting students within regional school districts.  
25 This fund will provide direct state funding for the excess costs associated with transporting  
26 students within regional school districts, established pursuant to chapter 3 of this title. This fund  
27 requires that the state and regional school district share equally the student transportation costs  
28 net any federal sources of revenue for these expenditures. The department of elementary and  
29 secondary education shall prorate the funds available for distribution among those eligible school  
30 districts if the total approved costs for which school districts are seeking reimbursement exceed  
31 the amount of funding available in any fiscal year;

32 (g) Public school districts that are regionalized shall be eligible for a regionalization  
33 bonus as set forth below:

1 (1) As used herein, the term "regionalized" shall be deemed to refer to a regional school  
2 district established under the provisions of chapter 3 of this title, including the Chariho Regional  
3 School district;

4 (2) For those districts that are regionalized as of July 1, 2010, the regionalization bonus  
5 shall commence in FY 2012. For those districts that regionalize after July 1, 2010, the  
6 regionalization bonus shall commence in the first fiscal year following the establishment of a  
7 regionalized school district as set forth in chapter 3 of this title, including the Chariho Regional  
8 School District;

9 (3) The regionalization bonus in the first fiscal year shall be two percent (2.0%) of the  
10 state's share of the foundation education aid for the regionalized district as calculated pursuant to  
11 §§ 16-7.2-3 and 16-7.2-4 in that fiscal year;

12 (4) The regionalization bonus in the second fiscal year shall be one percent (1.0%) of the  
13 state's share of the foundation education aid for the regionalized district as calculated pursuant to  
14 §§ 16-7.2-3 and 16-7.2-4 in that fiscal year;

15 (5) The regionalization bonus shall cease in the third fiscal year;

16 (6) The regionalization bonus for the Chariho regional school district shall be applied to  
17 the state share of the permanent foundation education aid for the member towns; and

18 (7) The department of elementary and secondary education shall prorate the funds  
19 available for distribution among those eligible regionalized school districts if the total, approved  
20 costs for which regionalized school districts are seeking a regionalization bonus exceed the  
21 amount of funding appropriated in any fiscal year;

22 (h) Additional state support for ~~English learners (EL)~~ multilingual learners (MLL). The  
23 amount to support ~~EL~~ multilingual students shall be determined by multiplying an ~~EL~~ MLL factor  
24 of ten percent (10%) by the core-instruction per-pupil amount defined in § 16-7.2-3(a)(1) and  
25 applying that amount of additional state support to ~~EL~~ multilingual students identified using  
26 widely adopted, independent standards and assessments identified by the commissioner. All  
27 categorical funds distributed pursuant to this subsection must be used to provide high-quality,  
28 research-based services to ~~EL~~ multilingual students and managed in accordance with  
29 requirements set forth by the commissioner of elementary and secondary education. The  
30 department of elementary and secondary education shall collect performance reports from  
31 districts and approve the use of funds prior to expenditure. The department of elementary and  
32 secondary education shall ensure the funds ~~are aligned to activities that are innovative and~~  
33 ~~expansive and not utilized for activities the district is currently funding~~ are utilized for:

34 (1) Increasing the number of new bilingual classrooms and programs;

- 1           (2) Increasing capacity of multilingual educators and English to Speakers of Other  
2 Languages (ESOL) certified educators;  
3           (3) Continuous training to retain multilingual and ESOL certified educators;  
4           (4) Increasing the knowledge and capacity of building administrators about MLL students  
5 to better support them;  
6           (5) Provide training for general education teachers to become certified in ESOL; and  
7           (6) Provide training for instructional coaches and personnel supporting differently-abled  
8 students to serve multilingual students.

9 The department of elementary and secondary education shall prorate the funds available for  
10 distribution among eligible recipients if the total calculated costs exceed the amount of funding  
11 available in any fiscal year;

12           (i) State support for school resource officers and mental health professionals. For  
13 purposes of this subsection, a school resource officer (SRO) shall be defined as a career law  
14 enforcement officer with sworn authority who is deployed by an employing police department or  
15 agency in a community-oriented policing assignment to work in collaboration with one or more  
16 schools. School resource officers should have completed at least forty (40) hours of specialized  
17 training in school policing, administered by an accredited agency, before being assigned.  
18 Beginning in FY 2019, for a period of three (3) years, school districts or municipalities that  
19 choose to employ school resource officers shall receive direct state support for costs associated  
20 with employing such officers at public middle and high schools. Districts or municipalities shall  
21 be reimbursed an amount equal to one-half (1/2) of the cost of salaries and benefits for the  
22 qualifying positions. Funding will be provided for school resource officer positions established on  
23 or after July 1, 2018, provided that:

24           (1) Each school resource officer shall be assigned to one school:

25           (i) Schools with enrollments below one thousand twelve hundred (1,200) students shall  
26 require one school resource officer;

27           (ii) Schools with enrollments of one thousand twelve hundred (1,200) or more students  
28 shall require two school resource officers;

29           (2) School resource officers hired in excess of the requirement noted above shall not be  
30 eligible for reimbursement; ~~and~~

31           (3) Schools that eliminate existing school resource officer positions and create new  
32 positions under this provision shall not be eligible for reimbursement; and

33           (4) For FY 2021, school districts that choose to employ additional mental health  
34 professionals at public schools may apply to receive direct state support for costs associated with

1 employing such staff. Districts shall be reimbursed an amount equal to one-half (1/2) of the cost  
2 of salaries and benefits for the qualifying positions, provided that the District commits to funding  
3 the position beyond FY 2021 in the absence of continued state funds.

4 (i) For the purposes of this section, mental health professionals shall be defined to  
5 include, but not be limited to, student assistance counselors, school counselors, social workers,  
6 and school psychologists;

7 (ii) Schools that eliminate existing mental health professional positions and create new  
8 positions under this provision shall not be eligible for reimbursement;

9 (iii) The Department of Education will establish an application process and will oversee  
10 distribution of the funds. If demand for the funds is greater than what is allocated, the department  
11 will create a process where priority will be given based on, but not limited to, current mental  
12 health capacity at the school and its demonstrated need based on documented incident reports.

13 (j) Categorical programs defined in (a) through (g) shall be funded pursuant to the  
14 transition plan in § 16-7.2-7.

15 SECTION 2. Sections 16-48-1, 16-48-2, 16-48-3, 16-48-5, and 16-48-6 of the General  
16 Laws in Chapter 16-48 entitled “Educational Services to Very Young Children” is hereby  
17 amended to read as follows:

18 **16-48-1. Applicability**

19 This chapter shall pertain to ~~private nursery schools and other regular~~ schools or  
20 programs of educational services to children between the ages of ~~two (2)~~ four (4) years ~~eight (8)~~  
21 ~~months~~ and six (6) years of age ~~where the schools and programs operate one or more sessions~~  
22 ~~daily~~. It does not include bona fide kindergarten and ~~nursery~~ preschool classes which are part of a  
23 nonpublic elementary school system.

24 **16-48-2. Establishment High Quality Comprehensive Approval of and operation of**  
25 **schools Classrooms and Programs.**

26 (a) ~~No~~ Any person, unincorporated society, association, or corporation desiring High  
27 Quality Comprehensive Approval ~~to operate of a school classroom~~ or program as defined in this  
28 chapter shall ~~be permitted to establish and maintain a school or program unless and until~~ file an  
29 application ~~has been filed~~ with the commissioner of elementary and secondary education and  
30 suitable provision has been made to fulfill ~~any minimum requirements of adequate faculty, health,~~  
31 ~~safety, sanitation, site, physical plant, educational program, and any other~~ standards that ~~may be~~  
32 are established through rules and regulations promulgated by the commissioner of elementary and  
33 secondary education. Upon satisfactory compliance with the standards as established by the  
34 commissioner of elementary and secondary education, ~~along with the certification by the~~

1 ~~appropriate fire, health, and building inspectors,~~ the school classroom or program shall ~~be~~  
2 ~~approved~~ receive High Quality Comprehensive Approval for a period of ~~one year~~ three years,  
3 which approval shall require renewal unless sooner revoked by the commissioner for cause.

4 (b) Upon application ~~to establish~~ for High Quality Comprehensive Approval of a school  
5 classroom or program as defined in this chapter or to renew the application, the applicant will  
6 submit the names of its owner, officers, and employees. ~~The commissioner of elementary and~~  
7 ~~secondary education may request the bureau of criminal identification of the state police to~~  
8 ~~conduct a nationwide criminal records check of the owners, officers, and employees of the school~~  
9 ~~or program and the bureau of criminal identification of the state police will conduct criminal~~  
10 ~~records checks on request. To accomplish nationwide criminal records checks, the commissioner~~  
11 ~~may require owners, officers, and employees of the schools or programs to be fingerprinted by~~  
12 ~~the bureau of criminal identification of the state police. The commissioner may examine these~~  
13 ~~criminal records checks to aid in determining the suitability of the applicant for approval or~~  
14 ~~renewal of approval.~~

#### 15 16-48-3. Rules and regulations.

16 The commissioner of elementary and secondary education shall make all necessary rules and  
17 regulations as the commissioner shall deem necessary or expedient, in conformity with the  
18 provisions of this chapter and not contrary to law, for the necessary accreditation of the ~~schools~~  
19 classrooms and programs, and the commissioner shall do all things and perform all acts necessary  
20 to enforce the provisions of this chapter.

#### 21 16-48-5. Revocation of approval.

22 The commissioner of elementary and secondary education may revoke or refuse to renew  
23 the approval of any ~~nursery school~~ classroom or program approved upon reasonable notice to the  
24 school authorities and provided that a hearing on the revocation shall be afforded the parties.  
25 Grounds for revocation or refusal to renew shall include:

- 26 (1) Failure to maintain standards;
- 27 (2) Refusal to submit proper reports or records;
- 28 (3) Refusal to admit authorized representatives of the department of elementary and  
29 secondary education;
- 30 (4) Furnishing or making misleading or false statements or reports;
- 31 (5) Failure to maintain adequate financial resources; or
- 32 (6) Any other cause which, in the opinion of the commissioner, may be detrimental to the  
33 health, education, safety, or welfare of the children involved.

#### 34 16-48-6. Penalty.

1 Every person who violates any of the provisions of this chapter ~~by conducting a school or~~  
2 ~~program without first having obtained approval as provided in this chapter~~, or who shall refuse to  
3 permit a reasonable inspection and examination of a facility as provided in this chapter, or who  
4 shall intentionally make any false statements or reports to the commissioner of elementary and  
5 secondary education or the commissioner's agents with reference to the matters contained in these  
6 statements or reports, or who conducts this facility after approval has been revoked or suspended  
7 shall, upon conviction of the first offense, be imprisoned for a term not exceeding six (6) months  
8 or be fined not exceeding one hundred dollars (\$100) for each week that the facility shall have  
9 been maintained without approval, and on the second or subsequent offense shall be imprisoned  
10 for a term not exceeding one year or be fined not exceeding five hundred dollars (\$500) for each  
11 week that the facility shall have been maintained without approval or both the fine and  
12 imprisonment.

13 SECTION 3. Chapter 16-87 of the General Laws entitled "Rhode Island Prekindergarten  
14 Education Act" is hereby amended by adding thereto the following sections:

15 **16-87-6. High Quality, Universal Prekindergarten.**

16 (a) The general assembly acknowledges the need to adequately prepare all children to  
17 succeed in school by providing access to publicly funded, high quality prekindergarten education  
18 programs for all four-year-olds.

19 (b) Access to Rhode Island's mixed delivery system of high-quality prekindergarten  
20 classrooms in child care centers, public school districts, and Head Start centers shall be expanded  
21 across all communities in Rhode Island.

22 (c) Expansion shall continue until every family who wants a high quality, prekindergarten  
23 seat for their four-year-olds has one. Universal access will be considered achieved when seventy  
24 percent of four-year-olds are enrolled in high-quality prekindergarten programs.

25 **16-87-7. Prekindergarten Facilities.**

26 The Rhode Island department of elementary and secondary education and the department of  
27 human services shall work with other state departments and private philanthropy to research and  
28 establish programs to improve, expand, and renovate facilities to ensure providers meet licensing  
29 and facilities standards to expand access to high-quality prekindergarten learning environments.

30 **16-87-8. High quality elements.**

31 (a) To expand access to high-quality prekindergarten education programs, it is essential  
32 to invest in expanding high-quality early learning in order to meaningfully increase children's  
33 school readiness.



1 (b) The Rhode Island department of elementary and secondary education is hereby authorized  
2 to promulgate and adopt regulations for the implementation of high quality, universal  
3 prekindergarten. The following quality standards shall be established in regulation by the Rhode  
4 Island department of elementary and secondary education:

5 (i) Teacher education and certification;

6 (ii) Class size and staff ratios;

7 (iii) Learning time;

8 (iv) Learning standards;

9 (v) Curriculum;

10 (vi) Support for students with special needs;

11 (vii) Support for dual English language learners;

12 (viii) Professional development;

13 (ix) Child assessments; and

14 (x) Observations to improve practice

15 **16-87-9 Successful transitions.**

16 (a) Successful coordination between Rhode Island's high-quality prekindergarten and  
17 kindergarten programs is essential for setting a solid foundation for all students. In order to have a  
18 seamless pathway from prekindergarten to third grade, standards, curriculum, instruction and  
19 assessments shall be aligned.

20 (b) Effective transition programs and practices to help students and families move  
21 successfully from one setting to another shall be established.

22 (c) All Local Education Agencies (LEAs) in Rhode Island shall develop a transition plan to  
23 kindergartens for all incoming students and families. These plans must contain two parts --  
24 student and family transition strategies, and program-level transition planning strategies:

25 (1) For student and family transition the following strategies shall be considered:

26 (i) Student visits to their future kindergarten classroom;

27 (ii) Kindergarten teacher visits to the prekindergarten classrooms;

28 (iii) Workshops for families of incoming kindergarten children; and

29 (iv) Kindergarten orientation sessions the summer before school starts.

30 (2) For program-level transition planning the following strategies shall be considered;

31 (i) Creation of transition teams and liaisons between prekindergarten programs and  
32 district schools;

33 (ii) Joint professional development and data sharing for prekindergarten to third grade  
34 teachers; and

1           (iii) Teacher-to-teacher conferences.

2           **16-87-10. Early childhood education governance and data system.** (a) The Rhode Island  
3 department of elementary and secondary education and the department of human services shall  
4 work with other state departments that comprise the Children’s Cabinet including, but not limited  
5 to, Rhode Island’s department of health, department of children, youth and families, and the  
6 executive office of health and human services to facilitate the coordination of federal, state, and  
7 local policies concerning early learning and care, as well as seeking, applying for and  
8 encouraging the use of any federal funds for early learning and care. These departments shall  
9 work together to identify ways to streamline decision-making, eliminate inefficiencies, and  
10 ensure that all state systems are coordinated and aligned to the same goals.

11           (b) In order to support a successful early learning system, including the expansion of  
12 high-quality prekindergarten programs, the Early Childhood and Education Data System  
13 (ECEDS) shall receive continued investment, development and support. ECEDS is an integrated  
14 data system to facilitate the sharing of information and data-driven decision-making. ECEDS has  
15 become the centralized source for much of our early learning data across multiple state agencies.  
16 It also has the capability to share essential child level data with state agencies and early childhood  
17 programs and key information about early learning providers and programs with families.

18           **16-87-11. Ensuring access for low-income children.**

19           (a) The Rhode Island department of elementary and secondary education and the  
20 department of human services will ensure that during the state prekindergarten Request for  
21 Proposal process, priority points will be awarded to communities serving a higher proportion of  
22 low-income children.

23           (b) Until such time that Universal Prekindergarten is achieved in a community, the state  
24 prekindergarten lottery process will include an algorithm to match the enrollment to the  
25 socioeconomic distribution of the community. For the lottery process, the poverty level is  
26 determined by free or reduced lunch status, or 185% of the federal poverty guidelines.

27           SECTION 4. Sections 16-87-2 and 16-87-4 of the General Laws in Chapter 16-87  
28 entitled "Rhode Island Prekindergarten Education Act" is hereby amended as follows:

29           **16-87-2. Findings.**

30           (a) The general assembly hereby finds that attending high quality early childhood  
31 education programs help children develop important social and cognitive skills and knowledge  
32 that prepares children to succeed in school. Research has shown long-lasting benefits for children  
33 who participate in very high quality, educationally focused early childhood programs. The  
34 benefits to children can also generate substantial government cost savings, including reduced

1 need for special education services, reduced need for cash assistance and other public benefits,  
2 and reduced rates of incarceration.

3 (b) The general assembly finds that there are substantial numbers of children in Rhode Island  
4 entering kindergarten who are not adequately prepared to succeed in school. Early school failure  
5 may ultimately contribute to such children dropping out of school at an early age, failing to  
6 achieve their full potential, becoming dependent upon public assistance, or becoming involved in  
7 criminal activities.

8 (c) Furthermore, the general assembly finds that there is an existing infrastructure of early  
9 childhood programs in Rhode Island serving preschool age children in full-day and half-day  
10 programs that is supported through state and federal investments in child care, Head Start and  
11 special education. It is the goal of the general assembly to support a system of publicly-funded,  
12 high quality prekindergarten education programs that are operated through a diverse delivery  
13 network, including child care, Head Start and public school districts.

14 (d) By enacting this law, the general assembly acknowledges the need to adequately prepare  
15 all children to succeed in school by providing access to publicly-funded high quality  
16 prekindergarten education programs.

17 (e) Since 2008, Rhode Island’s state prekindergarten program, RI Pre-K, has expanded to  
18 offer more than one thousand four hundred high-quality prekindergarten seats to four-year-olds  
19 across thirteen communities. Rhode Island’s mixed delivery prekindergarten model has been  
20 nationally recognized as one of the highest quality state prekindergarten programs in the United  
21 States.

22 **16-87-4. Early childhood workforce development.**

23 The Rhode Island department of elementary and secondary education and the department  
24 of human services shall work with other state departments and private philanthropy to establish a  
25 statewide, comprehensive, research-based early childhood workforce development scholarship  
26 program to expand the numbers of early childhood educators who have an associate's or  
27 bachelor's degree in early childhood education and who work with children from birth to age five  
28 (5).

29 SECTION 5. Sections 16-87-3 and 16-87-5 of the General Laws in Chapter 16-87  
30 entitled “Rhode Island Prekindergarten Education Act” are hereby repealed.

31 ~~**16-87-3. Planning phase for a prekindergarten program.**~~

32 ~~(a) The Rhode Island department of elementary and secondary education shall begin~~  
33 ~~planning an initial, pilot prekindergarten program that meets high quality standards, builds on the~~  
34 ~~existing early childhood education infrastructure in the state (including child care, Head Start and~~

1 ~~public schools) and serves children ages three (3) and four (4) who reside in communities with~~  
2 ~~concentrations of low performing schools. This planning phase will develop specific goals to~~  
3 ~~expand the pilot prekindergarten program over time and will also identify opportunities to~~  
4 ~~strengthen care and learning programs for infants and toddlers.~~

5 ~~(b) During this planning phase, the Rhode Island department of elementary and~~  
6 ~~secondary education will quantify the resources needed to achieve and maintain high quality~~  
7 ~~standards in prekindergarten programs and identify incentives and supports to develop a qualified~~  
8 ~~early education workforce, including opportunities for experienced early childhood educators and~~  
9 ~~paraprofessionals to acquire college degrees and earn early childhood teacher certification.~~

10 ~~(c) The Rhode Island department of elementary and secondary education will begin to~~  
11 ~~develop plans to collect and analyze data regarding the impact of the pilot prekindergarten~~  
12 ~~program on participating children's school readiness and school achievement.~~

#### 13 ~~16-87-5. Reporting.~~

14 ~~The Rhode Island department of elementary and secondary education shall report back to~~  
15 ~~the general assembly and the governor on the progress of the pilot planning phase no later than~~  
16 ~~October 31, 2008.~~

17 SECTION 6. Section 16-105-7 of the General Laws in Chapter 16-105 entitled "School  
18 Building Authority" is hereby amended as follows:

#### 19 16-105-7. Expenses incurred by the school building authority.

20 In order to provide for ~~one time or limited~~ the expenses of the school building authority  
21 under this chapter, the Rhode Island health and educational building corporation shall provide  
22 funding from the school building authority capital fund, fees generated from the origination of  
23 municipal bonds and other financing vehicles used for school construction, any investment  
24 income generated by state and municipal funds held in trust by the Rhode Island health and  
25 educational building corporation, and its own reserves. The school building authority shall, by  
26 October 1 of each year, report to the governor and the chairs of the senate and house finance  
27 committees, the senate fiscal advisor, and the house fiscal advisor the amount sought for expenses  
28 for the next fiscal year.

29 There is also hereby established a restricted-receipt account within the budget of the  
30 department of elementary and secondary education entitled "school construction services," to be  
31 financed by the Rhode Island health and educational building corporation's sub-allotments of fees  
32 generated from the origination of municipal bonds and other financing vehicles used for school  
33 construction, any investment income generated by state and municipal funds held in trust by the  
34 Rhode Island health and educational building corporation, and its own reserves. Effective July 1,

1 2018, this account shall be utilized for the express purpose of supporting personnel expenditures  
2 directly related to the administration of the school construction aid program. Expenditure of all  
3 restricted receipts accepted by the department shall be subject to the annual appropriation process  
4 and approval by the general assembly.

5 SECTION 7. Sections 16-107-3, 16-107-4, 16-107-5, and 16-107-6 of the General Laws  
6 in Chapter 16-107 entitled "Rhode Island Promise Scholarship" are hereby amended as follows:

7 **16-107-3. Establishment of scholarship program.**

8 Beginning with the high school graduating class of 2017, it is hereby established the  
9 Rhode Island promise scholarship programs ~~that will end with the high school graduating class~~  
10 ~~of 2020~~. The general assembly shall annually appropriate the funds necessary to implement the  
11 purposes of this chapter. Additional funds beyond the scholarships may be appropriated to  
12 support and advance the Rhode Island promise scholarship program. In addition to appropriation  
13 by the general assembly, charitable donations may be accepted into the scholarship program.

14 **16-107-4. Definitions.**

15 When used in this chapter, the following terms shall have the following meanings:

16 (1) "FAFSA" means the Free Application for Federal Student Aid form;

17 (2) "Certificate" means any certificate program with labor market value as defined by the  
18 Postsecondary Commissioner.

19 ~~(3)(2)~~ "Mandatory fees and tuition" are the costs that every student is required to pay in  
20 order to enroll in classes, and does not include room and board, textbooks, program fees that may  
21 exist in some majors, course fees that may exist for some specific courses, meal plans, or travel;

22 ~~(4)(3)~~ "On track to graduate on time" means the standards determined by the community  
23 college of Rhode Island in establishing the expectation of a student to graduate with an associate's  
24 degree or certificate within two (2) years of enrollment (recognizing that some students, including  
25 students who require developmental education, are double majors, or are enrolled in certain  
26 professional programs may require an extended time period for degree completion);

27 ~~(5)(4)~~ "Scholarship program" means the Rhode Island promise scholarship program that  
28 is established pursuant to § 16-107-3;

29 ~~(6)(5)~~ "Recipient student" means a student attending the community college of Rhode  
30 Island who qualifies ~~to~~ receive the Rhode Island promise scholarship pursuant to § 16-107-6; and

31 ~~(7)(6)~~ "State" means the State of Rhode Island and Providence Plantations.

32 **16-107-5. Administration of scholarship program.**

33 (a) The financial aid office, in conjunction with the office of enrollment management or  
34 their respective equivalent offices, at the community college of Rhode Island, shall administer the

1 scholarship program for state residents seeking associate degrees or certificates who meet the  
2 eligibility requirements in this chapter

3 (b) An award of the scholarship program shall cover up to the cost of two (2) years of  
4 tuition and mandatory fees, less federal and all other financial aid monies available to the  
5 recipient student. No grant received by students from the Department of Children, Youth and  
6 Families' Higher Education Opportunity Incentive Grant as established by § 42-72.8 or the  
7 College Crusade Scholarship Act as established in § 16-70 shall be considered federal or financial  
8 aid for the purposes of this Chapter.

9 (c) The scholarship program is limited to one award per student as required by § 16-107-  
10 6(a)(7).

11 A student may continue to receive an award towards a degree following completion of a  
12 certificate program, provided that the student remains on track to graduate on time.

13 **16-107-6. Eligibility for scholarship.**

14 (a) Beginning with the students who enroll at the community college of Rhode Island in  
15 fall of 2017 ~~and ending with students who enroll at the community college of Rhode Island in the~~  
16 ~~fall of 2020~~, to be considered for the scholarship, a student:

17 (1) Must qualify for in-state tuition and fees pursuant to the residency policy adopted by  
18 the council on postsecondary education, as amended, supplemented, restated, or otherwise  
19 modified from time to time ("residency policy"); provided, that, the student must have satisfied  
20 the high school graduation/equivalency diploma condition prior to reaching nineteen (19) years of  
21 age; provided, further, that in addition to the option of meeting the requirement by receiving a  
22 high school equivalency diploma as described in the residency policy, the student can satisfy the  
23 condition by receiving other certificates or documents of equivalent nature from the state or its  
24 municipalities as recognized by applicable regulations promulgated by the council on elementary  
25 and secondary education;

26 (2) Must be admitted to, and must enroll and attend the community college of Rhode  
27 Island on a full-time basis by the semester immediately following high school graduation or the  
28 semester immediately following receipt of a high school equivalency diploma;

29 (3) Must complete the FAFSA and any required FAFSA verification by the deadline  
30 prescribed by the community college of Rhode Island for each year in which the student seeks to  
31 receive funding under the scholarship program;

32 (4) Must continue to be enrolled on a full-time basis;

33 (5) Must maintain an average annual cumulative grade point average (GPA) of 2.5 or  
34 greater, as determined by the community college of Rhode Island;

1 (6) Must remain on track to graduate on time with an associate degree or a certificate as  
2 determined by the community college of Rhode Island;

3 (7) Must not have already received an award under this scholarship program; and

4 (8) Must commit to live, work, or continue their education in Rhode Island after  
5 graduation.

6 The community college of Rhode Island shall develop a policy that will secure this commitment  
7 from recipient students.

8 (b) Notwithstanding the eligibility requirements under subsection (a) of this section  
9 ("specified conditions"):

10 (i) In the case of a recipient student who has an approved medical or personal leave of  
11 absence or is unable to satisfy one or more specified conditions because of the student's medical  
12 or personal circumstances, the student may continue to receive an award under the scholarship  
13 program upon resuming the student's education so long as the student continues to meet all other  
14 applicable eligibility requirements; and

15 (ii) In the case of a recipient student who is a member of the national guard or a member of a  
16 reserve unit of a branch of the United States military and is unable to satisfy one or more  
17 specified conditions because the student is or will be in basic or special military training, or is or  
18 will be participating in a deployment of the student's guard or reserve unit, the student may  
19 continue to receive an award under the scholarship program upon completion of the student's  
20 basic or special military training or deployment.

21 SECTION 8. Title 42 of the General Laws entitled "State Affairs and Government" is  
22 hereby amended by adding thereto the following Chapter:

23 CHAPTER 42-12.6

24 THE RHODE ISLAND EARLY CHILDHOOD CARE AND EDUCATION CAPITAL FUND

25 ACT

26 42-12.6-1. Short title.

27 This chapter shall be known and may be cited as the "Rhode Island early childhood care and  
28 education capital fund act."

29 42-12.6-2. Findings.

30 (a) It is hereby found and declared that all children deserve high-quality, developmentally  
31 appropriate learning environments that are designed to keep them safe, healthy, and support their  
32 physical, behavioral and cognitive development.

33 (b) It is also found that many of Rhode Island's existing early learning facilities suffer from  
34 poor building conditions that may impact children's health, safety, and quality in programming.

1 (c) Furthermore, according to a 2019 Rhode Island Early Learning Facilities Needs  
2 Assessment, many early learning providers in Rhode Island have expressed interest in improving  
3 quality, opening new facilities spaces, and/or operating additional programs but 88% lack the  
4 financial resources to do so. It also found that of the state’s 39 municipalities, 24 have more than  
5 three infants and toddlers for every licensed slot available. There are also 18 communities that  
6 have no high-quality child care available for infants and toddlers. Consequently, a need exists to  
7 initiate funding strategies and innovative partnerships to improve and expand quality early  
8 learning facilities.

9 (d) Through the establishment of the Rhode Island early childhood care and education capital  
10 fund, Rhode Island can take steps to expand quality early learning facilities within a mixed  
11 delivery system by providing funding that capitalizes on existing spaces, facilitates innovative  
12 partnerships, and provides technical support in order to build a strong pipeline of new  
13 construction projects.

14 **42-12.6-3. Definitions.**

15 (a) As used in this chapter:

16 (1) “Department” means the Rhode Island department of human services.

17 (2) “Early childhood care and education” refers to programs that are state licensed to provide  
18 child care and serve children from birth through age six (6).

19 (3) “Eligible facility” means a building, structure or site that is, or will be, owned, leased or  
20 otherwise used by one (1) or more eligible organizations and licensed by the department or local  
21 education agency (LEA); provided that the facility shall serve or have a commitment to serve  
22 low-income families; provided further, that leased facilities shall have a lease term that is  
23 consistent with the scale of capital investment, but shall not be less than fifteen (15) years; and  
24 provided further that municipally-owned buildings shall be eligible provided that there is a  
25 dedicated single purpose space for licensed early childhood care and education.

26 (4) “Eligible organization” means a child care provider that is, at the time of its initial  
27 application, providing, or has demonstrated a commitment to provide, early childhood care and  
28 education and for low-income families with a public subsidy.

29 (5) “Eligible Project” means the acquisition, design, construction, repair, renovation,  
30 rehabilitation or other capital improvement or deferred maintenance of an eligible facility.

31 (6) “Qualified community partner organization” means a certified community development  
32 financial intermediary selected by the department. Said organization must possess experience  
33 operating in Rhode Island, specifically supporting the early learning sector, have demonstrated



1 fund management capabilities, and have expertise informing early learning facilities best practice  
2 through assessment, training, and technical support.

3 **42-12.6-4. Administration of program.**

4 (a) The Department shall establish, administer, and oversee the Rhode Island early childhood  
5 care and education capital fund as a competitive grant program, provided, however, that the  
6 department may contract with a qualified community partner organization to administer the  
7 program.

8 (b) Each recipient of a grant from the Rhode Island early childhood care and education fund  
9 established in this chapter shall be an eligible organization intending to undertake an eligible  
10 project having submitted an application that demonstrates: (i) a need for such project; (ii) the  
11 project benefits to low-income children and the affected community; (iii) a financial need for  
12 assistance in the form of such a grant; and (iv) local support for the project. Preference may be  
13 given to projects that improve access to early childhood care and education in underserved  
14 communities, commitment to providing high-quality care and education, and commitment to  
15 serving families with public subsidy.

16 (c) The department shall promulgate such rules and regulations as are necessary to carry out  
17 the intent and purpose and implementation of the responsibilities of each under this chapter.

18 **42-12.6-5. Funding for program.**

19 (a) The program established under this chapter may be funded from the proceeds of a general  
20 obligation bond issuance dedicated to this purpose.

21 (b) The department of human services is hereby authorized to establish a restricted receipt  
22 account, known as the “Rhode Island early childhood care and education capital fund,” within the  
23 general fund of the state into which all amounts appropriated for the program created under this  
24 chapter shall be deposited. In addition, charitable donations may be accepted into the account.  
25 The account shall be used to pay for: (i) grants to eligible organizations; (ii) technical assistance  
26 to early childhood care and education providers in matters related to capital planning and  
27 application assistance; and (iii) costs associated with the administration of the program. The  
28 account shall be exempt from the indirect cost recovery provisions of § 35-4-27.

29 **42-12.6-5. Program integrity and reporting.**

30 (a) Program integrity being of paramount importance, the department shall establish  
31 procedures to ensure ongoing compliance with the terms and conditions of the program  
32 established under this chapter, including procedures to safeguard the expenditure of public funds,  
33 to ensure that the funds further the objectives of the program, and to evaluate the impact of the  
34 program. Such requirements may include the submission of bank statements to verify availability

1 of matching funds and contractor invoices to substantiate project expenses, in addition to such  
2 other reasonable documentation the department may require.

3 (b) The department shall publish a report on the Rhode Island early childhood care and  
4 education capital fund. The report shall contain information on the status of program  
5 implementation as well as an accounting of the commitment, disbursement, and use of funds  
6 allocated to the program including a listing of the organization name, city or town in which  
7 facility is located, project description, and grant amount for each recipient. The report shall also,  
8 to the extent practicable, track the impact of each completed project in terms of the number and  
9 quality of current or additional classrooms and seats supported and any other information that the  
10 department may deem appropriate. The report is due no later than ninety (90) days after the end  
11 of the fiscal year and shall be provided to the governor, speaker of the house of representatives,  
12 and the president of the senate.

13 SECTION 9. Sections 42-64.26-3, 42-64.26-5, 42-64.26-8 and 42-64.26-12 of the  
14 General Laws in Chapter 42-64.26 entitled “Stay Invested in RI Wavemaker Fellowship” are  
15 hereby amended to read as follows:

16 **42-64.26-3. Definitions.**

17 As used in this chapter:

18 (1) “Eligible graduate” means an individual who meets the eligibility requirements under  
19 this chapter.

20 (2) “Applicant” means an eligible graduate who applies for a tax credit for education loan  
21 repayment expenses under this chapter.

22 (3) “Award” means a tax credit awarded by the commerce corporation to an applicant as  
23 provided under this chapter.

24 (4) “Business” means any corporation, state bank, federal savings bank, trust company,  
25 national banking association, bank holding company, loan and investment company, mutual  
26 savings bank, credit union, building and loan association, insurance company, investment  
27 company, broker-dealer company or surety company, limited liability company, partnership, sole  
28 proprietorship, or federal agency or subsidiaries thereof.

29 ~~(4)~~(5) “Taxpayer” means an applicant who receives a tax credit under this chapter.

30 ~~(5)~~(6) “Commerce corporation” means the Rhode Island commerce corporation  
31 established pursuant to chapter 64 of title 42.

32 ~~(6)~~(7) “Eligible expenses” or “education loan repayment expenses” means annual higher  
33 education loan repayment expenses, including, without limitation, principal, interest and fees, as

1 may be applicable, incurred and paid by an eligible graduate ~~and which the eligible graduate is~~  
2 ~~obligated to repay~~ for attendance at a post-secondary institution of higher learning.

3 (8) “Eligible high-demand STEM teacher” means a full-time content area teacher  
4 employed by a Rhode Island local education agency and satisfying criteria proposed by the Rhode  
5 Island Commissioner of Education in consultation with the commerce corporation and approved  
6 by the commerce corporation, which at a minimum shall include provisions regarding minimum  
7 instructional hours and qualifying high-demand STEM subject areas.

8 ~~(7)~~(9) “Eligibility period” means a term of up to four (4) consecutive service periods  
9 beginning with the date that an eligible graduate receives initial notice of award under this  
10 chapter and expiring at the conclusion of the fourth service period after such date specified.

11 ~~(8)~~(10) “Eligibility requirements” means the following qualifications or criteria required  
12 for an applicant to claim an award under this chapter:

13 (i) That the applicant shall have graduated from an accredited two (2) year, four (4) year  
14 or graduate post-secondary institution of higher learning with an associate’s, bachelor’s, graduate,  
15 or post-graduate degree and at which the applicant incurred education loan repayment expenses;  
16 and be either

17 ~~(A)(ii) That the applicant shall be a~~A full-time employee with a Rhode Island-based  
18 employer located in this state throughout the eligibility period, whose employment is for work in  
19 one or more of the following covered fields: life, natural or environmental sciences; computer,  
20 information or software technology; advanced mathematics or finance; engineering; industrial  
21 design or other commercially related design field; or medicine or medical device technology;  
22 or

23 (B) A full-time employee that is an eligible high-demand STEM teacher.

24 ~~(9)~~(11) “Full-time employee” means a person who is employed by a business or an  
25 eligible high-demand STEM teacher as defined herein for consideration for a minimum of at least  
26 thirty-five (35) hours per week, or who renders any other standard of service generally accepted  
27 by custom or practice as full-time employment, or who is employed by a professional employer  
28 organization pursuant to an employee leasing agreement between the business and the  
29 professional employer organization for a minimum of thirty-five (35) hours per week, or who  
30 renders any other standard of service generally accepted by custom or practice as full-time  
31 employment, and whose earnings are subject to Rhode Island income tax~~and whose wages are~~  
~~subject to withholding.~~

32 (12) “Local education agency” means a public board of education/school committee or  
33 other public authority legally constituted within the State for either administrative control or  
34 direction of one or more Rhode Island public elementary schools or secondary schools, or a

1 [regional school district, state-operated school, regional collaboration, and charter school or](#)  
2 [mayoral academy.](#)

3 ~~(10)~~(13) “Service period” means a twelve (12) month period beginning on the date that  
4 an ~~eligible graduate~~ [applicant](#) receives initial notice of award under this chapter.

5 ~~(11)~~(14) “Student loan” means a loan to an individual by a public authority or private  
6 lender to assist the individual to pay for tuition, books, and living expenses in order to attend a  
7 post-secondary institution of higher learning.

8 ~~(12)~~(15) “Rhode Island-based employer” means (i) an employer having a principal place  
9 of business or at least fifty-one percent (51%) of its employees located in this state; or (ii) an  
10 employer registered to conduct business in this state that reported Rhode Island tax liability in the  
11 previous tax year.

12 ~~(13)~~(16) “Fund” refers to the “Stay Invested in RI Wavemaker Fellowship Fund”  
13 established pursuant to § 42-64.26-4.

#### 14 [42-64.26-5. Administration.](#)

15 (a) *Application.* An eligible graduate claiming an award under this chapter shall submit to  
16 the commerce corporation an application in the manner that the commerce corporation shall  
17 prescribe.

18 (b) Upon receipt of a proper application from an applicant who meets all of the eligibility  
19 requirements, the commerce corporation shall select applicants on a competitive basis to receive  
20 credits for up to a maximum amount for each service period of one thousand dollars (\$1,000) for  
21 an associate’s degree holder, four thousand dollars (\$4,000) for a bachelor’s degree holder, and  
22 six thousand dollars (\$6,000) for a graduate or post-graduate degree holder, but not to exceed the  
23 education loan repayment expenses incurred by such taxpayer during each service period  
24 completed, for up to four (4) consecutive service periods provided that the taxpayer continues to  
25 meet the eligibility requirements throughout the eligibility period. The commerce corporation  
26 shall delegate the selection of the applicants that are to receive awards to ~~a~~ [one or more](#)  
27 [fellowship committees](#) to be convened by the commerce corporation and promulgate the selection  
28 procedures the fellowship committee [or committees](#) will use, which procedures shall require that  
29 the ~~committee’s~~ consideration of applications be conducted on a name-blind and employer-blind  
30 basis and that the applications and other supporting documents received or reviewed by the  
31 fellowship committee [or committees](#) shall be redacted of the applicant’s name, street address, and  
32 other personally-identifying information as well as the applicant’s employer’s name, street  
33 address, and other employer-identifying information. The commerce corporation shall determine  
34 the composition of the fellowship committee [or committees](#) and the selection procedures it will

1 use in consultation with the state's chambers of commerce [or the Rhode Island Department of](#)  
2 [Education, as appropriate.](#)

3 (c) The credits awarded under this chapter shall not exceed one hundred percent (100%)  
4 of the education loan repayment expenses ~~incurred~~-paid by such taxpayer during each service  
5 period completed for up to four (4) consecutive service periods. Tax credits shall be issued  
6 annually to the taxpayer upon proof that (i) the taxpayer has actually incurred and paid such  
7 education loan repayment expenses; (ii) the taxpayer continues to meet the eligibility  
8 requirements throughout the service period; (iii) The award shall not exceed the original loan  
9 amount plus any capitalized interest less award previously claimed under this section; and (iv)  
10 that the taxpayer claiming an award is current on his or her student loan repayment obligations.

11 [\(d\) In consultation with the Rhode Island Department of Education, the commerce](#)  
12 [corporation shall set guidelines for the proportion of awards to be made to eligible high-demand](#)  
13 [STEM teachers so long as no more than one hundred \(100\) and no more than twenty-five percent](#)  
14 [\(25%\) of the awards issued in a calendar year are to eligible high-demand STEM teachers.](#)

15 ~~(e)~~(e) The commerce corporation shall not commit to overall awards in excess of the  
16 amount contained in the fund.

17 ~~(f)~~(f) The commerce corporation shall reserve seventy percent (70%) of the awards  
18 issued in a calendar year to applicants who are permanent residents of the state of Rhode Island or  
19 who attended an institution of higher education located in Rhode Island when they incurred the  
20 education loan expenses to be repaid.

21 ~~(g)~~(g) In administering award, the commerce corporation shall:

22 (1) Require suitable proof that an applicant meets the eligibility requirements for award  
23 under this chapter;

24 (2) Determine the contents of applications and other materials to be submitted in support  
25 of an application for award under this chapter; and

26 (3) Collect reports and other information during the eligibility period for each award to  
27 verify that a taxpayer continues to meet the eligibility requirements for an award.

28 **42-64.26-8. Carry forward and redemption of tax credits.**

29 (a) If the amount of the tax credit allowed under this chapter exceeds the taxpayer's total  
30 tax liability for the year in which the credit is allowed, the amount of such credit that exceeds the  
31 taxpayer's tax liability may be carried forward and applied against the taxes imposed for the  
32 succeeding four (4) years, or until the full credit is used, whichever occurs first.

33 (b) The tax credit allowed under this chapter may be used as a credit against personal  
34 income taxes imposed under chapter 30 of title 44.

1 (c) The division of taxation shall at the request of a taxpayer redeem such credits in  
2 whole or in part for one hundred percent (100%) of the value of the tax credit.

3 (d) Any award made ~~amounts paid to a taxpayer for the redemption of tax credits allowed~~  
4 pursuant to this section shall be exempt from taxation under title 44 of the General Laws.

5 42-64.26-12. Sunset.

6 No incentives or credits shall be authorized pursuant to this chapter after ~~December 31,~~  
7 ~~2020~~December 31, 2023.

8 SECTION 10. Section 45-38.2-3 of the General Laws in Chapter 45-38.2 entitled "School  
9 Building Authority Capital Fund" is hereby amended as follows:

10 45-38.2-3. Administration.

11 (a) The corporation shall have all the powers necessary or incidental to carry out and  
12 effectuate the purposes and provisions of this chapter including:

13 (1) To receive and disburse such funds from the state as may be available for the purpose  
14 of the fund subject to the provisions of this chapter;

15 (2) To make and enter into binding commitments to provide financial assistance to cities,  
16 towns, and local education agencies from amounts on deposit in the fund;

17 (3) To enter into binding commitments to provide subsidy assistance for loans and city,  
18 town, and local education agency obligations from amounts on deposit in the fund;

19 (4) To levy administrative fees on cities, towns, and local education agencies as  
20 necessary to effectuate the provisions of this chapter; provided that the total amount of all such  
21 fees assessed on any municipal bonds and other financing vehicles used for school construction  
22 does not exceed ~~one-tenth of one percent (0.001)~~ one percent (.01) of the original principal  
23 amount;

24 (5) To engage the services of third-party vendors to provide professional services;

25 (6) To establish one or more accounts within the fund; and

26 (7) Such other authority as granted to the corporation under chapter 38.1 of this title.

27 (b) Subject to the provisions of this chapter, and to any agreements with the holders of  
28 any bonds of the corporation or any trustee therefor, amounts held by the corporation for the  
29 account of the fund shall be applied by the corporation, either by direct expenditure,  
30 disbursement, or transfer to one or more other funds and accounts held by the corporation or a  
31 trustee under a trust agreement or trust indenture entered into by the corporation with respect to  
32 bonds or notes issued by the corporation under this chapter or by a holder of bonds or notes  
33 issued by the corporation under this chapter, either alone or with other funds of the corporation, to  
34 the following purposes:

1 (1) To provide financial assistance to cities, towns, and local education agencies to  
2 finance costs of approved projects, and to refinance the costs of the projects, subject to such terms  
3 and conditions, if any, as are determined by the department and/or the corporation;

4 (2) To fund reserves for bonds of the corporation and to purchase insurance and pay the  
5 premiums therefor, and pay fees and expenses of letters or lines of credit and costs of  
6 reimbursement to the issuers thereof for any payments made thereon or on any insurance, and to  
7 otherwise provide security for, and a source of payment for obligations of the corporation, by  
8 pledge, lien, assignment, or otherwise as provided in chapter 38.1 of this title;

9 (3) To pay or provide for subsidy assistance as determined by the school building  
10 authority;

11 (4) To provide a reserve for, or to otherwise secure, amounts payable by cities, towns,  
12 and local education agencies on loans and city, town, and local education agency obligations  
13 outstanding in the event of default thereof; amounts in any account in the fund may be applied to  
14 defaults on loans outstanding to the city, town, or local education agency for which the account  
15 was established and, on a parity basis with all other accounts, to defaults on any loans or city,  
16 town, or local education agency obligations outstanding; and

17 (5) To provide a reserve for, or to otherwise secure, by pledge, lien, assignment, or  
18 otherwise as provided in chapter 38.1 of this title, any bonds or notes of the corporation issued  
19 under this chapter.

20 (c) The repayment obligations of the city, town, or local education agency for loans shall  
21 be in accordance with its eligibility for state aid for school housing as set forth in §§ 16-7-39, 16-  
22 77.1-5, and 16-105-3(19).

23 (d) In addition to other remedies of the corporation under any loan or financing  
24 agreement or otherwise provided by law, the corporation may also recover from a city, town, or  
25 local education agency, in an action in superior court, any amount due the corporation together  
26 with any other actual damages the corporation shall have sustained from the failure or refusal of  
27 the city, town, or local education agency to make the payments or abide by the terms of the loan  
28 or financing agreement.

29 SECTION 11. This article shall take effect upon passage.  
30

1 **ARTICLE 11**

2 **RELATING TO ECONOMIC DEVELOPMENT**

3 SECTION 1. Sections 42-64.10-6 and 42-64.10-7 of the General Laws in Chapter 42-64.10  
4 entitled "Quonset Development Corporation" are hereby amended to read as follows:

5 **42-64.10-6. Additional general powers and duties.**

6 In addition to the powers enumerated in § 42-64.10-5, except to the extent inconsistent with  
7 any specific provision of this chapter, the corporation shall have and may exercise additional  
8 general powers:

9 (a) As set forth in § 42-64-7 necessary or convenient to effect its purposes; provided,  
10 however, that the corporation shall not have the power to issue bonds or notes or exercise eminent  
11 domain;

12 (b) As a subsidiary of the Rhode Island commerce corporation as provided for in § 42-64-7.1;

13 (c) As the Rhode Island commerce corporation's true and lawful attorney as agent and  
14 attorney-in-fact and in the name, place and stead of the Rhode Island commerce corporation with  
15 respect to all property of the Rhode Island commerce corporation at Quonset Business Park  
16 (hereinafter referred to as "the Property") and for the purposes hereinafter set forth:

17 (1) To ask, demand, recover, collect, receive, hold, and possess all sums of money, debts,  
18 dues, goods, wares, merchandise, chattels, effects, bonds, notes, checks, drafts, accounts,  
19 deposits, safe deposit boxes, interests, dividends, stock certificates, certificates of deposit,  
20 insurance benefits and proceeds, documents of title, personal and real property, tangible and  
21 intangible property, and property rights, liquidated or unliquidated, that now are, or hereafter,  
22 shall be, or become, due, owing, or payable in respect to the property, and upon receipt thereof, or  
23 of any part thereof, to make, sign, execute, and deliver such receipts, releases, or other discharges  
24 for the same as the corporation shall deem proper.

25 (2) To lease, purchase, exchange and acquire, and to bargain, contract, and agree for the  
26 lease, purchase, exchange, and acquisition of, and to take, receive, possess, and manage any real  
27 or personal property related in any way to the property, tangible and intangible, or any interest  
28 therein.

29 (3) To enter into and upon all and each of the real properties constituting a part of, or related  
30 in any way, to the property, and to let, manage, and improve the real property or any part thereof,  
31 and to repair or otherwise improve or alter, and to insure any buildings or structures thereon.

32 (4) To market and sell, either at public or private sale, or exchange any part or parts of the  
33 real or personal properties, including indebtedness or evidence thereof, constituting a part of or  
34 related in any way to the property, including sales on credit, and for that purpose to execute and



1 receive all promissory notes, bonds, mortgages, deeds of trust, security agreements, and other  
2 instruments that may be necessary or proper, and to bargain, contract, and agree with respect to  
3 the sale or exchange of such properties; and to execute and deliver good and sufficient deeds,  
4 bills of sale, assignments, or other instruments or endorsements for the conveyance or transfer of  
5 the same; and to give receipts for all or any part of the purchase price or other consideration.

6 (5) To sign, endorse, execute, acknowledge, deliver, receive, and possess such applications,  
7 contracts, agreements, options, covenants, deeds, conveyances, trust deeds, mortgagees deeds,  
8 security agreements, bills of sale, leases, mortgages, assignments, insurance policies, bills of  
9 lading, warehouse receipts, documents of title, bills, bonds, debentures, checks, drafts, bills of  
10 exchange, notes, stock certificates, proxies, warrants, commercial paper, receipts, withdrawal  
11 receipts, and deposit instruments relating to accounts or deposits in, or certificates of deposit of,  
12 banks, savings and loan or other institutions or associations, proofs of loss, evidences of debts,  
13 releases, and satisfactions of mortgages, judgments, liens, security agreements, and other debts  
14 and obligations, and other instruments in writing of whatever kind and nature as be necessary or  
15 proper in the exercise of the rights and powers herein granted.

16 (6) To enter into subordination agreements, inter-creditor agreements, reinstatement  
17 agreements, "stand still" and "stand-by" agreements, modification agreements, forbearance  
18 agreements, and other contracts having the effect of subordinating, modifying, renewing,  
19 restructuring or otherwise altering the rights, obligations, or liabilities of the commerce  
20 corporation, under or with respect to any indebtedness, property, or other assets constituting or  
21 securing any property.

22 (7) To make demands, give notices of default, notices of intention to accelerate, notices of  
23 acceleration, or such other notices as the corporation deems necessary or appropriate, and to take  
24 other actions and exercise other rights that may be taken under the terms of any loan agreements,  
25 security agreements, guaranties, or other documents or agreements evidencing, or otherwise  
26 relating to, the property, including foreclosure, lease, sale, taking possession of, realization upon,  
27 or any other disposition of any property or any collateral therefor or guarantee thereof.

28 (8) To exercise any powers and any duties vested in the commerce corporation as a partner,  
29 joint venturer, participant, or other joint-interest holder with respect to any property, or to concur  
30 (or not) with persons jointly interested with the commerce corporation in any property.

31 (9) With respect to the property: (i) To sue on, or otherwise prosecute, any claim or cause of  
32 action, or commence or seek any legal, equitable, or administrative or other remedy in any legal,  
33 administrative, arbitration, mediation, or other proceeding whatsoever (including, non-judicial  
34 repossessions and foreclosures or similar actions to recover collateral); (ii) To defend, or

1 otherwise participate for, or in the name of, the commerce corporation in any legal,  
2 administrative, arbitration, mediation, or other proceedings; (iii) To process, determine, or  
3 adjudge any claim or cause of action for, or in the name of, the commerce corporation; (iv) To  
4 compromise, settle, discharge or resolve, or make, execute, or deliver any endorsements,  
5 acquittances, releases, receipts, or other discharges of any claim, cause of action, determination,  
6 judgment, or other proceeding for, or in the name of, the commerce corporation; and (v) To  
7 prepare, execute, and file ad valorem, franchise and other tax returns, protests and suits against  
8 taxing authorities, and to prepare, execute, and file other governmental or quasi-governmental  
9 reports, declarations, applications, requests and documents in connection with any property, and  
10 to pay taxes in connection with the property as the corporation deems necessary or appropriate, or  
11 as otherwise required by law.

12 (10) Any third party shall be entitled to rely on a writing signed by the corporation to  
13 conclusively establish the identity of a particular Property as property for all purposes hereof.

14 (d) To own, hold, improve, operate, manage, and regulate utilities at the Quonset Business  
15 Park and to establish rates, fees, and charges, to adopt regulations, and to impose penalties for any  
16 services or utilities it provides, or causes to have available, and to have functions and exercise  
17 powers as necessary and appropriate under the provisions of §§ 42-64-4, 42-64-7.4, 42-64-7.8,  
18 42-64-7.9 and 42-64-9.1 – 42-64-9.10, inclusive.

19 (e) To enter into agreements with any city, town, district, or public corporation with regard to  
20 application and/or administration of zoning or other land use ordinances, codes, plans, or  
21 regulations, and cities, towns, districts, and public corporations are hereby authorized and  
22 empowered, notwithstanding any other law to the contrary, to enter into such agreements with the  
23 corporation and to do all things necessary to carry out their obligations under such agreements; in  
24 the absence of any such agreement the corporation shall act in accordance with the provisions of  
25 § 42-64-13.

26 (f) To enter into agreements, including with any state agency, city, town, district, or public  
27 corporation, for the provision of police, security, fire, sanitation, health protection, and other  
28 public services.

29 (g) To be exempt from taxation and to enter into agreements for payments in lieu of taxes as  
30 provided for in § 42-64-20.

31 (h) To establish a stormwater management and conveyance system and regulate connections,  
32 user fees, charges and assessments in connection therewith. In particular, the corporation shall  
33 have full and complete power and authority to:

1 (1) Limit, deny, or cause appropriate direct or indirect connections to be made between any  
2 building or property located in the Quonset Business Park, or from any location outside the  
3 boundaries of the Quonset Business Park and discharging into the corporation's stormwater  
4 management and conveyance systems. The corporation may prescribe those rules and regulations  
5 for stormwater runoff, that in the opinion of the corporation, are necessary and appropriate for the  
6 maintenance and operation of the stormwater management and conveyance systems, and may  
7 establish, from time to time, rules and regulations relating to stormwater management in the  
8 Quonset Business Park. Any person or entity having an existing connection to the stormwater  
9 management and conveyance systems or currently discharging into such systems, will obtain a  
10 permit from the corporation in accordance with its rules and regulations. No person or entity  
11 shall, without first being granted a written permit from the corporation in accordance with its  
12 rules and regulations, make any future connection or permit any runoff from any structure or  
13 property to any stormwater management and conveyance systems, or any appurtenance thereto,  
14 without first being granted a written permit from the corporation in accordance with its rules and  
15 regulations.

16 (2) Compel any person or entity within the Quonset Business Park, for the purpose of  
17 stormwater runoff, to establish a direct connection on the property of the person or entity, or at  
18 the boundary thereof, to the corporation's stormwater management and conveyance systems.  
19 These connections shall be made at the expense of such person or entity. The term  
20 "appurtenance" as used herein shall be construed to include adequate pumping facilities,  
21 whenever the pumping facilities shall be necessary to deliver the stormwater runoff to the  
22 stormwater management and conveyance systems.

23 (3) Assess any person or entity having a direct or indirect connection (including, without  
24 limitation, via runoff) to the Quonset Business Park stormwater management and conveyance  
25 systems the reasonable charges for the use, operation, maintenance, and improvements to the  
26 systems. The corporation shall also be entitled, in addition to any other remedies available, to  
27 assess fines for violations of the rules and regulations established by the corporation with respect  
28 to stormwater management.

29 (4) Collect the fees, charges, and assessments from any person or entity so assessed. Each  
30 person or entity so assessed shall pay the fees, charges, or assessments within the time frame  
31 prescribed by the rules and regulations of the corporation. The corporation may collect the fees,  
32 charges, and assessments in the same manner in which taxes are collected by municipalities, with  
33 no additional fees, charges, assessments, or penalties (other than those provided for in chapter 9  
34 of title 44). All unpaid charges shall be a lien upon the real estate of the person or entity. The lien

1 shall be filed in the records of land evidence for the city or town in which the property is located  
2 and the corporation shall simultaneously, with the filing of the lien, give notice to the property  
3 owner. Owners of property subject to a lien for unpaid charges are entitled to a hearing within  
4 fourteen (14) days of the recording of the lien.

5 (5) Notwithstanding the provisions of subsection (h)(4) of this section, the corporation is  
6 authorized to terminate the water supply service or prohibit the use of the corporation's  
7 stormwater management and conveyance systems of any person or entity for the nonpayment of  
8 storm water management user fees, charges, and assessments. The corporation shall notify the  
9 user of termination of water supply or use of the stormwater management and conveyance  
10 systems at least forty-eight (48) hours prior to ceasing service. The corporation may assess any  
11 person or entity any fees, charges, and assessments affiliated with the shut off and restoration of  
12 service.

13 (6) Without in any way limiting the foregoing powers and authority, the corporation is also  
14 hereby empowered to: (i) Establish a fee system and raise funds for administration and operation  
15 of the stormwater management and conveyance systems; (ii) Prepare long-range, stormwater  
16 management master plans; (iii) Implement a stormwater management district; (iv) Retrofit  
17 existing structures to improve water quality or alleviate downstream flooding or erosion; (v)  
18 Properly maintain existing stormwater management and conveyance systems; (vi) Hire personnel  
19 to carry out the functions of the stormwater management and conveyance systems; (vii) Receive  
20 grants, loans, or funding from state and federal water-quality programs; (viii) Grant credits to  
21 property owners who maintain retention and detention basins or other filtration structures on their  
22 property; (ix) Make grants for implementation of stormwater management plans; (x) Purchase,  
23 acquire, sell, transfer, or lease real or personal property; (xi) Impose liens; (xii) Levy fines and  
24 sanctions for noncompliance; (xiii) Provide for an appeals process; and (xiv) Contract for services  
25 in order to carry out the function of the stormwater management and conveyance systems.

26 (i) To purchase and obtain water supply and water service from any city, town, water district,  
27 or other water supply authority. In particular, the corporation is authorized to:

28 (1) Enter into agreements or contracts with any city, town, county, water district, or other  
29 water supply authority to purchase, acquire, and receive water supply and water service.

30 (2) Enter into cooperative agreements with cities, towns, counties, water districts, or other  
31 water supply authorities for the interconnection of facilities or for any other lawful corporate  
32 purposes necessary or desirable to effect the purposes of this chapter.

33 (3) Connect the water supply system at Quonset Business Park with any city, town, county,  
34 water district, or other water supply authority that receives or has a connection with the city of

1 Providence and/or the Providence Water Supply Board (or any successor thereof) and purchase,  
2 connect to, receive, and enter into agreements to receive water supply from any city, town,  
3 county, water district, or other water supply authority regardless of the origin of such water  
4 supply. The city of Providence and the Providence Water Supply Board (and any successor  
5 thereof) are authorized and directed to supply water to the Quonset Business Park either directly  
6 or via connections between the Quonset Development Corporation and any city, town, county,  
7 water district, or other water supply authority, notwithstanding any terms to the contrary in any  
8 agreement, including, without limitation, any agreement between any city, town, county, water  
9 district, or other water supply authority and the city of Providence and/or the Providence Water  
10 Supply Board (or its or their predecessors), or the provisions of chapter 16 of title 39. In addition,  
11 the provisions of § 18 of chapter 1278 of the public laws of Rhode Island of 1915 as amended,  
12 and any other public law that would conflict with the terms hereof, are hereby amended to  
13 authorize the provision of water supply by the city of Providence and the Providence Water  
14 Supply Board (or any successor thereof) to the Quonset Business Park and to authorize any  
15 additional connections in accordance herewith. There shall be no requirement that the corporation  
16 demonstrate public necessity before entering into such agreements, connecting to such water  
17 supplies, or receiving such water as described in this subsection, but the corporation shall be  
18 subject to the other applicable provisions of chapter 15 of title 46.

19 (j) The corporation shall have and may exercise all powers set forth in general laws 42-64.34-  
20 6(a) and 42-64.34-9 in the place and stead of the commerce corporation when requested by a  
21 municipality and approved by the corporation.

22 **42-64.10-7. Directors, officers and employees.**

23 (a) *Directors.*

24 (1) The powers of the corporation shall be vested in a board of directors consisting of eleven  
25 (11) members. The membership of the board shall consist of the executive director of the Rhode  
26 Island economic development corporation as chairperson, (who shall vote only in the event of a  
27 tie), six (6) members appointed by the governor, with the advice and consent of the senate, two  
28 (2) members appointed by the town council of the town of North Kingstown, one member  
29 appointed by the town council of the town of Jamestown, and one member appointed by the town  
30 council of the town of East Greenwich. The initial members of the board shall be divided into  
31 three (3) classes and shall serve initial terms on the board of directors as follows: two (2) of the  
32 directors appointed by the governor; one of the directors appointed by the town council of the  
33 town of North Kingstown shall be appointed for an initial term of one year; two (2) of the  
34 directors appointed by the governor, one director appointed by the town council of the town of

1 North Kingstown and the director appointed by the town of East Greenwich shall be appointed  
2 for an initial term of two (2) years; and two (2) of the directors appointed by the governor and one  
3 director appointed by the town of Jamestown shall be appointed for an initial term of three (3)  
4 years. Upon expiration of each initial term and upon the expiration of each term thereafter, a  
5 successor shall be appointed by the same authority that made the initial appointment, and in the  
6 case of appointments by the governor with the advice and consent of the senate, to serve for a  
7 term of three (3) years so that members of the board of directors shall serve for staggered terms of  
8 three (3) years each. A vacancy on the board, other than by expiration, shall be filled in the same  
9 manner as an original appointment, but only for the unexpired portion of the term. If a vacancy  
10 occurs with respect to one of the directors appointed by the governor when the senate is not in  
11 session, the governor shall appoint a person to fill the vacancy, but only until the senate shall next  
12 convene and give its advice and consent to a new appointment. A member shall be eligible to  
13 succeed himself or herself. Appointed directors shall not serve more than two (2) successive three  
14 (3) year terms but may be reappointed after not being a director for a period of at least twelve  
15 (12) months. Each appointed director shall hold office for the term for which the director is  
16 appointed and until the director's successor shall have been appointed and qualified, or until the  
17 director's earlier death, resignation or removal. Except for members of the town council of the  
18 town of North Kingstown, who may serve as members of the board of directors, no director shall  
19 be an elected official of any governmental entity.

20 (2) The directors shall receive no compensation for the performance of their duties under this  
21 chapter, but each director shall be reimbursed for his or her reasonable expenses incurred in  
22 carrying out those duties. A director may engage in private employment, or in a profession or  
23 business.

24 (3) *Meetings.* An annual meeting of the directors shall be held during the month of October of  
25 each year for the purposes of electing and appointing officers and reviewing and considering for  
26 approval the budget of the corporation. Regular meetings of the directors shall be held at least  
27 once in each calendar quarter, at the call of the chairperson or secretary, or in accordance with an  
28 annual schedule of meetings adopted by the board. Special meetings may be called for any  
29 purposes by the chairperson or the secretary and as provided for in the bylaws of the corporation.

30 (4) A majority of the directors then in office, but not less than five (5) directors, shall  
31 constitute a quorum, and any action to be taken by the corporation under the provisions of this  
32 chapter, may be authorized by resolution approved by a majority of the directors present and  
33 entitled to a vote at any regular or special meeting at which a quorum is present. A vacancy in the

1 membership of the board of directors shall not impair the right of a quorum to exercise all of the  
2 rights and perform all of the duties of the corporation.

3 (5) Any action taken by the corporation under the provisions of this chapter may be  
4 authorized by a vote at any regular or special meeting, and each vote shall take effect  
5 immediately.

6 (6) The board of directors shall establish an audit committee and a governance committee,  
7 which shall advise: (i) the board with the respect to the best practices of governance; and (ii) the  
8 board, members of the board, and officers with respect to conflicts of interest, corporate ethics  
9 and responsibilities, and the maintenance of the public trust; the members of the audit committee  
10 and the governance committee shall be appointed by the chairperson with the advice of the board  
11 of directors. In addition to the audit and the governance committee, the board may establish  
12 bylaw or with the approval of the chairperson such other committees as it deems appropriate.

13 (7) To carry out the powers and duties under 42-64.10-6(j), the board of directors shall  
14 establish a site readiness committee, which shall consist of members of the board of directors as  
15 well as a representative of the Rhode Island League of Cities and Towns and a representative of  
16 the Rhode Island Manufacturers Association selected by the board of directors. The board of  
17 directors may grant its authority under 42-64.10-6(j) to this committee.

18 (78) The board shall prescribe the application of the cash flow of the corporation, in the  
19 following order of priority:

20 (i) To debt service, including without limitation, sinking funds established in connection with  
21 any financing;

22 (ii) To operating expenses;

23 (iii) To capital expenses;

24 (iv) To reserve funds as may be established by the board, from time to time; and

25 (v) To the economic development corporation for application to statewide economic  
26 development.

27 (89) The board shall establish by bylaw limits on the expenditure of corporation funds  
28 without approval of the board.

29 (910) The approval of the board shall be required for any recommendation to the economic  
30 development corporation board of directors for the issuance of bonds or notes or borrowing  
31 money on behalf of the corporation or for the exercise of eminent domain on behalf of the  
32 corporation.

33 (b) *Officers.* The officers of the corporation shall include a chairperson, a managing director  
34 who shall be the chief executive officer of the corporation, a vice-chairperson, a secretary, and a

1 finance director, as herein provided, and such other officers as the board may from time to time  
2 establish.

3 (1) *Chairperson.* The executive director of the economic development corporation shall be  
4 the chairperson of the board and shall appoint the managing director with the concurrence of the  
5 board, appoint committee members, approve the corporation's annual operating and capital  
6 budget, approve land sale prices, lease rents, and economic development incentives, and approve  
7 numbers and types of employees and staff of the corporation, and preside at meetings of the  
8 board.

9 (2) *Managing director.* The chief executive officer of the corporation shall be managing  
10 director of the corporation, who shall be appointed by the chairperson with the concurrence of the  
11 board. The managing director of the corporation shall be entitled to receive for his or her services  
12 any reasonable compensation as the board of directors may determine. The board of directors  
13 may vest in the managing director the authority to appoint staff members and to determine the  
14 amount of compensation each individual shall receive.

15 (3) *Vice-chairperson.* The board of directors shall from among its members elect a vice-  
16 chairperson who shall preside at meetings in the absence of the chairperson and have such other  
17 duties and powers as the directors may from time to time prescribe.

18 (4) *Other officers.* The board shall appoint a secretary, a director of finance, the duties of  
19 whom shall be prescribed in the bylaws of the corporation, and such additional officers and staff  
20 members as they shall deem appropriate and shall determine the amount of reasonable  
21 compensation, if any, each shall receive.

22 (5) With the exception of the chairperson, any number of offices may be held by the same  
23 person, unless the bylaws provide otherwise.

24 (c) *Employees.*

25 (1) The corporation may have such numbers and types of employees as the board, with the  
26 approval of the chairperson, shall determine upon the recommendation of the managing director.  
27 The board, upon the recommendation of the managing director, may authorize entering into  
28 agreements with the economic development corporation for any duties or functions to be  
29 performed by employees, staff, or agents of the corporation.

30 (2) No full-time employee of the corporation shall, during the period of his or her  
31 employment by the corporation, engage in any other private employment, profession or business,  
32 except with the approval of the board of directors.

33 (3) Employees of the corporation shall not, by reason of their employment, be deemed to be  
34 employees of the state for any purpose, any other provision of the general laws to the contrary



1 notwithstanding, including, without limiting, the generality of the foregoing, chapters 29, 39, and  
2 42 of title 28 and chapters 4, 8, 9, and 10 of title 36.

3 SECTION 2. Sections 42-64.20-5 and 42-64.20-10 of the General Laws in Chapter 42-64.20  
4 entitled "Rebuild Rhode Island Tax Credit Act" are hereby amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

13 (e) Applicants (1) Who have received the notice referenced in subsection (d) above and who  
14 may be eligible for a tax credit pursuant to chapter 33.6 of title 44, (2) Whose application  
15 involves a certified historic structure or recognized historical structure, or (3) Whose project is  
16 occupied by at least one manufacturer shall be exempt from the requirements of subsections  
17 (b)(3)(ii) and (b)(3)(iii). The following procedure shall apply to such applicants:

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

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

22 (iii) The commerce corporation shall not award in excess of fifteen percent (15%) of the  
23 annual amount authorized in any fiscal year to applicants seeking tax credits pursuant to this  
24 subsection (e).

25 (f) *Maximum project credit.*

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

30 (2) The credit allowed pursuant to this chapter, inclusive of any sales and use tax exemptions  
31 allowed pursuant to this chapter, shall not exceed fifteen million dollars (\$15,000,000) for any  
32 qualified development project under this chapter; except as provided in subsection (f)(3) of this  
33 section; provided however, any qualified development project that exceeds the project cap upon  
34 passage of this act shall be deemed not to exceed the cap, shall not be reduced, nor shall it be

1 further increased. No building or qualified development project to be completed in phases or in  
2 multiple projects shall exceed the maximum project credit of fifteen million dollars (\$15,000,000)  
3 for all phases or projects involved in the rehabilitation of the building. Provided, however, that for  
4 purposes of this subsection and no more than once in a given fiscal year, the commerce  
5 corporation may consider the development of land and buildings by a developer on the "I-195  
6 land" as defined in § 42-64.24-3(6) as a separate, qualified development project from a qualified  
7 development project by a tenant or owner of a commercial condominium or similar legal interest  
8 including leasehold improvement, fit out, and capital investment. Such qualified development  
9 project by a tenant or owner of a commercial condominium or similar legal interest on the I-195  
10 land may be exempted from subsection (f)(1)(i) of this section.

11 (3) The credit allowed pursuant to this chapter, inclusive of any sales and use tax exemptions  
12 allowed pursuant to this chapter, shall not exceed twenty-five million dollars (\$25,000,000) for  
13 the project for which the I-195 redevelopment district was authorized to enter into a purchase and  
14 sale agreement for parcels 42 and P4 on December 19, 2018, provided that project is approved for  
15 credits pursuant to this chapter by the commerce corporation.

16 (g) Credits available under this chapter shall not exceed ~~twenty-fifteen~~ percent (15~~20~~%) of  
17 the project cost, except that credits shall not exceed twenty percent (20%) of project cost for  
18 projects that involve recognized historic structures, or projects where infrastructure costs exceed  
19 twenty percent (20%) of project costs, provided, however, that the applicant shall be eligible for  
20 additional tax credits of not more than ten percent (10%) of the project cost, if the qualified  
21 development project meets any of the following criteria or other additional criteria determined by  
22 the commerce corporation from time to time in response to evolving economic or market  
23 conditions:

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

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

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

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

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

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

1 (h) *Maximum aggregate credits.* The aggregate sum authorized pursuant to this chapter,  
2 inclusive of any sales and use tax exemptions allowed pursuant to this chapter, shall not exceed  
3 ~~two hundred ten million dollars (\$210,000,000)~~ two hundred fifty million dollars (\$250,000,000),  
4 excluding any tax credits allowed pursuant to subsection (f)(3) of this section.

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

7 (j) The amount of a tax credit allowed under this chapter shall be allowable to the taxpayer in  
8 up to five, annual increments; no more than thirty percent (30%) and no less than fifteen percent  
9 (15%) of the total credits allowed to a taxpayer under this chapter may be allowable for any  
10 taxable year.

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

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

22 (m) For purposes of this chapter, any assignment or sales proceeds received by the taxpayer  
23 for its assignment or sale of the tax credits allowed pursuant to this section shall be exempt from  
24 taxation under title 44. If a tax credit is subsequently revoked or adjusted, the seller's tax  
25 calculation for the year of revocation or adjustment shall be increased by the total amount of the  
26 sales proceeds, without proration, as a modification under chapter 30 of title 44. In the event that  
27 the seller is not a natural person, the seller's tax calculation under chapter 11, 13, 14, or 17 of title  
28 44, as applicable, for the year of revocation, or adjustment, shall be increased by including the  
29 total amount of the sales proceeds without proration.

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

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

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

8 (q) Projects eligible to receive a tax credit under this chapter may, at the discretion of the  
9 commerce corporation, be exempt from sales and use taxes imposed on the purchase of the  
10 following classes of personal property only to the extent utilized directly and exclusively in the  
11 project: (1) Furniture, fixtures, and equipment, except automobiles, trucks, or other motor  
12 vehicles; or (2) Other materials, including construction materials and supplies, that are  
13 depreciable and have a useful life of one year or more and are essential to the project.

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

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

19 **42-64.20-10. Sunset.**

20 No credits shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~  
21 ~~2020~~December 31, 2023.

22 SECTION 3. Section 42-64.21-9 of the General Laws in Chapter 42-64.21 entitled “Rhode  
23 Island Tax Increment Financing” is hereby amended to read as follows:

24 **42-64.21-9. Sunset.**

25 The commerce corporation shall enter into no agreement under this chapter after December 31,  
26 ~~2020~~2023.

27 SECTION 4. Section 42-64.22-15 of the General Laws in Chapter 42-64.22 entitled “Tax  
28 Stabilization Incentive” is hereby amended to read as follows:

29 **42-64.22-15. Sunset.**

30 The commerce corporation shall enter into no agreement under this chapter after December  
31 31, ~~2020~~2023.

32 SECTION 5. Section 42-64.23-8 of the General Laws in Chapter 42-64.23 entitled “First  
33 Wave Closing Fund Act” is hereby amended to read as follows:

34 **42-64.23-8. Sunset.**

1 No financing shall be authorized to be reserved pursuant to this chapter after December 31,  
2 ~~2020~~2023.

3 SECTION 6. Section 42-64.24-8 of the General Laws in Chapter 42-64.24 entitled “I-195  
4 Redevelopment Project Fund Act” is hereby amended as follows:

5 **42-64.24-8. Sunset.**

6 No funding, credits, or incentives shall be authorized or authorized to be reserved pursuant to  
7 this chapter after December 31, ~~2020~~2023.

8 SECTION 7. Section 42-64.25-14 of the General Laws in Chapter 42-64.25 entitled “Small  
9 Business Assistance Program Act” is hereby repealed:

10 ~~**42-64.25-14. Sunset.**~~

11 ~~No grants, funding, or incentives shall be authorized pursuant to this chapter after December  
12 31, 2020.~~

13 SECTION 8. Section 42-64.27-6 of the General Laws in Chapter 42-64.27 entitled “Main  
14 Street Rhode Island Streetscape Improvement Fund” is hereby amended as follows:

15 **42-64.27-6. Sunset.**

16 No incentives shall be authorized pursuant to this chapter after December 31, ~~2020~~2023.

17 SECTION 9. Section 42-64.28-10 of the General Laws in Chapter 42-64.28 entitled  
18 “Innovation Initiative” is hereby amended as follows:

19 **42-64.28-10. Sunset.**

20 No vouchers, grants, or incentives shall be authorized pursuant to this chapter after December  
21 31, ~~2020~~2023.

22 SECTION 10. Section 42-64.29-8 of the General Laws in Chapter 42-64.29 entitled “Industry  
23 Cluster Grants” is hereby amended as follows:

24 **42-64.29-8. Sunset.**

25 No grants or incentives shall be authorized to be reserved pursuant to this chapter after  
26 December 31, ~~2020~~2023.

27 SECTION 11. Section 42-64.31-4 of the General Laws in Chapter 42-64.31 entitled “High  
28 School, College, and Employer Partnerships” is hereby amended as follows:

29 **42-64.31-4. Sunset.**

30 No grants shall be authorized pursuant to this chapter after December 31, ~~2020~~2023.

31 SECTION 12. Section 42-64.32-6 of the General Laws in Chapter 42-64.32 entitled “Air  
32 Service Development Fund” is hereby amended as follows:

33 **42-64.32-6. Sunset.**

1 No grants, credits, or incentives shall be authorized or authorized to be reserved pursuant to  
2 this chapter after December 31, ~~2020~~2023.

3 SECTION 13. Title 42 of the General Laws entitled "State Affairs and Government" is  
4 hereby amended by adding thereto the following chapter:

5 CHAPTER 42-64.34

6 THE SITE READINESS ACT

7 **42-64.34-1 Legislative findings.**

8 (a) It is found and declared that:

9 (1) Rhode Island is home to a growing economy and municipalities are partners in the state's  
10 economic growth.

11 (2) The state seeks to work in even closer partnership with cities and towns to support  
12 economic development throughout the state.

13 (3) The state seeks to serve as resource and partner for best practices and technical assistance  
14 to enable the continued growth of cities and towns.

15 (4) Cities and towns have achieved great progress through initiatives such as LEAN  
16 programs, e-permitting, and other process improvement programs and these successes should be  
17 built upon and expanded.

18 (5) There is significant interest in using the Quonset Development Corporation as a model of  
19 successful pre-permitting and shovel-ready site development, and to build off the success of  
20 Quonset to identify and prepare pad-ready development sites around the state.

21 (6) Rhode Island lacks readily developable land and this lack of shovel ready sites can  
22 prevent manufacturers and other types of businesses from locating in Rhode Island.

23 (7) Rhode Island can create a national model that integrates economic development processes  
24 across the state in a mutually accountable partnership with cities and towns and Rhode Island can  
25 develop an attractive portfolio of pre-permitted sites.

26 (8) This approach is premised upon cities and towns opting in – participating in ways that are  
27 of the greatest value to the local community involved.

28 **42-64.34-2. Short title.**

29 This chapter shall be known as "The Site Readiness Act."

30 **42-64.34-3. Establishment of Program.**

31 There is hereby established the site readiness program to be administered by the Rhode Island  
32 commerce corporation ("commerce corporation"), in partnership with the Quonset Development  
33 Corporation, as set forth in this chapter.

34 **42-64.34-4. Purposes.**

1 To promote site readiness, the commerce corporation is authorized and empowered to carry  
2 out the site readiness program for the following purposes:

3 (a) To foster and maintain strong collaborations with municipalities in the state.

4 (b) To provide all manner of support and assistance to municipalities and/or owners of real  
5 property in order to foster economic development in Rhode Island.

6 (c) To promote site readiness in the state, including developing an inventory of vetted, pad-  
7 ready sites in the state capable of supporting economic development and establishing a  
8 professional capacity to develop, manage, and market lands to foster economic development in  
9 Rhode Island.

10 (d) To establish, implement, and maintain high standards for design, improvement, operation,  
11 and use of property in order to provide sites and related amenities for high quality businesses that  
12 create high value-added jobs in Rhode Island.

13 (e) To plan, construct, reconstruct, rehabilitate, alter, improve, develop, maintain, operate  
14 and/or acquire or convey any parcels, tracts, areas or projects within participating municipalities.

15 **42-64.34-5. Definitions.**

16 (a) As used in this chapter, words and terms, shall have the meaning set forth in § 42-64-3  
17 unless this chapter provides a different meaning or unless the context indicates a different  
18 meaning or intent.

19 **42-64.34-6. Assistance to municipalities.**

20 (a) In carrying out the site readiness program, the commerce corporation is authorized and  
21 empowered to enter into contractual agreements with municipalities if such contracts are deemed  
22 necessary or of utility by the commerce corporation; such contracts may include, among other  
23 things, for the commerce corporation to provide all manner of support and assistance to  
24 municipalities in connection with fostering economic development including, but not limited to,  
25 aiding in the (i) preparation, adoption or implementation of laws, regulations, or processes related  
26 to development; and (ii) the planning and development of any parcels, tracts, areas or projects  
27 within the municipality; and municipalities are authorized and empowered, notwithstanding any  
28 other law to the contrary, to enter into any contractual agreements with the commerce corporation  
29 including provisions for the sharing or allocation of fees or other revenues and to do all things  
30 necessary to carry out their obligations under the agreements.

31 (b)(1) Notwithstanding anything to the contrary in chapter 64.22 of title 42 of the general  
32 laws or any regulations adopted in connection with the tax stabilization program created under  
33 chapter 64.22 of title 42, if a qualifying community or hope community participating in the tax  
34 stabilization program grants a qualifying tax stabilization agreement in connection with a



1 qualifying development project, upon application to the commerce corporation or a  
2 recommendation by the Quonset Development Corporation to the commerce corporation of  
3 eligibility of an enhanced award and subject to availability of appropriated funds, the commerce  
4 corporation may provide a partial reimbursement of no more than twenty-five percent (25%) of  
5 the qualifying community and/or hope community's forgone tax revenue. The qualification for  
6 reimbursement shall cease upon any termination or cessation of the underlying tax stabilization  
7 agreement or upon exhaustion of funds appropriated pursuant to this section.

8 (2) Terms used in this subsection that are defined in chapter 64.22 of title 42, shall have the  
9 meaning as assigned in chapter 64.22 of title 42.

10 (3) The commerce corporation shall provide no more than five (5) certifications in any  
11 calendar year under this subsection.

12 (c) To carry out the powers and duties under this chapter, the board of directors of the  
13 commerce corporation shall establish a site readiness committee, which shall consist of members  
14 of the board of directors as well as other members, including a representative of the Rhode Island  
15 League of Cities and Towns selected by the board of directors and a representative appointed by  
16 the governing body of the municipality seeking action under this chapter.

17 (d) Any department, agency, council, board or other instrumentality of the state shall  
18 cooperate with the commerce corporation in relation to the implementation, execution and  
19 administration of the program created under this chapter.

20 **42-64.34-7. General powers.**

21 Except to the extent inconsistent with any specific provision of this chapter and in addition to  
22 the powers contained herein, the commerce corporation shall have and may exercise all powers  
23 set forth in chapter 42-64 of the general laws. Nothing in this chapter diminishes any powers or  
24 authority of the department of business regulation.

25 **42-64.34-8. Regulations.**

26 The commerce corporation may adopt implementation guidelines, directives, criteria, rules  
27 and regulations pursuant to § 42-35-1, *et seq.* as are necessary for the implementation and  
28 administration of the site readiness program, including development and land use guidelines, and  
29 provisions for the imposition of fees or other charges in relation to the administration of the site  
30 readiness program.

31 **42-64.34-9. Site readiness.**

32 (a) To promote site readiness within the state, the commerce corporation is authorized and  
33 empowered to:

1       (1) Develop an efficient permitting and pre-permitting process in relation to parcels, tracts or  
2 areas as authorized by a municipality participating in the site readiness program.

3       (2) To the extent authorized by a municipality, through and with the department of business  
4 regulation as appropriate, conduct and/or issue any and all permits, licenses, state, and municipal  
5 code reviews and approvals, including building and fire code reviews and approvals, or other  
6 authorizations appropriate to carry-out the site readiness program; and/or

7       (3) Plan, construct, reconstruct, rehabilitate, alter, improve, develop, operate, maintain, any  
8 parcels, tracts, or projects as authorized by a municipality participating in the site readiness  
9 program. To the extent provided by the authorization for participation of a municipality in the site  
10 readiness program, such parcels, tracts and projects that include a significant commercial office,  
11 innovation/laboratory, industrial/port/marine/distribution, or sporting/performance/outdoor  
12 entertainment venue use or include a structure in need of rehabilitation, revitalization, or  
13 replacement or other uses as determined for this purpose by the economic development planning  
14 council shall be exempt from local zoning or other land use ordinances, codes, including building  
15 and fire codes, plans, or regulations of any municipality or political subdivision. Parcels, tracts,  
16 areas or projects which are planned, constructed, reconstructed, rehabilitated, altered, improved,  
17 or developed by the commerce corporation in accordance with the exemption provisions of this  
18 subsection may be maintained and operated by the owners of such parcels, tracts, area or projects,  
19 and their lessees or successors in interest, in the same manner as if such parcel, tract, area or  
20 project had been in existence prior to the enactment of the zoning or other land use ordinances,  
21 codes, plans, or regulations which, but for this chapter, would otherwise be applicable.

22       (b) The authority of the department of environmental management and the coastal resources  
23 management council authorities under federal or state law, including but not limited to issuing  
24 licenses and permits delegated to the department of environmental management pursuant to  
25 chapter 1 of title 2 and to the coastal resources management council pursuant to chapter 23 of title  
26 46, shall remain with those agencies.

27       (c) The commerce corporation shall, in planning, constructing, reconstructing, rehabilitating,  
28 altering, or improving any parcel, tract, area or project, comply with all requirements of federal  
29 laws, codes, or regulations applicable to that planning, construction, reconstruction, rehabilitation,  
30 alteration, or improvement. Except as otherwise specifically provided to the contrary in the  
31 authorization allowing participation by a municipality in the site readiness program or a contract  
32 entered into between the commerce corporation and such municipality pursuant to § 42-64.33-  
33 6(a) of this section, no municipality or other political subdivision of the state shall have the power  
34 to modify or change in whole or in part the drawings, plans, or specifications for any parcel, tract,

1 area or project adopted by the commerce corporation; nor to require that any person, firm, or the  
2 commerce corporation with respect to that parcel, tract, area or project perform work in any other  
3 or different manner than that provided by those drawings, plans, and specifications; nor to require  
4 that any such person, firm, or the commerce corporation obtain any approval, permit, or  
5 certificate from the municipality or political subdivision in relation to the parcel, tract, area or  
6 project; and the doing of that work by any person, firm, or the commerce corporation in  
7 accordance with the terms of those drawings, plans, specifications, or contracts shall not subject  
8 the person, firm, or the commerce corporation to any civil liability or penalty, other than as may  
9 be stated in the contracts or may be incidental to the proper enforcement thereof; nor shall any  
10 municipality or political subdivision have the power to require the commerce corporation, or any  
11 lessee or successor in interest, to obtain any approval, permit, or certificate from the municipality  
12 or political subdivision as a condition of owning, using, maintaining, operating, or occupying any  
13 parcel, tract, area or project acquired, constructed, reconstructed, rehabilitated, altered, or  
14 improved by the commerce corporation or pursuant to drawings, plans, and specifications made  
15 or approved by the commerce corporation; provided, however, that nothing contained in this  
16 subsection shall be deemed to relieve any person, firm, or commerce corporation from the  
17 necessity of obtaining from any municipality or other political subdivision of the state any license  
18 which, but for the provisions of this chapter, would be required in connection with the rendering  
19 of personal services or sale at retail of tangible personal property.

20 **42-64.34-10. Inconsistent provisions.**

21 Insofar as the provisions of this chapter are inconsistent with the provisions of any other law  
22 or ordinance, general, special or local, the provisions of this chapter shall be controlling.

23 **42-64.34-11. Construction – Liberal construction.**

24 This chapter, being necessary for the welfare of the state and its inhabitants, shall be liberally  
25 construed so as to effectuate its purposes.

26 **42-64.34-12. Severability.**

27 If any clause, sentence, paragraph, section, or part of this chapter shall be adjudged by any  
28 court of competent jurisdiction to be invalid, that judgment shall not affect, impair, or invalidate  
29 the remainder of the chapter but shall be confined in its operation to the clause, sentence,  
30 paragraph, section, or part directly involved in the controversy in which that judgment shall have  
31 been rendered.

32 **42-64.34-13. Reporting requirements.**

33 The commerce corporation shall publish a report summarizing municipality participation in  
34 the program within sixty (60) days after the end of each fiscal year. The report shall contain

1 [information on the commitment, disbursement, and use of funds expended by the commerce](#)  
2 [corporation in relation to assistance to municipalities.](#)

3 SECTION 14. Section 44-48.3-14 of the General Laws in Chapter 44-48.3 entitled “Rhode  
4 Island Qualified Jobs Incentive Act of 2015” is hereby amended as follows:

5 **44-48.3-14. Sunset.**

6 No credits shall be authorized to be reserved pursuant to this chapter after December 31,  
7 ~~2020~~[2023](#).

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

9

ARTICLE 12

RELATING TO HOUSING

1 SECTION 1. Sections 42-55-4 of the General Laws in Chapter 42-55 entitled "Rhode  
2 Island Housing and Mortgage Finance Corporation" is hereby amended to read as follows:

3 42-55-4. Creation of corporation – Composition – Personnel – Compensation.

4 (a) There is authorized the creation and establishment of a public corporation of the state,  
5 having a distinct legal existence from the state and not constituting a department of the state  
6 government, with the politic and corporate powers as are set forth in this chapter to be known as  
7 the "Rhode Island housing and mortgage finance corporation" to carry out the provisions of this  
8 chapter. The corporation is constituted a public instrumentality exercising public and essential  
9 governmental functions, and the exercise by the corporation of the powers conferred by this  
10 chapter shall be deemed and held to be the performance of an essential governmental function of  
11 the state. It is the intent of the general assembly by the passage of this chapter to authorize the  
12 incorporation of a public corporation and instrumentality and agency of the state for the purpose  
13 of carrying on the activities authorized by this chapter, and to vest the corporation with all of the  
14 powers, authority, rights, privileges, and titles that may be necessary to enable it to accomplish  
15 these purposes. This chapter shall be liberally construed in conformity with the purpose  
16 expressed.

17 (b) The powers of the corporation shall be vested in ~~seven (7)~~ nine (9) commissioners  
18 consisting of the director of administration, or his or her designee; the general treasurer, or his or  
19 her designee; the director of business regulations, or his or her designee; the executive director of  
20 the housing resources coordinating council, or designee; the chairperson of the housing resources  
21 steering committee, or designee; and four (4) members to be appointed by the governor with the  
22 advice and consent of the senate who shall among them be experienced in all aspects of housing  
23 design, development, finance, management, and state and municipal finance. The executive  
24 director of the housing resources coordinating council and the chairperson of the housing  
25 resources steering committee shall serve as non-voting, ex officio members of the board. On or  
26 before July 1, 1973, the governor shall appoint one member to serve until the first day of July,  
27 1974 and until his or her successor is appointed and qualified, one member to serve until the first  
28 day of July, 1975, and until his or her successor is appointed and qualified, one member to serve  
29 until the first day of July, 1976 and until his or her successor is appointed and qualified, one  
30 member to serve until the first day of July, 1977 and until his or her successor is appointed and  
31 qualified. During the month of June, 1974, and during the month of June annually thereafter, the  
32 governor shall appoint a member to succeed the member whose term will then next expire to

1 serve for a term of four (4) years commencing on the first day of July then next following and  
2 until his or her successor is appointed and qualified. A vacancy in the office of a commissioner,  
3 other than by expiration, shall be filled in like manner as an original appointment, but only for the  
4 unexpired portion of the term. If a vacancy occurs when the senate is not in session, the governor  
5 shall appoint a person to fill the vacancy, but only until the senate shall next convene and give its  
6 advice and consent to a new appointment. A member shall be eligible to succeed him or herself.  
7 The governor shall designate a member of the corporation to serve as chairperson. Any member  
8 of the corporation may be removed by the governor for misfeasance, malfeasance, or willful  
9 neglect of duty.

10 (c) The commissioners shall elect from among their number a vice-chairperson annually  
11 and those other officers as they may determine. Meetings shall be held at the call of the  
12 chairperson or whenever two (2) commissioners so request. Four (4) commissioners of the  
13 corporation shall constitute a quorum and any action taken by the corporation under the  
14 provisions of this chapter may be authorized by resolution approved by a majority but not less  
15 than three (3) of the commissioners present at any regular or special meeting. No vacancy in the  
16 membership of the corporation shall impair the right of a quorum to exercise all of the rights and  
17 perform all of the duties of the corporation.

18 (d) Commissioners shall receive no compensation for the performance of their duties, but  
19 each commissioner shall be reimbursed for his or her reasonable expenses incurred in carrying  
20 out his or her duties under this chapter.

21 (e) Notwithstanding the provisions of any other law, no officer or employee of the state  
22 shall be deemed to have forfeited or shall forfeit his or her office or employment by reason of his  
23 or her acceptance of membership of the corporation or his or her service to the corporation.

24 (f) The commissioners shall employ an executive director who shall also be the secretary  
25 and who shall administer, manage, and direct the affairs and business of the corporation, subject  
26 to the policies, control, and direction of the commissioners. The commissioners may employ  
27 technical experts and other officers, agents, and employees, permanent and temporary, and fix  
28 their qualifications, duties, and compensation. These employed persons shall not be subject to the  
29 provisions of the classified service. The commissioners may delegate to one or more of their  
30 agents or employees those administrative duties they may deem proper.

31 (g) The secretary shall keep a record of the proceedings of the corporation and shall be  
32 custodian of all books, documents, and papers filed with the corporation and of its minute book  
33 and seal. He or she, or his or her designee, or the designee of the board of commissioners, shall  
34 have authority to cause to be made copies of all minutes and other records and documents of the

1 corporation and to give certificates under the seal of the corporation to the effect that the copies  
2 are true copies and all persons dealing with the corporation may rely upon the certificates.

3 (h) Before entering into his or her duties, each commissioner of the corporation shall  
4 execute a surety bond in the penal sum of fifty thousand dollars (\$50,000) and the executive  
5 director shall execute a surety bond in the penal sum of one hundred thousand dollars (\$100,000)  
6 or, in lieu of this, the chairperson of the corporation shall execute a blanket bond covering each  
7 commissioner, the executive director and the employees or other officers of the corporation, each  
8 surety bond to be conditioned upon the faithful performance of the duties of the office or offices  
9 covered, to be executed by a surety company authorized to transact business in this state as surety  
10 and to be approved by the attorney general and filed in the office of the secretary of state. The  
11 cost of each bond shall be paid by the corporation.

12 (i) Notwithstanding any other law to the contrary, it shall not be or constitute a conflict of  
13 interest for a director, officer, or employee of any financial institution, investment banking firm,  
14 brokerage firm, commercial bank or trust company, architecture firm, insurance company, or any  
15 other firm, person, or corporation to serve as a member of the corporation. If any commissioner,  
16 officer, or employee of the corporation shall be interested either directly or indirectly, or shall be  
17 a director, officer, or employee of or have an ownership interest in any firm or corporation  
18 interested directly or indirectly in any contract with the corporation, including any loan to any  
19 housing sponsor or health care sponsor, that interest shall be disclosed to the corporation and shall  
20 be set forth in the minutes of the corporation and the commissioner, officer, or employee having  
21 an interest therein shall not participate on behalf of the corporation in the authorization of this  
22 contract.

23 SECTION 2. Chapter 42-128 of the General Laws entitled "Housing Resources Act of  
24 1998" is hereby repealed in its entirety.

25 ~~**42-128-1. Findings.**~~

26 ~~(a) Rhode Island has an older housing stock which contributes invaluablely to community~~  
27 ~~character, and in order to maintain the stability of neighborhoods and to sustain health~~  
28 ~~communities, it is necessary to have programs for housing and community development and~~  
29 ~~revitalization.~~

30 ~~(b) Rhode Island has an active private sector that is engaged in supplying housing.~~

31 ~~(c) Rhode Island has an active non-profit housing sector, which can, if provided adequate~~  
32 ~~support, assist low and moderate income persons and works to improve conditions in~~  
33 ~~neighborhoods and communities.~~

1 ~~(d) Housing that is not adequately maintained is a source of blight in communities and a~~  
2 ~~cause of public health problems. Public health and safety are impaired by poor housing~~  
3 ~~conditions; poisoning from lead paint and respiratory disease (asthma) are significant housing~~  
4 ~~related health problems in Rhode Island.~~

5 ~~(e) There is an increasing need for supported living arrangements for the elderly and a~~  
6 ~~continuing need for supported living arrangements for persons who are disabled and/or homeless.~~

7 ~~(f) Fair housing, and the potential of unequal treatment of individuals based on race,~~  
8 ~~ethnicity, age, disability, and family, must be given continuing attention.~~

9 ~~(g) Housing costs consume a disproportionate share of income for many Rhode Islanders;~~  
10 ~~housing affordability is a continuing problem, especially for first time home buyers and lower and~~  
11 ~~moderate income renters; the high cost of housing adversely affects the expansion of Rhode~~  
12 ~~Island's economy. Housing affordability and availability affect conditions of homelessness. The~~  
13 ~~high cost of housing and the lack of affordable, decent housing for low income households is a~~  
14 ~~source of hardship for very low income persons and families in Rhode Island.~~

15 ~~(h) The Rhode Island housing and mortgage finance corporation, which has provided~~  
16 ~~more than two decades of assistance in addressing issues of both the affordability of home~~  
17 ~~ownership and rental housing and the preservation of the housing stock for low and moderate~~  
18 ~~income persons, is facing future funding shortfalls and must either increase revenues or reduce~~  
19 ~~programs in order to remain viable.~~

20 ~~(i) The federal government has been reducing its commitment to housing since 1981, and~~  
21 ~~there is no indication that earlier levels of federal support for housing will be restored.~~

22 ~~(j) Public housing authorities, which rely on federal support that is being reconsidered,~~  
23 ~~have been and continue to be an important housing resource for low income families and the~~  
24 ~~elderly.~~

25 ~~(k) Rhode Island, unlike most other states, does not have an agency or department of state~~  
26 ~~government with comprehensive responsibility for housing.~~

27 ~~(l) It is necessary and desirable in order to protect that public health and to promote the~~  
28 ~~public welfare, to establish a housing resources agency and a housing resources commission for~~  
29 ~~the purposes of improving housing conditions, promoting housing affordability, engaging in~~  
30 ~~community development activities, and assisting the urban, suburban, and rural communities of~~  
31 ~~the state.~~

32 **~~42-128-2. Rhode Island housing resources agency created.~~**

33 ~~There is created within the executive department a housing resources agency with the~~  
34 ~~following purposes, organization, and powers:~~



1           ~~(1) Purposes:~~

2           ~~(i) To provide coherence to the housing programs of the state of Rhode Island and its~~  
3 ~~departments, agencies, commissions, corporations, and subdivisions.~~

4           ~~(ii) To provide for the integration and coordination of the activities of the Rhode Island~~  
5 ~~housing and mortgage finance corporation and the Rhode Island housing resources commission.~~

6           ~~(2) Coordinating committee—Created—Purposes and powers:~~

7           ~~(i) The coordinating committee of the housing resources agency shall be comprised of the~~  
8 ~~chairperson of the Rhode Island housing and mortgage finance corporations; the chairperson of~~  
9 ~~the Rhode Island housing resources commission; the director of the department of administration,~~  
10 ~~or the designee of the director; and the executive director of the Rhode Island housing and~~  
11 ~~mortgage finance corporation. The chairperson of the Rhode Island housing resources~~  
12 ~~commission shall be chairperson of the coordinating committee.~~

13           ~~(ii) The coordinating committee shall develop and shall implement, with the approval of~~  
14 ~~the Rhode Island housing and mortgage finance corporation and the Rhode Island housing~~  
15 ~~resources commission, a memorandum of agreement describing the fiscal and operational~~  
16 ~~relationship between the Rhode Island housing and mortgage finance corporation and the Rhode~~  
17 ~~Island housing resources commission and shall define which programs of federal assistance will~~  
18 ~~be applied for on behalf of the state by the Rhode Island housing and mortgage finance~~  
19 ~~corporation and the Rhode Island housing resources commission.~~

20           ~~(3) There is hereby established a restricted receipt account within the general fund of the~~  
21 ~~state. Funds from this account shall be used to provide for the lead hazard abatement program,~~  
22 ~~housing rental subsidy, with priority given to homeless veterans and homeless prevention~~  
23 ~~assistance and housing retention assistance with priority to veterans.~~

24           ~~**42-128-3. Rhode Island Housing and Mortgage Finance Corporation.**~~

25           ~~The Rhode Island housing and mortgage finance corporation established by chapter 55 of~~  
26 ~~this title shall remain an independent corporation and shall serve as the housing finance and~~  
27 ~~development division of the Rhode Island housing resources agency.~~

28           ~~**42-128-4. Rhode Island housing resources commission.**~~

29           ~~The Rhode Island housing resources commission shall be an agency within the executive~~  
30 ~~department with responsibility for developing plans, policies, standards and programs and~~  
31 ~~providing technical assistance for housing.~~

32           ~~**42-128-5. Purposes.**~~

33           ~~The purposes of the commission shall be:~~

1 ~~(1) To develop and promulgate state policies, and plans, for housing and housing~~  
2 ~~production and performance measures for housing programs established pursuant to state law.~~

3 ~~(2) To coordinate activities among state agencies and political subdivisions pertaining to~~  
4 ~~housing.~~

5 ~~(3) To promote the stability of and quality of life in communities and neighborhoods.~~

6 ~~(4) To provide opportunities for safe, sanitary, decent, adequate and affordable housing in~~  
7 ~~Rhode Island.~~

8 ~~(5) To encourage public private partnerships that foster the production, rehabilitation,~~  
9 ~~development, maintenance, and improvement of housing and housing conditions, especially for~~  
10 ~~low and moderate income people.~~

11 ~~(6) To foster and support no profit organizations, including community development~~  
12 ~~corporations, and their associations and intermediaries, that are engaged in providing and housing~~  
13 ~~related services.~~

14 ~~(7) To encourage and support partnerships between institutions of higher education and~~  
15 ~~neighborhoods to develop and retain quality, healthy housing and sustainable communities.~~

16 ~~(8) To facilitate private for profit production and rehabilitation of housing for diverse~~  
17 ~~populations and income groups.~~

18 ~~(9) To provide, facilitate, and/or support the provisions of technical assistance.~~

19 ~~**42-128-6. Commission — Membership and terms — Officers — Expenses — Meetings.**~~

20 ~~(a)(1) Membership. The commission shall have twenty eight (28) members as follows:~~  
21 ~~the directors of departments of administration, business regulation, elderly affairs, health, human~~  
22 ~~services, behavioral healthcare, developmental disabilities and hospitals, the chairperson of the~~  
23 ~~Rhode Island housing and mortgage finance corporation, and the attorney general, shall be ex~~  
24 ~~officio members; the president of the Rhode Island Bankers Association, or the designee of the~~  
25 ~~president; the president of the Rhode Island Mortgage Banker's Association, or the designee of~~  
26 ~~the president; the president of the Rhode Island Realtors Association, or the designee of the~~  
27 ~~president; the executive director of the Rhode Island Housing Network; the executive director of~~  
28 ~~the Rhode Island Coalition for the Homeless; the president of the Rhode Island Association of~~  
29 ~~Executive Directors for Housing, or the designee of the president; the executive director of~~  
30 ~~operation stand down; and thirteen (13) members who have knowledge of, and have a~~  
31 ~~demonstrated interest in, housing issues as they affect low and moderate income people,~~  
32 ~~appointed by the governor with the advice and consent of the senate: one of whom shall be the~~  
33 ~~chairperson, one of whom shall be the representative of the homeless; one of whom shall be a~~  
34 ~~representative of a community development corporation; one of whom shall be the representative~~

1 ~~of an agency addressing lead poisoning issues; one of whom shall be a local planner; one of~~  
2 ~~whom shall be a local building official; one of whom shall be a representative of fair housing~~  
3 ~~interests; one of whom shall be representative of an agency advocating the interest of racial~~  
4 ~~minorities; one of whom shall be a representative of the Rhode Island Builders Association; one~~  
5 ~~of whom shall be a representative of insurers; one of whom shall be a representative of a~~  
6 ~~community development intermediary that provides financing and technical assistance to housing~~  
7 ~~non-profits; one of whom shall be a non-profit developer; and one of whom shall be a senior~~  
8 ~~housing advocate.~~

9 ~~(2) The terms of appointed members shall be three (3) years, except for the original~~  
10 ~~appointments, the term of four (4) of whom shall be one year and the term of four (4) of whom~~  
11 ~~shall be two (2) years; no member may serve more than two (2) successive terms.~~

12 ~~(b) Officers. The governor shall appoint the chairperson of the commission, who shall not~~  
13 ~~be an ex officio member, with the advice and consent of the senate. The commission shall elect~~  
14 ~~annually a vice chairperson, who shall be empowered to preside at meetings in the absence of the~~  
15 ~~chairperson, and a secretary.~~

16 ~~(c) Expenses. The members of the commission shall serve without compensation, but~~  
17 ~~shall be reimbursed for their reasonable actual expenses necessarily incurred in the performance~~  
18 ~~of their duties.~~

19 ~~(d) Meetings. Meetings of the commission shall be held upon the call of the chairperson,~~  
20 ~~or five (5) members of the commission, or according to a schedule that may be annually~~  
21 ~~established by the commission; provided, however, that the commission shall meet at least once~~  
22 ~~quarterly. A majority of members of the commission, not including vacancies, shall constitute a~~  
23 ~~quorum, and no vacancy in the membership of the commission shall impair the right of a quorum~~  
24 ~~to exercise all the rights and perform all of the duties of the commission.~~

25 **~~42-128-7. General powers.~~**

26 ~~The commission shall have the following powers, together with all powers incidental to~~  
27 ~~or necessary for the performance of those set forth in this chapter:~~

28 ~~(1) To sue and be sued.~~

29 ~~(2) To negotiate and to enter into contracts, agreements, and cooperative agreements with~~  
30 ~~agencies and political subdivisions of the state, not for profit corporations, for profit corporations,~~  
31 ~~and other partnerships, associations and persons for any lawful purpose necessary and desirable to~~  
32 ~~effect the purposes of this chapter.~~

1           ~~(3) To adopt by laws and rules for the management of its affairs and for the exercise of~~  
2 ~~its powers and duties, and to establish the committees, workgroups, and advisory bodies that from~~  
3 ~~time to time may be deemed necessary.~~

4           ~~(4) To receive and accept grants or loans as may be made by the Federal government, and~~  
5 ~~grants, donations, contributions and payments from other public and private sources.~~

6           ~~(5) To grant or loan funds to agencies and political subdivisions of the state or to private~~  
7 ~~groups to effect the purposes of this chapter.~~

8           ~~(6) To secure the cooperation and assistance of the United States and any of its agencies,~~  
9 ~~and of the agencies and political subdivisions of this state in the work of the commission.~~

10          ~~(7) To establish, charge, and collect fees and payments for its services.~~

11          ~~**42-128-8. Powers and duties.**~~

12          ~~In order to provide housing opportunities for all Rhode Islanders, to maintain the quality~~  
13 ~~of housing in Rhode Island, and to coordinate and make effective the housing responsibilities of~~  
14 ~~the agencies and subdivisions of the state, the commission shall have the following powers and~~  
15 ~~duties:~~

16          ~~(1) Policy, planning and coordination of state housing functions. The commission shall~~  
17 ~~have the power and duty:~~

18           ~~(i) To prepare and adopt the state's plans for housing; provided, however, that this~~  
19 ~~provision shall not be interpreted to contravene the prerogative of the state planning council to~~  
20 ~~adopt a state guide plan for housing.~~

21           ~~(ii) To prepare, adopt, and issue the state's housing policy.~~

22           ~~(iii) To conduct research on and make reports regarding housing issues in the state.~~

23           ~~(iv) To advise the governor and general assembly on housing issues and to coordinate~~  
24 ~~housing activities among government agencies and agencies created by state law or providing~~  
25 ~~housing services under government programs.~~

26          ~~(2) Establish, implement, and monitor state performance measures and guidelines for~~  
27 ~~housing programs. The commission shall have the power and the duty:~~

28           ~~(i) To promulgate performance measures and guidelines for housing programs conducted~~  
29 ~~under state law.~~

30           ~~(ii) To monitor and evaluate housing responsibilities established by state law, and to~~  
31 ~~establish a process for annual reporting on the outcomes of the programs and investments of the~~  
32 ~~state in housing for low and moderate income people.~~

33           ~~(iii) To hear and resolve disputes pertaining to housing issues.~~

1           ~~(3) Administer the programs pertaining to housing resources that may be assigned by~~  
2 ~~state law. The commission shall have the power and duty to administer programs for housing,~~  
3 ~~housing services, and community development, including, but not limited to, programs pertaining~~  
4 ~~to:~~

5           ~~(i) Abandoned properties and the remediation of blighting conditions.~~

6           ~~(ii) Lead abatement and to manage a lead hazard abatement program in cooperation with~~  
7 ~~the Rhode Island housing and mortgage finance corporation.~~

8           ~~(iii) Services for the homeless.~~

9           ~~(iv) Rental assistance.~~

10          ~~(v) Community development.~~

11          ~~(vi) Outreach, education and technical assistance services.~~

12          ~~(vii) Assistance, including financial support, to non-profit organizations and community~~  
13 ~~development corporations.~~

14          ~~(viii) Tax credits that assist in the provision of housing or foster community development~~  
15 ~~or that result in support to non-profit organizations performing functions to accomplish the~~  
16 ~~purposes of this chapter.~~

17          ~~(ix) The Supportive Services Program, the purpose of which is to help prevent and end~~  
18 ~~homelessness among those who have experienced long term homelessness and for whom certain~~  
19 ~~services in addition to housing are essential. State funding for this program may leverage other~~  
20 ~~resources for the purpose of providing supportive services. Services provided pursuant to this~~  
21 ~~subsection may include, but not be limited to: assistance with budgeting and paying rent; access~~  
22 ~~to employment; encouraging tenant involvement in facility management and policies; medication~~  
23 ~~monitoring and management; daily living skills related to food, housekeeping and socialization;~~  
24 ~~counseling to support self-identified goals; referrals to mainstream health, mental health and~~  
25 ~~treatment programs; and conflict resolution.~~

26           **~~42-128-8.1. Housing production and rehabilitation.~~**

27          ~~(a) Short title. This section shall be known and may be cited as the "Comprehensive~~  
28 ~~Housing Production and Rehabilitation Act of 2004."~~

29          ~~(b) Findings. The general assembly finds and declares that:~~

30           ~~(1) The state must maintain a comprehensive housing strategy applicable to all cities and~~  
31 ~~towns that addresses the housing needs of different populations including, but not limited to,~~  
32 ~~workers and their families who earn less than one hundred twenty percent (120%) of median~~  
33 ~~income, older citizens, students attending institutions of higher education, low and very low~~  
34 ~~income individuals and families, and vulnerable populations including, but not limited to, persons~~

1 ~~with disabilities, homeless individuals and families, and individuals released from correctional~~  
2 ~~institutions.~~

3 ~~(2) Efforts and programs to increase the production of housing must be sensitive to the~~  
4 ~~distinctive characteristics of cities and towns, neighborhoods and areas and the need to manage~~  
5 ~~growth and to pace and phase development, especially in high growth areas.~~

6 ~~(3) The state in partnership with local communities must remove barriers to housing~~  
7 ~~development and update and maintain zoning and building regulations to facilitate the~~  
8 ~~construction, rehabilitation of properties and retrofitting of buildings for use as safe affordable~~  
9 ~~housing.~~

10 ~~(4) Creative funding mechanisms are needed at the local and state levels that provide~~  
11 ~~additional resources for housing development, because there is an inadequate amount of federal~~  
12 ~~and state subsidies to support the affordable housing needs of Rhode Island's current and~~  
13 ~~projected population.~~

14 ~~(5) Innovative community planning tools, including, but not limited to, density bonuses~~  
15 ~~and permitted accessory dwelling units, are needed to offset escalating land costs and project~~  
16 ~~financing costs that contribute to the overall cost of housing and tend to restrict the development~~  
17 ~~and preservation of housing affordable to very low income, low income and moderate income~~  
18 ~~persons.~~

19 ~~(6) The gap between the annual increase in personal income and the annual increase in~~  
20 ~~the median sales price of a single family home is growing, therefore, the construction,~~  
21 ~~rehabilitation and maintenance of affordable, multi-family housing needs to increase to provide~~  
22 ~~more rental housing options to individuals and families, especially those who are unable to afford~~  
23 ~~homeownership of a single family home.~~

24 ~~(7) The state needs to foster the formation of cooperative partnerships between~~  
25 ~~communities and institutions of higher education to significantly increase the amount of~~  
26 ~~residential housing options for students.~~

27 ~~(8) The production of housing for older citizens as well as urban populations must keep~~  
28 ~~pace with the next twenty year projected increases in those populations of the state.~~

29 ~~(9) Efforts must be made to balance the needs of Rhode Island residents with the ability~~  
30 ~~of the residents of surrounding states to enter into Rhode Island's housing market with much~~  
31 ~~higher annual incomes at their disposal.~~

32 ~~(e) Strategic plan. The commission, in conjunction with the statewide planning program,~~  
33 ~~shall develop by July 1, 2006, a five (5) year strategic plan for housing, which plan shall be~~  
34 ~~adopted as an element of the state guide plan, and which shall include quantified goals,~~

1 ~~measurable intermediate steps toward the accomplishment of the goals, implementation activities,~~  
2 ~~and standards for the production and/or rehabilitation of year-round housing to meet the housing~~  
3 ~~needs including, but not limited to, the following:~~

4 ~~(1) Older Rhode Islanders, including senior citizens, appropriate, affordable housing~~  
5 ~~options;~~

6 ~~(2) Workers, housing affordable at their income level;~~

7 ~~(3) Students, dormitory, student housing and other residential options;~~

8 ~~(4) Low income and very low income households, rental housing;~~

9 ~~(5) Persons with disabilities, appropriate housing; and~~

10 ~~(6) Vulnerable individuals and families, permanent housing, single room occupancy~~  
11 ~~units, transitional housing and shelters.~~

12 ~~(d) As used in this section and for the purposes of the preparation of affordable housing~~  
13 ~~plans as specified in chapter 45-22.2, words and terms shall have the meaning set forth in chapter~~  
14 ~~45-22.2, chapter 45-53, and/or § 42-11-10, unless this section provides a different meaning or~~  
15 ~~unless the context indicates a different meaning or intent.~~

16 ~~(1) "Affordable housing" means residential housing that has a sales price or rental~~  
17 ~~amount that is within the means of a household that is moderate income or less. In the case of~~  
18 ~~dwelling units for sale, housing that is affordable means housing in which principal, interest,~~  
19 ~~taxes, which may be adjusted by state and local programs for property tax relief, and insurance~~  
20 ~~constitute no more than thirty percent (30%) of the gross household income for a household with~~  
21 ~~less than one hundred and twenty percent (120%) of area median income, adjusted for family~~  
22 ~~size. In the case of dwelling units for rent, housing that is affordable means housing for which the~~  
23 ~~rent, heat, and utilities other than telephone constitute no more than thirty percent (30%) of the~~  
24 ~~gross annual household income for a household with eighty percent (80%) or less of area median~~  
25 ~~income, adjusted for family size. Affordable housing shall include all types of year-round~~  
26 ~~housing, including, but not limited to, manufactured housing, housing originally constructed for~~  
27 ~~workers and their families, accessory dwelling units, housing accepting rental vouchers and/or~~  
28 ~~tenant based certificates under Section 8 of the United States Housing Act of 1937, as amended,~~  
29 ~~and assisted living housing, where the sales or rental amount of such housing, adjusted for any~~  
30 ~~federal, state, or municipal government subsidy, is less than or equal to thirty percent (30%) of~~  
31 ~~the gross household income of the low and/or moderate income occupants of the housing.~~

32 ~~(2) "Affordable housing plan" means a plan prepared and adopted by a town or city either~~  
33 ~~to meet the requirements of chapter 45-53 or to meet the requirements of § 45-22.2-10(f), which~~

1 ~~require that comprehensive plans and the elements thereof be revised to conform with~~  
2 ~~amendments to the state guide plan.~~

3 ~~(3) "Approved affordable housing plan" means an affordable housing plan that has been~~  
4 ~~reviewed and approved in accordance with § 45-22.2-9.~~

5 ~~(4) "Moderate income household" means a single person, family, or unrelated persons~~  
6 ~~living together whose adjusted gross income is more than eighty percent (80%) but less than one~~  
7 ~~hundred twenty percent (120%) of the area median income, adjusted for family size.~~

8 ~~(5) "Seasonal housing" means housing that is intended to be occupied during limited~~  
9 ~~portions of the year.~~

10 ~~(6) "Year-round housing" means housing that is intended to be occupied by people as~~  
11 ~~their usual residence and/or vacant units that are intended by their owner for occupancy at all~~  
12 ~~times of the year; occupied rooms or suites of rooms in hotels are year-round housing only when~~  
13 ~~occupied by permanent residents as their usual place of residence.~~

14 ~~(e) The strategic plan shall be updated and/or amended as necessary, but not less than~~  
15 ~~once every five (5) years.~~

16 ~~(f) Upon the adoption of the strategic plan as an element of the state guide plan, towns~~  
17 ~~and cities shall bring their comprehensive plans into conformity with its requirements, in~~  
18 ~~accordance with the timetable set forth in § 45-22.2-10(f), provided, however, that any town that~~  
19 ~~has adopted an affordable housing plan in order to comply with the provisions of chapter 45-53,~~  
20 ~~which has been approved for consistency pursuant to § 45-22.2-9, shall be deemed to satisfy the~~  
21 ~~requirements of the strategic plan for low and moderate income housing until such time as the~~  
22 ~~town must complete its next required comprehensive community plan update.~~

23 ~~(g) Guidelines. The commission shall advise the state planning council and the state~~  
24 ~~planning council shall promulgate and adopt not later than July 1, 2006, guidelines for higher~~  
25 ~~density development, including, but not limited to: (A) inclusionary zoning provisions for low~~  
26 ~~and moderate income housing with appropriate density bonuses and other subsidies that make the~~  
27 ~~development financially feasible; and (B) mixed use development that includes residential~~  
28 ~~development, which guidelines shall take into account infrastructure availability; soil type and~~  
29 ~~land capacity; environmental protection; water supply protection; and agricultural, open space,~~  
30 ~~historical preservation, and community development pattern constraints.~~

31 ~~(h) The statewide planning program shall maintain a geographic information system map~~  
32 ~~that identifies, to the extent feasible, areas throughout the state suitable for higher density~~  
33 ~~residential development consistent with the guidelines adopted pursuant to subsection (g).~~

34 ~~**42-128-9. Offices within the commission.**~~



1 ~~There shall be, as a minimum, the following offices within the commission: the office of~~  
2 ~~policy and planning, the office of housing program performance and evaluation, the office of~~  
3 ~~homelessness services and emergency assistance, and the office of community development,~~  
4 ~~programs and technical assistance. The commission may establish by rule such other offices,~~  
5 ~~operating entities, and committees as it may deem appropriate.~~

6 **~~42-128-10. Appropriations.~~**

7 ~~The general assembly shall annually appropriate any sums it may deem necessary to~~  
8 ~~enable the commission to carry out its assigned purposes; and the state controller is authorized~~  
9 ~~and directed to draw his or her orders upon the general treasurer for the payment of any sums~~  
10 ~~appropriated or so much as may be from time to time required, upon receipt by him or her of~~  
11 ~~proper vouchers approved by the chairperson or the executive director.~~

12 **~~42-128-11. Executive director—Employees.~~**

13 ~~The commission shall appoint an executive director, who shall not be subject to the~~  
14 ~~provisions of chapter 4 of title 36, and who shall serve as the state housing commissioner. The~~  
15 ~~commission shall set the compensation and the terms of employment of the executive director.~~  
16 ~~The commission shall also cause to be employed such staff and technical and professional~~  
17 ~~consultants as may be required to carry out the powers and duties set forth in this chapter. All~~  
18 ~~staff, including the executive director, may be secured through a memorandum of agreement with~~  
19 ~~the Rhode Island housing and mortgage finance corporation, as provided for in § 42-128-2(2)(ii).~~  
20 ~~Any person who is in the civil service and is transferred to the commission may retain civil~~  
21 ~~service status.~~

22 **~~42-128-12. Coordination with other state agencies.~~**

23 ~~State agencies, departments, authorities, corporations, boards, commissions, and political~~  
24 ~~subdivisions shall cooperate with the commission in the conduct of its activities, and specifically:~~  
25 ~~the Rhode Island historical preservation and heritage commission shall advise the commission on~~  
26 ~~issues of historical preservation standards as they pertain to housing and the use of historical~~  
27 ~~preservation programs to improve housing and to enhance community character; the statewide~~  
28 ~~planning program, created pursuant to § 42-11-10, shall advise the commission on issues of~~  
29 ~~planning in general and land use controls and shall revise the state guide plan, as necessary, to~~  
30 ~~achieve consistency with official state plans and policies for housing adopted by the commission,~~  
31 ~~and the department of business regulation shall advise the commission on issues of business~~  
32 ~~regulation affecting housing, shall review its regulations and practices to determine any~~  
33 ~~amendments, changes, or additions which might be appropriate to advance the purposes of this~~

1 ~~chapter, and shall designate an official within the department to serve as liaison to, and the~~  
2 ~~contact person for, the commission on issues related to housing.~~

3 **~~42-128-13. Open meetings law.~~**

4 ~~The housing resources agency, the coordinating committee, and the housing resources~~  
5 ~~commission and any committee, council, or advisory body created by the commission shall~~  
6 ~~conform to the provisions of chapter 46 of this title.~~

7 **~~42-128-14. Public records law.~~**

8 ~~The housing resources agency, the coordinating committee, and the housing resources~~  
9 ~~commission and any committee, council, or advisory body created by the commission shall~~  
10 ~~conform to the provisions of chapter 2 of title 38.~~

11 **~~42-128-15. Administrative procedures act.~~**

12 ~~The commission may adopt any rules, including measurable standards, in accordance~~  
13 ~~with the provisions of chapter 35 of this title that may be necessary to the purposes of this~~  
14 ~~chapter.~~

15 **~~42-128-16. Annual report.~~**

16 ~~The commission shall submit for each calendar year by March 1 of the next year a report~~  
17 ~~to the governor and the general assembly on its activities and its findings and recommendations~~  
18 ~~regarding housing issues, which report by census tract, shall include the number and dollar~~  
19 ~~amount of its programs and an assessment of health-related housing issues, including the~~  
20 ~~incidence of lead poisoning.~~

21 **~~42-128-17. Severability and liberal construction.~~**

22 ~~If any provision of this chapter or the application of any provision to any person or~~  
23 ~~circumstance is held invalid, the invalidity shall not affect other provisions or applications of the~~  
24 ~~chapter, which can be given effect without the invalid provision or application, and to this end the~~  
25 ~~provisions of this chapter are declared to be severable. The provisions of this chapter shall be~~  
26 ~~construed liberally in order to accomplish the purposes of the chapter, and where any specific~~  
27 ~~power is given to the commission, the statement shall not be deemed to exclude or impair any~~  
28 ~~power otherwise in this chapter conferred upon the commission.~~

29 SECTION 3. Title 42 of the General Laws entitled "State Affairs and Government" is  
30 hereby amended by adding thereto the following chapter:

31 CHAPTER 128.3

32 HOUSING AND COMMUNITY DEVELOPMENT

33 42-128.3-1. Findings.

34 (a) It is found and declared that:

1           (1) In order to sustain healthy and vibrant neighborhoods, it is necessary to have  
2 programs for housing and community development. Housing affects state and local governments,  
3 the economy, and multiple dimensions of Rhode Island residents' welfare and quality of life.

4           (2) Rhode Island faces major challenges regarding housing affordability. High housing  
5 costs and a lack of safe, affordable housing options are a source of hardship for persons and  
6 families across the state, affecting conditions of homelessness as well as hampering state and  
7 local economies.

8           (3) While Rhode Island has private and non-profit sectors that actively engage in  
9 supplying housing, significant additional production is needed to meet the needs of Rhode  
10 Island's current and projected population. Creative funding mechanisms and regulatory strategies  
11 are needed at the state and local level to achieve increased production.

12           (4) There remains significant unmet need in Rhode Island for supportive living  
13 arrangements for elderly, disabled, or homeless residents.

14           (5) State and local governments must partner to remove regulatory barriers to adequate  
15 housing production, including by leveraging zoning and building regulations to facilitate the  
16 construction, rehabilitation, and retrofitting of properties for safe and productive residential use.

17           (6) Innovative community planning and development tools are needed to offset escalating  
18 land and project financing costs that contribute to the overall cost of housing and tend to restrict  
19 its development and preservation.

20           (7) The state has the opportunity to foster the formation of cooperative partnerships  
21 between communities and institutions of higher education to significantly increase the amount of  
22 residential housing options for students.

23           (8) Rhode Island has an older housing stock that contributes invaluablely to community  
24 character, but also requires resources to ensure that dwellings remain habitable and comply with  
25 modern safety and accessibility standards.

26           (9) Housing that is not adequately maintained impairs public health and safety.  
27 Respiratory disease (asthma) and poisoning from lead paint remain significant housing-related  
28 health problems in Rhode Island. Additionally, there is increasing evidence that unstable housing  
29 conditions have a significant negative impact on individual and public health.

30           (10) Rhode Island must give continuing attention to the unequal treatment of individuals  
31 based on their race, ethnicity, age, disability, familial status, and other protected characteristics in  
32 order to affirmatively further fair housing and foster inclusive communities free from  
33 discriminatory barriers to opportunity.

1           (11) In order to comprehensively address housing challenges statewide, it is necessary  
2 and desirable for the state to maintain a strategic housing plan that addresses the housing needs of  
3 different populations including, but not limited to, workers and their families who earn less than  
4 one hundred twenty percent (120%) of median income; older citizens; students attending  
5 institutions of higher education; low and very low income individuals and families; and  
6 vulnerable populations including, but not limited to, persons with disabilities, homeless  
7 individuals and families, and individuals released from correctional institutions.

8           (12) To protect public health and welfare, it is necessary and desirable to establish a  
9 division of housing and community development that administers programs to improve housing  
10 conditions, promote housing affordability, engage in community development and disaster  
11 assistance, provide services for the homeless, and assist the urban, suburban, and rural  
12 communities of the state.

13           (13) To integrate, coordinate, and provide coherence to housing policies and programs  
14 across the state's agencies and political subdivisions, it is necessary and desirable to establish a  
15 housing resources coordinating council that monitors and organizes state activity pertaining to  
16 housing.

17           (14) To incorporate community and stakeholder input into the long-term vision for  
18 housing policy in the state of Rhode Island, as well as to ensure the effective deployment of  
19 existing resources, it is necessary and desirable to establish a housing resources steering  
20 committee that advises the housing resources coordinating council on all matters pertaining to  
21 housing, including policy goals, strategic directions, funding priorities, and guidelines and  
22 performance metrics for state housing programs.

23           **42-128.3-2. Short title.**

24           This chapter shall be known as "The Housing and Community Development Act."

25           **42-128.3-3. Purposes.**

26           The purposes of this chapter are to:

27           (a) To promote stability and quality of life in communities and neighborhoods in Rhode  
28 Island.

29           (b) To promote the availability of safe, sanitary, decent, adequate, affordable, and  
30 accessible housing within communities and neighborhoods.

31           (c) To encourage and support partnerships between public and private institutions,  
32 communities and institutions of higher education in order to develop and retain quality, healthy  
33 housing and sustainable communities.

1 (d) To foster and support non-profit organizations, including community development  
2 corporations, and their associations and intermediaries, that are engaged in providing services  
3 related to housing and community development.

4 (e) To facilitate private, nonprofit and for-profit production and rehabilitation of housing  
5 for diverse populations and income groups.

6 (f) To provide, facilitate, and/or support the provision of technical assistance related to  
7 housing and community development.

8 **42-128.3-4. Division of Housing and Community Development created – Assignment**  
9 **of contracts and transfer of employees – Offices – Powers and duties. – Organization.**

10 (a) Created. There is created within the executive branch a division of housing and  
11 community development (“DHCD”) with responsibility for administering plans, policies,  
12 standards, programs, and technical assistance for housing and community development.

13 (b) Assignment of contracts and transfer of employees. Any contracts or agreements to  
14 which the office formerly known as the office of housing and community development  
15 (“OHCD”) shall be assigned to DHCD. Any employees of OHCD shall be transferred to DHCD.  
16 Any existing rules or regulations promulgated by OHCD shall remain in effect and be transferred  
17 to DHCD. Whenever any general law, or public law, rule, regulation and/or bylaw, refers to the  
18 "office of housing and community development," the reference shall be deemed to refer to and  
19 mean DHCD.

20 (c) Offices. DHCD may establish such offices and committees as it may deem  
21 appropriate.

22 (d) Powers and duties. In order to maintain the quality of housing in Rhode Island and  
23 provide housing opportunities for all of its residents, DHCD shall have the following powers and  
24 duties:

25 (1) To administer programs pertaining to housing, housing services, and community  
26 development, including, but not limited to, programs pertaining to:

27 (i) Services for the homeless;

28 (ii) Rental assistance;

29 (iii) Community development;

30 (iv) Disaster assistance;

31 (v) Outreach, education and technical assistance services; and

32 (vi) Assistance, including financial support, to non-profit organizations and community  
33 development corporations.

1           (2) To delegate any of its powers as necessary in order to accomplish the purposes of this  
2 chapter.

3           (e) Organization. Consistent with § 42-64.19-7(h), DHCD shall be assigned to the  
4 Executive Office of Commerce.

5           **42-128.3-5. Housing resources coordinating council created – Powers and duties –**  
6 **Members –Employees – Assignment of contracts and transfer of employees.**

7           (a) Created. There is created within the executive branch a housing resources  
8 coordinating council (“coordinating council”) that shall have as its purpose the coordination of  
9 housing policies and programs across state agencies and political subdivisions in order to ensure  
10 the efficient and effective deployment of resources.

11           (b) Powers and duties. The coordinating council is authorized and empowered to carry  
12 out the following powers and duties:

13           (1) To negotiate and to enter into contracts and cooperative agreements with agencies and  
14 political subdivisions of the state, not-for-profit corporations, for profit corporations, and other  
15 partnerships, associations and persons for any lawful purpose necessary and desirable to effect the  
16 purposes of this chapter, subject to the provisions of chapter 2 of title 37 as applicable.

17           (2) To establish committees, workgroups, and advisory bodies as deemed necessary to  
18 advise on housing policy, strategy, and special topics.

19           (3) To develop, in consultation with the housing resources steering committee, state  
20 plans, policies, and programs for housing.

21           (4) To adopt performance metrics and guidelines for state housing programs.

22           (5) To monitor and evaluate the performance of state housing programs, and to convey  
23 updates to the housing resources steering committee on program performance, including progress  
24 towards the goals and metrics identified in the state’s strategic housing plan and/or plan to end  
25 homelessness.

26           (6) To adopt, in consultation with the housing resources steering committee, measures to  
27 promote inclusive community input on state housing plans, policies, programs, and deployment  
28 of funds.

29           (7) To adopt by-laws and rules for the management of its affairs and the exercise of its  
30 powers and duties.

31           (8) To grant or loan funds to agencies and political subdivisions of the state or to private  
32 groups for any lawful purpose necessary and desirable to effect the purposes of this chapter.

33           (9) To secure the cooperation and assistance of the United States and any of its agencies.

34           (10) To establish, charge, and collect fees and payments for its services.

1 (11) To accept grant funds and in-kind contributions from governmental and private  
2 entities.

3 (12) To delegate any of its powers in order to accomplish the purposes of this chapter.

4 (c) Members. The coordinating council shall be comprised of the chairperson of the  
5 Rhode Island housing and mortgage finance corporation, or designee; the chairperson of the  
6 housing resources steering committee; the secretary of commerce, or designee; the secretary of  
7 health and human services, or designee; a member of the Rhode Island Continuum of Care who  
8 also represent an agency or political subdivision of the state; and two (2) members appointed by  
9 the governor, who each also represent an agency or political subdivision of the state. The  
10 governor shall designate one of the coordinating council's members to be chairperson.

11 (d) Employees. The governor shall appoint, with the advice of the coordinating council,  
12 an executive director of the coordinating council, who shall not be subject to the provisions of  
13 chapter 4 in title 36, and who may also serve in the executive office of commerce as the deputy  
14 secretary of housing and homelessness. The coordinating council shall also cause to be employed  
15 such other staff and technical and professional consultants as may be required to carry out the  
16 powers and duties set forth in this chapter. All staff, including the executive director, may be  
17 secured through a memorandum of agreement with the Rhode Island housing and mortgage  
18 finance corporation, with the approval of Rhode Island housing and mortgage finance  
19 corporation, or any other agency or political subdivision of the state, with the approval of the  
20 relevant agency or political subdivision. Any person who is in the civil service and is transferred  
21 to the coordinating council may retain civil service status.

22 (e) Assignment of contracts and transfer of employees. Any contracts or agreements to  
23 which the agency formerly known the housing resources commission shall be assigned to the  
24 coordinating council. Any employees of the agency formerly known as the housing resources  
25 commission shall be transferred to the coordinating council. Any existing rules or regulations  
26 promulgated by the housing resources commission shall remain in effect and be transferred to the  
27 coordinating council. Whenever any general law, or public law, rule, regulation and/or bylaw,  
28 refers to the "housing resources commission," the reference shall be deemed to refer to and mean  
29 the coordinating council.

30 **42-128.3-6. Appropriations – Restricted receipts account.**

31 (a) The general assembly shall annually appropriate any sums it may deem necessary to  
32 enable the coordinating council to carry out its assigned purposes; and the state controller is  
33 authorized and directed to draw his or her orders upon the general treasurer for the payment of

1 any sums appropriated or so much as may be from time to time required, upon receipt by him or  
2 her of proper vouchers approved by the chairperson or the executive director.

3 (b) The restricted receipt account within the general fund of the state known as “housing  
4 resources commission” prior to July 1, 2020, shall henceforth be utilized by the housing resources  
5 coordinating council. Funds from this account shall be used by the coordinating council to  
6 provide for initiatives including housing production; lead hazard abatement; housing rental  
7 subsidy; housing retention assistance; and homelessness services and prevention assistance, with  
8 priority to veterans.

9 (c) There is hereby established a restricted receipt account within the general fund of the  
10 state, to be known as the “housing production fund”. Funds from this account shall be  
11 administered by the Rhode Island housing and mortgage finance corporation, subject to program  
12 and reporting guidelines adopted by the coordinating council, for housing production initiatives,  
13 including:

14 (1) Financial assistance by loan, grant, or otherwise, for the planning, production, or  
15 preservation of housing opportunities in Rhode Island, including housing affordable to workers  
16 and located near major workforce centers; or

17 (2) Technical and financial assistance for cities and towns to support increased local  
18 housing production, including by reducing regulatory barriers and through the housing incentives  
19 for municipalities program.

20 **42-128.3-7. Rhode Island housing and mortgage finance corporation.**

21 The Rhode Island housing and mortgage finance corporation established by chapter 55 of  
22 this title shall remain an independent corporation and shall serve as the housing finance and  
23 development division of the state.

24 **42-128.3-8. Housing resources steering committee created – Powers and duties –**  
25 **Members – Officers – Expenses – Meetings.**

26 (a) Created. There is created a standing committee to be known as the housing resources  
27 steering committee (“steering committee”). The steering committee is established for the  
28 purposes of incorporating community and stakeholder input into: (i) the long-term vision for  
29 housing policy in the state of Rhode Island, and (ii) the deployment of existing resources.

30 (b) Powers and duties. The steering committee shall have the powers and duties:

31 (1) To adopt the state of Rhode Island’s strategic housing plan; provided, however, that  
32 this provision shall not be interpreted to contravene the prerogative of the state planning council  
33 to adopt a state guide plan for housing.

34 (2) To adopt the state of Rhode Island’s plan to end homelessness.



1 (3) To monitor and evaluate the progress of state housing programs towards the goals and  
2 metrics identified in the state’s strategic housing plan and/or plan to end homelessness.

3 (4) To make recommendations to the coordinating council on all matters pertaining to  
4 housing, including policy goals, strategic directions, funding priorities, and guidelines and  
5 performance metrics for state housing programs.

6 (5) To make recommendations to the coordinating council on program and reporting  
7 guidelines for the housing production fund established pursuant to § 42-128.3-6(c).

8 (6) To make recommendations to the coordinating council on strategies to ensure  
9 inclusive community input on state housing plans, policies, and program development.

10 (7) To conduct research and make independent reports on housing issues, including by  
11 (i) inviting experts and other witnesses to submit testimony and (ii) contracting with experts and  
12 consultants as necessary to inform deliberations and recommendations.

13 (8) To accept grant funds and in-kind contributions from governmental and private  
14 entities.

15 (9) To adopt by-laws and rules for the management of its affairs and for the exercise of  
16 its powers and duties.

17 (c) Members. The steering committee shall be comprised of nineteen (19) members as  
18 follows:

19 (1) Thirteen (13) members to be appointed by the governor with the advice and consent  
20 of the senate and drawn from the following areas: disability advocacy; homelessness; veterans  
21 services and welfare; banking and lending; fair housing and/or civil rights advocacy; education  
22 advocacy; healthy housing and/or health equity; the business community; public housing  
23 authorities; for-profit development; non-profit development and/or community development  
24 corporations; local government; seniors and healthy aging; colleges and universities; realty and  
25 homeownership; or any other area deemed necessary to advance the activities of the steering  
26 committee.

27 (2) The six (6) members of coordinating council who represent a state agency or political  
28 subdivision.

29 (3) The terms of steering committee members appointed pursuant to § 42-128.3-8(c)(1)  
30 shall be three (3) years, except for the original appointments, the term of four (4) of whom shall  
31 be one year and the term of four (4) of whom shall be two (2) years; no member may serve more  
32 than two (2) successive terms.

1 (d) Officers. The governor shall designate one of the steering committee's members to be  
2 chairperson. The steering committee shall elect annually a vice-chairperson, who shall be  
3 empowered to preside at meetings in the absence of the chairperson, and a secretary.

4 (e) Expenses. Members of the steering committee appointed pursuant § 42-128.3-8(c)(1)  
5 shall serve without compensation, but may be reimbursed for their reasonable actual expenses  
6 necessarily incurred in the performance of their duties.

7 (f) Meetings. Meetings of the steering committee shall be held upon the call of the  
8 chairperson, or five (5) members; provided, however, that the steering committee shall meet at  
9 least once quarterly. A majority of members, not including vacancies, shall constitute a quorum,  
10 and no vacancy in the membership shall impair the right of a quorum to exercise all the rights and  
11 perform all of the duties of the steering committee.

12 **42-128.3-9. Coordination with other state agencies.**

13 All departments, boards, agencies, and political subdivisions of the state shall cooperate  
14 with DHCD, the coordinating council, and the steering committee, and furnish any advice and  
15 information, documentary and otherwise, that may be necessary or desirable to facilitate the  
16 purposes of this chapter.

17 **42-128.3-10. Definitions – Strategic housing plan – Updates – Conformity –**  
18 **Guidelines.**

19 (a) Definitions. As used in this section and for the purposes of the preparation of  
20 affordable housing plans as specified in chapter 45-22.2, words and terms shall have the meaning  
21 set forth in chapter 45-22.2, chapter 45-53, and/or § 42-11-10, unless this section provides a  
22 different meaning or unless the context indicates a different meaning or intent.

23 (1) "Affordable housing" means residential housing that has a sales price or rental  
24 amount that is within the means of a household that is moderate income or less. In the case of  
25 dwelling units for sale, housing that is affordable means housing in which principal, interest,  
26 taxes, which may be adjusted by state and local programs for property tax relief, and insurance  
27 constitute no more than thirty percent (30%) of the gross household income for a household with  
28 less than one hundred and twenty percent (120%) of area median income, adjusted for family  
29 size. In the case of dwelling units for rent, housing that is affordable means housing for which the  
30 rent, heat, and utilities other than telephone constitute no more than thirty percent (30%) of the  
31 gross annual household income for a household with eighty percent (80%) or less of area median  
32 income, adjusted for family size. Affordable housing shall include all types of year-round  
33 housing, including, but not limited to, manufactured housing, housing originally constructed for  
34 workers and their families, accessory dwelling units, housing accepting rental vouchers and/or

1 tenant-based certificates under Section 8 of the United States Housing Act of 1937, as amended,  
2 and assisted living housing, where the sales or rental amount of such housing, adjusted for any  
3 federal, state, or municipal government subsidy, is less than or equal to thirty percent (30%) of  
4 the gross household income of the low and/or moderate income occupants of the housing.

5 (2) "Affordable housing plan" means a plan prepared and adopted by a town or city either  
6 to meet the requirements of chapter 45-53 or to meet the requirements of § 45-22.2-10(f), which  
7 require that comprehensive plans and the elements thereof be revised to conform with  
8 amendments to the state guide plan.

9 (3) "Approved affordable housing plan" means an affordable housing plan that has been  
10 reviewed and approved in accordance with § 45-22.2-9.

11 (4) "Moderate income household" means a single person, family, or unrelated persons  
12 living together whose adjusted gross income is more than eighty percent (80%) but less than one  
13 hundred twenty percent (120%) of the area median income, adjusted for family size.

14 (5) "Seasonal housing" means housing that is intended to be occupied during limited  
15 portions of the year.

16 (6) "Year-round housing" means housing that is intended to be occupied by people as  
17 their usual residence and/or vacant units that are intended by their owner for occupancy at all  
18 times of the year; occupied rooms or suites of rooms in hotels are year-round housing only when  
19 occupied by permanent residents as their usual place of residence.

20 (b) *Strategic housing plan.* The steering committee, in conjunction with the statewide  
21 planning program, shall adopt a four (4) year strategic plan for housing, which plan shall be  
22 adopted as an element of the state guide plan, and which shall include quantified goals,  
23 measurable intermediate steps toward the accomplishment of the goals, implementation activities,  
24 and standards for the production and/or rehabilitation of year-round housing to meet the housing  
25 needs including, but not limited to, the following:

26 (1) Older Rhode Islanders, including senior citizens, appropriate, affordable housing  
27 options;

28 (2) Workers, housing affordable at their income level;

29 (3) Students, dormitory, student housing and other residential options;

30 (4) Low income and very low income households, rental housing;

31 (5) Persons with disabilities, appropriate housing; and

32 (6) Vulnerable individuals and families, permanent housing, single room occupancy  
33 units, transitional housing and shelters.

1           (c) Updates. The strategic housing plan shall be updated and/or amended as necessary,  
2 but not less than once every four (4) years.

3           (d) Conformity. Upon the adoption of the strategic housing plan as an element of the state  
4 guide plan, towns and cities shall bring their comprehensive plans into conformity with its  
5 requirements, in accordance with the timetable set forth in § 45-22.2-10(f), provided, however,  
6 that any town that has adopted an affordable housing plan in order to comply with the provisions  
7 of chapter 45-53, which has been approved for consistency pursuant to § 45-22.2-9, shall be  
8 deemed to satisfy the requirements of the strategic plan for low and moderate income housing  
9 until such time as the town must complete its next required comprehensive community plan  
10 update.

11           (e) Guidelines. The steering committee shall advise the state planning council, and the  
12 state planning council shall promulgate and adopt, guidelines for higher density development,  
13 including, but not limited to: (i) inclusionary zoning provisions for low and moderate income  
14 housing with appropriate density bonuses and other subsidies that make the development  
15 financially feasible; and (ii) mixed-use development that includes residential development, which  
16 guidelines shall take into account infrastructure availability; soil type and land capacity;  
17 environmental protection; water supply protection; and agricultural, open space, historical  
18 preservation, and community development pattern constraints.

19           (f) The statewide planning program shall maintain a geographic information system map  
20 that identifies, to the extent feasible, areas throughout the state suitable for higher density  
21 residential development consistent with the guidelines adopted pursuant to subsection (e)  
22 immediately above.

23           **42-128.3-11. Open meetings law.**

24           DHCD, the coordinating council, steering committee, and any other committee, council,  
25 or advisory body created by the coordinating council shall conform to the provisions of chapter  
26 46 of this title.

27           **42-128.3-12. State purchasing laws.**

28           DHCD, the coordinating council, the steering committee, and any other committee,  
29 council, or advisory body created by the coordinating council shall conform to the provisions of  
30 chapter 2 of title 37 as applicable.

31           **42-128.3-13. Public records law.**

32           DHCD, the coordinating council, the steering committee, and any other committee,  
33 council, or advisory body created by the coordinating council shall conform to the provisions of  
34 chapter 2 of title 38.

1 **42-128.3-14. Administrative procedures act.**

2 (a) DHCD may adopt any rules and regulations, including measurable standards, in  
3 accordance with the provisions of chapter 35 of this title that may be necessary to carry out the  
4 purposes of this chapter.

5 (b) The coordinating council may adopt any rules and regulations, including measurable  
6 standards, in accordance with the provisions of chapter 35 of this title that may be necessary to  
7 carry out the purposes of this chapter.

8 **42-128.3-15. Annual reports.**

9 (a) The coordinating council shall submit for each calendar year by March 1 of the next  
10 year a report to the governor and the general assembly on its activities, findings, and  
11 recommendations regarding housing issues, including the number and dollar amount of its  
12 programs.

13 (b) DHCD shall submit for each calendar year by March 1 of the next year a report to the  
14 governor and the general assembly on its activities, findings, and recommendations regarding  
15 housing issues, including the number and dollar amount of its programs.

16 **42-128.3-16. Severability and liberal construction.**

17 If any provision of this chapter or the application of any provision to any person or  
18 circumstance is held invalid, the invalidity shall not affect other provisions or applications of the  
19 chapter, which can be given effect without the invalid provision or application, and to this end the  
20 provisions of this chapter are declared to be severable. The provisions of this chapter shall be  
21 construed liberally in order to accomplish the purposes of the chapter, and any specific power  
22 given to DHCD, the coordinating council, or the steering committee shall not be deemed to  
23 exclude or impair any power otherwise in this chapter conferred upon DHCD, the coordinating  
24 council, or the steering committee.

25 SECTION 4. Title 42 of the General Laws entitled "STATE AFFAIRS AND  
26 GOVERNMENT" is hereby amended by adding thereto the following chapter:

27 **CHAPTER 42-128.4**

28 **HOUSING INCENTIVES FOR MUNICIPALITIES**

29 **42-128.4. Short title.**

30 This chapter shall be known as "Housing Incentives for Municipalities."

31 **42-128.4-2. Establishment of program.**

32 There is hereby established a housing incentive for municipalities program to be  
33 administered as set forth in this chapter by the housing resources coordinating council

1 (“coordinating council”), in consultation with the division of statewide planning and the Rhode  
2 Island housing and mortgage finance corporation.

3 **42-128.4-4. Purposes.**

4 The coordinating council is authorized and empowered to carry out the program for the  
5 following purposes:

6 (a) To foster and maintain strong collaborations with municipalities in the state.

7 (b) To support and assist municipalities in promoting housing production that adequately  
8 meets the needs of Rhode Island’s current and future residents.

9 (c) To make diverse, high-quality, and accessible housing options readily available to  
10 residents within their local communities.

11 (d) To enable residents to live near convenient public transit and other commercial and  
12 cultural resources.

13 (e) To make development decisions fair, predictable, and cost effective.

14 (f) To foster distinctive, attractive, and resilient communities, while preserving the state’s  
15 open space, farmland, and natural beauty.

16 **42-128.4-4. Definitions.**

17 As used in this chapter:

18 (1) “The coordinating council” means the Rhode Island housing resources coordinating  
19 council established pursuant to § 42-128.3-5.

20 (2) “Eligible locations” means an area designated by the coordinating council as a  
21 suitable site for a housing incentive district by virtue of its infrastructure, existing underutilized  
22 facilities, or other advantageous qualities, including (i) proximity to public transit centers,  
23 including commuter rail, bus, and ferry terminals; or (ii) proximity to areas of concentrated  
24 development, including town and city centers or other existing commercial districts.

25 (3) “Eligible student” means a child that (i) lives in a newly constructed dwelling unit  
26 within a housing incentive district, to the extent that the unit could not have been realized under  
27 the underlying zoning, and (ii) attends a school in the city or town.

28 (4) “School impact offset payments” means a payment to a city or town to help offset  
29 increased municipal costs of educating eligible students.

30 (5) “Housing incentive district” means an overlay district adopted by a city or town  
31 pursuant to this chapter. A housing incentive district is intended to encourage residential  
32 development and must permit minimum residential uses. A housing incentive district may  
33 accommodate uses complimentary to the primary residential uses, as deemed appropriate by the  
34 adopting city or town; however, the majority of development on lots within a housing incentive

1 district must be residential. Land development plans within a housing incentive district shall be  
2 treated as minor land development plans, as defined by § 45-23-32, unless otherwise specified by  
3 ordinance.

4 **42-128.4-5. Adoption of housing incentive districts.**

5 (a) In its zoning ordinance, a city or town may adopt a housing incentive district in any  
6 eligible location.

7 (b) The adoption, amendment, or repeal of such ordinance shall be in accordance with the  
8 provisions of chapter 45-24.

9 (c) A housing incentive district shall comply with this chapter and any minimum  
10 requirements established by the coordinating council.

11 (d) The zoning ordinance for each housing incentive district shall specify the procedure for  
12 land development and subdivision review within the district in accordance with this chapter and  
13 the regulations of the coordinating council.

14 (e) Nothing in this chapter shall affect a city or town's authority to amend its zoning  
15 ordinances under chapter 45-24.

16 **42-128.4-6. Assistance to municipalities.**

17 (a) The coordinating council is authorized and empowered, at its discretion, to provide all  
18 manner of support and assistance to municipalities in connection with fostering local housing  
19 production, including, but not limited to:

20 (1) Providing technical assistance for the preparation, adoption, or implementation of  
21 laws, regulations, or processes related to residential development.

22 (2) Authorizing the Rhode Island housing and mortgage finance corporation to issue  
23 school impact offset payments to participating municipalities.

24 **42-128.4-7. Rules and regulations - Reports.**

25 (a) The coordinating council is hereby authorized to promulgate such rules and  
26 regulations as are necessary to fulfill the purposes of this chapter, including, but not limited to,  
27 provisions relating to: application criteria; eligible locations for housing incentive districts;  
28 minimum requirements for housing incentive districts; eligible students for the calculation of  
29 school impact offset payments; and the amount and method of payment to cities and towns for  
30 school impact offset payments.

31 (b) The coordinating council shall include in its annual report information on the  
32 commitment and disbursement of funds allocated under the program. The report shall be provided  
33 to the governor, the secretary of commerce, speaker of the house of representatives and the  
34 president of the senate.

1        **42-128.4-8. Program integrity.**

2            Program integrity being of paramount importance, the coordinating council shall  
3 establish procedures to ensure ongoing compliance with the terms and conditions of the program  
4 established herein, including procedures to safeguard the expenditure of public funds and to  
5 ensure that the funds further the purposes of the program.

6            **42-128.4-9. Cooperation.**

7            Any department, agency, council, board, or other public instrumentality of the state shall  
8 cooperate with the coordinating council in relation to the implementation, execution and  
9 administration of the program created under this chapter.

10        SECTION 5. Sections 44-25-1 and 44-25-2 of the General Laws in Chapter 44-25 entitled  
11 “Real Estate Conveyance Tax” are hereby amended to read as follows:

12            **44-25-1. Tax imposed – Payment – Burden.**

13            (a) There is imposed, on each deed, instrument, or writing by which any lands,  
14 tenements, or other realty sold is granted, assigned, transferred, or conveyed to, or vested in, the  
15 purchaser or purchasers, or any other person or persons, by his or her or their direction, or on any  
16 grant, assignment, transfer, or conveyance or such vesting, by such persons which has the effect  
17 of making any real estate company an acquired real estate company, when the consideration paid  
18 exceeds one hundred dollars (\$100), a tax at the rate of (1) two dollars and thirty cents (\$2.30) for  
19 each five hundred dollars (\$500), or fractional part of it, of the first five hundred thousand dollars  
20 (\$500,000) of the consideration paid, and (2) at the rate of four dollars and sixty cents (\$4.60) for  
21 each five hundred dollars (\$500), or fractional part of it, of the consideration paid in excess of  
22 five hundred thousand dollars (\$500,000)-which that is paid for the purchase of property or the  
23 interest in an acquired real estate company (inclusive of the value of any lien or encumbrance  
24 remaining at the time of the sale, grant, assignment, transfer or conveyance or vesting occurs, or  
25 in the case of an interest in an acquired real estate company, a percentage of the value of such lien  
26 or encumbrance equivalent to the percentage interest in the acquired real estate company being  
27 granted, assigned, transferred, conveyed or vested), ~~which~~ The tax is payable at the time of  
28 making, the execution, delivery, acceptance or presentation for recording of any instrument  
29 affecting such transfer grant, assignment, transfer, conveyance or vesting. In the absence of an  
30 agreement to the contrary, the tax shall be paid by the grantor, assignor, transferor or person  
31 making the conveyance or vesting.

32            (b) In the event no consideration is actually paid for the lands, tenements, or realty, the  
33 instrument or interest in an acquired real estate company of conveyance shall contain a statement  
34 to the effect that the consideration is such that no documentary stamps are required.



1 ~~(e) The tax administrator shall contribute~~

2 (c) The tax shall be distributed as follows:

3 (i) With respect to the portion of the tax assessed against the first five hundred thousand  
4 dollars (\$500,000) of the consideration paid: the tax administrator shall contribute to the  
5 distressed community relief program the sum of thirty cents (\$.30) per two dollars and thirty cents  
6 (\$2.30) of the face value of the stamps to be distributed pursuant to § 45-13-12, and to ~~the~~  
7 ~~housing resources commission~~ restricted receipts account established pursuant to § 42-128.3-6(2)  
8 the sum of thirty cents (\$.30) per two dollars and thirty cents (\$2.30) of the face value of the  
9 stamps. ~~Funds will be administered by the office of housing and community development,~~  
10 ~~through the housing resources commission.~~ The state shall retain sixty cents (\$.60) for state use.  
11 The balance of the tax shall be retained by the municipality collecting the tax.

12 (ii) With respect to the portion of the tax assessed against the consideration paid in excess  
13 of five hundred thousand dollars (\$500,000): the tax administrator shall contribute to the  
14 distressed community relief program the sum of thirty cents (\$.30) per four dollars and sixty cents  
15 (\$4.60) of the face value of the stamps to be distributed pursuant to § 45-13-12, to the restricted  
16 receipt account established pursuant to § 42-128.3-6(2) the sum of thirty cents (\$.30) per four  
17 dollars and sixty cents (\$4.60) of the face value of the stamps, and to the housing production fund  
18 established pursuant to § 42-128.3-6(3) the sum of two dollars and thirty cents (\$2.30) per four  
19 dollars and sixty cents (\$4.60) of the face value of the stamps. The state shall retain sixty cents  
20 (\$.60) for state use. The balance of the tax shall be retained by the municipality collecting the tax.

21 (iii) Notwithstanding the above, in the case of the tax on the grant, transfer, assignment or  
22 conveyance or vesting with respect to an acquired real estate company, the tax shall be collected  
23 by the tax administrator and shall be distributed to the municipality where the real estate owned  
24 by the acquired real estate company is located provided, however, in the case of any such tax  
25 collected by the tax administrator, if the acquired real estate company owns property located in  
26 more than one municipality, the proceeds of the tax shall be allocated amongst said municipalities  
27 in the proportion the assessed value of said real estate in each such municipality bears to the total  
28 of the assessed values of all of the real estate owned by the acquired real estate company in  
29 Rhode Island. Provided, however, in fiscal years 2004 and 2005, from the proceeds of this tax,  
30 the tax administrator shall deposit as general revenues the sum of ninety cents (\$.90) per two  
31 dollars and thirty cents (\$2.30) of the face value of the stamps. The balance of the tax on the  
32 purchase of property shall be retained by the municipality collecting the tax. The balance of the  
33 tax on the transfer with respect to an acquired real estate company, shall be collected by the tax  
34 administrator and shall be distributed to the municipality where the property for which interest is

1 sold is physically located. Provided, however, that in the case of any tax collected by the tax  
2 administrator with respect to an acquired real estate company where the acquired real estate  
3 company owns property located in more than one municipality, the proceeds of the tax shall be  
4 allocated amongst the municipalities in proportion that the assessed value in any such  
5 municipality bears to the assessed values of all of the real estate owned by the acquired real estate  
6 company in Rhode Island. With respect to the revenue collected by the division of taxation on  
7 behalf of each municipality in this section, before distributing said revenue to the municipalities,  
8 a two percent (2%) administrative fee shall be deducted therefrom and transferred to the general  
9 fund.

10 (d) For purposes of this section, the term "acquired real estate company" means a real  
11 estate company that has undergone a change in ownership interest if (i) such change does not  
12 affect the continuity of the operations of the company; and (ii) the change, whether alone or  
13 together with prior changes has the effect of granting, transferring, assigning or conveying or  
14 vesting, transferring directly or indirectly, 50% or more of the total ownership in the company  
15 within a period of three (3) years. For purposes of the foregoing subsection (ii) hereof, a grant,  
16 transfer, assignment or conveyance or vesting, shall be deemed to have occurred within a period  
17 of three (3) years of another grant(s), transfer(s), assignment(s) or conveyance(s) or vesting(s) if  
18 during the period the granting, transferring, assigning or conveying or party provides the  
19 receiving party a legally binding document granting, transferring, assigning or conveying or  
20 vesting said realty or a commitment or option enforceable at a future date to execute the grant,  
21 transfer, assignment or conveyance or vesting.

22 (e) A real estate company is a corporation, limited liability company, partnership or other  
23 legal entity which meets any of the following:

24 (i) Is primarily engaged in the business of holding, selling or leasing real estate, where  
25 90% or more of the ownership of said real estate is held by 35 or fewer persons and which  
26 company either (a) derives 60% or more of its annual gross receipts from the ownership or  
27 disposition of real estate; or (b) owns real estate the value of which comprises 90% or more of the  
28 value of the entity's entire tangible asset holdings exclusive of tangible assets which are fairly  
29 transferrable and actively traded on an established market; or

30 (ii) 90% or more of the ownership interest in such entity is held by 35 or fewer persons  
31 and the entity owns as 90% or more of the fair market value of its assets a direct or indirect  
32 interest in a real estate company. An indirect ownership interest is an interest in an entity 90% or  
33 more of which is held by 35 or fewer persons and the purpose of the entity is the ownership of a  
34 real estate company.

1 (f) In the case of a grant, assignment, transfer or conveyance or vesting which results in a  
2 real estate company becoming an acquired real estate company, the grantor, assignor, transferor,  
3 or person making the conveyance or causing the vesting, shall file or cause to be filed with the  
4 division of taxation, at least five (5) days prior to the grant, transfer, assignment or conveyance or  
5 vesting, notification of the proposed grant, transfer, assignment, or conveyance or vesting, the  
6 price, terms and conditions of thereof, and the character and location of all of the real estate assets  
7 held by real estate company and shall remit the tax imposed and owed pursuant to subsection (a)  
8 hereof. Any such grant, transfer, assignment or conveyance or vesting which results in a real  
9 estate company becoming an acquired real estate company shall be fraudulent and void as against  
10 the state unless the entity notifies the tax administrator in writing of the grant, transfer,  
11 assignment or conveyance or vesting as herein required in subsection (f) hereof and has paid the  
12 tax as required in subsection (a) hereof. Upon the payment of the tax by the transferor, the tax  
13 administrator shall issue a certificate of the payment of the tax which certificate shall be  
14 recordable in the land evidence records in each municipality in which such real estate company  
15 owns real estate. Where the real estate company has assets other than interests in real estate  
16 located in Rhode Island, the tax shall be based upon the assessed value of each parcel of property  
17 located in each municipality in the state of Rhode Island.

18 [44-25-2. Exemptions.](#)

19 (a) The tax imposed by this chapter does not apply to any instrument or writing given to  
20 secure a debt.

21 (b) The tax imposed by this chapter does not apply to any deed, instrument, or writing  
22 wherein the United States, the state of Rhode Island, or its political subdivisions are designated  
23 the grantor.

24 (c) The tax imposed by this chapter does not apply to any deed, instrument, or writing  
25 that has or shall be executed, delivered, accepted, or presented for recording in furtherance of, or  
26 pursuant to, that certain master property conveyance contract dated December 29, 1982, and  
27 recorded in the land evidence records of the city of Providence on January 27, 1983, at 1:30 p.m.  
28 in book 1241 at page 849, and relating to the capital center project in the city of Providence.

29 (d) The qualified sale of a mobile or manufactured home community to a resident-owned  
30 organization as defined in § 31-44-1 is exempt from the real estate conveyance tax imposed under  
31 this chapter.

32 (e) No transfer tax or fee shall be imposed by a land trust or municipality upon the  
33 acquisition of real estate by the state of Rhode Island or any of its political subdivisions.

1           (f) Nothing in § 44-25-1(a) shall be construed to impose a tax upon any grant,  
2 assignment, transfer, conveyance or vesting of any interest, direct or indirect, among owners,  
3 members or partners in any real estate company with respect to an affordable housing  
4 development where:

5           (i) The housing development has been financed in whole or in part with federal low-  
6 income tax credits pursuant to §42 of the Internal Revenue Code; or

7           (ii) At least one of the owners, members or partners of the company is a Rhode Island  
8 nonprofit corporation or an entity exempt from tax under § 501(c)(3) of the Internal Revenue  
9 Code, or is owned by a Rhode Island nonprofit corporation or an entity that is exempt from tax  
10 under § 501(c)(3) of the Internal Revenue Code, and the housing development is subject to a  
11 recorded deed restriction or declaration of land use restrictive covenants in favor of the Rhode  
12 Island housing and mortgage finance corporation, the state of Rhode Island housing resources  
13 commission, the federal home loan bank or any of its members, or any other state or local  
14 government instrumentality under an affordable housing program. No such real estate company  
15 shall be an acquired real estate company under this section.

16           SECTION 6. This article shall take effect on July 1, 2020.

17

1 **ARTICLE 13**

2 **RELATING TO STATE CONTROLLED ADULT USE MARIJUANA**

3 SECTION 1. Section 21-28.5-2 of Chapter 21-28.5 of the General Laws entitled “Sale of  
4 Drug Paraphernalia” is hereby amended as follows:

5 **21-28.5-2. Manufacture or delivery of drug paraphernalia – Penalty.**

6 It is unlawful for any person to deliver, sell, possess with intent to deliver, or sell, or  
7 manufacture with intent to deliver, or sell drug paraphernalia, knowing that it will be used to  
8 plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process,  
9 prepare, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or introduce into  
10 the human body a controlled substance in violation of chapter 28 of this title. A violation of this  
11 section shall be punishable by a fine not exceeding five thousand dollars (\$5,000) or  
12 imprisonment not exceeding two (2) years, or both.

13 Notwithstanding any other provision of the general laws, the sale, manufacture, or  
14 delivery of drug paraphernalia to a person acting in accordance with chapters 28.6, 28.11 and  
15 28.12 of this title shall not be considered a violation of this chapter.

16 SECTION 2. Section 21-28.6-6 of the General Laws in Chapter 21-28.6 entitled “The  
17 Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act” is hereby amended as  
18 follows:

19 **21-28.6-6. Administration of departments of health and business regulation**  
20 **regulations.**

21 (a) The department of health shall issue registry identification cards to qualifying patients  
22 who submit the following, in accordance with the department's regulations. Applications shall  
23 include but not be limited to:

24 (1) Written certification as defined in § 21-28.6-3;

25 (2) Application fee, as applicable;

26 (3) Name, address, and date of birth of the qualifying patient; provided, however, that if  
27 the patient is homeless, no address is required;

28 (4) Name, address, and telephone number of the qualifying patient's practitioner;

29 (5) Whether the patient elects to grow medical marijuana plants for himself or herself;  
30 and

31 (6) Name, address, and date of birth of one primary caregiver of the qualifying patient  
32 and any authorized purchasers for the qualifying patient, if any primary caregiver or authorized  
33 purchaser is chosen by the patient or allowed in accordance with regulations promulgated by the  
34 departments of health or business regulation.

1 (b) The department of health shall not issue a registry identification card to a qualifying  
2 patient under the age of eighteen (18) unless:

3 (1) The qualifying patient's practitioner has explained the potential risks and benefits of  
4 the medical use of marijuana to the qualifying patient and to a parent, guardian, or person having  
5 legal custody of the qualifying patient; and

6 (2) A parent, guardian, or person having legal custody consents in writing to:

7 (i) Allow the qualifying patient's medical use of marijuana;

8 (ii) Serve as the qualifying patient's primary caregiver or authorized purchaser; and

9 (iii) Control the acquisition of the marijuana, the dosage, and the frequency of the  
10 medical use of marijuana by the qualifying patient.

11 (c) The department of health shall renew registry identification cards to qualifying  
12 patients in accordance with regulations promulgated by the department of health and subject to  
13 payment of any applicable renewal fee.

14 (d) The department of health shall not issue a registry identification card to a qualifying  
15 patient seeking treatment for post-traumatic stress disorder (PTSD) under the age of eighteen  
16 (18).

17 (e) The department of health shall verify the information contained in an application or  
18 renewal submitted pursuant to this section, and shall approve or deny an application or renewal  
19 within thirty-five (35) days of receiving it. The department may deny an application or renewal  
20 only if the applicant did not provide the information required pursuant to this section, or if the  
21 department determines that the information provided was falsified, or that the renewing applicant  
22 has violated this chapter under their previous registration. Rejection of an application or renewal  
23 is considered a final department action, subject to judicial review. Jurisdiction and venue for  
24 judicial review are vested in the superior court.

25 (f) If the qualifying patient's practitioner notifies the department of health in a written  
26 statement that the qualifying patient is eligible for hospice care or chemotherapy, the department  
27 of health and department of business regulation, as applicable, shall give priority to these  
28 applications when verifying the information in accordance with subsection (e) and issue a registry  
29 identification card to these qualifying patients, primary caregivers and authorized purchasers  
30 within seventy-two (72) hours of receipt of the completed application. The departments shall not  
31 charge a registration fee to the patient, caregivers or authorized purchasers named in the  
32 application. The department of health may identify through regulation a list of other conditions  
33 qualifying a patient for expedited application processing.

1 (g) Following the promulgation of regulations pursuant to § 21-28.6-5(c), the department  
2 of business regulation may issue or renew a registry identification card to the qualifying patient  
3 cardholder's primary caregiver, if any, who is named in the qualifying patient's approved  
4 application. The department of business regulation shall verify the information contained in  
5 applications and renewal forms submitted pursuant to this chapter prior to issuing any registry  
6 identification card. The department of business regulation may deny an application or renewal if  
7 the applicant or appointing patient did not provide the information required pursuant to this  
8 section, or if the department determines that the information provided was falsified, or if the  
9 applicant or appointing patient has violated this chapter under his or her previous registration or  
10 has otherwise failed to satisfy the application or renewal requirements.

11 (1) A primary caregiver applicant or an authorized purchaser applicant shall apply to the  
12 bureau of criminal identification of the department of attorney general, department of public  
13 safety division of state police, or local police department for a national criminal records check  
14 that shall include fingerprints submitted to the Federal Bureau of Investigation. Upon the  
15 discovery of any disqualifying information as defined in subsection (g)(5) of this section, and in  
16 accordance with the rules promulgated by the director, the bureau of criminal identification of the  
17 department of attorney general, department of public safety division of state police, or the local  
18 police department shall inform the applicant, in writing, of the nature of the disqualifying  
19 information; and, without disclosing the nature of the disqualifying information, shall notify the  
20 department of business regulation or department of health, as applicable, in writing, that  
21 disqualifying information has been discovered.

22 (2) In those situations in which no disqualifying information has been found, the bureau  
23 of criminal identification of the department of attorney general, department of public safety  
24 division of state police, or the local police shall inform the applicant and the department of  
25 business regulation or department of health, as applicable, in writing, of this fact.

26 (3) The department of health or department of business regulation, as applicable, shall  
27 maintain on file evidence that a criminal records check has been initiated on all applicants  
28 seeking a primary caregiver registry identification card or an authorized purchaser registry  
29 identification card and the results of the checks. The primary caregiver cardholder shall not be  
30 required to apply for a national criminal records check for each patient he or she is connected to  
31 through the department's registration process, provided that he or she has applied for a national  
32 criminal records check within the previous two (2) years in accordance with this chapter. The  
33 department of health and department of business regulation, as applicable, shall not require a

1 primary caregiver cardholder or an authorized purchaser cardholder to apply for a national  
2 criminal records check more than once every two (2) years.

3 (4) Notwithstanding any other provision of this chapter, the department of business  
4 regulation or department of health may revoke or refuse to issue any class or type of registry  
5 identification card or license if it determines that failing to do so would conflict with any federal  
6 law or guidance pertaining to regulatory, enforcement, and other systems that states, businesses,  
7 or other institutions may implement to mitigate the potential for federal intervention or  
8 enforcement. This provision shall not be construed to prohibit the overall implementation and  
9 administration of this chapter on account of the federal classification of marijuana as a schedule I  
10 substance or any other federal prohibitions or restrictions.

11 (5) Information produced by a national criminal records check pertaining to a conviction  
12 for any felony offense under chapter 28 of this title ("Rhode Island controlled substances act")  
13 murder; manslaughter; rape; first-degree sexual assault; second-degree sexual assault; first-degree  
14 child molestation; second-degree child molestation; kidnapping; first-degree arson; second-degree  
15 arson; mayhem; robbery; burglary; breaking and entering; assault with a dangerous weapon;  
16 assault or battery involving grave bodily injury; and/or assault with intent to commit any offense  
17 punishable as a felony or a similar offense from any other jurisdiction shall result in a letter to the  
18 applicant and the department of health or department of business regulation, as applicable,  
19 disqualifying the applicant. If disqualifying information has been found, the department of health  
20 or department of business regulation, as applicable may use its discretion to issue a primary  
21 caregiver registry identification card or an authorized purchaser registry identification card if the  
22 applicant's connected patient is an immediate family member and the card is restricted to that  
23 patient only.

24 (6) The primary caregiver or authorized purchaser applicant shall be responsible for any  
25 expense associated with the national criminal records check.

26 (7) For purposes of this section, "conviction" means, in addition to judgments of  
27 conviction entered by a court subsequent to a finding of guilty or a plea of guilty, those instances  
28 where the defendant has entered a plea of nolo contendere and has received a sentence of  
29 probation and those instances where a defendant has entered into a deferred sentence agreement  
30 with the attorney general.

31 (8)(i) The office of cannabis regulation may adopt rules and regulations based on federal  
32 guidance provided those rules and regulations are designed to comply with federal guidance and  
33 mitigate federal enforcement against the registrations and licenses issued under this chapter.



1 (ii) All new and revised rules and regulations promulgated by the department of business  
2 regulation and/or the department of health pursuant to this chapter shall be subject to approval by  
3 the general assembly prior to enactment.

4 (h)(1) On or before December 31, 2016, the department of health shall issue registry  
5 identification cards within five (5) business days of approving an application or renewal that shall  
6 expire two (2) years after the date of issuance.

7 (2) Effective January 1, 2017, and thereafter, the department of health or the department  
8 of business regulation, as applicable, shall issue registry identification cards within five (5)  
9 business days of approving an application or renewal that shall expire one year after the date of  
10 issuance.

11 (3) Registry identification cards shall contain:

12 (i) The date of issuance and expiration date of the registry identification card;

13 (ii) A random registry identification number;

14 (iii) A photograph; and

15 (iv) Any additional information as required by regulation of the department of health or  
16 business regulation as applicable.

17 (i) Persons issued registry identification cards by the department of health or department  
18 of business regulation shall be subject to the following:

19 (1) A qualifying patient cardholder shall notify the department of health of any change in  
20 his or her name, address, primary caregiver, or authorized purchaser; or if he or she ceases to  
21 have his or her debilitating medical condition, within ten (10) days of the change.

22 (2) A qualifying patient cardholder who fails to notify the department of health of any of  
23 these changes is responsible for a civil infraction, punishable by a fine of no more than one  
24 hundred fifty dollars (\$150). If the patient cardholder has ceased to suffer from a debilitating  
25 medical condition, the card shall be deemed null and void and the person shall be liable for any  
26 other penalties that may apply to the person's nonmedical use of marijuana.

27 (3) A primary caregiver cardholder or authorized purchaser shall notify the issuing  
28 department of any change in his or her name or address within ten (10) days of the change. A  
29 primary caregiver cardholder or authorized purchaser who fails to notify the department of any of  
30 these changes is responsible for a civil infraction, punishable by a fine of no more than one  
31 hundred fifty dollars (\$150).

32 (4) When a qualifying patient cardholder or primary caregiver cardholder notifies the  
33 department of health or department of business regulation, as applicable, of any changes listed in  
34 this subsection, the department of health or department of business regulation, as applicable, shall

1 issue the qualifying patient cardholder and each primary caregiver cardholder a new registry  
2 identification card within ten (10) days of receiving the updated information and a ten-dollar  
3 (\$10.00) fee.

4 (5) When a qualifying patient cardholder changes his or her primary caregiver or  
5 authorized purchaser, the department of health or department of business regulation, as  
6 applicable, shall notify the primary caregiver cardholder or authorized purchaser within ten (10)  
7 days. The primary caregiver cardholder's protections as provided in this chapter as to that patient  
8 shall expire ten (10) days after notification by the issuing department. If the primary caregiver  
9 cardholder or authorized purchaser is connected to no other qualifying patient cardholders in the  
10 program, he or she must return his or her registry identification card to the issuing department.

11 (6) If a cardholder or authorized purchaser loses his or her registry identification card, he  
12 or she shall notify the department that issued the card and submit a ten-dollar (\$10.00) fee within  
13 ten (10) days of losing the card. Within five (5) days, the department of health or department of  
14 business regulation shall issue a new registry identification card with new random identification  
15 number.

16 (7) Effective January 1, 2019, if a patient cardholder chooses to alter his or her  
17 registration with regard to the growing of medical marijuana for himself or herself, he or she shall  
18 notify the department prior to the purchase of medical marijuana tags or the growing of medical  
19 marijuana plants.

20 (8) If a cardholder or authorized purchaser willfully violates any provision of this chapter as  
21 determined by the department of health or the department of business regulation, his or her  
22 registry identification card may be revoked.

23 (j) Possession of, or application for, a registry identification card shall not constitute  
24 probable cause or reasonable suspicion, nor shall it be used to support the search of the person or  
25 property of the person possessing or applying for the registry identification card, or otherwise  
26 subject the person or property of the person to inspection by any governmental agency.

27 (k)(1) Applications and supporting information submitted by qualifying patients,  
28 including information regarding their primary caregivers, authorized purchaser, and practitioners,  
29 are confidential and protected in accordance with the federal Health Insurance Portability and  
30 Accountability Act of 1996, as amended, and shall be exempt from the provisions of chapter 2 of  
31 title 38 et seq. (Rhode Island access to public records act) and not subject to disclosure, except to  
32 authorized employees of the department of health and business regulation as necessary to perform  
33 official duties of the departments, and pursuant to subsections (l) and (m).

1 (2) The application for qualifying patient's registry identification card shall include a  
2 question asking whether the patient would like the department of health to notify him or her of  
3 any clinical studies about marijuana's risk or efficacy. The department of health shall inform  
4 those patients who answer in the affirmative of any such studies it is notified of, that will be  
5 conducted in Rhode Island. The department of health may also notify those patients of medical  
6 studies conducted outside of Rhode Island.

7 (3) The department of health and the department of business regulation, as applicable,  
8 shall maintain a confidential list of the persons to whom the department of health or department  
9 of business regulation has issued authorized patient, primary caregiver, and authorized purchaser  
10 registry identification cards. Individual names and other identifying information on the list shall  
11 be confidential, exempt from the provisions of Rhode Island access to public information, chapter  
12 2 of title 38, and not subject to disclosure, except to authorized employees of the departments of  
13 health and business regulation as necessary to perform official duties of the departments and  
14 pursuant to subsections (l) and (m) of this section.

15 (l) Notwithstanding subsections (k) and (m) of this section, the departments of health and  
16 business regulation, as applicable, shall verify to law enforcement personnel whether a registry  
17 identification card is valid and may provide additional information to confirm whether a  
18 cardholder is compliant with the provisions of this chapter and the regulations promulgated  
19 hereunder. The department of business regulation shall verify to law enforcement personnel  
20 whether a registry identification card is valid and may confirm whether the cardholder is  
21 compliant with the provisions of this chapter and the regulations promulgated hereunder. Where  
22 the department of business regulation has reasonable cause to believe that a primary caregiver is  
23 not in compliance with the marijuana plant tagging requirements, possession and plant limits,  
24 and/or manufacturing prohibitions under the Act or regulations promulgated thereunder, the  
25 department may notify law enforcement officers who have been assigned by his/her respective  
26 law enforcement agency to investigate criminal violations associated with such noncompliance.  
27 These verifications and notifications may occur through the use of a shared database, provided  
28 that any medical records or confidential information in this database related to a cardholder's  
29 specific medical condition is protected in accordance with subdivision (k)(1).

30 (m) It shall be a crime, punishable by up to one hundred eighty (180) days in jail and a  
31 one thousand dollar (\$1,000) fine, for any person, including an employee or official of the  
32 departments of health, business regulation, public safety, or another state agency or local  
33 government, to breach the confidentiality of information obtained pursuant to this chapter.  
34 Notwithstanding this provision, the department of health and department of business regulation

1 employees may notify law enforcement about falsified or fraudulent information submitted to the  
2 department or violations of this chapter. Nothing in this act shall be construed as to prohibit law  
3 enforcement, public safety, fire, or building officials from investigating violations of, or enforcing  
4 state law.

5 (n) On or before the fifteenth day of the month following the end of each quarter of the  
6 fiscal year, the department of health and the department of business regulation shall report to the  
7 governor, the speaker of the house of representatives, and the president of the senate on  
8 applications for the use of marijuana for symptom relief. The report shall provide:

9 (1) The number of applications for registration as a qualifying patient, primary caregiver,  
10 or authorized purchaser that have been made to the department of health and the department of  
11 business regulation during the preceding quarter, the number of qualifying patients, primary  
12 caregivers, and authorized purchasers approved, the nature of the debilitating medical conditions  
13 of the qualifying patients, the number of registrations revoked, and the number and  
14 specializations, if any, of practitioners providing written certification for qualifying patients.

15 (o) On or before September 30 of each year, the department of health and the department  
16 of business regulation, as applicable, shall report to the governor, the speaker of the house of  
17 representatives, and the president of the senate on the use of marijuana for symptom relief. The  
18 report shall provide:

19 (1) The total number of applications for registration as a qualifying patient, primary  
20 caregiver, or authorized purchaser that have been made to the department of health and the  
21 department of business regulation, the number of qualifying patients, primary caregivers, and  
22 authorized purchasers approved, the nature of the debilitating medical conditions of the  
23 qualifying patients, the number of registrations revoked, and the number and specializations, if  
24 any, of practitioners providing written certification for qualifying patients;

25 (2) The number of active qualifying patient, primary caregiver, and authorized purchaser  
26 registrations as of June 30 of the preceding fiscal year;

27 (3) An evaluation of the costs permitting the use of marijuana for symptom relief,  
28 including any costs to law enforcement agencies and costs of any litigation;

29 (4) Statistics regarding the number of marijuana-related prosecutions against registered  
30 patients and caregivers, and an analysis of the facts underlying those prosecutions;

31 (5) Statistics regarding the number of prosecutions against physicians for violations of  
32 this chapter; and

1 (6) Whether the United States Food and Drug Administration has altered its position  
2 regarding the use of marijuana for medical purposes or has approved alternative delivery systems  
3 for marijuana.

4 (p) After June 30, 2018, the department of business regulation shall report to the speaker  
5 of the house, senate president, the respective fiscal committee chairpersons, and fiscal advisors  
6 within 60 days of the close of the prior fiscal year. The report shall provide:

7 (1) The number of applications for registry identification cards to compassion center  
8 staff, the number approved, denied and the number of registry identification cards revoked, and  
9 the number of replacement cards issued;

10 (2) The number of applications for compassion centers and licensed cultivators;

11 (3) The number of marijuana plant tag sets ordered, delivered, and currently held within  
12 the state;

13 (4) The total revenue collections of any monies related to its regulator activities for the  
14 prior fiscal year, by the relevant category of collection, including enumerating specifically the  
15 total amount of revenues foregone or fees paid at reduced rates pursuant to this chapter.

16 SECTION 3. Title 21 of the General Laws entitled "FOOD AND DRUGS" is hereby  
17 amended by adding thereto the following chapters 28.11 and 28.12:

18 CHAPTER 28.11

19 ADULT USE OF MARIJUANA ACT

20 21-28.11-1. Short title.

21 This chapter shall be known and may be cited as the "Adult Use of Marijuana Act."

22 21-28.11-2. Legislative Findings.

23 The general assembly finds and declares that:

24 (1) Regional and national shifts in cannabis policy are providing Rhode Island adults with  
25 easy access to cannabis and marijuana products manufactured and sold from other states,  
26 contributing to the funds these states use to safeguard public health, safety and welfare within  
27 their borders, while providing no funds to the State of Rhode Island to address the public health,  
28 safety and welfare externalities that come with increased access to cannabis, including marijuana.

29 (2) In the absence of a legal, tightly regulated and controlled market, an illicit industry  
30 has developed undermining the public health, safety and welfare of Rhode Islanders.

31 (3) It is in the best interests of the State of Rhode Island to implement a new regulatory  
32 and control framework and structure for the commercial production and sale of cannabis and  
33 cannabis products, all aspects of which shall be tightly regulated and controlled by the provisions  
34 of this act, chapter 28.12 of title 21, and the regulations promulgated thereunder by the office of

1 cannabis regulation, the revenue which may be used to regulate and control cannabis and  
2 cannabis products and to study and mitigate the risks and deleterious impacts that cannabis and  
3 marijuana use may have on the citizens and State of Rhode Island.

4 **21-28.11-3. Definitions.**

5 For purposes of this chapter:

6 (1) "Adult use" means the use, consumption, acquisition, purchase, possession, transfer,  
7 or transportation of marijuana, marijuana products or marijuana paraphernalia by a person who  
8 is twenty-one (21) years of age or older within the possession limitations and subject to and in  
9 accordance with all other limitations, restrictions, and requirements of chapters 28.11 and 28.12  
10 of title 21 and all regulations promulgated thereunder.

11 (2) "Adult use marijuana contract" means a contract entered into by and between the state  
12 and an adult use marijuana contractor pursuant to the procurement procedures and requirements set  
13 forth in chapter 2 of title 37 with respect to the provision of supplies and performance of services to,  
14 for, and on behalf of, the state with respect to the state's operation and control of adult use state  
15 stores.

16 (3) "Adult use marijuana contractor" means a contractor that is party to an adult use  
17 marijuana contract with the state to provide supplies and perform services to, for, and on behalf of,  
18 the state with respect to the state's operation and control of adult use state stores and who shall be  
19 exempt from state penalties for the provision of supplies and performance of services in compliance  
20 with the adult use marijuana contract, chapters 28.11 and 28.12 of title 21, and regulations  
21 promulgated by the office of cannabis regulation.

22 (4) "Adult use marijuana cultivator licensee" means any person or entity that is licensed  
23 under chapter 28.12 of title 21 to be exempt from state penalties for cultivating, preparing,  
24 packaging, and selling or transferring marijuana (but not marijuana products) in accordance with  
25 chapters 28.11 and 28.12 of title 21 and regulations promulgated thereunder to the state, an adult use  
26 state store, an adult use marijuana contractor, a marijuana processor, another adult use marijuana  
27 cultivator licensee, a cannabis testing laboratory, or another marijuana establishment licensee.

28 (5) "Adult use marijuana emporium" means any establishment, facility or club, whether  
29 operated for-profit or nonprofit, or any commercial unit or other premises as further defined  
30 through regulations promulgated by the department of business regulation, at which the sale,  
31 distribution, transfer or use of marijuana or marijuana products is proposed and/or occurs to, by  
32 or among members of the general public or other persons as further defined through regulations  
33 promulgated by the department of business regulation. This shall not include a compassion center  
34 regulated and licensed by the department of business regulation pursuant to chapter 28.6 of title

1 21 or an adult use state store operated and controlled by the state in accordance with the terms of  
2 chapters 28.11 and 28.12 of title 21.

3 (6) "Adult use marijuana processor licensee" means an entity licensed under chapter 21-  
4 28.12 of title 21 to be exempt from state penalties for purchasing marijuana from adult use marijuana  
5 cultivator licensees, other adult use marijuana processors, or other marijuana establishments,  
6 manufacturing and/or processing marijuana products, and selling, giving, or transferring marijuana  
7 products to the state, an adult use state store, an adult use marijuana contractor, a cannabis testing  
8 laboratory, or other marijuana establishment licensee in accordance with chapters 28.11 and 28.12 of title  
9 21 and regulations promulgated thereunder.

10 (7) "Adult use state store" means a facility operated and controlled by the state which  
11 shall be exempt from state penalties for such operation and control and the procurement of  
12 supplies and services and the retail sale of marijuana, marijuana products, and marijuana  
13 paraphernalia to persons who are twenty-one (21) years of age or older in accordance with the  
14 provisions of chapters 28.11 and 28.12 of title 21 and regulations promulgated thereunder.

15 (8) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana  
16 sativa L, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and  
17 every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin  
18 regardless of cannabinoid content or cannabinoid potency including "marijuana", and "industrial  
19 hemp" or "industrial hemp products" which satisfy the requirements of chapter 26 of title 2.

20 (9) "Cannabis testing laboratory" means a third-party analytical testing laboratory licensed  
21 by the departments of health, in coordination with the department of business regulation, to  
22 collect and test samples of cannabis pursuant to regulations promulgated under chapters 28.11  
23 and 28.12 of title 21.

24 (10) "Contract" has the meaning given that term in § 37-2-7.

25 (11) "Department" or "department of business regulation" means the office of cannabis  
26 regulation within the department of business regulation or its successor agency.

27 (12) "Dwelling unit" means a room or group of rooms within a residential dwelling used or  
28 intended for use by one family or household, or by no more than three (3) unrelated individuals, with  
29 facilities for living, sleeping, sanitation, cooking, and eating.

30 (13) "Equivalent amount" means the portion of usable marijuana, be it in extracted,  
31 edible, concentrated, or any other form, found to be equal to a portion of dried, marijuana, as  
32 defined by regulations promulgated by the office of cannabis regulation.

33 (14) "Hemp" or "industrial hemp" has the meaning given that term in § 2-26-3.

1           (15) "Hemp products" or "industrial hemp products" has the meaning given that term in §  
2 2-26-3.

3           (16) "Hemp-derived consumable CBD products" has the meaning given that term in § 2-  
4 26-3.

5           (17) "Marijuana" means all parts of the plant cannabis sativa L., whether growing or not;  
6 the seeds of the plant; the resin extracted from any part of the plant; and every compound,  
7 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin, but shall not  
8 include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the  
9 seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of  
10 mature stalks, (except the resin extracted from it), fiber, oil or cake, or the sterilized seed from the  
11 plant which is incapable of germination. Marijuana shall not include "industrial hemp" or  
12 industrial hemp products" which satisfy the requirements of chapter 26 of title 2.

13           (18) "Marijuana establishment" and "marijuana establishment licensee" means any person,  
14 entity or facility that is licensed under chapters 28.12 or 28.6 of title 21, to be exempt from state  
15 penalties for engaging in or conducting the activities permitted under its respective license and  
16 includes but is not limited to an adult use marijuana cultivator licensee, an adult use marijuana  
17 processor licensee, an adult use marijuana contractor, a cannabis testing laboratory, a licensed  
18 compassion center, a licensed medical marijuana cultivator, or any other entity licensed by the  
19 office of cannabis regulation under chapter 28.12 or 28.6 or title 21.

20           (19) "Marijuana paraphernalia" means equipment, products, and materials which are used  
21 or intended for use in planting, propagating, cultivating, growing, harvesting, manufacturing,  
22 compounding, converting, producing, processing, preparing, testing, analyzing, packaging,  
23 repackaging, storing, containing, concealing, ingesting, or inhaling marijuana, or otherwise  
24 introducing marijuana into the human body.

25           (20) "Marijuana plant" means a marijuana plant, rooted or unrooted, mature, or  
26 immature, with or without flowers or buds.

27           (21) "Marijuana products" means any form of marijuana, including concentrated marijuana  
28 and products that are comprised of marijuana and other ingredients that are intended for use or  
29 consumption, such as, but not limited to, extracts, infusions, edible products, ointments, and tinctures,  
30 as further defined in regulations promulgated by the office of cannabis regulation.

31           (22) "Office of cannabis regulation" means the office of cannabis regulation within the  
32 department of business regulation.

33           (23) "Procurement" has the meaning given that term in § 37-2-7.

34           (24) "Public place" means any street, alley, park, sidewalk, public building other than



1 individual dwellings, or any place of business or assembly open to or frequented by the public, and  
2 any other place to which the public has access.

3 (25) "Registry identification card" means a document issued by the department of  
4 business regulation or department of health that identifies a person as a registered officer,  
5 director, manager, member, partner, employee, or agent of an adult use marijuana cultivator  
6 licensee, an adult use marijuana processor licensee, an adult use marijuana contractor, an adult  
7 use state store, a cannabis testing laboratory, or any other marijuana establishment licensee.

8 (26) "Services" has the meaning given in § 37-2-7.

9 (27) "Smoke" or "smoking" means heating to at least the point of combustion, causing plant  
10 material to burn, inhaling, exhaling, burning, or carrying any lighted or heated cigarette, pipe, weed,  
11 plant, other marijuana product in any manner or in any form intended for inhalation in any manner or  
12 form and includes but is not limited to the use of electronic cigarettes, electronic pipes, electronic  
13 marijuana delivery system products, or other similar products that rely on vaporization or aerosolization.

14 (28) "State" means the state of Rhode Island and, to the extent of any delegation of purchase  
15 control pursuant to § 37-2-54, the department of business regulation through its office of cannabis  
16 regulation which shall be exempt from state penalties for the procurement of supplies and services  
17 and the operation and control of adult use state stores and the retail sale of marijuana, marijuana  
18 products, and marijuana paraphernalia to persons who are twenty-one (21) years of age or older in  
19 accordance with chapters 28.11 and 28.12 of title 21 and regulations promulgated thereunder.

20 (29) "State prosecution" means prosecution initiated or maintained by the state of Rhode  
21 Island or an agency or political subdivision of the state of Rhode Island.

22 (30) "Supplies" has the meaning given in § 37-2-7 and includes marijuana, marijuana  
23 products, and marijuana paraphernalia to be sold at adult use state stores.

24 (31) "Vaporize" or "vape" means heating below the point of combustion and resulting in a  
25 vapor or mist.

26 **21-28.11-4. Exempt activities.**

27 Effective from and after January 1, 2021, except as otherwise provided in this chapter:

28 (1) A person who is twenty-one (21) years of age or older is exempt from arrest, civil or  
29 criminal penalty, seizure or forfeiture of assets, discipline by any state or local licensing board, and  
30 state prosecution for solely engaging in the following acts in accordance and compliance with  
31 chapters 28.11 and 28.12 of title 21 and the regulations promulgated thereunder by the office of  
32 cannabis regulation:

33 (i) Actually or constructively using, obtaining, purchasing, transporting, or possessing one  
34 ounce (1 oz.) or less of marijuana plant material, or an equivalent amount of marijuana product as

1 determined by regulations promulgated by the office of cannabis regulation, provided that a person  
2 who is twenty-one (21) years of age or older may only purchase one ounce (1 oz.) of marijuana plant  
3 material, or an equivalent amount of marijuana product as determined by regulations promulgated by  
4 the department of office of cannabis regulation per day;

5 (ii) Possessing in the person's primary residence in secured and locked storage five ounces  
6 (5 oz.) or less of marijuana plant material or an equivalent amount of marijuana product as determined  
7 by regulations promulgated by the office of cannabis regulation, or possessing in any dwelling unit  
8 used as the primary residence by two or more persons who are each twenty-one (21) years of age or  
9 older in secured and locked storage ten ounces (10 oz.) or less of marijuana plant material or an  
10 equivalent amount of marijuana product as determined by regulations promulgated by the office of  
11 cannabis regulation;

12 (iii) Controlling any premises or vehicle where persons who are twenty-one (21) years of age  
13 or older possess, process, or store amounts of marijuana plant material and marijuana products that  
14 are legal under state law under subsections (1)(i) and (1)(ii) of this section, provided that any and all  
15 marijuana plant material and/or marijuana products in a vehicle are sealed, unused, and in their  
16 original unopened packaging;

17 (iv) Giving away, without consideration, the amounts of marijuana and marijuana products  
18 that are legal under state law under subsection (1)(i) of this section, if the recipient is a person who  
19 is twenty-one (21) years of age or older, provided the gift or transfer of marijuana is not advertised or  
20 promoted to the public and the gift or transfer of marijuana is not in conjunction with the sale or  
21 transfer of any money, consideration or value, or another item or any other services in an effort to evade  
22 laws governing the sale of marijuana;

23 (v) Aiding and abetting another person who is twenty-one (21) years of age or older in the  
24 actions allowed under this chapter; and

25 (vi) Any combination of the acts described within subsections (1)(i) through (1)(v) of this  
26 section, inclusive.

27 (2) Except as otherwise provided in this chapter and chapter 28.12 of title 21, an adult use  
28 state store and any person who is twenty-one (21) years of age or older and acting in their capacity  
29 as an owner, officer, director, partner, manager, member, employee, or registered agent of an  
30 adult use marijuana contractor is exempt from arrest, civil or criminal penalty, seizure or forfeiture  
31 of assets, discipline by any state or local licensing board, and state prosecution for solely engaging  
32 in the following acts in accordance and compliance with chapters 28.11 and 28.12 of title 21, the  
33 regulations promulgated thereunder by the office of cannabis regulation and any applicable adult use  
34 marijuana contract:

1 (i) Actually or constructively obtaining, purchasing, transporting or possessing marijuana or  
2 marijuana products that were purchased from an adult use marijuana cultivator licensee, an adult use  
3 marijuana processor licensee, another adult use state store or adult use marijuana contractor, or any  
4 other marijuana establishment licensee;

5 (ii) Manufacturing, possessing, producing, obtaining, purchasing or selling marijuana  
6 paraphernalia;

7 (iii) Selling, delivering, or transferring marijuana, marijuana products or marijuana  
8 paraphernalia to another adult use state store or adult use marijuana contractor;

9 (iv) Selling at retail, transferring, or delivering, no more than, one ounce (1 oz.) of marijuana, or  
10 an equivalent amount of marijuana product per day, or marijuana paraphernalia to any person who  
11 is twenty-one (21) years of age or older, within the transaction limits of and in accordance with this  
12 chapter, chapter 28.12 of title 21 and regulations promulgated by the office of cannabis regulation;

13 (v) Transferring or delivering marijuana or marijuana products to a cannabis testing facility  
14 in accordance with regulations promulgated by the office of cannabis regulation;

15 (vi) Managing and supervising under the operation and control of the state any state store or  
16 other premises or vehicle where marijuana, marijuana products, and marijuana paraphernalia are  
17 possessed, sold, or deposited in a manner that is not in conflict with this chapter, chapter 28.12 of  
18 title 21 or regulations promulgated by the office of cannabis regulation; and

19 (vii) Any combination of the acts described within subsections (2)(i) through (2)(vi) of this  
20 section, inclusive.

21 (3) Except as otherwise provided in this chapter and chapter 28.12 of title 21, an adult use  
22 marijuana cultivator licensee or any person who is twenty-one (21) years of age or older and acting  
23 in their capacity as an owner, officer, director, partner, manager, member, employee, or  
24 registered agent of an adult use marijuana cultivator licensee is exempt from arrest, civil or criminal  
25 penalty, seizure or forfeiture of assets, discipline by any state or local licensing board, and state  
26 prosecution for solely engaging in the following acts in accordance and compliance with chapters  
27 28.11 and 28.12 of title 21, and the regulations promulgated thereunder by the office of cannabis  
28 regulation:

29 (i) Cultivating, packing, processing, transporting, or manufacturing marijuana, but not  
30 marijuana products;

31 (ii) Transporting or possessing marijuana that was produced by the adult use marijuana  
32 cultivator licensee or another marijuana establishment;

33 (iii) Selling, delivering, or transferring marijuana to the state, an adult use state store or  
34 adult use marijuana contractor, an adult use marijuana processor licensee, another adult use

1 marijuana cultivator licensee, or any other marijuana establishment:

2 (iv) Purchasing marijuana from an adult use marijuana cultivator licensee;

3 (v) Delivering or transferring marijuana to a cannabis testing laboratory;

4 (vi) Managing, supervising and controlling any premises or vehicle where marijuana is

5 possessed, manufactured, sold, or deposited, in accordance with regulations promulgated by the

6 office of cannabis regulation; and

7 (vii) Any combination of the acts described within subsections (3)(i) through (3)(vi) of this

8 section, inclusive.

9 (4) Except as otherwise provided in this chapter and chapter 28.12 of title 21, an adult use

10 marijuana processor licensee or any person who is twenty-one (21) years of age or older and acting

11 in their capacity as an owner, officer, director, partner, manager, member, employee, or

12 registered agent of an adult use marijuana processor licensee is exempt from arrest, civil or criminal

13 penalty, seizure or forfeiture of assets, discipline by any state or local licensing board, and state

14 prosecution for solely engaging in the following acts in accordance and in accordance and compliance

15 with chapters 28.11 and 28.12 of title 21 and the regulations promulgated thereunder by the office of

16 cannabis regulation:

17 (i) Producing, manufacturing, packing, processing, or transporting marijuana products;

18 (ii) Packing, processing, possessing, or transporting marijuana that was produced by an adult

19 use marijuana cultivator licensee;

20 (iii) Possessing, transporting, or producing marijuana paraphernalia;

21 (iv) Manufacturing, possessing, or producing marijuana products;

22 (v) Selling, delivering, or transferring marijuana products to the state, an adult use state

23 store or adult use marijuana contractor, another adult use marijuana processor licensee, or any

24 other marijuana establishment;

25 (vi) Purchasing marijuana from an adult use marijuana cultivator licensee, or another adult

26 use marijuana processor licensee, or any other marijuana establishment;

27 (vii) Delivering or transferring marijuana or marijuana products to a cannabis testing

28 laboratory;

29 (viii) Managing, supervising or controlling any premises or vehicle where marijuana products

30 and marijuana paraphernalia are possessed, manufactured, sold, or deposited;

31 (ix) Managing, supervising or controlling any premises or vehicle where marijuana is

32 possessed, processed, packaged, or deposited; and

33 (x) Any combination of the acts described within subsections (4)(i) through (4)(ix) of this

34 section, inclusive.

1           (5) Except as otherwise provided in this chapter and chapter 28.12 of title 21, a cannabis  
2 testing laboratory or any person who is twenty-one (21) years of age or older and acting in their  
3 capacity as an owner, officer, director, partner, manager, member, employee, or registered agent  
4 of a cannabis testing laboratory shall not be subject to state prosecution; search, except by the  
5 department of business regulation or department of health pursuant to § 21-28.12-8; seizure; or  
6 penalty in any manner or be denied any right or privilege, including, but not limited to, civil penalty or  
7 disciplinary action by a court or business licensing board or entity solely engaging in for the  
8 following acts in accordance and compliance with chapters 28.11 and 28.12 of title 21, the regulations  
9 promulgated thereunder by the department of health and the office of cannabis regulation:

10           (i) Acquiring, transporting, storing, or possessing marijuana or marijuana products;

11           (ii) Returning marijuana and marijuana products to adult use marijuana cultivator licensees,  
12 adult use marijuana processor licensees, the state, adult use state stores or adult use marijuana  
13 contractors, other marijuana establishment licensees and industrial hemp license holders;

14           (iii) Receiving compensation for analytical testing, including but not limited to testing for  
15 contaminants and potency; and

16           (iv) Any combination of the acts described within subsections (4)(i) through (4)(iii) of this  
17 section, inclusive.

18           (6) The acts listed in subsections (1) through (5) of this section, when undertaken in  
19 accordance and compliance with the provisions of chapters 28.11 and 28.12 of title 21 and  
20 regulations promulgated thereunder, are lawful under Rhode Island law.

21           (7) Except as otherwise provided in chapters 28.11 and 28.12 of title 21, a marijuana  
22 establishment licensee or any person who is twenty-one (21) years of age or older and acting in their  
23 capacity as an owner, officer, director, partner, manager, member, employee, or registered agent  
24 of a marijuana establishment licensed by the office of cannabis regulation is exempt from arrest,  
25 civil or criminal penalty, seizure or forfeiture of assets, discipline by any state or local licensing  
26 board, and state prosecution solely for obtaining, possessing, transferring, or delivering marijuana,  
27 marijuana products or marijuana paraphernalia or otherwise engaging in activities permitted  
28 under the specific marijuana establishment license it holds as issued by the office of cannabis  
29 regulation in accordance and compliance with chapters 28.11 and 28.12 of title 21 and the  
30 corresponding marijuana establishment license regulations promulgated by the office of cannabis  
31 regulation.

32           (8) No state employee shall be subject to arrest, prosecution, or penalty in any manner, or  
33 denied any right or privilege, including, but not limited to, civil penalty, criminal penalty, seizure  
34 or forfeiture of assets, discipline by any state or local licensing board, state prosecution,

1 disciplinary action, termination, or loss of employee or pension benefits, for any and all conduct  
2 that occurs within the scope of his or her employment regarding the administration, execution,  
3 implementation and/or enforcement of chapters 28.11 and 28.12 of title 21 and the regulations  
4 promulgated thereunder, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this  
5 section.

6 (9) Except for the exemptions set forth in subsections (1) and (2) of this section which  
7 shall be effective from and after January 1, 2021, the exemption set forth in subsection (8) of this  
8 section which shall be effective upon passage of this act, the exemptions set forth in subsections  
9 (3), (4), (5), (6) and (7) of this section shall be effective as to a marijuana establishment licensee  
10 from and after the date of issuance of a license by the office of cannabis regulation.

11 **21-28.11-5. Authorized activities; paraphernalia.**

12 (a) Any person who is twenty-one (21) years of age or older is authorized to manufacture,  
13 produce, use, obtain, purchase, transport, or possess, actually or constructively, marijuana  
14 paraphernalia in accordance with all applicable laws.

15 (b) Any person who is twenty-one (21) years of age or older is authorized to distribute or  
16 sell marijuana paraphernalia to marijuana establishments or persons who are twenty-one (21)  
17 years of age or older in accordance with all applicable laws.

18 **21-28.11-6. Unlawful activities; penalties.**

19 (a) Except as expressly provided in chapters 28.6, 28.11 and 28.12 of title 21, no person  
20 or entity shall cultivate, grow, acquire, purchase, possess, sell, transfer, manufacture, process, or  
21 otherwise produce marijuana, marijuana plants or marijuana products.

22 (b) Any person or entity who cultivates, grows, acquires, purchases, possesses, sells,  
23 manufactures, processes, or otherwise produces marijuana, marijuana plants or marijuana  
24 products in violation of chapters 28.6, 28.11 and 28.12 of title 21, and/or the regulations  
25 promulgated thereunder shall be subject to imposition of an administrative penalty and order by  
26 the office of cannabis regulation as follows:

27 (i) for a violation of this section involving one (1) to five (5) marijuana plants, an  
28 administrative penalty of \$2,000 per plant and an order requiring forfeiture and/or destruction of  
29 said plants;

30 (ii) for a violation of this section involving six (6) to ten (10) marijuana plants, an  
31 administrative penalty of \$3,000 per plant and an order requiring forfeiture and/or destruction of  
32 said plants;

33 (iii) for a violation of this section involving eleven (11) to twenty (20) marijuana plants,  
34 an administrative penalty of \$4,000 per plant and an order requiring forfeiture and/or destruction

1 of said plants;

2 (iv) for a violation of this section involving more than twenty (20) marijuana plants, an  
3 administrative penalty of \$5,000 per plant and an order requiring forfeiture and/or destruction of  
4 said plants;

5 (v) for any violation of this section involving more than twenty (20) marijuana plants,  
6 such person and, in the case of an entity each of such entity's owners, officers, directors,  
7 managers, members, partners and other key persons, shall also be guilty of a felony, and upon  
8 conviction shall be punished by imprisonment and a fine as provided in chapter 28 of title 21 and  
9 the attorney general shall prosecute such criminal violation; and

10 (vi) for any violation of this section involving marijuana material or marijuana products over the  
11 legal possession limits of this chapter, there shall be an administrative penalty of \$2,000 per ounce of  
12 equivalent marijuana material over the legal possession limit and an order requiring forfeiture and/or  
13 destruction of said marijuana.

14 **21-28.11-7. Activities not exempt.**

15 The provisions of this chapter do not exempt any person from arrest, civil or criminal penalty,  
16 seizure or forfeiture of assets, discipline by any state or local licensing board or authority, and state  
17 prosecution for, nor may they establish an affirmative defense based on this chapter to charges  
18 arising from, any of the following acts:

19 (1) Driving, operating, or being in actual physical control of a vehicle or a vessel under  
20 power or sail while impaired by marijuana or marijuana products;

21 (2) Possessing marijuana or marijuana products if the person is a prisoner;

22 (3) Possessing marijuana or marijuana products in any local detention facility, county jail,  
23 state prison, reformatory, or other correctional facility, including, without limitation, any facility for the  
24 detention of juvenile offenders; or

25 (4) Manufacturing or processing of marijuana products with the use of prohibited solvents,  
26 in violation of § 21-28.11-16.

27 **21-28.11-8. Marijuana use prohibitions.**

28 (a) No person shall smoke, vaporize or otherwise consume or use cannabis in a public  
29 place. A person who violates this section shall be subject to imposition of an administrative  
30 penalty by the office of cannabis regulation of one hundred fifty dollars (\$150) per violation, in  
31 addition to and not in lieu of any applicable penalty or fine by the municipality where the public  
32 consumption or use occurred.

33 (b) No person shall smoke or vaporize cannabis in, on or about the premises of any  
34 housing that is subject to regulation or otherwise within the purview of chapters 25, 26, 53 or 60

1 of title 45 and any regulations promulgated thereunder. A person who smokes or vaporizes  
2 cannabis in, on or about such housing premises shall be subject to imposition of an administrative  
3 penalty by the office of cannabis regulation of one hundred fifty dollars (\$150) per violation, in  
4 addition to and not in lieu of any applicable penalty, access prohibition or restriction, eviction or  
5 other action that may lawfully be taken by the owner and/or applicable authority with respect to  
6 said housing.

7 (c) No person shall smoke or vaporize cannabis in, on or about the premises of any multi-  
8 unit housing complex or building without the written permission of the owner of such property  
9 and/or any applicable governing body of the housing complex or building. A person who smokes  
10 or vaporizes cannabis in, on or about any multi-unit housing complex or building premises without  
11 such written permission shall be subject to imposition of an administrative penalty by the office  
12 of cannabis regulation of one hundred fifty dollars (\$150) per violation, in addition to and not in  
13 lieu of any applicable penalty, access prohibition or restriction, eviction or other action that may  
14 lawfully be taken by the owner and/or any applicable authority with respect to such multi- unit  
15 housing complex or building.

16 (d) No person may smoke, vaporize or otherwise consume or use, sell, distribute or  
17 otherwise transfer or propose any such sale, distribution or transfer, cannabis or cannabis  
18 products in, on or about the premises of any place of business, establishment, or club, whether  
19 public or private, and whether operated for-profit or nonprofit, or any commercial property or  
20 other premises as further defined through regulations promulgated by the office of cannabis  
21 regulation, unless a cannabis social use license or temporary cannabis social use permit has been  
22 issued by the office of cannabis regulation with respect to such business, establishment, club or  
23 commercial property premises in accordance with regulations promulgated by the office of  
24 cannabis regulation. Any person who violates this section shall be subject to imposition of  
25 administrative fine and/or other penalty as prescribed by the office of cannabis regulation in such  
26 regulations.

27 **21-28.11-9. Scope of chapter.**

28 This chapter shall not permit:

29 (a) Any person to undertake any task under the influence of marijuana, when doing so  
30 would constitute negligence or professional malpractice;

31 (b) The smoking of marijuana:

32 (1) In a school bus or other form of public transportation;

33 (2) On any school grounds;

34 (3) In any correctional facility;



- 1           (4) In any public place;  
2           (5) In any licensed drug treatment facility in this state; or  
3           (6) Where exposure to the marijuana smoke affects the health, safety, or welfare of  
4 children.

5           (c) Any person to operate, navigate, or be in actual physical control of any motor vehicle,  
6 aircraft, or motorboat while under the influence of marijuana. However, a person shall not be  
7 considered to be under the influence solely for having marijuana metabolites in his or her system.

8           (d) The operation of a marijuana emporium is prohibited in this state without a license  
9 issued by the department of business regulation.

10           **21-28.11-10. Places of employment.**

11           (a) Nothing in this chapter shall be construed to require an employer to accommodate the  
12 use or possession of marijuana, or being under the influence of marijuana, in any workplace.

13           (b) An employer shall be entitled to implement policies prohibiting the use or possession  
14 of marijuana in the workplace and/or working under the influence of marijuana, provided such  
15 policies are in writing and uniformly applied to all employees and an employee is given prior  
16 written notice of such policies by the employer.

17           (c) The provisions of this chapter shall not permit any person to undertake any task under  
18 the influence of marijuana when doing so would constitute negligence or professional  
19 malpractice, jeopardize workplace safety, or to operate, navigate or be in actual physical control  
20 of any motor vehicle or other transport vehicle, aircraft, motorboat, machinery or equipment, or  
21 firearms under the influence of marijuana.

22           (d) Notwithstanding any other section of the general laws, upon specific request of a  
23 person who is a qualifying medical marijuana patient cardholder under chapter 28.6 of title 21,  
24 the department of health may verify the requesting cardholder's status as a valid patient  
25 cardholder to the qualifying patient cardholder's employer, in order to ensure compliance with  
26 patient protections of §21-28.6-4(f).

27           (e) Notwithstanding any other section of the general laws, an employer may take  
28 disciplinary action against an employee, including termination of employment, if the results of a  
29 drug test administered in accordance with section §28-6.5-1 of the general laws demonstrates  
30 that the employee was under the influence of or impaired by marijuana while in the workplace or  
31 during the performance of work. For purposes of this subsection (e), a drug test that yields a  
32 positive result for cannabis metabolites shall not be construed as proof that an employee is under  
33 the influence of or impaired by marijuana unless the test yields a positive result for active THC,

1 delta-9-tetrahydrocannabinol, delta-8-tetrahydrocannabinol, or any other active cannabinoid  
2 found in marijuana which is an intoxicant or causes impairment.

3 **21-28.11-11. Private property.**

4 (a) Except as provided in this section, the provisions of this chapter do not require any person,  
5 corporation, or any other entity that occupies, owns, or controls a property to allow the consumption,  
6 or transfer of marijuana on or in that property.

7 (b) Except as provided in this section, in the case of the rental of a residential dwelling unit  
8 governed by chapter 18 of title 34, a landlord may not prohibit the consumption of cannabis by non-  
9 smoked or non-vaporized means, or the transfer without compensation of cannabis by the tenant as  
10 defined in § 34-18-11, provided the tenant is in compliance with the possession and transfer limits  
11 and other requirements set forth in § 21-28.11-4(1)(i) and (iv), and provided any such  
12 consumption or transfer by the tenant is done within the tenant's dwelling unit and is not visible from  
13 outside of the individual residential dwelling unit. A landlord may prohibit the consumption, display, and  
14 transfer of cannabis by a roomer as defined in §34-18-11 and by any other person who is not a tenant.

15 **21-28.11-12. False age representation.**

16 (a) Any person who falsely represents themselves to be twenty-one (21) years of age or  
17 older in order to obtain any marijuana, marijuana products, or marijuana paraphernalia pursuant  
18 to this chapter is guilty of a civil violation.

19 (b) Any person who violates this section shall be subject to the following penalties which  
20 shall be enforced by the division of motor vehicles in accordance with chapter 11 of title 31 and any  
21 regulations promulgated thereunder or hereunder:

22 (i) for the first offense, imposition of a mandatory fine of not less than one hundred dollars  
23 (\$100) nor more than five hundred dollars (\$500), the requirement to perform thirty (30) hours of  
24 community service and suspension of his/her motor vehicle operator's license or permit and driving  
25 privileges for a period of thirty (30) days;

26 (ii) for the second offense, imposition of a mandatory fine of not less than five hundred  
27 dollars (\$500) nor more than seven hundred fifty dollars (\$750), the requirement to perform forty  
28 (40) hours of community service and suspension of his/her motor vehicle operator's license or permit  
29 and driving privileges for a period of three (3) months; and

30 (iii) for the third and subsequent offenses, imposition of a mandatory fine for each offense  
31 of not less than seven hundred fifty dollars (\$750) nor more than one thousand dollars (\$1,000), the  
32 requirement to perform by fifty (50) hours of community service and suspension of his/her motor  
33 vehicle operator's license or permit and driving privileges for a period of one (1) year.

34 (c) In addition to and not in lieu of the penalties described in subsection (b), the department

1 of elementary and secondary education and, with the prior approval of the department, any city,  
2 town or school district under its authority, may adopt and implement marijuana drug use policies  
3 which require students to face disciplinary actions including but not limited to, suspension,  
4 expulsion, community service, and prohibition from participation in school sanctioned events, for  
5 any violation of this section or for the possession or use of marijuana, provided that nothing  
6 herein shall alter, modify or otherwise impair the medical use protections afforded under chapter  
7 28.6 of title 21 to qualifying patients that are registered with the department of health under § 21-  
8 28.6-6(b). The department of elementary and secondary education shall have the authority to  
9 adopt rules and regulations as are necessary and proper to carry out the foregoing.

10 **21-28.11-13. Unlawful distribution to minors; penalties.**

11 (a) Except as expressly provided in chapters 28.6 of title 21, no person or entity shall sell,  
12 deliver, distribute or otherwise transfer or furnish to, or purchase or otherwise procure for, any  
13 person who is under twenty-one (21) years of age marijuana, marijuana plants, marijuana  
14 products or marijuana paraphernalia.

15 (b) Any person or entity who sells, delivers, distributes or otherwise transfers or furnishes  
16 to, or purchases or otherwise procures for, any person who is under twenty-one (21) years of age  
17 marijuana, marijuana plants, marijuana products or marijuana paraphernalia in violation of this  
18 chapter and chapter 28.12 and/or the regulations promulgated hereunder shall be subject to  
19 imposition of an administrative penalty by the office of cannabis regulation in the amount of  
20 \$10,000 per violation.

21 (c) As to any knowing violation of this section, by any person who is twenty-one (21)  
22 years of age or older where the sale, delivery, distribution, transfer or furnishing to, or purchase  
23 or procurement for, is as to a person who is at least three (3) years his or her junior, such person,  
24 and in the case of an entity each of such entity's owners, officers, directors, managers, members,  
25 partners and other key persons, shall also be guilty of a felony, and upon conviction shall be  
26 punished by imprisonment and a fine as provided in chapter 28 of title 21 and the attorney general  
27 shall prosecute such criminal violation.

28 (d) It is no defense to a prosecution for a violation of subsection (c) that in the transaction  
29 upon which the prosecution is based, any person who has not reached his or her twenty-first  
30 (21st) birthday acted as the agent or representative of another, or that the defendant dealt with any  
31 person who has not reached his or her twenty-first (21st) birthday as the agent or representative of  
32 another, or that any person who has not reached his or her twenty-first (21st) birthday  
33 misrepresented or misstated his or her age, or the age of any other person or misrepresented his or  
34 her age through the presentation of any of the documents described in § 3-8-6(a)(3)(i)-(iii) of the

1 general laws.

2 **21-28.11-14. Compliance check.**

3 (a) As used in this section the term "compliance check" means the sending of a minor  
4 into a marijuana establishment to see if that minor could purchase marijuana. As used in this  
5 section the term "purchase survey" refers to compliance checks that are a part of a statewide  
6 survey.

7 (b) Underage individuals acting as agents for state or municipal law enforcement may  
8 purchase, with impunity from prosecution, marijuana for the purposes of law enforcement,  
9 provided that the underage individuals are supervised by an adult law enforcement official. Any  
10 individual participating in an unannounced compliance check and/or purchase survey must state  
11 his/her accurate age if asked by the employee of the licensed establishment being checked.

12 (c) If the compliance check is a part of a general enforcement operation and results in the  
13 sale of marijuana to the minor, the manager of the marijuana establishment shall be notified  
14 within 48 hours of the violation. If the compliance check is a part of a purchase survey and results  
15 in the sale of marijuana to the minor, the manager of the marijuana establishment shall be notified  
16 of the violation upon completion of the purchase survey in that community.

17 **21-28.11-15. Transportation of marijuana by underage persons.**

18 (a) Any person who has not reached his or her twenty-first (21st) birthday and who  
19 operates a motor vehicle upon the public highways, except when accompanied by a parent, legal  
20 guardian, or another adult who is over the age of twenty-one (21) years and related, whether by  
21 blood, adoption or marriage, to the operator within the following degree of sanguinity: brother,  
22 sister, grandfather, grandmother, father-in-law, mother-in-law, brother-in-law, sister-in-law,  
23 stepfather, stepmother, stepbrother, stepsister, half-brother, half-sister, uncle, aunt, great uncle or  
24 great aunt and, knowingly having marijuana or marijuana products in any form in containers,  
25 opened or unopened, in any part of the vehicle shall be guilty of a criminal violation. The words  
26 "marijuana" and "marijuana products", as used in this section, have the same meaning as defined  
27 in chapter 21-28.11 of this title.

28 (b) Any person who violates subsection (a) of this section shall be subject to the  
29 following penalties enforced by the division of motor vehicles in accordance with chapter 11 of  
30 title 31 and the regulations promulgated thereunder or hereunder:

31 (1) For a first offense, a fine of not more than two hundred fifty dollars (\$250) and have  
32 his or her license to operate a motor vehicle suspended for not more than thirty (30) days;

33 (2) For a second offense, a fine of not more than five hundred dollars (\$500) and have his  
34 or her license to operate a motor vehicle suspended for not more than ninety (90) days;



1 the state with respect to the state's operation and control of adult use state stores and who shall be  
2 exempt from state penalties for the provision of supplies and performance of services in compliance  
3 with the adult use marijuana contract, chapters 28.11 and 28.12 of title 21, and regulations  
4 promulgated by the office of cannabis regulation.

5 (4) "Adult use marijuana cultivator licensee" means any person or entity that is licensed  
6 under chapter 28.12 of title 21 to be exempt from state penalties for cultivating, preparing,  
7 packaging, and selling or transferring marijuana (but not marijuana products) in accordance with  
8 chapters 28.11 and 28.12 of title 21 and regulations promulgated thereunder to the state, an adult use  
9 state store, an adult use marijuana contractor, a marijuana processor, another adult use marijuana  
10 cultivator licensee, a cannabis testing laboratory, or another marijuana establishment licensee.

11 (5) "Adult use marijuana emporium" means any establishment, facility or club, whether  
12 operated for-profit or nonprofit, or any commercial unit or other premises as further defined  
13 through regulations promulgated by the department of business regulation, at which the sale,  
14 distribution, transfer or use of marijuana or marijuana products is proposed and/or occurs to, by  
15 or among members of the general public or other persons as further defined through regulations  
16 promulgated by the department of business regulation. This shall not include a compassion center  
17 regulated and licensed by the department of business regulation pursuant to chapter 28.6 of title  
18 21 or an adult use state store operated and controlled by the state in accordance with the terms of  
19 chapters 28.11 and 28.12 of title 21.

20 (6) "Adult use marijuana processor licensee" means an entity licensed under chapter 21-  
21 28.12 of title 21 to be exempt from state penalties for purchasing marijuana from adult use marijuana  
22 cultivator licensees, other adult use marijuana processors, or other marijuana establishments,  
23 manufacturing and/or processing marijuana products, and selling, giving, or transferring marijuana  
24 products to the state, an adult use state store, an adult use marijuana contractor, a cannabis testing  
25 laboratory, or other marijuana establishment licensee in accordance with chapters 28.11 and 28.12 of title  
26 21 and regulations promulgated thereunder.

27 (7) "Adult use state store" means a facility operated and controlled by the state which  
28 shall be exempt from state penalties for such operation and control and the procurement of  
29 supplies and services and the retail sale of marijuana, marijuana products, and marijuana  
30 paraphernalia to persons who are twenty-one (21) years of age or older in accordance with the  
31 provisions of chapters 28.11 and 28.12 of title 21 and regulations promulgated thereunder.

32 (8) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana  
33 sativa L, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and  
34 every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin

1 regardless of cannabinoid content or cannabinoid potency including “marijuana”, and “industrial  
2 hemp” or “industrial hemp products” which satisfy the requirements of chapter 26 of title 2.

3 (9) "Cannabis testing laboratory" means a third-party analytical testing laboratory licensed  
4 by the departments of health, in coordination with the department of business regulation, to  
5 collect and test samples of cannabis pursuant to regulations promulgated under chapters 28.11  
6 and 28.12 of title 21.

7 (10) “Contract” has the meaning given that term in § 37-2-7.

8 (1) “Department” or “department of business regulation” means the office of cannabis  
9 regulation within the department of business regulation or its successor agency.

10 (12) "Dwelling unit" means a room or group of rooms within a residential dwelling used or  
11 intended for use by one family or household, or by no more than three (3) unrelated individuals, with  
12 facilities for living, sleeping, sanitation, cooking, and eating.

13 (13) "Equivalent amount" means the portion of usable marijuana, be it in extracted,  
14 edible, concentrated, or any other form, found to be equal to a portion of dried, marijuana, as  
15 defined by regulations promulgated by the office of cannabis regulation.

16 (14) "Hemp” or “industrial hemp" has the meaning given that term in § 2-26-3.

17 (15) "Hemp products” or “industrial hemp products" has the meaning given that term in §  
18 2-26-3.

19 (16) “Hemp-derived consumable CBD products” has the meaning given that term in § 2-  
20 26-3.

21 (17) "Marijuana" means all parts of the plant cannabis sativa L., whether growing or not;  
22 the seeds of the plant; the resin extracted from any part of the plant; and every compound,  
23 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin, but shall not  
24 include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the  
25 seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of  
26 mature stalks, (except the resin extracted from it), fiber, oil or cake, or the sterilized seed from the  
27 plant which is incapable of germination. Marijuana shall not include “industrial hemp” or  
28 industrial hemp products” which satisfy the requirements of chapter 26 of title 2.

29 (18) "Marijuana establishment" and “marijuana establishment licensee” means any person,  
30 entity or facility that is licensed under chapters 28.12 or 28.6 of title 21, to be exempt from state  
31 penalties for engaging in or conducting the activities permitted under its respective license and  
32 includes but is not limited to an adult use marijuana cultivator licensee, an adult use marijuana  
33 processor licensee, an adult use marijuana contractor, a cannabis testing laboratory, a licensed

1 compassion center, a licensed medical marijuana cultivator, or any other entity licensed by the  
2 office of cannabis regulation under chapter 28.12 or 28.6 or title 21.

3 (19) "Marijuana paraphernalia" means equipment, products, and materials which are used  
4 or intended for use in planting, propagating, cultivating, growing, harvesting, manufacturing,  
5 compounding, converting, producing, processing, preparing, testing, analyzing, packaging,  
6 repackaging, storing, containing, concealing, ingesting, or inhaling marijuana, or otherwise  
7 introducing marijuana into the human body.

8 (20) "Marijuana plant" means a marijuana plant, rooted or unrooted, mature, or  
9 immature, with or without flowers or buds.

10 (21) "Marijuana products" means any form of marijuana, including concentrated marijuana  
11 and products that are comprised of marijuana and other ingredients that are intended for use or  
12 consumption, such as, but not limited to, extracts, infusions, edible products, ointments, and tinctures,  
13 as further defined in regulations promulgated by the office of cannabis regulation.

14 (22) "Office of cannabis regulation" means the office of cannabis regulation within the  
15 department of business regulation.

16 (23) "Procurement" has the meaning given that term in § 37-2-7.

17 (24) "Public place" means any street, alley, park, sidewalk, public building other than  
18 individual dwellings, or any place of business or assembly open to or frequented by the public, and  
19 any other place to which the public has access.

20 (25) "Registry identification card" means a document issued by the department of  
21 business regulation or department of health that identifies a person as a registered officer,  
22 director, manager, member, partner, employee, or agent of an adult use marijuana cultivator  
23 licensee, an adult use marijuana processor licensee, an adult use marijuana contractor, an adult  
24 use state store, a cannabis testing laboratory, or any other marijuana establishment licensee.

25 (26) "Services" has the meaning given in § 37-2-7.

26 (27) "Smoke" or "smoking" means heating to at least the point of combustion, causing plant  
27 material to burn, inhaling, exhaling, burning, or carrying any lighted or heated cigarette, pipe, weed,  
28 plant, other marijuana product in any manner or in any form intended for inhalation in any manner or  
29 form and includes but is not limited to the use of electronic cigarettes, electronic pipes, electronic  
30 marijuana delivery system products, or other similar products that rely on vaporization or aerosolization.

31 (28) "State" means the state of Rhode Island and, to the extent of any delegation of purchase  
32 control pursuant to § 37-2-54, the department of business regulation through its office of cannabis  
33 regulation which shall be exempt from state penalties for the procurement of supplies and services  
34 and the operation and control of adult use state stores and the retail sale of marijuana, marijuana



1 products, and marijuana paraphernalia to persons who are twenty-one (21) years of age or older in  
2 accordance with chapters 28.11 and 28.12 of title 21 and regulations promulgated thereunder.

3 (29) "State prosecution" means prosecution initiated or maintained by the state of Rhode  
4 Island or an agency or political subdivision of the state of Rhode Island.

5 (30) "Supplies" has the meaning given in § 37-2-7 and includes marijuana, marijuana  
6 products, and marijuana paraphernalia to be sold at adult use state stores.

7 (31) "Vaporize" or "vape" means heating below the point of combustion and resulting in a  
8 vapor or mist.

9 **21-28.12-3. Office of Cannabis Regulation.**

10 (a) The department of business regulation's office of cannabis regulation shall oversee  
11 the regulation, licensing and control of cannabis, including adult use marijuana, medical  
12 marijuana and industrial hemp, and such other matters within the jurisdiction of the department as  
13 determined by the director. An associate director or other designee of the director who reports to  
14 the director shall be in charge of all matters relating to cannabis regulation, licensing and control.

15 (b) Whenever in chapter 26 of title 2, chapters 28.6, 28.11 or 28.12 of title 21, and  
16 chapter 49.1 of title 44 the words "department of business regulation" shall appear, the words  
17 shall be deemed to mean the office of cannabis regulation within the department of business  
18 regulation. Whenever in chapter 26 of title 2, chapters 28.6, 28.11 or 28.12 of title 21, and chapter  
19 49.1 of title 44 the words "office of cannabis regulation" shall appear, the words shall be deemed  
20 to mean the office of cannabis regulation within the department of business regulation.

21 (c) The office of cannabis regulation within the department of business regulation shall  
22 regulate, license and control cannabis including, but not limited to, strategic planning,  
23 promulgating regulations, operation, conduct and control of adult use state stores pursuant to and  
24 in accordance with chapters 28.11 ad 28.12 of title 21, including, without limitation, negotiation  
25 and entry into contracts with, and purchase of supplies and services from, adult use marijuana  
26 contractors pursuant to any delegation to the department of business regulation pursuant to § 37-  
27 2-54 and in accordance with the requirements of chapter 2 of title 37. The office of cannabis  
28 regulation shall also be responsible for educating the public about cannabis, cannabis planning  
29 and implementation, community engagement, budget coordination, data collection and analysis  
30 functions, and any other duties deemed necessary and appropriate by the office of cannabis  
31 regulation to carry out the provisions of this chapter.

32 (d) In furtherance of its comprehensive regulation of cannabis, including marijuana, medical  
33 marijuana and industrial hemp, across state agencies, the office of cannabis regulation shall:

1 (1) Coordinate with the staff designated by the respective directors of each state agency  
2 regarding the agency's promulgation and implementation of rules and regulations regarding adult use of  
3 marijuana, medical marijuana and industrial hemp with the objective of producing positive economic,  
4 public safety, and health outcomes for the state and its citizens;

5 (2) Offer guidance to and communicate with municipal officials regarding the implementation  
6 and enforcement of this chapter and chapters 28.6 and 28.11;

7 (3) Align all policy objectives and the promulgation of rules and regulations across state  
8 agencies to increase efficiency and eliminate unintended negative impacts on the state and its citizens;

9 (4) Communicate with regulatory officials from other states that allow marijuana for adult  
10 use, medical marijuana use and industrial hemp production to learn from the experiences of those  
11 states;

12 (5) Anticipate, prioritize, and respond to emerging issues with the regulation of marijuana;

13 (6) Coordinate the collection of data on adult use of marijuana and medical marijuana use  
14 from state agencies and report to the governor and legislature no later than January 1, 2022, and  
15 every year thereafter. The report shall include, but is not limited to:

16 (i) The number and geographic distribution of all licensed marijuana establishments and adult  
17 use state stores;

18 (ii) Data on the total amount of sales of marijuana and the total amount of revenue raised  
19 from marijuana;

20 (iii) Projected estimate of the total marijuana revenue that will be raised in the ensuing  
21 year;

22 (iv) The distribution of funds to programs and agencies from revenue raised from marijuana;  
23 and

24 (v) Any findings from the departments of health and public safety related to changes in  
25 marijuana use rates and the impact, if any, of marijuana use on public health and public safety.

26 **21-28.12-4. Community Equity and Reinvestment Council.**

27 (a) There is hereby established a community equity and reinvestment council which shall  
28 consist of eleven (11) members appointed by and serving at the pleasure of the governor including,  
29 without limitation, stakeholders (or their designees) with expertise in such areas as:

30 (1) Community reinvestment;

31 (2) Cannabis reform and policy;

32 (3) Criminal justice;

33 (4) Social equity;

34 (5) Diversity and inclusion;

1 (6) Business and employment opportunities;

2 (7) Incubation opportunities; and

3 (8) Cannabis marketplace, industry and economics.

4 (b) Members of the council shall serve without compensation. Seven (7) or more members of  
5 the council present and voting shall constitute a quorum.

6 (c) The council's duties shall include:

7 (1) Collecting and reviewing data and information on matters related to the adverse impact  
8 to persons and communities based on the past criminalization of cannabis;

9 (2) Developing recommendations that are designed to foster social equity and community  
10 reinvestment within the framework of the state's adult use marijuana program including proposed  
11 expenditure of funds appropriated therefor; and

12 (3) Conducting public meetings to take testimony from experts and members of the general  
13 public on issues related to the council's charge.

14 (d) All meetings of the council shall be open meetings and records of the council shall be  
15 public records.

16 (e) The office of cannabis regulation will provide administrative support to the council  
17 and incorporate the council's recommendations into a report, which shall be approved by the  
18 council and submitted to the governor on or before December 31, 2020.

19 **21-28.12-5 Licensed adult use marijuana cultivators.**

20 (a) An adult use marijuana cultivator licensed under this section may acquire, possess,  
21 cultivate, package, process, and manufacture marijuana, but not marijuana products, in  
22 accordance with regulations promulgated by the department of business regulation. A licensed  
23 adult use marijuana cultivator may sell, deliver, or transfer marijuana products to the state, adult  
24 use marijuana state stores, an adult use marijuana contractor, a licensed adult use adult use  
25 marijuana processor, a cannabis testing laboratory, or any other marijuana establishment licensee,  
26 in accordance with regulations promulgated by the department of business regulation. A licensed  
27 adult use marijuana cultivator shall not be a primary caregiver cardholder and shall not hold a  
28 cooperative cultivation license. A licensed adult use marijuana cultivator shall not manufacturer  
29 or process marijuana into marijuana products unless the licensed adult use marijuana cultivator  
30 has also been issued an adult use marijuana processor license by the department of business  
31 regulation and pursuant to regulations promulgated by the department of business regulation. The  
32 department of business regulation may restrict the number, types, and classes of adult use  
33 marijuana licenses an applicant may be issued through regulations promulgated by the  
34 department.

1           (b) Licensing of adult use marijuana cultivator – Department of business regulation  
2 authority. The department of business regulation may promulgate regulations governing the  
3 manner in which it shall consider applications for the licensing of adult use marijuana cultivators,  
4 including but not limited to regulations governing:

- 5           (1) The form and content of licensing and renewal applications;
- 6           (2) Minimum oversight requirements for licensed adult use marijuana cultivators;
- 7           (3) Minimum record-keeping requirements for adult use marijuana cultivators;
- 8           (4) Minimum insurance requirements for adult use marijuana cultivators;
- 9           (5) Minimum security requirements for adult use marijuana cultivators; and
- 10           (6) Procedures for suspending, revoking, or terminating the license of adult use marijuana  
11 cultivators that violate any provisions of this chapter or the regulations promulgated hereunder.
- 12           (7) Applicable application and license fees.

13           (c) An adult use marijuana cultivator license issued by the department of business  
14 regulation shall expire three (3) years after it was issued and the licensed adult use marijuana  
15 cultivator may apply for renewal with the department in accordance with its regulations  
16 pertaining to licensed adult use marijuana cultivators

17           (d) The department of business regulation may promulgate regulations that govern how  
18 much marijuana a licensed adult use marijuana cultivator may cultivate and possess. All  
19 marijuana possessed by a licensed adult use marijuana cultivator must be catalogued in a seed to  
20 sale inventory tracking system in accordance with regulations promulgated by the department of  
21 business regulation.

22           (e) Adult use marijuana cultivators shall only sell marijuana to the state, adult use state  
23 stores, adult use marijuana contractors, another licensed adult use marijuana cultivator, a licensed  
24 adult use marijuana processor or another licensed marijuana establishment licensee, in accordance  
25 with regulations promulgated by the department of business regulation. The department may  
26 suspend and/or revoke the adult use marijuana cultivator’s license and the registration of any  
27 owner, officer, director, manager, member, partner, employee, or agent of such adult use  
28 marijuana cultivator and/or impose an administrative penalty in accordance with such regulations  
29 promulgated by the department for any violation of this section or the regulations. In addition,  
30 any violation of this section or the regulations promulgated pursuant to this subsection and  
31 subsection (d) shall cause a licensed adult use marijuana cultivator to lose the protections  
32 described in § 21-28.11-4(3) and may subject the licensed adult use marijuana cultivator and its  
33 owners, officers, directors, managers, members, partners, employees, or agents to arrest and  
34 prosecution under chapter 28 of title 21 (the Rhode Island Controlled Substances Act).

1           (f) Adult use marijuana cultivators shall be subject to any regulations promulgated by the  
2 department of health or department of business regulation for marijuana testing, including, but  
3 not limited to, potency, cannabinoid profile, and contaminants;

4           (g) Adult use marijuana cultivators shall be subject to any product labeling requirements  
5 promulgated by the department of business regulation and the department of health;

6           (h) Adult use marijuana cultivators shall only be licensed to cultivate and process  
7 marijuana at a single location, registered with the department of business regulation and the  
8 department of public safety provided that an adult use marijuana cultivator licensee who also  
9 holds a compassion center license or a medical marijuana cultivator license under chapter 28.6 of  
10 title 21 may cultivate and process adult use marijuana at a location that is separate from its  
11 medical marijuana licensed premises . Adult use marijuana cultivators must abide by all local  
12 ordinances, including zoning ordinances.

13           (i) Inspection. Adult use marijuana cultivators shall be subject to reasonable inspection  
14 by the department of business regulation and the department of health for the purposes of  
15 enforcing regulations promulgated pursuant to this chapter and all applicable Rhode Island  
16 general laws.

17           (j) An adult use marijuana cultivator applicant, unless they are an employee with no  
18 equity, ownership, financial interest, or managing control, shall apply to the bureau of criminal  
19 identification of the department of attorney general, department of public safety division of state  
20 police, or local police department for a national criminal records check that shall include  
21 fingerprints submitted to the Federal Bureau of Investigation. Upon the discovery of any  
22 disqualifying information as defined in subdivision (j)(2), and in accordance with the rules  
23 promulgated by the director of the department of business regulation, the bureau of criminal  
24 identification of the department of attorney general, department of public safety division of state  
25 police, or the local police department shall inform the applicant, in writing, of the nature of the  
26 disqualifying information; and, without disclosing the nature of the disqualifying information,  
27 shall notify the department of business regulation, in writing, that disqualifying information has  
28 been discovered.

29           (1) Where no disqualifying information has been found, the bureau of criminal  
30 identification of the department of attorney general, department of public safety division of state  
31 police, or the local police department shall inform the applicant and the department of business  
32 regulation, in writing, of this fact.

33           (2) Information produced by a national criminal records check pertaining to a conviction  
34 for a felony drug offense or a plea of nolo contendere for a felony drug offense and received a

1 sentence of probation shall result in a letter to the applicant and the department of business  
2 regulation disqualifying the applicant.

3 (3) An adult use marijuana cultivator applicant shall be responsible for any expense  
4 associated with the national criminal records check.

5 (k) Persons issued adult use marijuana cultivator licenses or registration cards shall be  
6 subject to the following:

7 (1) A licensed adult use marijuana cultivator cardholder shall notify and request approval  
8 from the department of business regulation of any change in his or her name or address within ten  
9 (10) days of such change. An adult use marijuana cultivator cardholder who fails to notify the  
10 department of business regulation of any of these changes is responsible for a civil infraction,  
11 punishable by a fine of no more than one hundred fifty dollars (\$150).

12 (2) When a licensed adult use marijuana cultivator cardholder notifies the department of  
13 business regulation of any changes listed in this subsection, the department of business regulation  
14 shall issue the adult use marijuana cultivator cardholder a new license or registry identification  
15 card after the department approves the changes and receives from the licensee payment of a fee  
16 specified in regulation.

17 (3) If a licensed adult use marijuana cultivator cardholder loses his or her registry  
18 identification card, he or she shall notify the department of business regulation and submit a fee  
19 specified in regulation within ten (10) days of losing the registry identification card. The  
20 department of business regulation shall issue a new registry identification card with a new  
21 random identification number.

22 (4) A licensed adult use marijuana cultivator cardholder shall notify the department of  
23 business regulation of any disqualifying criminal convictions as defined in subdivision (j)(2). The  
24 department of business regulation may choose to suspend and/or revoke his or her card after such  
25 notification.

26 (5) If a licensed adult use marijuana cultivator or an adult use marijuana cultivator  
27 cardholder violates any provision of this chapter or regulations promulgated hereunder as  
28 determined by the department of business regulation, his or her card or the issued license may be  
29 suspended and/or revoked.

30 (l) License required. No person or entity shall engage in activities described in this § 21-  
31 28.12-5 without an adult use marijuana cultivator license issued by the department of business  
32 regulation.

33 **21-28.12-6 Licensed adult use marijuana processors.**

1           (a) An adult use marijuana processor licensed under this section may acquire marijuana  
2 from licensed adult use marijuana cultivators, another licensed adult use marijuana processor, the  
3 state, adult use state stores, adult use marijuana contractors, or another marijuana establishment  
4 licensee, in accordance with regulations promulgated by the department of business regulation. A  
5 licensed adult use marijuana processor may possess, manufacture, or process marijuana into  
6 marijuana products in accordance with regulations promulgated by the department of business  
7 regulation. A licensed adult use marijuana processor may deliver, or transfer marijuana products  
8 to the state, adult use state stores, adult use marijuana contractors or another licensed adult use  
9 marijuana processor, or any other marijuana establishment licensee, in accordance with  
10 regulations promulgated by the department of business regulation. A licensed adult use marijuana  
11 processor shall not be a primary caregiver cardholder and shall not hold a cooperative cultivation  
12 license. A licensed adult use marijuana processor shall not grow, cultivate, sell, or dispense  
13 medical marijuana unless the licensed adult use marijuana processor has also been issued an adult  
14 use marijuana cultivator license by the department of business regulation and pursuant to  
15 regulations promulgated by the department of business regulation. The department of business  
16 regulation may restrict the number, types, and classes of adult use marijuana licenses an applicant  
17 may be issued through regulations promulgated by the department.

18           (b) *Licensing of adult use marijuana processor – Department of business regulation*  
19 *authority.* The department of business regulation may promulgate regulations governing the  
20 manner in which it shall consider applications for the licensing of adult use marijuana processors,  
21 including but not limited to regulations governing:

- 22           (1) The form and content of licensing and renewal applications;
- 23           (2) Minimum oversight requirements for licensed adult use marijuana processors;
- 24           (3) Minimum record-keeping requirements for adult use marijuana processors;
- 25           (4) Minimum insurance requirements for adult use marijuana processors;
- 26           (5) Minimum security requirements for adult use marijuana processors; and
- 27           (6) Procedures for suspending, revoking, or terminating the license of adult use marijuana  
28 processors that violate any provisions of this chapter or the regulations promulgated hereunder.
- 29           (7) Applicable application and license fees.

30           (c) A adult use marijuana processor license issued by the department of business  
31 regulation shall expire three (3) years after it was issued and the licensed adult use marijuana  
32 processor may apply for renewal with the department in accordance with its regulations  
33 pertaining to licensed adult use marijuana processors.

1           (d) The department of business regulation may promulgate regulations that govern how  
2 much marijuana a licensed adult use marijuana processor may possess. All marijuana possessed  
3 by a licensed adult use marijuana processor must be catalogued in a seed to sale inventory  
4 tracking system in accordance with regulations promulgated by the department of business  
5 regulation.

6           (e) Adult use marijuana processors shall only sell processed or manufactured marijuana  
7 products to the state, adult use state stores, adult use marijuana contractors, another licensed adult  
8 use marijuana processor or a marijuana establishment licensee, in accordance with regulations  
9 promulgated by the department of business regulation. The department may suspend and/or  
10 revoke the adult use marijuana processor's license and the license of any owner, officer, director,  
11 manager, member, partner, employee, or agent of such adult use marijuana processor and/or  
12 impose an administrative penalty in accordance with such regulations promulgated by the  
13 department for any violation of this section or the regulations. In addition, any violation of this  
14 section or the regulations promulgated pursuant to this subsection and subsection (d) shall cause a  
15 licensed adult use marijuana processor to lose the protections described in § 21-28.11-4(4) and  
16 may subject the licensed adult use marijuana processor and its owners, officers, directors,  
17 managers, members, partners, employees, or agents to arrest and prosecution under Chapter 28 of  
18 title 21 (the Rhode Island Controlled Substances Act).

19           (f) Adult use marijuana processors shall be subject to any regulations promulgated by the  
20 department of health or department of business regulation that specify how marijuana must be  
21 tested for items, including, but not limited to, potency, cannabinoid profile, and contaminants;

22           (g) Adult use marijuana processors shall be subject to any product labeling requirements  
23 promulgated by the department of business regulation and the department of health;

24           (h) Adult use marijuana processors shall only be licensed to manufacture and process  
25 marijuana at a single location, registered with the department of business regulation and the  
26 department of public safety provided that an adult use marijuana processor licensee who also  
27 holds a compassion center license or a medical marijuana cultivator license under chapter 28.6 of  
28 title 21 may manufacture and process adult use marijuana at a location that is separate from its  
29 medical marijuana licensed premises. The department of business regulation may promulgate  
30 regulations governing where adult use marijuana processors are allowed to operate. Adult use  
31 marijuana processors must abide by all local ordinances, including zoning ordinances.



1           (i) Inspection. Adult use marijuana processors shall be subject to reasonable inspection  
2 by the department of business regulation or the department of health for the purposes of enforcing  
3 regulations promulgated pursuant to this chapter and all applicable Rhode Island general laws.

4           (j) The adult use marijuana processor applicant, unless they are an employee with no  
5 equity, ownership, financial interest, or managing control, shall apply to the bureau of criminal  
6 identification of the department of attorney general, department of public safety division of state  
7 police, or local police department for a national criminal records check that shall include  
8 fingerprints submitted to the Federal Bureau of Investigation. Upon the discovery of any  
9 disqualifying information as defined in subdivision (j)(2), and in accordance with the rules  
10 promulgated by the director of the department of business regulation, the bureau of criminal  
11 identification of the department of attorney general, department of public safety division of state  
12 police, or the local police department shall inform the applicant, in writing, of the nature of the  
13 disqualifying information; and, without disclosing the nature of the disqualifying information,  
14 shall notify the department of business regulation, in writing, that disqualifying information has  
15 been discovered.

16           (1) Where no disqualifying information has been found, the bureau of criminal  
17 identification of the department of attorney general, department of public safety division of state  
18 police, or the local police department shall inform the applicant and the department of business  
19 regulation, in writing, of this fact.

20           (2) Information produced by a national criminal records check pertaining to a conviction  
21 for a felony drug offense or a plea of nolo contendere for a felony drug offense and received a  
22 sentence of probation shall result in a letter to the applicant and the department of business  
23 regulation disqualifying the applicant.

24           (3) The adult use marijuana processor applicant shall be responsible for any expense  
25 associated with the national criminal records check.

26           (k) Persons issued adult use marijuana processor licenses or registration card shall be  
27 subject to the following:

28           (1) A licensed adult use marijuana processor cardholder shall notify and request approval  
29 from the department of business regulation of any change in his or her name or address within ten  
30 (10) days of such change. An adult use marijuana processor cardholder who fails to notify the  
31 department of business regulation of any of these changes is responsible for a civil infraction,  
32 punishable by a fine of no more than one hundred fifty dollars (\$150).

1           (2) When a licensed adult use marijuana processor cardholder notifies the department of  
2 business regulation of any changes listed in this subsection, the department of business regulation  
3 shall issue the adult use marijuana processor *cardholder* a new license or registry identification  
4 card after the department approves the changes and receives from the licensee payment of a fee  
5 specified in regulation.

6           (3) If a licensed adult use marijuana processor cardholder loses his or her registry  
7 identification card, he or she shall notify the department of business regulation and submit a fee  
8 specified in regulation within ten (10) days of losing the registry identification card. The  
9 department of business regulation shall issue a new registry identification card with a new  
10 random identification number.

11           (4) A licensed adult use marijuana processor cardholder shall notify the department of  
12 business regulation of any disqualifying criminal convictions as defined in subdivision (j)(2). The  
13 department of business regulation may choose to suspend and/or revoke his or her card after such  
14 notification.

15           (5) If a licensed adult use marijuana processor or adult use marijuana processor  
16 cardholder violates any provision of this chapter or regulations promulgated hereunder as  
17 determined by the department of business regulation, his or her card or the issued license may be  
18 suspended and/or revoked.

19           (1) *License required.* No person or entity shall engage in activities described in this § 21-  
20 28.12-6 without a adult use marijuana processor license issued by the department of business  
21 regulation.

22           **21-28.12-7 Licensed adult use marijuana contractors.**

23           (a) An adult use marijuana contractor that is party to an adult use marijuana contract with  
24 the state in accordance with § 21-28.12-8 and licensed under this section may acquire marijuana  
25 and marijuana products from licensed adult use marijuana cultivators, licensed adult use  
26 marijuana processors, the state, or another adult use marijuana contractor, and possess, deliver,  
27 transfer, transport, supply and sell at retail marijuana, marijuana products and marijuana  
28 paraphernalia to persons who are twenty-one (21) years of age or older in accordance with the  
29 provisions of chapters 28.11 and 28.12 of title 21, the regulations promulgated by the department  
30 of business regulation and the terms and conditions of its adult use marijuana contract with the  
31 state. A licensed adult use marijuana contractor shall not be a primary caregiver cardholder and  
32 shall not hold a cooperative cultivation license. A licensed adult use marijuana contractor shall  
33 not hold an adult use marijuana cultivator or processor license and shall not grow or cultivate

1 marijuana or manufacturer or process marijuana into marijuana products. The department of  
2 business regulation may restrict the number, types, and classes of adult use marijuana licenses an  
3 applicant may be issued through regulations promulgated by the department.

4 (b) Licensing of adult use marijuana contractor – Department of business regulation  
5 authority. The department of business regulation may promulgate regulations governing the  
6 manner in which it shall consider applications for the licensing of adult use marijuana contractors  
7 and all of its owners, officers, directors, managers, members, partners, employees, agents and  
8 subcontractors, including but not limited to regulations governing:

9 (1) The form and content of licensing and renewal applications, including, without  
10 limitation, required submission materials upon which the department shall determine suitability of  
11 an applicant;

12 (2) Minimum oversight requirements for licensed adult use marijuana contractors;

13 (3) Minimum record-keeping requirements for adult use marijuana contractors;

14 (4) Minimum insurance requirements for adult use marijuana contractors;

15 (5) Minimum security requirements for adult use marijuana contractors; and

16 (6) Procedures for suspending, revoking, or terminating the license of adult use marijuana  
17 contractors that violate any provisions of this chapter or the regulations promulgated hereunder.

18 (7) Applicable application and license fees.

19 (c) The license issued by the department of business regulation to an adult use marijuana  
20 contractor and the license issued to each of its owners, officers, directors, managers, members,  
21 partners, employees and agents shall expire three (3) years after it was issued and the licensee  
22 may apply for renewal with the department in accordance with its regulations pertaining to  
23 licensed adult use marijuana contractors.

24 (d) The department of business regulation may promulgate regulations that govern how  
25 much marijuana a licensed adult use marijuana contractor may possess. All marijuana acquired,  
26 possessed and sold by a licensed adult use marijuana contractor must be catalogued in a seed to  
27 sale inventory tracking system in accordance with regulations promulgated by the department of  
28 business regulation.

29 (e) Adult use marijuana contractors shall only sell marijuana, marijuana products and  
30 marijuana paraphernalia at retail to persons twenty-one (21) years of age or older in accordance  
31 with chapters 28.11 and 28.12 of title 21, the regulations promulgated by the department of  
32 business regulation thereunder and the terms of its adult use marijuana contract with the state.  
33 Adult use marijuana contractors shall not sell any other products except as otherwise permitted in  
34 regulations promulgated by the department of business regulation. The department may suspend

1 and/or revoke the adult use marijuana contractor's license and the license of any owner, officer,  
2 director, manager, member, partner, employee, agent or subcontractor of such adult use marijuana  
3 contractor and/or impose an administrative penalty in accordance with such regulations  
4 promulgated by the department for any violation of chapters 28.11 or 28.12 of title 21, the  
5 regulations or its adult use marijuana contract. In addition, any violation of chapters 28.11 or  
6 28.12 of title 21 or the regulations promulgated pursuant to this subsection and subsection (d)  
7 shall cause a licensed adult use marijuana contractor to lose the protections described in § 21-  
8 28.11-4(2) and may subject the licensed adult use marijuana contractor and its owners, officers,  
9 directors, managers, members, partners, employees, agents and subcontractors to arrest and  
10 prosecution under Chapter 28 of title 21 (the Rhode Island Controlled Substances Act).

11 (f) Adult use marijuana contractors shall be subject to any regulations promulgated by the  
12 department of health or department of business regulation that specify how marijuana must be  
13 tested for items, including, but not limited to, potency, cannabinoid profile, and contaminants;

14 (g) Adult use marijuana contractors shall be subject to any product labeling requirements  
15 promulgated by the department of business regulation and the department of health;

16 (h) Adult use marijuana contractors shall only be licensed to possess and sell marijuana,  
17 marijuana products and marijuana paraphernalia at the location(s) set forth in its adult use  
18 marijuana contract and license and registered with the department of business regulation and the  
19 department of public safety. The department of business regulation may promulgate regulations  
20 governing the department's approval of locations where adult use marijuana contractors are  
21 allowed to operate. Adult use marijuana contractors must abide by all local ordinances, including  
22 zoning ordinances.

23 (i) *Inspection.* Adult use marijuana contractors shall be subject to inspection and audit by  
24 the department of business regulation or the department of health for the purposes of enforcing  
25 regulations promulgated pursuant to this chapter and all applicable Rhode Island general laws.

26 (j) The adult use marijuana contractor applicant, and each owner, officer, director,  
27 manager, member, partner, employee and agent thereof, shall apply to the bureau of criminal  
28 identification of the department of attorney general, department of public safety division of state  
29 police, or local police department for a national criminal records check that shall include  
30 fingerprints submitted to the Federal Bureau of Investigation. Upon the discovery of any  
31 disqualifying information as defined in subdivision (j)(2), and in accordance with the rules  
32 promulgated by the director of the department of business regulation, the bureau of criminal  
33 identification of the department of attorney general, department of public safety division of state  
34 police, or the local police department shall inform the applicant, in writing, of the nature of the

1 disqualifying information; and, without disclosing the nature of the disqualifying information,  
2 shall notify the department of business regulation, in writing, that disqualifying information has  
3 been discovered.

4 (1) In those situations in which no disqualifying information has been found, the bureau  
5 of criminal identification of the department of attorney general, department of public safety  
6 division of state police, or the local police department shall inform the applicant and the  
7 department of business regulation, in writing, of this fact.

8 (2) Information produced by a national criminal records check pertaining to a conviction  
9 for a felony drug offense or a plea of nolo contendere for a felony drug offense and received a  
10 sentence of probation shall result in a letter to the applicant and the department of business  
11 regulation disqualifying the applicant.

12 (3) The adult use marijuana contractor applicant shall be responsible for any expense  
13 associated with the national criminal records check.

14 (k) Persons issued adult use marijuana contractor licenses or registration cards shall be  
15 subject to the following:

16 (1) A licensed adult use marijuana contractor cardholder shall notify and request approval  
17 from the department of business regulation of any change in his or her name or address within ten  
18 (10) days of such change. A adult use marijuana contractor cardholder who fails to notify the  
19 department of business regulation of any of these changes is responsible for a civil infraction,  
20 punishable by a fine of no more than one hundred fifty dollars (\$150).

21 (2) When a licensed adult use marijuana contractor cardholder notifies the department of  
22 business regulation of any changes listed in this subsection, the department of business regulation  
23 shall issue the adult use marijuana contractor cardholder a new license or registry identification  
24 card after the department approves the changes and receives from the licensee payment of a fee  
25 specified in regulation.

26 (3) If a licensed adult use marijuana contractor cardholder loses his or her registry  
27 identification card, he or she shall notify the department of business regulation and submit a fee  
28 specified in regulation within ten (10) days of losing the registry identification card. The  
29 department of business regulation shall issue a new registry identification card with a new  
30 random identification number.

31 (4) A licensed adult use marijuana contractor cardholder shall notify the department of  
32 business regulation of any disqualifying criminal convictions as defined in subdivision (j)(2). The  
33 department of business regulation may choose to suspend and/or revoke his or her card after such  
34 notification.

1 (5) If a licensed adult use marijuana contractor or adult use marijuana contractor  
2 cardholder violates any provision of this chapter or regulations promulgated hereunder as  
3 determined by the department of business regulation, his or her card or the issued license may be  
4 suspended and/or revoked.

5 (1) License required. No person or entity shall engage in activities described in this § 21-  
6 28.12-7 without an adult use marijuana contractor license issued by the department of business  
7 regulation and an adult use marijuana contract in accordance with chapters 28.11 and 28.12 of  
8 title 21, regulations promulgated thereunder by the department of business regulation and the  
9 terms of the adult use marijuana contract.

10 **21-28.12-8 Operation, conduct, and control of adult use state stores.**

11 (a) Notwithstanding the provisions of any other law, the department is authorized to  
12 conduct and control the retail sale of adult use marijuana.

13 (b) The general assembly finds that:

14 (1) In furtherance thereof, the state, through the department of business regulation, shall  
15 have full operational control to operate adult use state stores, the authority to make all decisions  
16 about all aspects of the functioning of the business enterprise, including, without limitation, the  
17 power and authority to:

18 (i) Determine the number, type, and placement of adult use state stores, subject to local  
19 approval in accordance with § 21-28.12-17;

20 (ii) Monitor all adult use marijuana operations and have the power to terminate or  
21 suspend any adult use marijuana activities in the event of a public health, safety or welfare  
22 concern, an integrity concern or other threat to the public trust or in order to comply with federal  
23 guidance and mitigate federal enforcement;

24 (iii) Hold and exercise sufficient powers over accounting and finances to allow for  
25 adequate oversight and verification of the financial aspects of adult use marijuana;

26 (iv) Collect all receipts from adult use marijuana sales, require that the adult use  
27 marijuana contractors collect adult use marijuana gross receipts in trust for the state through the  
28 department of business regulation, deposit such receipts into an account or accounts of its choice,  
29 allocate such receipts according to law, and otherwise maintain custody and control over all adult  
30 use marijuana receipts and funds;

31 (v) Issue such regulations as it deems appropriate pertaining to control, operation and  
32 management of adult use state stores and adult use marijuana sales, receipts and funds; and

1           (vi) Hold all other powers necessary and proper to fully effectively execute and  
2 administer the provisions of this chapter for its purpose of allowing the state to operate adult use  
3 state stores through licensed adult use marijuana contractors on behalf of the State of Rhode  
4 Island.

5           (c) Powers and duties of the director.

6           (1) In addition to the powers and duties set forth in subsection (b) above, the director  
7 shall have the power to:

8           (i) Establish standards prohibiting persons under twenty-one (21) years of age from  
9 purchasing marijuana, marijuana products and marijuana paraphernalia;

10           (ii) In accordance with the administrative procedures act chapter 35 of title 42, deny any  
11 application and suspend or revoke any license issued pursuant to this chapter or the rules and  
12 regulations promulgated under this chapter;

13           (iii) In compliance with the provisions of chapter 2 of title 37, enter into contracts for the  
14 provision of supplies, services, equipment, systems, facilities, and technology necessary and/or  
15 desirable for the operation of adult use state stores;

16           (iv) Establish insurance and bonding requirements for adult use marijuana contractors;

17           (v) Supervise and administer the operation of adult use state stores in accordance with  
18 this chapter, the rules and regulations of the department, and any adult use marijuana contracts  
19 between the department and adult use marijuana contractors. The department may establish  
20 standards, either in rules and regulations or through contract, relating to the following areas  
21 without limitation: recordkeeping; financial procedures and practices; security; inventory  
22 tracking; advertising; purchase of inventory, equipment, services and systems for operations;  
23 permitted products and product restrictions; limits on product serving sizes, doses, and potency;  
24 limits on transactions and sales; testing and safety; online sales; transport and delivery; product  
25 packaging and labeling; quarantine and destruction of marijuana products; workplace safety and  
26 sanitation; and employee training;

27           (vi) Determine the products to be sold and control the manner of sales, including but not  
28 limited to determining the retail price of all marijuana and marijuana products sold at adult use  
29 state stores; and

30           (vii) Require adult use marijuana contractors to allow inspection of all facilities and  
31 records by the department whenever deemed necessary by the department.

32           (d) Licensing of adult use marijuana contractors.

1           (1) All adult use marijuana contractors shall be subject to licensure by the department, on  
2 such forms and in such a manner as prescribed in § 21-28.12-8 and regulations promulgated by  
3 the department. The department, by regulations, shall establish occupational licensing  
4 requirements for all officers, directors, managers, members, partners, employees and agents of the  
5 adult use marijuana contractors, and for all other persons engaged in activities at or in connection  
6 with the operation of the adult use state stores.

7           (2) Any license granted under the provisions of this chapter shall be subject to the rules  
8 and regulations promulgated by the department and shall be subject to suspension or revocation  
9 for any cause in accordance with § 21-28.12-15.

10           (3) As part of its investigation as to whether to issue a license to an adult use contractor,  
11 the department shall require criminal background checks of individuals as it deems appropriate  
12 and said individuals shall apply to the bureau of criminal investigation of the Rhode Island state  
13 police or the Rhode Island department of the attorney general for a national criminal records  
14 check with fingerprinting in accordance with § 21-28.12-8. Applications shall be subject to the  
15 disqualification criteria set forth in § 21-28.12-8(j). The department may adopt rules and  
16 regulations establishing additional suitability criteria to be used in determining whether based  
17 upon a criminal records check or other due diligence an application will be approved.

18           (4) The state, through the department, shall have approval rights over matters relating to  
19 the employment or other engagement of persons to be involved, directly or indirectly, with the  
20 operation of or performance of activities in connection with adult use state stores.

21           (5) The department may establish the minimal proficiency requirements for those  
22 individuals employed or otherwise engaged by an adult use marijuana contractor. The foregoing  
23 requirements of this subsection may be in addition to any rules or regulations of the department  
24 requiring licensing of personnel of adult use state stores.

25           **21-28.12-9. Other supporting adult use marijuana licenses.**

26           (a) The department of business regulation shall have the authority to promulgate  
27 regulations to create and implement additional types and classes of commercial adult use  
28 marijuana licenses, including but not limited to, licenses for businesses to engage in marijuana  
29 destruction, delivery, disposal, research and development, transportation, social use or any other  
30 commercial activity needed to support licensed adult use marijuana cultivators, licensed adult use  
31 marijuana processors, adult use state stores, and licensed cannabis testing facilities; provided no  
32 license created by the department shall allow for the retail sale of adult use marijuana.



1           (b) The department of business regulation may promulgate regulations governing the  
2 manner in which it shall consider applications for issuing additional adult use marijuana licenses,  
3 including but not limited to, regulations governing:

4           (1) The form and content of licensing and renewal applications;

5           (2) Minimum oversight requirements for additional adult use marijuana license holders;

6           (3) The allowable size, scope and permitted activities of adult use marijuana license holders and  
7 facilities;

8           (4) Minimum record-keeping requirements for additional adult use marijuana license  
9 holders;

10          (5) Minimum security requirements for additional adult use marijuana license holders;

11          (6) Procedures for suspending, revoking, or terminating the licenses of licensees that  
12 violate the provisions of this chapter or the regulations promulgated pursuant to this chapter; and

13          (7) Applicable application and license fees.

14          (c) Any applicant, employee, owner, officer, director, manager, member or agent of a  
15 holder of a license issued by the department of business regulation pursuant to this section and the  
16 regulations shall be required to obtain a registry identification card from the division subject to  
17 the requirements and fees set by the department pursuant to the regulations provided that  
18 employees with no ownership, equity stake, financial interest, or managing control shall not be  
19 required to submit to a criminal background check to obtain a registry identification card.

20          (d) With respect to any licenses and registrations issued by the department of business  
21 regulation pursuant to this chapter, the department of business regulation shall be entitled to  
22 charge application, license and registration fees as set by the department of business regulation  
23 and set forth in regulations promulgated here under.

24           **21-28.12-10. Licenses regarding cannabis reference testing.**

25          (a) The department of health, in coordination with the office of cannabis regulation, shall  
26 have authority to promulgate regulations to create and implement all licenses involving cannabis  
27 reference testing requirements including approval, laboratory proficiency programs and  
28 proficiency sample providers, quality assurance sample providers, round robin testing and  
29 regulations establishing quality control and test standardization, and create and implement  
30 additional types and classes of licensed cannabis testing facilities in accordance with regulations  
31 promulgated hereunder.

1           (b) The department of health shall promulgate regulations governing the manner in  
2 which it shall consider applications for the licensing and renewal of each type of cannabis  
3 reference testing license, including but not limited to regulations governing:

4           (1) The form and content of licensing and renewal applications;

5           (2) Application and licensing fees for licensees;

6           (3) Procedures for the approval or denial of a license, and procedures for suspension or  
7 revocation of the license of any licensee that violates the provisions of this chapter, chapter 28.11  
8 or the regulations promulgated thereunder in accordance with the provisions of chapter 35 of title  
9 42; and

10           (4) Compliance with municipal zoning restrictions, if any, which comply with 21-28.12-  
11 16 of this chapter.

12           (c) The department of health or the office of cannabis regulation, as applicable, shall  
13 issue each owner, officer, director, manager, member, partner, agent, and employee of a cannabis  
14 reference testing licensee a registry identification card or renewal card after receipt of the person's  
15 name, address, date of birth; a fee in an amount established by the department of health or the  
16 office of cannabis regulation; and, when the applicant holds an ownership, equity, controlling, or  
17 managing stake in the cannabis reference testing license as defined in regulations promulgated by  
18 the office of cannabis regulation, notification to the department of health or the office of cannabis  
19 regulation by the department of public safety division of state police, attorney general's office, or  
20 local law enforcement that the registry identification card applicant has not been convicted of a  
21 felony drug offense or has not entered a plea of nolo contendere for a felony drug offense and  
22 received a sentence of probation. Each card shall specify that the cardholder is an owner, officer,  
23 director, manager, member, partner, agent, employee, or other designation required by the  
24 departments of the cannabis reference testing licensee and shall contain the following:

25           (i) The name, address, and date of birth of the card applicant;

26           (ii) The legal name of the cannabis reference testing licensee to which the applicant is  
27 affiliated;

28           (iii) A random identification number that is unique to the cardholder;

29           (iv) The date of issuance and expiration date of the registry identification card; and

30           (v) A photograph, if the department of health or the office of cannabis regulation decides  
31 to require one; and

32           (vi) Any other information or card classification that the office of cannabis regulation or  
33 department of health requires.

1           (f) Except as provided in subsection (e), neither the department of health nor the office of  
2 cannabis regulation shall issue a registry identification card to any card applicant who holds an  
3 ownership, equity, controlling, or managing stake in the cannabis reference testing licensee as  
4 defined in regulations promulgated by the office of cannabis regulation, who has been convicted  
5 of a felony drug offense or has entered a plea of nolo contendere for a felony drug offense and  
6 received a sentence of probation or who the department has otherwise deemed unsuitable. If a  
7 registry identification card is denied, the applicant will be notified in writing of the purpose for  
8 denying the registry identification card. A registry identification card may be granted if the  
9 offense was for conduct that occurred prior to the enactment of this chapter or that was  
10 prosecuted by an authority other than the state of Rhode Island and for which the enactment of  
11 this chapter would otherwise have prevented a conviction.

12           (g) (i) All registry identification card applicants who hold an ownership, equity,  
13 controlling, or managing stake in the cannabis reference testing licensee as defined in regulations  
14 promulgated by the office of cannabis regulation shall apply to the department of public safety  
15 division of state police, the attorney general's office, or local law enforcement for a national  
16 criminal identification records check that shall include fingerprints submitted to the federal  
17 bureau of investigation. Upon the discovery of a felony drug offense conviction or a plea of nolo  
18 contendere for a felony drug offense with a sentence of probation, and in accordance with the  
19 rules promulgated by the department of health and the office of cannabis regulation, the  
20 department of public safety division of state police, the attorney general's office, or local law  
21 enforcement shall inform the applicant, in writing, of the nature of the felony and the department  
22 of public safety division of state police shall notify the department of health or the office of  
23 cannabis regulation, in writing, without disclosing the nature of the felony, that a felony drug  
24 offense conviction or a plea of nolo contendere for a felony drug offense with probation has been  
25 found.

26           (ii) In those situations in which no felony drug offense conviction or plea of nolo  
27 contendere for a felony drug offense with probation has been found, the department of public  
28 safety division of state police, the attorney general's office, or local law enforcement shall inform  
29 the applicant and the department of health or the office of cannabis regulation, in writing, of this  
30 fact.

31           (iii) All registry identification card applicants shall be responsible for any expense  
32 associated with the criminal background check with fingerprints.

1           (h) A registry identification card of an owner, officer, director, manager, member,  
2 partner, agent, or employee, or any other designation required by the office of cannabis regulation  
3 shall expire one year after its issuance, or upon the termination of the officer, director, manager,  
4 member, partner, agent, or employee's relationship with the cannabis reference testing licensee, or  
5 upon the termination or revocation of the affiliated cannabis reference testing license, whichever  
6 occurs first.

7           (i) A registration identification card holder shall notify and request approval from the  
8 office of cannabis regulation or department of health of any change in his or her name or address  
9 within ten (10) days of such change. A cardholder who fails to notify the office of cannabis  
10 regulation or health of any of these changes is responsible for a civil infraction, punishable by a  
11 fine of no more than one hundred fifty dollars (\$150).

12           (j) When a cardholder notifies the department of health or the office of cannabis  
13 regulation of any changes listed in this subsection, the department shall issue the cardholder a  
14 new registry identification after receiving the updated information and a ten dollar (\$10.00) fee.

15           (k) If a cardholder loses his or her registry identification card, he or she shall notify the  
16 department of health or the office of cannabis regulation and submit a ten dollar (\$10.00) fee  
17 within ten (10) days of losing the card and the department shall issue a new card.

18           (l) Registry identification cardholders shall notify the office of cannabis regulation or  
19 department of health of any disqualifying criminal convictions as defined in subdivision (c)(7).  
20 The applicable department may choose to suspend and/or revoke his or her registry identification  
21 card after such notification.

22           (m) If a registry identification cardholder violates any provision of this chapter or  
23 regulations promulgated hereunder as determined by the departments of health and office of  
24 cannabis regulation, his or her registry identification card may be suspended and/or revoked.

25           (n) The department of business regulation may not issue an adult use marijuana cultivator  
26 license, adult use marijuana processor license, adult use marijuana contractor license, or other  
27 marijuana establishment license to any entity that owns, operates or exercises management, or other  
28 control over a cannabis testing laboratory or cannabis reference testing licensee.

29           (o) The department of health and office of cannabis regulation may not issue a cannabis  
30 testing laboratory license or cannabis reference testing license to any applicant that owns, operates or  
31 exercises management, or other control over another marijuana establishment license or license issued  
32 under chapter 26 of title 2.

1           (p) The department of health shall determine the annual license fee for cannabis testing  
2 laboratories, cannabis reference testing licensees and employee registration cards for such licensees.  
3 The license fee must be paid upon the initial issuance of the license and every twelve (12) months  
4 thereafter. If the license fee is not remitted to the state in a timely manner, the license shall be  
5 revoked.

6           **21-28.12-11. Medical marijuana licensee’s application for adult use license.**

7           (a) Licensed medical marijuana cultivators and compassion centers in good standing  
8 with the office of cannabis regulation may also apply for and be issued adult use marijuana  
9 cultivator and processor licenses, in accordance with regulations promulgated by the office of  
10 cannabis regulation. In the case of a compassion center licensee that so applies, an adult use  
11 marijuana cultivator or processor license may be issued and held by a for profit corporation that is  
12 an affiliate of the nonprofit compassion center through common ownership in accordance with  
13 regulations promulgated by the office of cannabis regulation. No medical marijuana cultivator  
14 licensee, compassion center licensee or adult use marijuana cultivator or processor licensee shall  
15 hold an adult use marijuana contractor license.

16           (b) A medical marijuana establishment licensee that applies for an adult use marijuana  
17 cultivator or processor license will be required to demonstrate to the satisfaction of the office of  
18 cannabis regulation in accordance with regulations promulgated hereunder that the applicant’s  
19 proposed adult use licensure will have no adverse effect on the medical marijuana program  
20 market and patient need. The office of cannabis regulation may deny an application that fails to  
21 make this demonstration and/or may impose restrictions and conditions to licensure as it deems  
22 appropriate to ensure no adverse effect on the medical marijuana program market and patient  
23 needs.

24           (c) Licensees may only hold a medical marijuana establishment license and an adult use  
25 marijuana establishment license in accordance with this chapter and regulations promulgated by  
26 the office of cannabis regulation.

27           (d) The office of cannabis regulation may prioritize the review of applications for adult  
28 use marijuana establishment licenses submitted by medical marijuana establishments that hold a  
29 license, in good standing, issued by the department.

30           (e) The office of cannabis regulation may create a streamlined application for medical  
31 marijuana establishment licensees who apply for adult use marijuana establishment licenses  
32 provided an applicant holds a license, in good standing, that was issued by the department.

33           **21-28.12-12. Ineligibility for licensure.**

1 A marijuana establishment licensee including an adult use marijuana contractor may not  
2 operate, and a prospective marijuana establishment licensee including an adult use marijuana  
3 contractor may not apply for a license, if any of the following are true:

4 (1) The person or entity is applying for a license to operate as an adult use state store in a  
5 location that is within five hundred (500) feet of the property line of a preexisting public or  
6 private school, or the person or entity is applying for a license to operate as a marijuana  
7 establishment other than an adult use state store and the establishment would operate in a location that  
8 is within one thousand (1,000) feet of the property line of a preexisting public or private school;  
9 or

10 (2) The establishment would be located at a site where the use is not permitted by applicable  
11 zoning classification or by special use permit or other zoning approval, or if the proposed location  
12 would otherwise violate a municipality's zoning ordinance; or

13 (3) The establishment would be located in a municipality in which the kind of marijuana  
14 establishment being proposed is not permitted pursuant to a referendum approved in accordance with  
15 § 21-28.12-16(c). For purpose of illustration but not limitation, an adult use state store may not operate  
16 in a municipality in which residents have approved by a simple majority referendum a ban on  
17 marijuana retailers.

18 (4) If any marijuana establishment licensee including an adult use marijuana contractor  
19 applicant is deemed unsuitable or denied a license or any of its owners, officers, directors, managers,  
20 members, partners or agents is denied a registry identification card by the office of cannabis regulation.

21 **21-28.12-13. License Required.**

22 No person or entity shall engage in any activities in which an adult use state store, adult  
23 use marijuana contractor or other licensed marijuana establishment licensee may engage pursuant  
24 to chapters 28.11 or 28.12 of title 21 and the regulations promulgated thereunder, without the  
25 license that is required in order to engage in such activities issued by the office of cannabis  
26 regulation and compliance with all provisions of such chapters 28.11 and 28.12 of title 21 and the  
27 regulations promulgated thereunder.

28 **21-28.12-14. Enforcement**

29 (a) (1) Notwithstanding any other provision of this chapter, if the director of the  
30 department of business regulation or his or her designee has cause to believe that a violation of  
31 any provision of chapters 28.11 or 28.12 of title 21 or any regulations promulgated thereunder has  
32 occurred by a licensee that is under the department's jurisdiction pursuant to chapters 28.11 or  
33 28.12 of title 21 or that an adult use marijuana contractor is not in compliance with any of the

1 terms or conditions of its adult use marijuana contract, or that any person or entity is conducting  
2 any activities requiring licensure or registration by the office of cannabis regulation or an adult  
3 use marijuana contract with the state under chapters 28.11 or 28.12 of title 21 or the regulations  
4 promulgated thereunder without such licensure, registration or contract, the director or his or her  
5 designee may, in accordance with the requirements of the administrative procedures act, chapter  
6 35 of title 42:

- 7 (i) Revoke or suspend a license or registration;
- 8 (ii) Levy an administrative penalty in an amount established pursuant to regulations  
9 promulgated by the office of cannabis regulation;
- 10 (iii) Order the violator to cease and desist such actions;
- 11 (iv) Require a licensee or registrant or person or entity conducting any activities requiring  
12 licensure, registration or a contract under chapters 28.11 or 28.12 to take such actions as are  
13 necessary to comply with such chapter and the regulations promulgated thereunder; or
- 14 (v) Any combination of the above penalties.

15 (2) If the director of the department of business regulation finds that public health, safety,  
16 or welfare imperatively requires emergency action, and incorporates a finding to that effect in his  
17 or her order, summary suspension of license or registration and/or cease and desist may be  
18 ordered pending proceedings for revocation or other action. These proceedings shall be promptly  
19 instituted and determined.

20 (b) If a person exceeds the possession limits set forth in chapters 28.11 or 28.12 of title  
21 21, or is in violation of any other section of chapters 28.11 or 28.12 of title 21 or the regulations  
22 promulgated thereunder, he or she may also be subject to arrest and prosecution under chapter 28  
23 of title 21.

24 (c) All marijuana establishment licensees are subject to inspection by the office of  
25 cannabis regulation including but not limited to, the licensed premises, all marijuana and  
26 marijuana products located on the licensed premises, personnel files, training materials, security  
27 footage, all business records and business documents including but not limited to purchase orders,  
28 transactions, sales, and any other financial records or financial statements whether located on the  
29 licensed premises or not.

30 (d) All marijuana products that are held within the borders of this state in violation of the  
31 provisions of chapters 28.6, 28.11 or 28.12 of title 21 or the regulations promulgated thereunder  
32 are declared to be contraband goods and may be seized by the office of cannabis regulation or its  
33 agents, or employees, or by any sheriff, or his or her deputy, or any police or other law

1 enforcement officer when requested by the office of cannabis regulation to do so, in accordance  
2 with applicable law. All contraband goods seized under this chapter may be destroyed.

3 (e) Notwithstanding any other provision of law, the office of cannabis regulation may  
4 make available to law enforcement and public safety personnel, any information that the  
5 department's director or his or her designee may consider proper contained in licensing records,  
6 inspection reports and other reports and records maintained by the office of cannabis regulation,  
7 as necessary or appropriate for purposes of ensuring compliance with state laws and regulations.  
8 Nothing in this act shall be construed to prohibit law enforcement, public safety, fire, or building  
9 officials from investigating violations of, or enforcing state law.

10 **21-28.12-15. Rulemaking authority.**

11 (a) The department of business regulation may adopt all rules and regulations necessary  
12 and convenient to carry out, implement and administer the provisions in this chapter and chapter  
13 28.11 including operational requirements applicable to licensees and regulations as are necessary  
14 and proper to enforce the provisions of and carry out, implement and administer the duties  
15 assigned to it under this chapter and chapter 28.11, including but not limited to regulations  
16 governing:

17 (1) Record-keeping requirements for marijuana establishment licensees;

18 (2) Security requirements for marijuana establishment licensees including but not limited  
19 to the use of:

20 (i) An alarm system, with a backup power source, that alerts security personnel and local  
21 law enforcement officials of any unauthorized breach;

22 (ii) Perpetual video surveillance system, with a backup power source, that records video  
23 surveillance must be stored for at least two (2) months and be accessible to the office of cannabis  
24 regulation via remote access and to law enforcement officials upon request;

25 (iii) Protocols that ensure the secure transport, delivery, and storage of cannabis and  
26 cannabis products;

27 (iv) Additional security measures to protect against diversion or theft of cannabis from  
28 cannabis cultivation facilities that cultivate cannabis outdoors; and

29 (v) any additional requirements deemed necessary by the office of cannabis regulation;

30 (3) Requirements for inventory tracking and the use of seed to sale monitoring system(s)  
31 approved by the state which tracks all cannabis from its origin up to and including the point of  
32 sale;

33 (4) Permitted forms of advertising and advertising content, including but not limited to:



1           (i) A marijuana establishment licensee may not advertise through any means unless at  
2 least 85% of the audience is reasonably expected to be 21 years of age or older, as determined by  
3 reliable, current audience composition data;

4           (ii) a marijuana establishment licensee may not engage in the use of pop up digital  
5 advertisements;

6           (iii) a marijuana establishment licensee may not display any marijuana product pricing  
7 through any advertising other than its establishment website which must be registered with the  
8 office of cannabis regulation, or through opt in subscription services such as email alerts or sms  
9 text messages, provided the licensee has verified the person attempting to view their webpage or  
10 opt in to advertising alerts is over the age of 21;

11           (iv) a marijuana establishment licensee may not use any billboard advertisements within  
12 the state of Rhode Island;

13           (v) A marijuana establishment licensee may display signage outside its facility displaying the  
14 name of the establishment, provided the signage conforms to all applicable local guidelines and rules  
15 and does not display imagery of a marijuana leaf or the use of marijuana or use neon signage;

16           (vi) a marijuana establishment licensee may be listed in public phonebooks and  
17 directories;

18           (vii) A marijuana establishment licensee and its logo may be listed as a sponsor of a  
19 charitable event, provided the logo does not contain imagery of a cannabis leaf or the use of  
20 cannabis;

21           (viii) a marijuana establishment licensee shall not use, accept, or offer any coupons,  
22 discounts, samples, giveaways, or any other mechanism to sell marijuana at prices below market value  
23 which may or may not circumvent the collection of revenue; and

24           (viii) any other restrictions deemed appropriate by the office of cannabis regulation; and

25           (5) Permitted forms of marijuana products including, but not limited to, regulations  
26 which:

27           (i) prohibit any form of marijuana product which is in the shape or form of an animal,  
28 human, vehicle, or other shape or form which may be attractive to children;

29           (ii) prohibit any marijuana “additives” which could be added, mixed, sprayed on, or  
30 applied to an existing food product without a person’s knowledge; and

31           (iii) include any other requirements deemed necessary by the office of cannabis regulation;  
32 and

1           (6) Limits for marijuana product serving sizes, doses, and potency including but not  
2 limited to regulations which:

3           (i) limit all servings of edible forms of marijuana to no more than five milligrams (5 mg)  
4 of THC per serving;

5           (ii) limits the total maximum amount of THC per edible product package to one hundred  
6 milligrams (100 mg) of THC;

7           (iii) limits the THC potency of any product to no more than fifty percent (50%) THC  
8 unless otherwise authorized by the office of cannabis regulation;

9           (iv) may establish product or package limits based on the total milligrams of THC; and

10           (v) include any additional requirements or limitations deemed necessary by the office of  
11 cannabis regulation;

12           (7) Product restrictions including but not limited to regulations which:

13           (i) establish a review process for the office of cannabis regulation to approve or deny  
14 forms of marijuana products which may require marijuana establishment licensees to submit a  
15 proposal, which includes photographs of the proposed product properly packaged and labeled and any  
16 other materials deemed necessary by the office of cannabis regulation, to the office of cannabis  
17 regulation for each line of cannabis products;

18           (ii) place additional restrictions on marijuana products to safeguard public health and  
19 safety, as determined by the office of cannabis regulation in consultation with the executive  
20 branch state agencies;

21           (iii) require all servings of edible products to be marked, imprinted, molded, or otherwise  
22 display a symbol chosen by the department to alert consumers that the product contains  
23 marijuana;

24           (iv) standards to prohibit cannabis products that pose public health risks, that are easily  
25 confused with existing non-cannabis products, or that are especially attractive to youth; and

26           (v) any other requirements deemed suitable by the department;

27           (8) Limits and restrictions for marijuana transactions and sales including but not limited  
28 to regulations which:

29           (i) establish processes and procedures to ensure all transactions and sales are properly  
30 tracked through the use of a seed to sale inventory tracking and monitoring system;

31           (ii) establish rules and procedures for customer age verification;

32           (iii) establish rules and procedures to ensure adult use state stores do not sell, deliver or  
33 otherwise transfer to, and that customers do not purchase or otherwise receive amounts of

1 marijuana in excess of the one ounce (1 oz.) marijuana or equivalent amount per transaction  
2 and/or per day;

3 (iv) establish rules and procedures to ensure no marijuana is sold, delivered or otherwise  
4 transferred to anyone under the age of 21; and

5 (v) include any additional requirements deemed necessary by the office of cannabis  
6 regulation;

7 (9) The testing and safety of marijuana and marijuana products including but not limited  
8 to regulations promulgated by the office of cannabis regulation or department of health, as  
9 applicable which:

10 (i) license and regulate the operation of cannabis testing facilities, including requirements  
11 for equipment, training, and qualifications for personnel;

12 (ii) set forth procedures that require random sample testing to ensure quality control,  
13 including, but not limited to, ensuring that cannabis and cannabis products are accurately labeled  
14 for tetrahydrocannabinol (THC) content and any other product profile;

15 (iii) testing for residual solvents, poisons, or toxins; harmful chemicals; dangerous  
16 molds or mildew; filth; and harmful microbials such as E. coli or salmonella and pesticides,  
17 and any other compounds, elements, or contaminants;

18 (iv) require that all cannabis and cannabis products must undergo random sample testing at a  
19 registered cannabis testing facility or other laboratory equipped to test cannabis and cannabis  
20 products that has been approved by the office of cannabis regulation;

21 (v) require any products which fail testing be quarantined and/or recalled and destroyed  
22 in accordance with regulations;

23 (vi) allow for the establishment of other quality assurance mechanisms which may  
24 include but not be limited to the designation or creation of a reference laboratory, creation of a  
25 secret shopper program, round robin testing , or any other mechanism to ensure the accuracy of  
26 product testing and labeling;

27 (vii) require marijuana establishment licensees and marijuana products to comply with  
28 any applicable food safety requirements determined by the office of cannabis regulation and/or  
29 the department of health;

30 (viii) include any additional requirements deemed necessary by the office of cannabis  
31 regulation and the department of health; and

32 (ix) allow the office of cannabis regulation, in coordination with the department of health, at  
33 their discretion, to temporarily remove, or phase in, any requirement for laboratory testing if it finds  
34 that there is not sufficient laboratory capacity for the market.

- 1           (10) Online sales;
- 2           (11) Transport and delivery;
- 3           (12) Marijuana and marijuana product packaging including but not limited to  
4 requirements that packaging be:
- 5           (i) opaque;
- 6           (ii) constructed to be significantly difficult for children under five (5) years of age to  
7 open and not difficult for normal adults to use properly as defined by 16 C.F.R. 1700.20 (1995) or  
8 another approval standard or process approved by the office of cannabis regulation;
- 9           (iii) be designed in a way that is not deemed as especially appealing to children; and
- 10          (iv) any other regulations required by the office of cannabis regulation; and
- 11          (13) Regulations for the quarantine and/or destruction of unauthorized materials;
- 12          (14) Industry and licensee cultivation and production limitations;
- 13          (15) Procedures for the approval or denial of a license, and procedures for suspension or  
14 revocation of the license of any marijuana establishment licensee that violates the provisions of  
15 this chapter, chapter 28.11 of title 21 or the regulations promulgated thereunder in accordance  
16 with the provisions of chapter 35 of title 42;
- 17          (16) Compliance with municipal zoning restrictions, if any, which comply with § 21-  
18 28.12-16 of this chapter;
- 19          (17) Standards and restrictions for marijuana manufacturing and processing which shall  
20 include but not be limited to requirements that adult use marijuana processor licensees;
- 21           (i) comply with all applicable building and fire codes;
- 22           (ii) receive approval from the state fire marshal's office for all forms of manufacturing  
23 that use a heat source or flammable solvent;
- 24           (iii) require any adult use marijuana processor licensee that manufactures edibles of  
25 marijuana infused food products to comply with all applicable requirements and regulations  
26 issued by the department of health's office of food safety; and
- 27           (iv) comply with any other requirements deemed suitable by the office of cannabis  
28 regulation.
- 29          (18) Standards for employee and workplace safety and sanitation;
- 30          (19) Standards for employee training including but not limited to:
- 31           (i) requirements that all employees of marijuana establishments must participate in a  
32 comprehensive training on standard operating procedures, security protocols, health and  
33 sanitation standards, workplace safety, and the provisions of this chapter prior to working at the

1 establishment. Employees must be retrained on an annual basis or if state officials discover  
2 a marijuana establishment in violation of any rule, regulation, or guideline in the course of regular  
3 inspections or audits; and

4 (ii) any other requirements deemed appropriate by the office of cannabis regulation; and  
5 (20) Mandatory labeling that must be affixed to all packages containing cannabis or  
6 cannabis products including but not limited to requirements that the label display:

7 (i) the name of the establishment that cultivated the cannabis or produced the cannabis  
8 product;

9 (ii) the tetrahydrocannabinol (THC) content of the product;

10 (iii) a "produced on" date;

11 (iv) warnings that state: "Consumption of cannabis impairs your ability to drive a car or  
12 operate machinery" and "Keep away from children" and, unless federal law has changed to  
13 accommodate cannabis possession, "Possession of cannabis is illegal under federal law and in many  
14 states outside of Rhode Island";

15 (v) a symbol that reflects these products are not safe for children which contains poison  
16 control contact information; and

17 (vi) any other information required by the office of cannabis regulation; and

18 (21) Standards for the use of pesticides; and

19 (22) General operating requirements, minimum oversight, and any other activities,  
20 functions, or aspects of a marijuana establishment licensee in furtherance of creating a stable,  
21 regulated cannabis industry and mitigating its impact on public health and safety.

22 (23) Rules and regulations based on federal law provided those rules and regulations are  
23 designed to comply with federal guidance and mitigate federal enforcement against the marijuana  
24 establishments and adult use state stores authorized, licensed and operated pursuant to this  
25 chapter.

26 **21-28.12-16. Municipal authority.**

27 (a) Municipalities shall:

28 (i) Have the authority to enact local zoning and use ordinances not in conflict with this  
29 chapter or with rules and regulations adopted by the office of cannabis regulation regulating the time,  
30 place, and manner of marijuana establishments' operations, provided that no local authority may  
31 prohibit any type of marijuana establishment operations altogether, either expressly or through the  
32 enactment of ordinances or regulations which make any type of marijuana establishments' operation  
33 impracticable; and

1           (b) Zoning ordinances enacted by a local authority shall not require a marijuana establishment  
2 licensee or marijuana establishment applicant to enter into a community host agreement or pay any  
3 consideration to the municipality other than reasonable zoning and permitting fees as determined by the  
4 office of cannabis regulation. The office of cannabis regulation is the sole licensing authority for  
5 marijuana establishment licensees. A municipality shall not enact any local zoning ordinances or  
6 permitting requirements that establishes a de facto local license or licensing process unless explicitly  
7 enabled by this chapter or ensuing regulations promulgated by the office of cannabis regulation.

8           (c) Notwithstanding subsection (a) of this section:

9           (i) Municipalities may enact local zoning and use ordinances which prohibit specific classes  
10 of marijuana establishment licenses, or all classes of marijuana establishment licenses from being  
11 issued within their jurisdiction and which may remain in effect until November 3, 2021. A local zoning  
12 and use ordinance which prohibits specific classes of marijuana establishment licenses, or all classes of  
13 marijuana establishment licenses from being issued within a city or town's jurisdiction may only remain in  
14 effect past November 3, 2021, if the residents of the municipality have approved, by a simple majority of  
15 the electors voting, a referendum to ban adult use marijuana cultivator facilities, adult use state  
16 stores, adult use marijuana processors or cannabis testing facilities, provided such referendum must be  
17 conducted on or before November 3, 2021, and any ordinances related thereto must be adopted before  
18 April 1, 2022;

19           (ii) Municipalities must put forth a separate referendum question to ban each class of  
20 marijuana establishment. A single question to ban all classes of marijuana establishments shall not be  
21 permitted; and

22           (iii) Municipalities which ban the licensure of marijuana establishments located within their  
23 jurisdiction pursuant to c(i), and/or adopt local zoning and other ordinances, in accordance with this  
24 section, may hold future referenda to prohibit previously allowed licenses, or allow previously  
25 prohibited licenses, provided those subsequent referenda are held on the first Tuesday after the first  
26 Monday in the month of November.

27           (d) Notwithstanding subsections (a), (b) or (c) of this section, a municipality may not  
28 prohibit a medical marijuana establishment licensee from continuing to operate under a marijuana  
29 establishment license issued by the office of cannabis regulation or previously issued by the  
30 department of business regulation if that marijuana establishment licensee was approved or  
31 licensed prior to the passage of this chapter.

1 (e) Notwithstanding any other provision of this chapter, no municipality or local authority  
2 shall restrict the transport or delivery of marijuana through their jurisdiction, or to local residents,  
3 provided all transport and/or delivery is in accordance with this chapter.

4 (f) Municipalities may impose civil and criminal penalties for the violation of ordinances  
5 enacted pursuant to and in accordance with this section.

6 (g) Notwithstanding subsection (b) of this section, a city or town may receive a municipal  
7 impact fee from a newly licensed and operating marijuana establishment located within their  
8 jurisdiction provided:

9 (i) the municipal impact fee must offset or reimburse actual costs and expenses incurred by  
10 the city or town during the first three (3) months that the licensee is licensed and/or operational;

11 (ii) the municipal impact fee must offset or reimburse reasonable and appropriate expenses  
12 incurred by the municipality, which are directly attributed to, or are a direct result of, the licensed  
13 operations of the marijuana establishment which may include but not be limited to, increased traffic or  
14 police details needed to address new traffic patterns, increased parking needs, or pedestrian foot traffic  
15 by consumers;

16 (iii) the municipality is responsible for estimating or calculating projected impact fees and  
17 must follow the same methodology if providing a fee estimate or projection for multiple marijuana  
18 establishment locations or applicants;

19 (iv) marijuana establishment licensees or applicants may not offer competing impact fees or  
20 pay a fee that is more than the actual and reasonable costs and expenses incurred by the municipality;  
21 and

22 (v) the office of cannabis regulation may suspend, revoke or refuse to issue a license to an  
23 applicant or for a proposed establishment within a municipality if the municipality and/or marijuana  
24 establishment local impact fee violates the requirements of this section.

25 **21-28.12-17. Transportation of marijuana.**

26 The office of cannabis regulation may promulgate regulations regarding secure transportation  
27 of marijuana for marijuana establishment licensees delivering products to purchasers in accordance  
28 with this chapter and shipments of marijuana or marijuana products between marijuana establishment  
29 licensees.

30 **21-28.12-18. No minors on the premises of adult use state stores or other**  
31 **marijuana establishments.**

32 No marijuana establishment licensee including an adult use marijuana contractor shall allow  
33 any person who is under twenty-one (21) years of age to be present inside any room where

1 marijuana or marijuana products are stored, produced, or sold unless the person who is under twenty-  
2 one (21) years of age is:

3 (1) A government employee performing their official duties; or

4 (2) At least eighteen (18) years old, a registered employee of the marijuana establishment  
5 licensee and the person has completed all training required under this chapter and the regulations  
6 promulgated by the office of cannabis regulation.

7 **21-28.12-19. Contracts enforceable.**

8 (a) It is the public policy of the state that contracts related to the operation of licensed  
9 marijuana establishments, adult use state stores, licensed compassion centers, hemp cultivators or  
10 other licensees under chapter 26 of title 2, and chapters 28.6, 28.11 and 28.12 of title 21, the  
11 regulations promulgated thereunder and other applicable Rhode Island law shall be enforceable. It is  
12 the public policy of the state that no contract entered into by a licensed marijuana establishment,  
13 adult use state store, licensed compassion center, hemp cultivator or other licensee under chapter 26 of  
14 title 2, and chapters 28.6, 28.11 and 28.12 of title 21 or its registered officers, directors, managers,  
15 members, partners, employees or agents as permitted pursuant to a valid license issued by the office of  
16 cannabis regulation, or by those who allow property to be used by an establishment, its registered  
17 officers, directors, managers, members, partners, employees, or its agents as permitted pursuant to a  
18 valid license, shall be unenforceable solely on the basis that cultivating, obtaining, manufacturing,  
19 distributing, dispensing, transporting, selling, possessing, testing or using marijuana or hemp is  
20 prohibited by federal law.

21 (b) Notwithstanding any law to the contrary including federal law, commercial activity  
22 related to licensed marijuana establishments, adult use state stores, licensed compassion centers,  
23 hemp cultivators or other licensees under chapter 26 of title 2, and chapters 28.11 and 28.12 of title  
24 21, and the regulations promulgated thereunder, that is conducted in compliance with applicable  
25 Rhode Island law shall be deemed to be:

26 (1) a lawful object of a contract;

27 (2) Not contrary to an express provision of law, any policy of express law, or good morals;

28 and

29 (3) Not against public policy.

30 **21-28.12-20 Adult use marijuana fund and revenue.**

31 (a) There is created the adult use marijuana fund, into which shall be deposited all  
32 revenue collected pursuant to this chapter. The fund shall be in the custody of the general  
33 treasurer, subject to the direction of the department for the use of the department.



1           (b) The adult use marijuana fund shall be used to pay for the wholesale acquisition of  
2 adult use marijuana, marijuana products and adult use marijuana paraphernalia for sale in adult  
3 use state stores. The department is authorized to enter into adult use marijuana contracts to  
4 acquire adult use marijuana, adult use marijuana products and adult use marijuana paraphernalia,  
5 or to direct any adult use marijuana contractors to acquire adult use marijuana, adult use  
6 marijuana products or adult use marijuana paraphernalia on the state’s behalf. The department is  
7 authorized to transfer or reimburse funds from the adult use marijuana fund in order to facilitate  
8 these activities.

9           (c) The department is authorized to enter into an agreement to allocate adult use  
10 marijuana retail sales revenue between the state, any adult use marijuana contractors, and  
11 municipalities. This allocation shall be on any retail sales revenue net of funds needed to acquire  
12 wholesale adult use marijuana, marijuana products and marijuana paraphernalia pursuant to  
13 subsection (b). This allocation shall not include any revenue resulting from licensing or other  
14 fees, penalties, fines, or any other revenue not directly attributable to retail sales at adult state  
15 stores. Any such revenue shall be allocated entirely to the state.

16           (d) The allocation of net adult use retail marijuana revenue shall be:

17           (1) To the state, sixty-one percent (61%) of adult use marijuana retail sales revenue;

18           (2) To the state's licensed adult use marijuana contractors, twenty-nine percent (29%) of  
19 adult use marijuana retail sales revenue; and

20           (3) To municipalities, ten percent (10%) of adult use marijuana retail sales revenue.

21           (e) Adult use marijuana retail sales revenue allocated to the state shall be deposited into  
22 the adult use marijuana fund for administrative purposes, described in paragraph (f) below, and  
23 then the balance remaining into the general fund.

24           (f) There is created within the general fund restricted receipt accounts collectively known  
25 as the “state-control adult use marijuana” accounts. The state share of adult use marijuana  
26 revenue will be used to fund programs and activities related to program administration; substance  
27 use disorder prevention for adults and youth; education and public awareness campaigns;  
28 treatment and recovery support services; public health monitoring, research, data collection, and  
29 surveillance; law enforcement training and technology improvements including grants to local  
30 law enforcement; and such other related uses that may be deemed necessary by the office of  
31 management and budget. The restricted receipt accounts will be housed within the budgets of the  
32 departments of behavioral healthcare, developmental disabilities and hospitals; business

1 regulation; health; and public safety. All amounts deposited into the state-control adult use  
2 marijuana accounts shall be exempt from the indirect cost recovery provisions of § 35-4-27.

3 (g) Payments into the state's general fund shall be made on an estimated monthly basis.  
4 Payment shall be made on the tenth day following the close of the month except for the last  
5 month when payment shall be on the last business day.

6 (h) All sales of adult use marijuana, adult use marijuana products, and adult use  
7 marijuana paraphernalia at adult use state stores are exempt from taxation under chapter 18 of  
8 title 44.

9 (i) If there are multiple licensed adult use marijuana contractors under contract with the  
10 state, the contracts between the state and those entities will specify how revenue allocated under  
11 subsection (d)(2) is divided.

12 (j) All revenue allocated to cities and towns under subsection (d)(3) shall be distributed at  
13 least quarterly by the department, credited and paid by the state treasurer to the city or town based  
14 on the following allocation:

15 (1) One-quarter based in an equal distribution to each city or town in the state;

16 (2) One-quarter based on the share of total licensed adult use marijuana cultivators,  
17 licensed adult use marijuana processors, and adult use state stores found in each city or town at  
18 the end of the quarter that corresponds to the distribution, with adult use state stores assigned a  
19 weight twice that of the other license types; and

20 (3) One-half based on the volume of retail sales of adult use marijuana, marijuana products and  
21 marijuana paraphernalia that occurred at adult use state stores in each city or town in the quarter  
22 of the distribution.

23 **21-28.12-21. Severability.**

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

28 SECTION 4. Sections 31-27-2, 31-27-2.1 and 31-27-2.9 of Chapter 31-27 of the General  
29 Laws entitled "Motor Vehicles Offenses" are hereby amended as follows:

30 **31-27-2. Driving under influence of liquor or drugs.**

31 (a) Whoever drives or otherwise operates any vehicle in the state while under the  
32 influence of any intoxicating liquor, drugs, toluene, or any controlled substance as defined in  
33 chapter 28 of title 21, or any combination of these, shall be guilty of a misdemeanor, except as  
34 provided in subsection (d)(3), and shall be punished as provided in subsection (d).

1           (b)(1) Any person charged under subsection (a), whose blood alcohol concentration is  
2 eight one-hundredths of one percent (.08%) or more by weight, as shown by a chemical analysis  
3 of a blood, breath, or urine sample, shall be guilty of violating subsection (a). This provision shall  
4 not preclude a conviction based on other admissible evidence, [including the testimony of a drug](#)  
5 [recognition expert or evaluator, certified pursuant to training approved by the Rhode Island](#)  
6 [Department of Transportation Office on Highway Safety](#). Proof of guilt under this section may  
7 also be based on evidence that the person charged was under the influence of intoxicating liquor,  
8 drugs, toluene, or any controlled substance defined in chapter 28 of title 21, or any combination  
9 of these, to a degree that rendered the person incapable of safely operating a vehicle. The fact that  
10 any person charged with violating this section is, or has been, legally entitled to use alcohol or a  
11 drug shall not constitute a defense against any charge of violating this section.

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

16           (c) In any criminal prosecution for a violation of subsection (a), evidence as to the  
17 amount of intoxicating liquor, toluene, or any controlled substance as defined in chapter 28 of  
18 title 21, or any combination of these, in the defendant's blood at the time alleged as shown by a  
19 chemical analysis of the defendant's breath, blood, [saliva](#) or urine or other bodily substance, shall  
20 be admissible and competent, provided that evidence is presented that the following conditions  
21 have been complied with:

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

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

27           (3) Any person submitting to a chemical test of blood, urine, [saliva](#) or other body fluids  
28 shall have a true copy of the report of the test result mailed to him or her within thirty (30) days  
29 following the taking of the test.

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

32           (5) Equipment used for the conduct of the tests by means of breath analysis had been  
33 tested for accuracy within thirty (30) days preceding the test by personnel qualified as

1 hereinbefore provided, and breathalyzer operators shall be qualified and certified by the  
2 department of health within three hundred sixty-five (365) days of the test.

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

11 (d)(1)(i) Every person found to have violated subsection (b)(1) shall be sentenced as  
12 follows: for a first violation whose blood alcohol concentration is eight one-hundredths of one  
13 percent (.08%), but less than one-tenth of one percent (.1%), by weight, or who has a blood  
14 presence of any scheduled controlled substance as defined in subsection (b)(2), shall be subject to  
15 a fine of not less than one hundred dollars (\$100), nor more than three hundred dollars (\$300);  
16 shall be required to perform ten (10) to sixty (60) hours of public community restitution, and/or  
17 shall be imprisoned for up to one year. The sentence may be served in any unit of the adult  
18 correctional institutions in the discretion of the sentencing judge and/or shall be required to attend  
19 a special course on driving while intoxicated or under the influence of a controlled substance;  
20 provided, however, that the court may permit a servicemember or veteran to complete any court-  
21 approved counseling program administered or approved by the Veterans' Administration, and his  
22 or her driver's license shall be suspended for thirty (30) days up to one hundred eighty (180) days.  
23 The sentencing judge or magistrate may prohibit that person from operating a motor vehicle that  
24 is not equipped with an ignition interlock system as provided in § 31-27-2.8.

25 (ii) Every person convicted of a first violation whose blood alcohol concentration is one-  
26 tenth of one percent (.1%) by weight or above, but less than fifteen hundredths of one percent  
27 (.15%), or whose blood alcohol concentration is unknown, shall be subject to a fine of not less  
28 than one hundred (\$100) dollars, nor more than four hundred dollars (\$400), and shall be required  
29 to perform ten (10) to sixty (60) hours of public community restitution and/or shall be imprisoned  
30 for up to one year. The sentence may be served in any unit of the adult correctional institutions in  
31 the discretion of the sentencing judge. The person's driving license shall be suspended for a  
32 period of three (3) months to twelve (12) months. The sentencing judge shall require attendance  
33 at a special course on driving while intoxicated or under the influence of a controlled substance  
34 and/or alcoholic or drug treatment for the individual; provided, however, that the court may

1 permit a servicemember or veteran to complete any court-approved counseling program  
2 administered or approved by the Veterans' Administration. The sentencing judge or magistrate  
3 may prohibit that person from operating a motor vehicle that is not equipped with an ignition  
4 interlock system as provided in § 31-27-2.8.

5 (iii) Every person convicted of a first offense whose blood alcohol concentration is  
6 fifteen hundredths of one percent (.15%) or above, or who is under the influence of a drug,  
7 toluene, or any controlled substance as defined in subsection (b)(1), shall be subject to a fine of  
8 five hundred dollars (\$500) and shall be required to perform twenty (20) to sixty (60) hours of  
9 public community restitution and/or shall be imprisoned for up to one year. The sentence may be  
10 served in any unit of the adult correctional institutions in the discretion of the sentencing judge.  
11 The person's driving license shall be suspended for a period of three (3) months to eighteen (18)  
12 months. The sentencing judge shall require attendance at a special course on driving while  
13 intoxicated or under the influence of a controlled substance and/or alcohol or drug treatment for  
14 the individual; provided, however, that the court may permit a servicemember or veteran to  
15 complete any court-approved counseling program administered or approved by the Veterans'  
16 Administration. The sentencing judge or magistrate shall prohibit that person from operating a  
17 motor vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8.

18 (2)(i) Every person convicted of a second violation within a five-year (5) period with a  
19 blood alcohol concentration of eight one-hundredths of one percent (.08%) or above, but less than  
20 fifteen hundredths of one percent (.15%), or whose blood alcohol concentration is unknown, or  
21 who has a blood presence of any controlled substance as defined in subsection (b)(2), and every  
22 person convicted of a second violation within a five-year (5) period, regardless of whether the  
23 prior violation and subsequent conviction was a violation and subsequent conviction under this  
24 statute or under the driving under the influence of liquor or drugs statute of any other state, shall  
25 be subject to a mandatory fine of four hundred dollars (\$400). The person's driving license shall  
26 be suspended for a period of one year to two (2) years, and the individual shall be sentenced to  
27 not less than ten (10) days, nor more than one year, in jail. The sentence may be served in any  
28 unit of the adult correctional institutions in the discretion of the sentencing judge; however, not  
29 less than forty-eight (48) hours of imprisonment shall be served consecutively. The sentencing  
30 judge shall require alcohol or drug treatment for the individual; provided, however, that the court  
31 may permit a servicemember or veteran to complete any court-approved counseling program  
32 administered or approved by the Veterans' Administration and shall prohibit that person from  
33 operating a motor vehicle that is not equipped with an ignition interlock system as provided in §  
34 31-27-2.8.

1 (ii) Every person convicted of a second violation within a five-year (5) period whose  
2 blood alcohol concentration is fifteen hundredths of one percent (.15%) or above, by weight as  
3 shown by a chemical analysis of a blood, breath, or urine sample, or who is under the influence of  
4 a drug, toluene, or any controlled substance as defined in subsection (b)(1), shall be subject to  
5 mandatory imprisonment of not less than six (6) months, nor more than one year; a mandatory  
6 fine of not less than one thousand dollars (\$1,000); and a mandatory license suspension for a  
7 period of two (2) years from the date of completion of the sentence imposed under this  
8 subsection. The sentencing judge shall require alcohol or drug treatment for the individual;  
9 provided, however, that the court may permit a servicemember or veteran to complete any court  
10 approved counseling program administered or approved by the Veterans' Administration. The  
11 sentencing judge or magistrate shall prohibit that person from operating a motor vehicle that is  
12 not equipped with an ignition interlock system as provided in § 31-27-2.8.

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

29 (ii) Every person convicted of a third or subsequent violation within a five-year (5) period  
30 whose blood alcohol concentration is fifteen hundredths of one percent (.15%) above by weight  
31 as shown by a chemical analysis of a blood, breath, or urine sample, or who is under the influence  
32 of a drug, toluene, or any controlled substance as defined in subsection (b)(1), shall be subject to  
33 mandatory imprisonment of not less than three (3) years, nor more than five (5) years; a

1 mandatory fine of not less than one thousand dollars (\$1,000), nor more than five thousand  
2 dollars (\$5,000); and a mandatory license suspension for a period of three (3) years from the date  
3 of completion of the sentence imposed under this subsection. The sentencing judge shall require  
4 alcohol or drug treatment for the individual. The sentencing judge or magistrate shall prohibit that  
5 person from operating a motor vehicle that is not equipped with an ignition interlock system as  
6 provided in § 31-27-2.8.

7 (iii) In addition to the foregoing penalties, every person convicted of a third or  
8 subsequent violation within a five-year (5) period, regardless of whether any prior violation and  
9 subsequent conviction was a violation and subsequent conviction under this statute or under the  
10 driving under the influence of liquor or drugs statute of any other state, shall be subject, in the  
11 discretion of the sentencing judge, to having the vehicle owned and operated by the violator  
12 seized and sold by the state of Rhode Island, with all funds obtained by the sale to be transferred  
13 to the general fund.

14 (4) Whoever drives or otherwise operates any vehicle in the state while under the  
15 influence of any intoxicating liquor, drugs, toluene, or any controlled substance as defined in  
16 chapter 28 of title 21, or any combination of these, when his or her license to operate is  
17 suspended, revoked, or cancelled for operating under the influence of a narcotic drug or  
18 intoxicating liquor, shall be guilty of a felony punishable by imprisonment for not more than three  
19 (3) years and by a fine of not more than three thousand dollars (\$3,000). The court shall require  
20 alcohol and/or drug treatment for the individual; provided, the penalties provided for in this  
21 subsection (d)(4) shall not apply to an individual who has surrendered his or her license and  
22 served the court-ordered period of suspension, but who, for any reason, has not had his or her  
23 license reinstated after the period of suspension, revocation, or suspension has expired; provided,  
24 further, the individual shall be subject to the provisions of subdivision (d)(2)(i), (d)(2)(ii),  
25 (d)(3)(i), (d)(3)(ii), or (d)(3)(iii) regarding subsequent offenses, and any other applicable  
26 provision of this section.

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

29 (ii) Any person over the age of eighteen (18) who is convicted under this section for  
30 operating a motor vehicle while under the influence of alcohol, other drugs, or a combination of  
31 these, while a child under the age of thirteen (13) years was present as a passenger in the motor  
32 vehicle when the offense was committed shall be subject to immediate license suspension  
33 pending prosecution. Any person convicted of violating this section shall be guilty of a  
34 misdemeanor for a first offense and may be sentenced to a term of imprisonment of not more than

1 one year and a fine not to exceed one thousand dollars (\$1,000). Any person convicted of a  
2 second or subsequent offense shall be guilty of a felony offense and may be sentenced to a term  
3 of imprisonment of not more than five (5) years and a fine not to exceed five thousand dollars  
4 (\$5,000). The sentencing judge shall also order a license suspension of up to two (2) years,  
5 require attendance at a special course on driving while intoxicated or under the influence of a  
6 controlled substance, and alcohol or drug education and/or treatment. The individual may also be  
7 required to pay a highway assessment fee of no more than five hundred dollars (\$500) and the  
8 assessment shall be deposited in the general fund.

9 (6)(i) Any person convicted of a violation under this section shall pay a highway  
10 assessment fine of five hundred dollars (\$500) that shall be deposited into the general fund. The  
11 assessment provided for by this subsection shall be collected from a violator before any other  
12 fines authorized by this section.

13 (ii) Any person convicted of a violation under this section shall be assessed a fee of  
14 eighty-six dollars (\$86).

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

23 (ii) If the person convicted of violating this section is under the age of eighteen (18)  
24 years, for a second or subsequent violation regardless of whether any prior violation and  
25 subsequent conviction was a violation and subsequent conviction under this statute or under the  
26 driving under the influence of liquor or drugs statute of any other state, he or she shall be subject  
27 to a mandatory suspension of his or her driving license until such time as he or she is twenty-one  
28 (21) years of age and may, in the discretion of the sentencing judge, also be sentenced to the  
29 Rhode Island training school for a period of not more than one year and/or a fine of not more than  
30 five hundred dollars (\$500).

31 (8) Any person convicted of a violation under this section may undergo a clinical  
32 assessment at the community college of Rhode Island's center for workforce and community  
33 education. Should this clinical assessment determine problems of alcohol, drug abuse, or  
34 psychological problems associated with alcoholic or drug abuse, this person shall be referred to



1 an appropriate facility, licensed or approved by the department of behavioral healthcare,  
2 developmental disabilities and hospitals, for treatment placement, case management, and  
3 monitoring. In the case of a servicemember or veteran, the court may order that the person be  
4 evaluated through the Veterans' Administration. Should the clinical assessment determine  
5 problems of alcohol, drug abuse, or psychological problems associated with alcohol or drug  
6 abuse, the person may have their treatment, case management, and monitoring administered or  
7 approved by the Veterans' Administration.

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

10 (f)(1) There is established an alcohol and drug safety unit within the division of motor  
11 vehicles to administer an alcohol safety action program. The program shall provide for placement  
12 and follow-up for persons who are required to pay the highway safety assessment. The alcohol  
13 and drug safety action program will be administered in conjunction with alcohol and drug  
14 programs licensed by the department of behavioral healthcare, developmental disabilities and  
15 hospitals.

16 (2) Persons convicted under the provisions of this chapter shall be required to attend a  
17 special course on driving while intoxicated or under the influence of a controlled substance,  
18 and/or participate in an alcohol or drug treatment program, which course and programs must meet  
19 the standards established by the Rhode Island department of behavioral healthcare, developmental  
20 disabilities and hospitals; provided, however, that the court may permit a servicemember or  
21 veteran to complete any court-approved counseling program administered or approved by the  
22 Veterans' Administration. The course shall take into consideration any language barrier that may  
23 exist as to any person ordered to attend, and shall provide for instruction reasonably calculated to  
24 communicate the purposes of the course in accordance with the requirements of the subsection.  
25 Any costs reasonably incurred in connection with the provision of this accommodation shall be  
26 borne by the person being retrained. A copy of any violation under this section shall be forwarded  
27 by the court to the alcohol and drug safety unit. In the event that persons convicted under the  
28 provisions of this chapter fail to attend and complete the above course or treatment program, as  
29 ordered by the judge, then the person may be brought before the court, and after a hearing as to  
30 why the order of the court was not followed, may be sentenced to jail for a period not exceeding  
31 one year.

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

1 (g) The director of the department of health of the state of Rhode Island is empowered to  
2 make and file with the secretary of state regulations that prescribe the techniques and methods of  
3 chemical analysis of the person's body fluids or breath and the qualifications and certification of  
4 individuals authorized to administer this testing and analysis.

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

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

16 (j) An order to attend a special course on driving while intoxicated that shall be  
17 administered in cooperation with a college or university accredited by the state, shall include a  
18 provision to pay a reasonable tuition for the course in an amount not less than twenty-five dollars  
19 (\$25.00), and a fee of one hundred seventy-five dollars (\$175), which fee shall be deposited into  
20 the general fund.

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

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

28 (m) For the purposes of this section, "servicemember" means a person who is presently  
29 serving in the armed forces of the United States, including the Coast Guard, a reserve component  
30 thereof, or the National Guard. "Veteran" means a person who has served in the armed forces,  
31 including the Coast Guard of the United States, a reserve component thereof, or the National  
32 Guard, and has been discharged under other than dishonorable conditions.

33 **31-27-2.1. Refusal to submit to chemical test.**

1 (a) Any person who operates a motor vehicle within this state shall be deemed to have  
2 given his or her consent to chemical tests of his or her breath, blood, [saliva](#) and/or urine for the  
3 purpose of determining the chemical content of his or her body fluids or breath. No more than  
4 two (2) complete tests, one for the presence of intoxicating liquor and one for the presence of  
5 toluene or any controlled substance, as defined in § 21-28-1.02(8), shall be administered at the  
6 direction of a law enforcement officer having reasonable grounds to believe the person to have  
7 been driving a motor vehicle within this state while under the influence of intoxicating liquor,  
8 toluene or any controlled substance, as defined in chapter 28 of title 21, or any combination of  
9 these. The director of the department of health is empowered to make and file, with the secretary  
10 of state, regulations that prescribe the techniques and methods of chemical analysis of the  
11 person's body fluids or breath and the qualifications and certification of individuals authorized to  
12 administer the testing and analysis.

13 (b) If a person, for religious or medical reasons, cannot be subjected to blood tests, the  
14 person may file an affidavit with the division of motor vehicles stating the reasons why he or she  
15 cannot be required to take blood tests and a notation to this effect shall be made on his or her  
16 license. If that person is asked to submit to chemical tests as provided under this chapter, the  
17 person shall only be required to submit to chemical tests of his or her breath, [saliva](#) or urine.  
18 When a person is requested to submit to blood tests, only a physician or registered nurse, or a  
19 medical technician certified under regulations promulgated by the director of the department of  
20 health, may withdraw blood for the purpose of determining the alcoholic content in it. This  
21 limitation shall not apply to the taking of breath, [saliva](#) or urine specimens. The person tested  
22 shall be permitted to have a physician of his or her own choosing, and at his or her own expense,  
23 administer chemical tests of his or her breath, blood, [saliva](#) and/or urine in addition to the tests  
24 administered at the direction of a law enforcement officer. If a person, having been placed under  
25 arrest, refuses upon the request of a law enforcement officer to submit to the tests, as provided in  
26 § 31-27-2, none shall be given, but a judge or magistrate of the traffic tribunal or district court  
27 judge or magistrate, upon receipt of a report of a law enforcement officer: that he or she had  
28 reasonable grounds to believe the arrested person had been driving a motor vehicle within this  
29 state under the influence of intoxicating liquor, toluene, or any controlled substance, as defined in  
30 chapter 28 of title 21, or any combination of these; that the person had been informed of his or her  
31 rights in accordance with § 31-27-3; that the person had been informed of the penalties incurred  
32 as a result of noncompliance with this section; and that the person had refused to submit to the  
33 tests upon the request of a law enforcement officer; shall promptly order that the person's

1 operator's license or privilege to operate a motor vehicle in this state be immediately suspended,  
2 however, said suspension shall be subject to the hardship provisions enumerated in § 31-27-2.8.  
3 A traffic tribunal judge or magistrate, or a district court judge or magistrate, pursuant to the terms  
4 of subsection (c), shall order as follows:

5 (1) Impose, for the first violation, a fine in the amount of two hundred dollars (\$200) to  
6 five hundred dollars (\$500) and shall order the person to perform ten (10) to sixty (60) hours of  
7 public community restitution. The person's driving license in this state shall be suspended for a  
8 period of six (6) months to one year. The traffic tribunal judge or magistrate shall require  
9 attendance at a special course on driving while intoxicated or under the influence of a controlled  
10 substance and/or alcohol or drug treatment for the individual. The traffic tribunal judge or  
11 magistrate may prohibit that person from operating a motor vehicle that is not equipped with an  
12 ignition interlock system as provided in § 31-27-2.8.

13 (2) Every person convicted of a second violation within a five-year (5) period, except  
14 with respect to cases of refusal to submit to a blood test, shall be guilty of a misdemeanor; shall  
15 be imprisoned for not more than six (6) months; shall pay a fine in the amount of six hundred  
16 dollars (\$600) to one thousand dollars (\$1,000); perform sixty (60) to one hundred (100) hours of  
17 public community restitution; and the person's driving license in this state shall be suspended for  
18 a period of one year to two (2) years. The judge or magistrate shall require alcohol and/or drug  
19 treatment for the individual. The sentencing judge or magistrate shall prohibit that person from  
20 operating a motor vehicle that is not equipped with an ignition interlock system as provided in §  
21 31-27-2.8.

22 (3) Every person convicted for a third or subsequent violation within a five-year (5)  
23 period, except with respect to cases of refusal to submit to a blood test, shall be guilty of a  
24 misdemeanor; and shall be imprisoned for not more than one year; fined eight hundred dollars  
25 (\$800) to one thousand dollars (\$1,000); shall perform not less than one hundred (100) hours of  
26 public community restitution; and the person's operator's license in this state shall be suspended  
27 for a period of two (2) years to five (5) years. The sentencing judge or magistrate shall prohibit  
28 that person from operating a motor vehicle that is not equipped with an ignition interlock system  
29 as provided in § 31-27-2.8. The judge or magistrate shall require alcohol or drug treatment for the  
30 individual. Provided, that prior to the reinstatement of a license to a person charged with a third  
31 or subsequent violation within a three-year (3) period, a hearing shall be held before a judge or  
32 magistrate. At the hearing, the judge or magistrate shall review the person's driving record, his or  
33 her employment history, family background, and any other pertinent factors that would indicate  
34 that the person has demonstrated behavior that warrants the reinstatement of his or her license.

1           (4) For a second violation within a five-year (5) period with respect to a case of a refusal  
2 to submit to a blood test, a fine in the amount of six hundred dollars (\$600) to one thousand  
3 dollars (\$1,000); the person shall perform sixty (60) to one hundred (100) hours of public  
4 community restitution; and the person's driving license in this state shall be suspended for a  
5 period of two (2) years. The judicial officer shall require alcohol and/or drug treatment for the  
6 individual. The sentencing judicial officer shall prohibit that person from operating a motor  
7 vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8. Such a  
8 violation with respect to refusal to submit to a chemical blood test shall be a civil offense.

9           (5) For a third or subsequent violation within a five-year (5) period with respect to a case  
10 of a refusal to submit to a blood test, a fine in the amount of eight hundred dollars (\$800) to one  
11 thousand dollars (\$1,000); the person shall perform not less than one hundred (100) hours of  
12 public community restitution; and the person's driving license in this state shall be suspended for  
13 a period of two (2) to five (5) years. The sentencing judicial officer shall prohibit that person from  
14 operating a motor vehicle that is not equipped with an ignition interlock system as provided in §  
15 31-27-2.8. The judicial officer shall require alcohol and/or drug treatment for the individual. Such  
16 a violation with respect to refusal to submit to a chemical test of blood shall be a civil offense.  
17 Provided, that prior to the reinstatement of a license to a person charged with a third or  
18 subsequent violation within a three-year (3) period, a hearing shall be held before a judicial  
19 officer. At the hearing, the judicial officer shall review the person's driving record, his or her  
20 employment history, family background, and any other pertinent factors that would indicate that  
21 the person has demonstrated behavior that warrants the reinstatement of their license.

22           (6) For purposes of determining the period of license suspension, a prior violation shall  
23 constitute any charge brought and sustained under the provisions of this section or § 31-27-2.

24           (7) In addition to any other fines, a highway safety assessment of five hundred dollars  
25 (\$500) shall be paid by any person found in violation of this section, the assessment to be  
26 deposited into the general fund. The assessment provided for by this subsection shall be collected  
27 from a violator before any other fines authorized by this section.

28           (8) In addition to any other fines and highway safety assessments, a two-hundred-dollar  
29 (\$200) assessment shall be paid by any person found in violation of this section to support the  
30 department of health's chemical testing programs outlined in § 31-27-2(4), that shall be deposited  
31 as general revenues, not restricted receipts.

1 (9) No fines, suspensions, assessments, alcohol or drug treatment programs, course on  
2 driving while intoxicated or under the influence of a controlled substance, or public community  
3 restitution provided for under this section can be suspended.

4 (c) Upon suspending or refusing to issue a license or permit as provided in subsection (a),  
5 the traffic tribunal or district court shall immediately notify the person involved in writing, and  
6 upon his or her request, within fifteen (15) days, shall afford the person an opportunity for a  
7 hearing as early as practical upon receipt of a request in writing. Upon a hearing, the judge may  
8 administer oaths and may issue subpoenas for the attendance of witnesses and the production of  
9 relevant books and papers. If the judge finds after the hearing that:

10 (1) The law enforcement officer making the sworn report had reasonable grounds to  
11 believe that the arrested person had been driving a motor vehicle within this state while under the  
12 influence of intoxicating liquor, toluene, or any controlled substance, as defined in chapter 28 of  
13 title 21, or any combination of these;

14 (2) The person, while under arrest, refused to submit to the tests upon the request of a law  
15 enforcement officer;

16 (3) The person had been informed of his or her rights in accordance with § 31-27-3; and

17 (4) The person had been informed of the penalties incurred as a result of noncompliance  
18 with this section, the judge shall sustain the violation. The judge shall then impose the penalties  
19 set forth in subsection (b). Action by the judge must be taken within seven (7) days after the  
20 hearing or it shall be presumed that the judge has refused to issue his or her order of suspension.

21 (d) For the purposes of this section, any test of a sample of blood, breath, or urine for the  
22 presence of alcohol that relies, in whole or in part, upon the principle of infrared light absorption  
23 is considered a chemical test.

24 (e) If any provision of this section, or the application of any provision, shall, for any  
25 reason, be judged invalid, the judgment shall not affect, impair, or invalidate the remainder of the  
26 section, but shall be confined in this effect to the provisions or application directly involved in the  
27 controversy giving rise to the judgment.

28 **31-27-2.9. Administration of chemical test.**

29 (a) Notwithstanding any provision of § 31-27-2.1, if an individual refuses to consent to a  
30 chemical test as provided in § 31-27-2.1, and a peace officer, as defined in § 12-7-21, has  
31 probable cause to believe that the individual has violated one or more of the following sections:  
32 31-27-1, 31-27-1.1, 31-27-2.2, or 31-27-2.6 and that the individual was operating a motor vehicle  
33 under the influence of any intoxicating liquor, toluene or any controlled substance as defined in

1 chapter 21-28, or any combination thereof, a chemical test may be administered without the  
2 consent of that individual provided that the peace officer first obtains a search warrant authorizing  
3 administration of the chemical test. The chemical test shall determine the amount of the alcohol  
4 or the presence of a controlled substance in that person's blood, [saliva](#) or breath.

5 (b) The chemical test shall be administered in accordance with the methods approved by  
6 the director of the department of health as provided for in subdivision 31-27-2(c)(4). The  
7 individual shall be afforded the opportunity to have an additional chemical test as established in  
8 subdivision 31-27-2(c)(6).

9 (c) Notwithstanding any other law to the contrary, including, but not limited to, chapter  
10 5-37.3, any health care provider who, as authorized by the search warrant in subsection (a):

11 (i) Takes a blood, [saliva](#) or breath sample from an individual; or

12 (ii) Performs the chemical test; or

13 (iii) Provides information to a peace officer pursuant to subsection (a) above and who  
14 uses reasonable care and accepted medical practices shall not be liable in any civil or criminal  
15 proceeding arising from the taking of the sample, from the performance of the chemical test or  
16 from the disclosure or release of the test results.

17 (d) The results of a chemical test performed pursuant to this section shall be admissible as  
18 competent evidence in any civil or criminal prosecution provided that evidence is presented in  
19 compliance with the conditions set forth in subdivisions 31-27-2(c)(3), 31-27-2(c)(4) and 31-27-  
20 2(c)(6).

21 (e) All chemical tests administered pursuant to this section shall be audio and video  
22 recorded by the law enforcement agency which applied for and was granted the search warrant  
23 authorizing the administration of the chemical test.

24 SECTION 5. Section 44-49-2 of Chapter 44-49 of the General Laws entitled "Taxation of  
25 Marijuana and Controlled Substances" is hereby amended as follows:

26 **44-49-2. Definitions.**

27 (a) "Controlled substance" means any drug or substance, whether real or counterfeit, as  
28 defined in § 21-28-1.02(8), that is held, possessed, transported, transferred, sold, or offered to be  
29 sold in violation of Rhode Island laws. "Controlled substance" does not include marijuana.

30 (b) "Dealer" means a person who in violation of Rhode Island law manufactures,  
31 produces, ships, transports, or imports into Rhode Island or in any manner acquires or possesses  
32 more than forty-two and one half (42.5) grams of marijuana, or seven (7) or more grams of any  
33 controlled substance, or ten (10) or more dosage units of any controlled substance which is not  
34 sold by weight. A quantity of marijuana or a controlled substance is measured by the weight of

1 the substance whether pure or impure or dilute, or by dosage units when the substance is not sold  
2 by weight, in the dealer's possession. A quantity of a controlled substance is dilute if it consists of  
3 a detectable quantity of pure controlled substance and any excipients or fillers.

4 (c) "Marijuana" means any marijuana, whether real or counterfeit, as defined in § 21-28-  
5 1.02(30), that is held, possessed, transported, transferred, sold, or offered to be sold in violation of  
6 Rhode Island laws. [Adult use marijuana sold pursuant to and in accordance with chapters 28.11](#)  
7 [and 28.12 of title 21 shall not constitute marijuana for the purposes of this chapter.](#)

8 SECTION 6. This article shall take effect upon passage.



1 ARTICLE 14

2 RELATING TO MEDICAL ASSISTANCE

3 SECTION 1. Section 40-8-4 of the General Laws in Chapter 40-8 entitled "Medical  
4 Assistance" is hereby amended to read as follows:

5 40-8-4. ~~Direct vendor payment plan.~~ Medicaid vendor payment and beneficiary  
6 copayment.

7 (a) The ~~department~~ executive office of health and human services ("executive office")  
8 shall furnish medical care benefits to eligible beneficiaries through ~~a direct vendor payment plan~~  
9 and/or other methodologies and plans authorized in this chapter. ~~The plan shall include, but need~~  
10 ~~not be limited to, any or all of the following benefits, which benefits shall be contracted for by the~~  
11 ~~director.~~ Such plans and methodologies shall cover the services and supports approved as eligible  
12 for federal financial participation identified in the Medicaid state plan and any active waivers.:

13 ~~(1) Inpatient hospital services, other than services in a hospital, institution, or facility for~~  
14 ~~tuberculosis or mental diseases;~~

15 ~~(2) Nursing services for such period of time as the director shall authorize;~~

16 ~~(3) Visiting nurse service;~~

17 ~~(4) Drugs for consumption either by inpatients or by other persons for whom they are~~  
18 ~~prescribed by a licensed physician;~~

19 ~~(5) Dental services; and~~

20 ~~(6) Hospice care up to a maximum of two hundred and ten (210) days as a lifetime~~  
21 ~~benefit.~~

22 ~~(b) For purposes of this chapter, the payment of federal Medicare premiums or other~~  
23 ~~health insurance premiums by the department on behalf of eligible beneficiaries in accordance~~  
24 ~~with the provisions of Title XIX of the federal Social Security Act, 42 U.S.C. § 1396 et seq., shall~~  
25 ~~be deemed to be a direct vendor payment.~~

26 ~~(c)~~ (b) With respect to medical care benefits furnished ~~to eligible individuals~~ under this  
27 chapter, ~~or Title XIX, or Title XXI~~ of the federal Social Security Act, the ~~department~~ executive  
28 office is authorized and directed to impose:

29 (i) Nominal co-payments or similar charges upon ~~eligible individuals for non-emergency~~  
30 ~~services provided in a hospital emergency room; and~~ adults over the age of nineteen (19) who are  
31 not living with a disability or receiving care and treatment in a facility or eligible for Medicaid  
32 pursuant to § 40-8.5-1, or pregnant women, the total of which is not to exceed five (5) percent of  
33 annual countable income in a year eligibility period, as follows:

1 (1) Co-payments in the amount of three dollars (\$3.00) for each inpatient hospitalization:  
2 and

3 ~~(ii)~~ (2) Co-payments for prescription drugs in the amount of one dollar (\$1.00) for  
4 ~~generic-selected~~ drug prescriptions for the treatment of diabetes, high blood pressure, and high  
5 cholesterol and three dollars and sixty-five cents (\$3.0065) for brand-name all other drug  
6 prescriptions in accordance with the provisions of 42 U.S.C. § 1396, et seq. Family planning  
7 prescription drugs are exempt from co-payment requirements.

8 ~~(d)~~ (c) The ~~department~~ executive office is authorized and directed to promulgate rules  
9 and regulations to impose such co-payments or charges and to provide that, with respect to  
10 subdivisions ~~(ii)~~ (i)-above, those regulations shall be effective upon filing.

11 ~~(e)~~ (d) No state agency shall pay a vendor for medical benefits provided to a ~~recipient-of~~  
12 ~~assistance~~ beneficiary under this chapter until and unless the vendor has submitted a claim for  
13 payment to a commercial insurance plan, Medicare, and/or a Medicaid managed care plan, if  
14 applicable for that ~~recipient~~ beneficiary, in that order. This includes payments for skilled nursing  
15 and therapy services specifically outlined in Chapter 7, 8 and 15 of the Medicare Benefit Policy  
16 Manual.

17 (e) Medicaid covered services will not be withheld due to the beneficiary's inability to  
18 pay a co-payment.

19 SECTION 2. Sections 40-8-13.4 and 40-8-19 of the General Laws in Chapter 40-8  
20 entitled "Medical Assistance" are hereby amended to read as follows:

21 40-8-13.4. Rate methodology for payment for in state and out of state hospital  
22 services.

23 (a) The executive office of health and human services ("executive office") shall  
24 implement a new methodology for payment for in-state and out-of-state hospital services in order  
25 to ensure access to, and the provision of, high-quality and cost-effective hospital care to its  
26 eligible recipients.

27 (b) In order to improve efficiency and cost effectiveness, the executive office shall:

28 (1)(i) With respect to inpatient services for persons in fee-for-service Medicaid, which is  
29 non-managed care, implement a new payment methodology for inpatient services utilizing the  
30 Diagnosis Related Groups (DRG) method of payment, which is, a patient-classification method  
31 that provides a means of relating payment to the hospitals to the type of patients cared for by the  
32 hospitals. It is understood that a payment method based on DRG may include cost outlier  
33 payments and other specific exceptions. The executive office will review the DRG-payment  
34 method and the DRG base price annually, making adjustments as appropriate in consideration of

1 such elements as trends in hospital input costs; patterns in hospital coding; beneficiary access to  
2 care; and the Centers for Medicare and Medicaid Services national CMS Prospective Payment  
3 System (IPPS) Hospital Input Price index. For the twelve-month (12) period beginning July 1,  
4 2015, the DRG base rate for Medicaid fee-for-service inpatient hospital services shall not exceed  
5 ninety-seven and one-half percent (97.5%) of the payment rates in effect as of July 1, 2014.  
6 Beginning July 1, 2019, the DRG base rate for Medicaid fee-for-service inpatient hospital  
7 services shall be 107.2% of the payment rates in effect as of July 1, 2018. [For the twelve \(12\)](#)  
8 [month period beginning July 1, 2020, there shall be no increase in the DRG base rate for](#)  
9 [Medicaid fee-for-service inpatient hospital services.](#) Increases in the Medicaid fee-for-service  
10 DRG hospital payments for the twelve-month (12) period beginning ~~July 1, 2020~~ [July 1, 2021](#)  
11 shall be based on the payment rates in effect as of July 1 of the preceding fiscal year and shall be  
12 [inflated by](#) the Centers for Medicare and Medicaid Services national Prospective Payment System  
13 (IPPS) Hospital Input Price Index.

14 (ii) With respect to inpatient services, (A) It is required as of January 1, 2011, until  
15 December 31, 2011, that the Medicaid managed care payment rates between each hospital and  
16 health plan shall not exceed ninety and one tenth percent (90.1%) of the rate in effect as of June  
17 30, 2010. Increases in inpatient hospital payments for each annual twelve-month (12) period  
18 beginning January 1, 2012, may not exceed the Centers for Medicare and Medicaid Services  
19 national CMS Prospective Payment System (IPPS) Hospital Input Price index for the applicable  
20 period; (B) Provided, however, for the twenty-four-month (24) period beginning July 1, 2013, the  
21 Medicaid managed care payment rates between each hospital and health plan shall not exceed the  
22 payment rates in effect as of January 1, 2013, and for the twelve-month (12) period beginning  
23 July 1, 2015, the Medicaid managed care payment inpatient rates between each hospital and  
24 health plan shall not exceed ninety-seven and one-half percent (97.5%) of the payment rates in  
25 effect as of January 1, 2013; (C) Increases in inpatient hospital payments for each annual twelve-  
26 month (12) period beginning July 1, 2017, shall be the Centers for Medicare and Medicaid  
27 Services national CMS Prospective Payment System (IPPS) Hospital Input Price Index, less  
28 Productivity Adjustment, for the applicable period and shall be paid to each hospital retroactively  
29 to July 1; (D) Beginning July 1, 2019, the Medicaid managed care payment inpatient rates  
30 between each hospital and health plan shall be 107.2% of the payment rates in effect as of  
31 January 1, 2019 and shall be paid to each hospital retroactively to July 1; (E) [For the twelve \(12\)](#)  
32 [month period beginning July 1, 2020, the Medicaid managed care payment rates between each](#)  
33 [hospital and health plan shall not exceed the payment rates in effect as of January 1, 2020.](#) (F)  
34 Increases in inpatient hospital payments for each annual twelve-month (12) period beginning ~~July~~

1 ~~1, 2020~~[July 1, 2021](#), shall be based on the payment rates in effect as of January 1 of the preceding  
2 fiscal year, and shall be the Centers for Medicare and Medicaid Services national CMS  
3 Prospective Payment System (IPPS) Hospital Input Price Index, less Productivity Adjustment, for  
4 the applicable period and shall be paid to each hospital retroactively to July 1. The executive  
5 office will develop an audit methodology and process to assure that savings associated with the  
6 payment reductions will accrue directly to the Rhode Island Medicaid program through reduced  
7 managed care plan payments and shall not be retained by the managed care plans; (~~FG~~) All  
8 hospitals licensed in Rhode Island shall accept such payment rates as payment in full; and (~~GH~~)  
9 For all such hospitals, compliance with the provisions of this section shall be a condition of  
10 participation in the Rhode Island Medicaid program.

11 (2) With respect to outpatient services and notwithstanding any provisions of the law to  
12 the contrary, for persons enrolled in fee-for-service Medicaid, the executive office will reimburse  
13 hospitals for outpatient services using a rate methodology determined by the executive office and  
14 in accordance with federal regulations. Fee-for-service outpatient rates shall align with Medicare  
15 payments for similar services. Notwithstanding the above, there shall be no increase in the  
16 Medicaid fee-for-service outpatient rates effective on July 1, 2013, July 1, 2014, or July 1, 2015.  
17 For the twelve-month (12) period beginning July 1, 2015, Medicaid fee-for-service outpatient  
18 rates shall not exceed ninety-seven and one-half percent (97.5%) of the rates in effect as of July 1,  
19 2014. Increases in the outpatient hospital payments for the twelve-month (12) period beginning  
20 July 1, 2016, may not exceed the CMS national Outpatient Prospective Payment System (OPPS)  
21 Hospital Input Price Index. Beginning July 1, 2019, the Medicaid fee-for-service outpatient rates  
22 shall be 107.2% of the payment rates in effect as of July 1, 2018. [For the twelve-month \(12\)](#)  
23 [period beginning July 1, 2020, Medicaid fee-for-service outpatient rates shall not exceed the rates](#)  
24 [in effect as of July 1, 2019.](#) Increases in the outpatient hospital payments for the twelve-month  
25 (12) period beginning ~~July 1, 2020~~ [July 1, 2021](#) shall be based on the payment rates in effect as  
26 of July 1 of the preceding fiscal year, and shall be the CMS national Outpatient Prospective  
27 Payment System (OPPS) Hospital Input Price Index. With respect to the outpatient rate, (i) It is  
28 required as of January 1, 2011, until December 31, 2011, that the Medicaid managed-care  
29 payment rates between each hospital and health plan shall not exceed one hundred percent  
30 (100%) of the rate in effect as of June 30, 2010; (ii) Increases in hospital outpatient payments for  
31 each annual twelve-month (12) period beginning January 1, 2012, until July 1, 2017, may not  
32 exceed the Centers for Medicare and Medicaid Services national CMS Outpatient Prospective  
33 Payment System OPSS hospital price index for the applicable period; (iii) Provided, however, for  
34 the twenty-four-month (24) period beginning July 1, 2013, the Medicaid managed care outpatient

1 payment rates between each hospital and health plan shall not exceed the payment rates in effect  
2 as of January 1, 2013, and for the twelve-month (12) period beginning July 1, 2015, the Medicaid  
3 managed care outpatient payment rates between each hospital and health plan shall not exceed  
4 ninety-seven and one-half percent (97.5%) of the payment rates in effect as of January 1, 2013;  
5 (iv) Increases in outpatient hospital payments for each annual twelve-month (12) period  
6 beginning July 1, 2017, shall be the Centers for Medicare and Medicaid Services national CMS  
7 OPPS Hospital Input Price Index, less Productivity Adjustment, for the applicable period and  
8 shall be paid to each hospital retroactively to July 1. Beginning July 1, 2019, the Medicaid  
9 managed care outpatient payment rates between each hospital and health plan shall be one  
10 hundred seven and two-tenths percent (107.2%) of the payment rates in effect as of January 1,  
11 2019 and shall be paid to each hospital retroactively to July 1. For the twelve (12) month period  
12 beginning July 1, 2020, the Medicaid managed-care outpatient payment rates between each  
13 hospital and health plan shall not exceed the payment rates in effect as of January 1, 2020. (vi)  
14 Increases in outpatient hospital payments for each annual twelve-month (12) period beginning  
15 ~~July 1, 2020~~ July 1, 2021, shall be based on the payment rates in effect as of January 1 of the  
16 preceding fiscal year, and shall be the Centers for Medicare and Medicaid Services national CMS  
17 OPPS Hospital Input Price Index, less Productivity Adjustment, for the applicable period and  
18 shall be paid to each hospital retroactively to July 1.

19 (3) "Hospital", as used in this section, shall mean the actual facilities and buildings in  
20 existence in Rhode Island, licensed pursuant to § 23-17-1 et seq. on June 30, 2010, and thereafter  
21 any premises included on that license, regardless of changes in licensure status pursuant to  
22 chapter 17.14 of title 23 (hospital conversions) and § 23-17-6(b) (change in effective control),  
23 that provides short-term, acute inpatient and/or outpatient care to persons who require definitive  
24 diagnosis and treatment for injury, illness, disabilities, or pregnancy. Notwithstanding the  
25 preceding language, the Medicaid managed care payment rates for a court-approved purchaser  
26 that acquires a hospital through receivership, special mastership or other similar state insolvency  
27 proceedings (which court-approved purchaser is issued a hospital license after January 1, 2013)  
28 shall be based upon the new rates between the court-approved purchaser and the health plan, and  
29 such rates shall be effective as of the date that the court-approved purchaser and the health plan  
30 execute the initial agreement containing the new rates. The rate-setting methodology for  
31 inpatient-hospital payments and outpatient-hospital payments set forth in subdivisions  
32 (b)(1)(ii)(C) and (b)(2), respectively, shall thereafter apply to increases for each annual twelve-  
33 month (12) period as of July 1 following the completion of the first full year of the court-  
34 approved purchaser's initial Medicaid managed care contract.

1 (c) It is intended that payment utilizing the DRG method shall reward hospitals for  
2 providing the most efficient care, and provide the executive office the opportunity to conduct  
3 value-based purchasing of inpatient care.

4 (d) The secretary of the executive office is hereby authorized to promulgate such rules  
5 and regulations consistent with this chapter, and to establish fiscal procedures he or she deems  
6 necessary, for the proper implementation and administration of this chapter in order to provide  
7 payment to hospitals using the DRG-payment methodology. Furthermore, amendment of the  
8 Rhode Island state plan for Medicaid, pursuant to Title XIX of the federal Social Security Act, is  
9 hereby authorized to provide for payment to hospitals for services provided to eligible recipients  
10 in accordance with this chapter.

11 (e) The executive office shall comply with all public notice requirements necessary to  
12 implement these rate changes.

13 (f) As a condition of participation in the DRG methodology for payment of hospital  
14 services, every hospital shall submit year-end settlement reports to the executive office within one  
15 year from the close of a hospital's fiscal year. Should a participating hospital fail to timely submit  
16 a year-end settlement report as required by this section, the executive office shall withhold  
17 financial-cycle payments due by any state agency with respect to this hospital by not more than  
18 ten percent (10%) until said report is submitted. For hospital fiscal year 2010 and all subsequent  
19 fiscal years, hospitals will not be required to submit year-end settlement reports on payments for  
20 outpatient services. For hospital fiscal year 2011 and all subsequent fiscal years, hospitals will not  
21 be required to submit year-end settlement reports on claims for hospital inpatient services.  
22 Further, for hospital fiscal year 2010, hospital inpatient claims subject to settlement shall include  
23 only those claims received between October 1, 2009, and June 30, 2010.

24 (g) The provisions of this section shall be effective upon implementation of the new  
25 payment methodology set forth in this section and § 40-8-13.3, which shall in any event be no  
26 later than March 30, 2010, at which time the provisions of §§ 40-8-13.2, 27-19-14, 27-19-15, and  
27 27-19-16 shall be repealed in their entirety.

28 SECTION 3. Section 40-8-19 of the General Laws in Chapter 40-8 entitled "Medical  
29 Assistance" is hereby amended to read as follows:

30 **40-8-19. Rates of payment to nursing facilities.**

31 (a) Rate reform.

32 (1) The rates to be paid by the state to nursing facilities licensed pursuant to chapter 17 of  
33 title 23, and certified to participate in Title XIX of the Social Security Act for services rendered to  
34 Medicaid-eligible residents, shall be reasonable and adequate to meet the costs that must be

1 incurred by efficiently and economically operated facilities in accordance with 42 U.S.C. §  
2 1396a(a)(13). The executive office of health and human services ("executive office") shall  
3 promulgate or modify the principles of reimbursement for nursing facilities in effect as of July 1,  
4 2011, to be consistent with the provisions of this section and Title XIX, 42 U.S.C. § 1396 et seq.,  
5 of the Social Security Act.

6 (2) The executive office shall review the current methodology for providing Medicaid  
7 payments to nursing facilities, including other long-term-care services providers, and is  
8 authorized to modify the principles of reimbursement to replace the current cost-based  
9 methodology rates with rates based on a price-based methodology to be paid to all facilities with  
10 recognition of the acuity of patients and the relative Medicaid occupancy, and to include the  
11 following elements to be developed by the executive office:

12 (i) A direct-care rate adjusted for resident acuity;

13 (ii) An indirect-care rate comprised of a base per diem for all facilities;

14 (iii) A rearray of costs for all facilities every three (3) years beginning October, 2015, that  
15 may or may not result in automatic per diem revisions;

16 (iv) Application of a fair-rental value system;

17 (v) Application of a pass-through system; and

18 (vi) Adjustment of rates by the change in a recognized national nursing home inflation  
19 index to be applied on October 1 of each year, beginning October 1, 2012. This adjustment will  
20 not occur on October 1, 2013, October 1, 2014, or October 1, 2015, but will occur on April 1,  
21 2015. The adjustment of rates will also not occur on October 1, 2017, October 1, 2018, ~~and~~  
22 October 1, 2019, and October 1, 2020. Effective July 1, 2018, rates paid to nursing facilities from  
23 the rates approved by the Centers for Medicare and Medicaid Services and in effect on October 1,  
24 2017, both fee-for-service and managed care, will be increased by one and one-half percent  
25 (1.5%) and further increased by one percent (1%) on October 1, 2018, and further increased by  
26 one percent (1%) on October 1, 2019. Effective October 1, 2020, Medicaid payment rates for  
27 nursing facilities established pursuant to this section shall be increased by one percent (1%).  
28 Consistent with the other provisions of this chapter, nothing in this provision shall require the  
29 executive office to restore the rates to those in effect on October 1, 2019, at the end of this  
30 twelve-month (12) period. Additionally, the full value of the rate increase effective October 1,  
31 2020 will be directed to the Direct Nursing Care component of the rate and nursing facilities must  
32 use this additional funding to increase wages paid to direct care staff. The inflation index shall be  
33 applied without regard for the transition factors in subsections (b)(1) and (b)(2). For purposes of  
34 October 1, 2016, adjustment only, any rate increase that results from application of the inflation

1 index to subsections (a)(2)(i) and (a)(2)(ii) shall be dedicated to increase compensation for direct-  
2 care workers in the following manner: Not less than 85% of this aggregate amount shall be  
3 expended to fund an increase in wages, benefits, or related employer costs of direct-care staff of  
4 nursing homes. For purposes of this section, direct-care staff shall include registered nurses  
5 (RNs), licensed practical nurses (LPNs), certified nursing assistants (CNAs), certified medical  
6 technicians, housekeeping staff, laundry staff, dietary staff, or other similar employees providing  
7 direct-care services; provided, however, that this definition of direct-care staff shall not include:  
8 (i) RNs and LPNs who are classified as "exempt employees" under the Federal Fair Labor  
9 Standards Act (29 U.S.C. § 201 et seq.); or (ii) CNAs, certified medical technicians, RNs, or  
10 LPNs who are contracted, or subcontracted, through a third-party vendor or staffing agency. By  
11 July 31, 2017, nursing facilities shall submit to the secretary, or designee, a certification that they  
12 have complied with the provisions of this subsection (a)(2)(vi) with respect to the inflation index  
13 applied on October 1, 2016. Any facility that does not comply with terms of such certification  
14 shall be subjected to a clawback, paid by the nursing facility to the state, in the amount of  
15 increased reimbursement subject to this provision that was not expended in compliance with that  
16 certification.

17 (b) *Transition to full implementation of rate reform.* For no less than four (4) years after  
18 the initial application of the price-based methodology described in subsection (a)(2) to payment  
19 rates, the executive office of health and human services shall implement a transition plan to  
20 moderate the impact of the rate reform on individual nursing facilities. Said transition shall  
21 include the following components:

22 (1) No nursing facility shall receive reimbursement for direct-care costs that is less than  
23 the rate of reimbursement for direct-care costs received under the methodology in effect at the  
24 time of passage of this act; for the year beginning October 1, 2017, the reimbursement for direct-  
25 care costs under this provision will be phased out in twenty-five-percent (25%) increments each  
26 year until October 1, 2021, when the reimbursement will no longer be in effect; and

27 (2) No facility shall lose or gain more than five dollars (\$5.00) in its total, per diem rate  
28 the first year of the transition. An adjustment to the per diem loss or gain may be phased out by  
29 twenty-five percent (25%) each year; except, however, for the years beginning October 1, 2015,  
30 there shall be no adjustment to the per diem gain or loss, but the phase out shall resume  
31 thereafter; and

32 (3) The transition plan and/or period may be modified upon full implementation of  
33 facility per diem rate increases for quality of care-related measures. Said modifications shall be  
34 submitted in a report to the general assembly at least six (6) months prior to implementation.



1 (4) Notwithstanding any law to the contrary, for the twelve-month (12) period beginning  
2 July 1, 2015, Medicaid payment rates for nursing facilities established pursuant to this section  
3 shall not exceed ninety-eight percent (98%) of the rates in effect on April 1, 2015. Consistent  
4 with the other provisions of this chapter, nothing in this provision shall require the executive  
5 office to restore the rates to those in effect on April 1, 2015, at the end of this twelve-month (12)  
6 period.

7 SECTION 4. Section 40-8.3-10 of the General Laws in Chapter 40-8.3 entitled  
8 "Uncompensated Care" is hereby repealed.

9 ~~**40-8.3-10. Hospital adjustment payments:**~~

10 ~~Effective July 1, 2012 and for each subsequent year, the executive office of health and~~  
11 ~~human services is hereby authorized and directed to amend its regulations for reimbursement to~~  
12 ~~hospitals for outpatient services as follows:~~

13 ~~(a) Each hospital in the state of Rhode Island, as defined in subdivision 23-17-38.1(c)(1),~~  
14 ~~shall receive a quarterly outpatient adjustment payment each state fiscal year of an amount~~  
15 ~~determined as follows:~~

16 ~~(1) Determine the percent of the state's total Medicaid outpatient and emergency~~  
17 ~~department services (exclusive of physician services) provided by each hospital during each~~  
18 ~~hospital's prior fiscal year;~~

19 ~~(2) Determine the sum of all Medicaid payments to hospitals made for outpatient and~~  
20 ~~emergency department services (exclusive of physician services) provided during each hospital's~~  
21 ~~prior fiscal year;~~

22 ~~(3) Multiply the sum of all Medicaid payments as determined in subdivision (2) by a~~  
23 ~~percentage defined as the total identified upper payment limit for all hospitals divided by the sum~~  
24 ~~of all Medicaid payments as determined in subdivision (2); and then multiply that result by each~~  
25 ~~hospital's percentage of the state's total Medicaid outpatient and emergency department services~~  
26 ~~as determined in subsection (a) (1) to obtain the total outpatient adjustment for each hospital to be~~  
27 ~~paid each year;~~

28 ~~(4) Pay each hospital on or before July 20, October 20, January 20, and April 20 one~~  
29 ~~quarter (1/4) of its total outpatient adjustment as determined in subsection (a) (3).~~

30 ~~(b) The amounts determined in subsections (a) are in addition to Medicaid inpatient and~~  
31 ~~outpatient payments and emergency services payments (exclusive of physician services) paid to~~  
32 ~~hospitals in accordance with current state regulation and the Rhode Island Plan for Medicaid~~  
33 ~~Assistance pursuant to Title XIX of the Social Security Act and are not subject to recoupment or~~  
34 ~~settlement.~~

1 SECTION 5. Rhode Island Medicaid Reform Act of 2008 Resolution.

2 WHEREAS, the General Assembly enacted Chapter 12.4 of Title 42 entitled “The Rhode  
3 Island Medicaid Reform Act of 2008”; and

4 WHEREAS, a legislative enactment is required pursuant to Rhode Island General Laws  
5 42-12.4-1, *et seq.*; and

6 WHEREAS, Rhode Island General Law 42-7.2-5(3)(a) provides that the Secretary of  
7 Health and Human Services (“Secretary”), of the Executive Office of Health and Human Services  
8 (“Executive Office”), is responsible for the review and coordination of any Medicaid section  
9 1115 demonstration waiver requests and renewals as well as any initiatives and proposals  
10 requiring amendments to the Medicaid state plan or changes as described in the demonstration,  
11 “with potential to affect the scope, amount, or duration of publicly-funded health care services,  
12 provider payments or reimbursements, or access to or the availability of benefits and services  
13 provided by Rhode Island general and public laws”; and

14 WHEREAS, in pursuit of a more cost-effective consumer choice system of care that is  
15 fiscally sound and sustainable, the Secretary requests legislative approval of the following  
16 proposals to amend the demonstration:

17 (a) *Provider rates – Adjustments.* The Executive Office proposes to:

18 (i) eliminate the risk share arrangements with the health plans and increase the capitation  
19 rates in accordance with actuarial soundness requirements;

20 (ii) increase non-emergency medical transportation rates to ensure access to vital  
21 advanced life-support ambulance transport services;

22 (iii) maintain hospital inpatient and outpatient rates that are delivered through managed  
23 care and fee-for-service at the fiscal year 2020 levels;

24 (iv) increase rates to be paid to nursing facilities by one percent (1%) on October 1,  
25 2020;

26 (b) *Perinatal Doula Services.* The Executive Office proposes to provide medical assistance  
27 health care for expectant mothers. The Executive Office would establish medical assistance  
28 coverage and reimbursement rates for perinatal doula services.

29 (c) *Implement co-payments for specific populations and services.* The Executive Office proposes  
30 to institute co-payments for adults (except those in institutions and those who are disabled) on  
31 prescription drugs and inpatient hospital stays in managed care and fee-for-service.

32 (d) *Implement requirements for RIte Share program.* The Executive Office proposes to require  
33 for-profit employers with fifty (50) or more employees to submit certain information to the  
34 State in order to maximize RIte Share enrollment. Implementation of adjustments may

1 require amendments to the Rhode Island’s Medicaid state plan and/or section 1115 waiver  
2 under the terms and conditions of the demonstration. Further, adoption of new or amended  
3 rules, regulations and procedures may also be required.

4 (e) *Increase in the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals*  
5 *(“BHDDH”) Direct Care Service Worker Wages.* To further the long-term care system  
6 rebalancing goal of improving access to high quality services in the least restrictive setting, the  
7 Executive Office proposes to establish a targeted wage increase for certain community-based  
8 BHDDH developmental disability private providers and self-directed consumer direct care  
9 service workers to be effective January 1, 2021. Implementation of this initiative may require  
10 amendments to the Medicaid State Plan and/or Section 1115 demonstration waiver due to  
11 changes in payment methodologies.

12 (f) *Federal Financing Opportunities.* The Executive Office proposes to review Medicaid  
13 requirements and opportunities under the U.S. Patient Protection and Affordable Care Act of  
14 2010 (PPACA) and various other recently enacted federal laws and pursue any changes in the  
15 Rhode Island Medicaid program that promote service quality, access and cost-effectiveness  
16 that may warrant a Medicaid state plan amendment or amendment under the terms and  
17 conditions of Rhode Island’s section 1115 waiver, its successor, or any extension thereof.  
18 Any such actions by the Executive Office shall not have an adverse impact on beneficiaries or  
19 cause there to be an increase in expenditures beyond the amount appropriated for state fiscal  
20 year 2020.

21 Now, therefore, be it

22 RESOLVED, the General Assembly hereby approves the proposals stated in (a) through  
23 (f) above; and be it further;

24 RESOLVED, the Secretary of the Executive Office is authorized to pursue and  
25 implement any 1115 demonstration waiver amendments, Medicaid state plan amendments, and/or  
26 changes to the applicable department’s rules, regulations and procedures approved herein and as  
27 authorized by Chapter 42-12.4; and be it further;

28 RESOLVED, that this Joint Resolution shall take effect upon passage.

29 SECTION 6. This article shall take effect upon passage.

30  
31

1 **ARTICLE 15**

2 **RELATING TO HUMAN SERVICES**

3 SECTION 1. Sections 13-8.1-1, 13-8.1-2, 13-8.1-3, 13-8.1-4 of the General Laws in  
4 Chapter 13-8 entitled "Medical Parole" are hereby amended to read as follows:

5 **13-8.1-1. Short title.**

6 This chapter shall be known as the "Medical and Geriatric Parole Act".

7 **13-8.1-2. Purpose.**

8 (a) Medical parole is made available for humanitarian reasons and to alleviate exorbitant  
9 medical expenses associated with inmates whose chronic and incurable illness render their  
10 incarceration non-punitive and non-rehabilitative. Notwithstanding other statutory or  
11 administrative provisions to the contrary, all prisoners except those serving life without parole  
12 shall at any time after they begin serving their sentences be eligible for medical parole  
13 consideration, regardless of the crime committed or the sentence imposed.

14 (b) Geriatric parole is made available for humanitarian reasons and to alleviate exorbitant  
15 expenses associated with the cost of aging, for inmates whose advanced age reduces the risk that  
16 they pose to the public safety. Notwithstanding other statutory or administrative provisions to the  
17 contrary, all prisoners except those serving life without parole shall be eligible for geriatric parole  
18 consideration upon serving the lesser of ten (10) years of the sentence or seventy-five percent  
19 (75%) of the total sentence, regardless of the crime committed or the sentence imposed.

20 **13-8.1-3. Definitions.**

21 (a) "Permanently physically incapacitated" means suffering from a physical condition caused  
22 by injury, disease, illness, ~~or cognitive insult such as dementia~~ or persistent vegetative state,  
23 which, to a reasonable degree of medical certainty, permanently and irreversibly physically  
24 incapacitates the individual to the extent that the individual needs help with most of the activities  
25 that are necessary for independence such as feeding, toileting, dressing, and bathing and  
26 transferring, or no significant physical activity is possible, ~~and the individual is confined to bed or~~  
27 ~~a wheelchair~~ or suffering from an incurable, progressive condition that substantially diminishes  
28 the individual's capacity to function in a correctional setting.

29 (b) "Cognitively incapacitated" means suffering from a cognitive condition such as dementia  
30 which greatly impairs activities that are necessary for independence such as feeding, toileting,  
31 dressing, and bathing and renders their incarceration non-punitive and non-rehabilitative.

32 ~~(b)-(c)~~ "(c) "Terminally ill" means suffering from a condition caused by injury (except self-  
33 inflicted injury), disease, or illness which, to a reasonable degree of medical certainty, is a life-

1 limiting diagnosis that will lead to profound functional, cognitive and/or physical decline, and  
2 likely will result in death within eighteen (18) months.

3 ~~(e)-(d)~~ "Severely ill" means suffering from a significant and permanent or chronic physical  
4 and/or mental condition that: (1) Requires extensive medical and/or psychiatric treatment with  
5 little to no possibility of recovery; and (2) ~~Precludes significant~~ Significantly impairs  
6 rehabilitation from further incarceration.

7 (e) "Aging prisoner" means an individual who is sixty-five (65) years of age or older and  
8 suffers from functional impairment, infirmity, or illness, and has served, in actual custody, the  
9 lesser of ten (10) years of the sentence or seventy-five percent (75%) of the total sentence.

#### 10 13-8.1-4. Procedure.

11 (a) The parole board is authorized to grant medical parole release of a prisoner, except a  
12 prisoner serving life without parole, at any time, who is determined to be terminally ill, severely  
13 ill, or permanently physically or cognitively incapacitated within the meaning of § 13-8.1-  
14 ~~3(a)(b)(c) and (d). Inmates who are severely ill will only be considered for such release when~~  
15 ~~their treatment causes the state to incur exorbitant expenses as a result of continued and frequent~~  
16 ~~medical treatment during their incarceration, as determined by the office of financial resources of~~  
17 ~~the department of corrections.~~

18 (b) The parole board is authorized to grant geriatric parole release of a prisoner, except a  
19 prisoner serving life without parole, who is an aging prisoner within the meaning of § 13-8.1-3(e)  
20 or under medical parole as outlined by § 13-8.1-2.

21 ~~(b)~~ (c) In order to apply for this relief, the prisoner or his or her family member or friend,  
22 with an attending physician's written approval, or an attending physician, on behalf of the  
23 prisoner, shall file an application with the director of the department of corrections. Within  
24 seventy-two (72) hours after the filing of any application, the director shall refer the application to  
25 the health service unit of the department of corrections for a medical report and a medical or  
26 geriatric discharge plan to be completed within ten (10) days. Upon receipt of the ~~medical~~  
27 discharge plan, the director of the department of corrections shall immediately transfer the  
28 ~~medical~~ discharge plan, together with the application, to the parole board for its consideration and  
29 decision.

30 ~~(e)~~ (d) The report shall contain, at a minimum, the following information:

- 31 (1) Diagnosis of the prisoner's medical conditions, including related medical history;
- 32 (2) Detailed description of the conditions and treatments;
- 33 (3) Prognosis, including life expectancy, likelihood of recovery, likelihood of improvement,  
34 mobility and trajectory and rate of debilitation;

1 (4) Degree of incapacity or disability, including an assessment of whether the prisoner is  
2 ambulatory, capable of engaging in any substantial physical activity, ability to independently  
3 provide for their daily life activities, and the extent of that activity;

4 (5) An opinion from the medical director as to whether the person is terminally ill, and if so,  
5 the stage of the illness, or whether the person is permanently physically or cognitively  
6 incapacitated, ~~or~~ severely ill, or an aging prisoner. If the medical director's opinion is that the  
7 person is not terminally ill, permanently, physically or cognitively incapacitated, ~~or~~ severely ill,  
8 or an aging prisoner as defined in § 13-8.1-3, the petition for medical or geriatric parole shall not  
9 be forwarded to the parole board.

10 ~~(6) In the case of a severely ill inmate, the report shall also contain a determination from the~~  
11 ~~office of financial resources that the inmate's illness causes the state to incur exorbitant expenses~~  
12 ~~as a result of continued and frequent medical treatment during incarceration.~~

13 ~~(d)~~(e) When the director of corrections refers a prisoner to the parole board for medical or  
14 geriatric parole, the director shall provide to the parole board a ~~medical~~ discharge plan that is  
15 acceptable to the parole board.

16 ~~(e)~~(f) The department of corrections and the parole board shall jointly develop standards  
17 for the medical or geriatric discharge plan that are appropriately adapted to the criminal justice  
18 setting. The discharge plan should ensure at the minimum that:

19 (1) An appropriate placement for the prisoner has been secured, including, but not limited to:  
20 a hospital, nursing facility, hospice, or family home;

21 (2) A referral has been made for the prisoner to secure a source for payment of the prisoner's  
22 medical expenses;

23 (3) A parole officer has been assigned to periodically obtain updates on the prisoner's medical  
24 condition to report back to the board.

25 ~~(f)~~(g) If the parole board finds from the credible medical evidence that the prisoner is  
26 terminally ill, permanently physically or cognitively incapacitated, ~~or~~ severely ill, or an aging  
27 prisoner, the board shall grant release to the prisoner but only after the board also considers  
28 whether, in light of the prisoner's medical condition, there is a reasonable probability that the  
29 prisoner, if released, will live and remain at liberty without violating the law, and that the release  
30 is compatible with the welfare of society and will not so depreciate the seriousness of the crime as  
31 to undermine respect for the law. Notwithstanding any other provision of law, medical release  
32 may be granted an any time during the term of a prisoner's sentence and geriatric release may be  
33 granted when the prisoner has served the lesser of ten (10) years of the sentence or seventy-five  
34 percent (75%) of the total sentence.

1           ~~(h)~~ There shall be a presumption that the opinion of the physician and/or medical  
2 director will be accepted. However, the applicant, the physician, the director, or the parole board  
3 may request an independent medical evaluation within seven (7) days after the physician's and/or  
4 medical director's report is presented. The evaluation shall be completed and a report, containing  
5 the information required by subsection (b) of this section, filed with the director and the parole  
6 board, and a copy sent to the applicant within fourteen (14) days from the date of the request.

7           ~~(i)~~ Within seven (7) days of receiving the application, the medical or geriatric report  
8 and the discharge plan, the parole board shall determine whether the application, on its face,  
9 demonstrates that relief may be warranted. If the face of the application clearly demonstrates that  
10 relief is unwarranted, the board may deny the application without a hearing or further  
11 proceedings, and within seven (7) days shall notify the prisoner in writing of its decision to deny  
12 the application, setting forth its factual findings and a brief statement of the reasons for denying  
13 release without a hearing. Denial of release does not preclude the prisoner from reapplying for  
14 medical or geriatric parole after the expiration of sixty (60) days. A reapplication under this  
15 section must demonstrate a material change in circumstances.

16           ~~(j)~~(1) Upon receipt of the application from the director of the department of corrections  
17 the parole board shall, except as provided in subsection ~~(h)~~ ~~(i)~~ of this section, set the case for a  
18 hearing within thirty (30) days;

19           (2) Notice of the hearing shall be sent to the prosecutor and the victim(s), if any, of the  
20 offense(s) for which the prisoner is incarcerated, and the prosecutor and the victim(s) shall have  
21 the right to be heard at the hearing, or in writing, or both;

22           (3) At the hearing, the prisoner shall be entitled to be represented by an attorney or by the  
23 public defender if qualified or other representative.

24           ~~(k)~~ Within seven (7) days of the hearing, the parole board shall issue a written decision  
25 granting or denying medical or geriatric parole and explaining the reasons for the decision. If the  
26 board determines that medical or geriatric parole is warranted, it shall impose conditions of  
27 release, that shall include the following:

- 28           (1) Periodic medical examinations;
- 29           (2) Periodic reporting to a parole officer, and the reporting interval;
- 30           (3) Any other terms or conditions that the board deems necessary; and
- 31           (4) In the case of a prisoner who is medically or geriatric paroled due to being severely ill, the  
32 parole board shall require electronic monitoring as a condition of the medical or geriatric parole,  
33 unless the health care plan mandates placement in a medical facility that cannot accommodate the  
34 electronic monitoring.

1           ~~(l)~~ If after release the releasee's condition or circumstances change so that he or she  
2 would not then be eligible for medical or geriatric parole, the parole board may order him or her  
3 returned to custody to await a hearing to determine whether his or her release should be revoked.  
4 A release may also be revoked for violation of conditions otherwise applicable to parole.

5           ~~(m)~~ An annual report shall be prepared by the director of corrections for the parole  
6 board and the general assembly. The report shall include:

- 7           (1) The number of inmates who have applied for medical or geriatric parole;
- 8           (2) The number of inmates who have been granted medical or geriatric parole;
- 9           (3) The nature of the illness or cognitive condition of the applicants, and the nature of the  
10 placement pursuant to the ~~medical~~ discharge plan;
- 11           (4) The categories of reasons for denial for those who have been denied;
- 12           (5) The number of releasees on medical or geriatric parole who have been returned to the  
13 custody of the department of corrections and the reasons for return.

14           SECTION 2. Sections 16-21.2-4 and 16-21.2-5 of the General Laws in Chapter 16-21.2  
15 entitled "The Rhode Island Substance Abuse Prevention Act" are hereby amended to read as  
16 follows:

17           **16-21.2-4. Substance abuse prevention program.**

18           (a) The department of behavioral healthcare, developmental disabilities and hospitals shall be  
19 charged with the administration of this chapter and shall:

- 20           (i) Identify funding distribution criteria;
- 21           (ii) Identify criteria for effective substance abuse prevention programs; and
- 22           (iii) Provide ~~provide~~ grants to assist in the planning, establishment, ~~and~~ operation, and  
23 reporting of substance abuse prevention programs. Grants under this section shall be made to  
24 municipal governments or their designated agents according to the following guidelines:

25           (1) The maximum grant shall be one hundred twenty-five thousand dollars (\$125,000);  
26 provided, however, in the event that available funding exceeds \$1.6 million in a fiscal year, those  
27 surplus funds are to be divided proportionately among the cities and towns on a per capita basis  
28 but in no event shall the city of Providence exceed a maximum grant cap of \$175,000.00.

29           (2) In order to obtain a grant, the municipality or its designated agent must in the first year:

- 30           (i) Demonstrate the municipality's need for a comprehensive substance abuse program in the  
31 areas of prevention and education.
- 32           (ii) Demonstrate that the municipality to be provided a grant has established by appropriate  
33 legislative or executive action, a substance abuse prevention council which shall assist in  
34 assessing the needs and resources of the community, developing a three (3) year plan of action



1 addressing the identified needs, the operation and implementation of the overall substance abuse  
2 prevention program; coordinating existing services such as law enforcement, prevention,  
3 treatment, and education; consisting of representatives of the municipal government,  
4 representatives of the school system, parents, and human service providers.

5 (iii) Demonstrate the municipality's ability to develop a plan of implementation of a  
6 comprehensive three (3) year substance abuse prevention program based on the specific needs of  
7 the community to include high risk populations of adolescents, children of substance abusers, and  
8 primary education school aged children.

9 (iv) Agree to conduct a survey/questionnaire of the student population designed to establish  
10 the extent of the use and abuse of drugs and alcohol in students throughout the local community's  
11 school population.

12 (v) Demonstrate that at least twenty percent (20%) of the cost of the proposed program will  
13 be contributed either in cash or in-kind by public or private resources within the municipality.

14 (3) Each municipality that receives a grant must demonstrate in an annual written report  
15 submitted to the department of behavioral healthcare, developmental disabilities and hospitals that  
16 the funding issued is expended on substance abuse prevention programs that reflect the criteria  
17 pursuant to subsection (a) of this section.

18 (b) The department of behavioral healthcare, developmental disabilities and hospitals shall  
19 adopt rules and regulations necessary and appropriate to carry out the purposes of this section.

20 **16-21.2-5. Funding of substance abuse prevention program.**

21 (a)(1) Money to fund the Rhode Island Substance Abuse Prevention Act shall be appropriated  
22 from state general revenues and shall be raised by assessing an additional penalty of thirty dollars  
23 (\$30.00) for all speeding violations as set forth in ~~§ 31-43-5.1~~ § 31-41.1-4.

24 (2) Money to fund the Rhode Island substance abuse prevention program shall also be  
25 appropriated from state general revenues in an amount estimated to be collected by any state or  
26 municipal court from civil penalties issued pursuant to §§ 21-28-4.01(c)(2)(iii) and 21-28-  
27 4.01(c)(2)(iv) to the extent that the revenues collected are not otherwise specifically appropriated.  
28 The appropriated funds shall be further allocated in accordance with the distribution criteria  
29 identified by the department of behavioral healthcare, developmental disabilities and hospitals set  
30 forth in § 16-21.2-4(a).

31 (3) The money shall be deposited as general revenues. The department of behavioral  
32 healthcare, developmental disabilities and hospitals may utilize up to ten percent (10%) of the  
33 sums appropriated for the purpose of administering the substance abuse prevention program.

1 (b) Grants made under this chapter shall not exceed money available in the substance abuse  
2 prevention program.

3 SECTION 3. The title of Chapter 16-21.3 of the General Laws entitled "The Rhode  
4 Island Student Assistance Junior High/Middle School Act" is hereby amended to read as follows:

5 ~~CHAPTER 16-21.3~~

6 ~~The Rhode Island Student Assistance Junior High/Middle School Act~~

7 CHAPTER 16-21.3

8 The Rhode Island Student Assistance High School/Junior High/Middle School Act

9 SECTION 4. Sections 16-21.3-2 and 16-21.3-3 of the General Laws in Chapter 16-21.3  
10 entitled "The Rhode Island Student Assistance Junior High/Middle School Act" are hereby  
11 amended to read as follows:

12 ~~16-21.3-2. Junior high/middle school student assistance program.~~ High school/junior  
13 high/middle school student assistance program.

14 (a) The department of behavioral healthcare, developmental disabilities and hospitals shall be  
15 charged with the administration of this chapter and shall:

16 (1) Identify funding distribution criteria;

17 (2) Identify criteria for effective substance abuse prevention programs; and

18 (3) Contract ~~contract~~ with appropriate substance abuse prevention/intervention agencies to  
19 provide student assistance services that incorporate the criteria in high school/junior high/middle  
20 schools.

21 (b) Following the first complete year of operation, school systems receiving high  
22 school/junior high/middle school student assistance services will be required to contribute twenty  
23 percent (20%) of the costs of student assistance counselors to the service provider agency in order  
24 to continue the services.

25 ~~16-21.3-3. Funding of junior high/middle school student assistance program.~~  
26 Funding of high school/junior high/middle school student assistance program.

27 (a)(1) Money to fund this program shall be raised by assessing an additional substance abuse  
28 prevention assessment of thirty dollars (\$30.00) for all moving motor vehicle violations handled  
29 by the traffic tribunal including, but not limited to, those violations set forth in § 31-41.1-4,  
30 except for speeding. The money shall be deposited in a restricted purpose receipt account separate  
31 from all other accounts within the department of behavioral healthcare, developmental disabilities  
32 and hospitals. The restricted purpose receipt account shall be known as the high school/junior  
33 high/middle school student assistance fund and the traffic tribunal shall transfer money from the  
34 high school/junior high/middle school student assistance fund to the department of behavioral

1 healthcare, developmental disabilities and hospitals for the administration of the Rhode Island  
2 Student Assistance High School/Junior High/Middle School Act.

3 (2) Money to fund the Rhode Island substance abuse prevention program shall also be  
4 appropriated from state general revenues in an amount estimate to be collected by any state or  
5 municipal court from civil penalties issued pursuant to §§ 21-28-4.01(c)(2)(iii) and 21-28-  
6 4.01(c)(2)(iv) to the extent that the revenues collected are not otherwise specifically appropriated.  
7 The appropriated funds shall be allocated in accordance with the distribution criteria identified by  
8 the department of behavioral healthcare, developmental disabilities and hospitals set forth in § 16-  
9 21.2-4(a).

10 (b) The department of behavioral healthcare, developmental disabilities and hospitals may  
11 utilize up to ten percent (10%) of the sums collected from the additional penalty for the purpose  
12 of administering the program.

13 SECTION 5. Section 21-28-4.01 of the General Laws in Chapter 21-28 entitled "Uniform  
14 Controlled Substances Act" is hereby amended to read as follows:

15 **21-28-4.01. Prohibited acts A -- Penalties.**

16 (a)(1) Except as authorized by this chapter, it shall be unlawful for any person to  
17 manufacture, deliver, or possess with intent to manufacture or deliver a controlled substance.

18 (2) Any person who is not a drug-addicted person, as defined in § 21-28-1.02(20), who  
19 violates this subsection with respect to a controlled substance classified in schedule I or II, except  
20 the substance classified as marijuana, is guilty of a crime and, upon conviction, may be  
21 imprisoned to a term up to life or fined not more than five hundred thousand dollars (\$500,000)  
22 nor less than ten thousand dollars (\$10,000), or both.

23 (3) Where the deliverance as prohibited in this subsection shall be the proximate cause of  
24 death to the person to whom the controlled substance is delivered, it shall not be a defense that  
25 the person delivering the substance was, at the time of delivery, a drug-addicted person as defined  
26 in § 21-28-1.02(20).

27 (4) Any person, except as provided for in subdivision (2) of this subsection, who violates this  
28 subsection with respect to:

29 (i) A controlled substance, classified in schedule I or II, is guilty of a crime and, upon  
30 conviction, may be imprisoned for not more than thirty (30) years, or fined not more than one  
31 hundred thousand dollars (\$100,000) nor less than three thousand dollars (\$3,000), or both;

32 (ii) A controlled substance, classified in schedule III or IV, is guilty of a crime and, upon  
33 conviction, may be imprisoned for not more than twenty (20) years, or fined not more than forty  
34 thousand dollars (\$40,000), or both; provided, with respect to a controlled substance classified in

1 schedule III(d), upon conviction may be imprisoned for not more than five (5) years, or fined not  
2 more than twenty thousand dollars (\$20,000), or both.

3 (iii) A controlled substance, classified in schedule V, is guilty of a crime and, upon  
4 conviction, may be imprisoned for not more than one year, or fined not more than ten thousand  
5 dollars (\$10,000), or both.

6 (b)(1) Except as authorized by this chapter, it is unlawful for any person to create, deliver, or  
7 possess with intent to deliver, a counterfeit substance.

8 (2) Any person who violates this subsection with respect to:

9 (i) A counterfeit substance, classified in schedule I or II, is guilty of a crime and, upon  
10 conviction, may be imprisoned for not more than thirty (30) years, or fined not more than one  
11 hundred thousand dollars (\$100,000), or both;

12 (ii) A counterfeit substance, classified in schedule III or IV, is guilty of a crime and, upon  
13 conviction, may be imprisoned for not more than twenty (20) years, or fined not more than forty  
14 thousand dollars (\$40,000), or both; provided, with respect to a controlled substance classified in  
15 schedule III(d), upon conviction may be imprisoned for not more than five (5) years, or fined not  
16 more than twenty thousand dollars (\$20,000), or both.

17 (iii) A counterfeit substance, classified in schedule V, is guilty of a crime and, upon  
18 conviction, may be imprisoned for not more than one year, or fined not more than ten thousand  
19 dollars (\$10,000), or both.

20 (c)(1) It shall be unlawful for any person knowingly or intentionally to possess a controlled  
21 substance, unless the substance was obtained directly from, or pursuant to, a valid prescription or  
22 order of a practitioner while acting in the course of his or her professional practice, or except as  
23 otherwise authorized by this chapter.

24 (2) Any person who violates this subsection with respect to:

25 (i) A controlled substance classified in schedules I, II and III, IV, and V, except the substance  
26 classified as marijuana, is guilty of a crime and, upon conviction, may be imprisoned for not more  
27 than three (3) years, or fined not less than five hundred dollars (\$500) nor more than five  
28 thousand dollars (\$5,000), or both;

29 (ii) More than one ounce (1 oz.) of a controlled substance classified in schedule I as  
30 marijuana is guilty of a misdemeanor, except for those persons subject to (a)(1), and, upon  
31 conviction, may be imprisoned for not more than one year, or fined not less than two hundred  
32 dollars (\$200) nor more than five hundred dollars (\$500), or both.

33 (iii) Notwithstanding any public, special, or general law to the contrary, the possession of one  
34 ounce (1 oz.) or less of marijuana by a person who is eighteen (18) years of age or older, and who

1 is not exempted from penalties pursuant to chapter 28.6 of this title, shall constitute a civil  
2 offense, rendering the offender liable to a civil penalty in the amount of one hundred fifty dollars  
3 (\$150) and forfeiture of the marijuana, but not to any other form of criminal or civil punishment  
4 or disqualification. Notwithstanding any public, special, or general law to the contrary, this civil  
5 penalty of one hundred fifty dollars (\$150) and forfeiture of the marijuana shall apply if the  
6 offense is the first (1st) or second (2nd) violation within the previous eighteen (18) months.

7 (iv) Notwithstanding any public, special, or general law to the contrary, possession of one  
8 ounce (1 oz.) or less of marijuana by a person who is seventeen (17) years of age or older and  
9 under the age of eighteen (18) years, and who is not exempted from penalties pursuant to chapter  
10 28.6 of this title, shall constitute a civil offense, rendering the offender liable to a civil penalty in  
11 the amount of one hundred fifty dollars (\$150) and forfeiture of the marijuana; provided the  
12 minor offender completes ~~an approved,~~ a drug-awareness program approved by director of the  
13 department of behavioral healthcare, developmental disabilities and hospitals or his or her  
14 designee, and community service as determined by the court. If the person seventeen (17) years  
15 of age or older and under the age of eighteen (18) years fails to complete an approved, drug-  
16 awareness program and community service within one year of the disposition, the penalty shall be  
17 a three hundred dollar (\$300) civil fine and forfeiture of the marijuana, except that if no drug-  
18 awareness program or community service is available, the penalty shall be a fine of one hundred  
19 fifty dollars (\$150) and forfeiture of the marijuana. The parents or legal guardian of any offender  
20 seventeen (17) years of age or older and under the age of eighteen (18) shall be notified of the  
21 offense and the availability of a drug-awareness and community-service program. The drug-  
22 awareness program ~~must be approved by the court, but~~ shall, at a minimum, provide four (4)  
23 hours of instruction or group discussion and ten (10) hours of community service.  
24 Notwithstanding any other public, special, or general law to the contrary, this civil penalty shall  
25 apply if the offense is the first or second violation within the previous eighteen (18) months.

26 (v) Notwithstanding any public, special, or general law to the contrary, a person not exempted  
27 from penalties pursuant to chapter 28.6 of this title found in possession of one ounce (1 oz.) or  
28 less of marijuana is guilty of a misdemeanor and, upon conviction, may be imprisoned for not  
29 more than thirty (30) days, or fined not less than two hundred dollars (\$200) nor more than five  
30 hundred dollars (\$500), or both, if that person has been previously adjudicated on a violation for  
31 possession of less than one ounce (1 oz.) of marijuana under (c)(2)(iii) or (c)(2)(iv) two (2) times  
32 in the eighteen (18) months prior to the third (3rd) offense.

1 (vi) Any unpaid civil fine issued under (c)(2)(iii) or (c)(2)(iv) shall double to three hundred  
2 dollars (\$300) if not paid within thirty (30) days of the disposition. The civil fine shall double  
3 again to six hundred dollars (\$600) if it has not been paid within ninety (90) days.

4 (vii) No person may be arrested for a violation of (c)(2)(iii) or (c)(2)(iv) of this subsection  
5 except as provided in this subparagraph. Any person in possession of an identification card,  
6 license, or other form of identification issued by the state or any state, city, or town, or any  
7 college or university, who fails to produce the same upon request of a police officer who informs  
8 the person that he or she has been found in possession of what appears to the officer to be one  
9 ounce (1 oz.) or less of marijuana, or any person without any such forms of identification who  
10 fails or refuses to truthfully provide his or her name, address, and date of birth to a police officer  
11 who has informed such person that the officer intends to provide such individual with a citation  
12 for possession of one ounce (1 oz.) or less of marijuana, may be arrested.

13 (viii) No violation of (c)(2)(iii) or (c)(2)(iv) of this subsection shall be considered a violation  
14 of parole or probation.

15 (ix) Any records collected by any state agency, tribunal, or the family court that include  
16 personally identifiable information about violations of (c)(2)(iii) or (c)(2)(iv) shall not be open to  
17 public inspection in accordance with § 8-8.2-21.

18 (3) Jurisdiction. Any and all violations of (c)(2)(iii) and (c)(2)(iv) shall be the exclusive  
19 jurisdiction of the Rhode Island traffic tribunal. All money associated with the civil fine issued  
20 under (c)(2)(iii) or (c)(2)(iv) shall be payable to the Rhode Island traffic tribunal. Fifty percent  
21 (50%) of all fines collected by the Rhode Island traffic tribunal from civil penalties issued  
22 pursuant to (c)(2)(iii) or (c)(2)(iv) shall be ~~expended on drug awareness and treatment programs~~  
23 ~~for youth~~ deposited as general revenues, with the estimated amount of fines to be collected to be  
24 allocated to the department of behavioral healthcare, developmental disabilities and hospitals  
25 (BHDDH) and used to fund substance abuse prevention programs and student assistance  
26 programs for youth pursuant to chapters 21.2 and 21.3 of title 16, and in accordance with the  
27 criteria set forth in §§ 16-21.2-4(a) and 16-21.3-2(a).

28 (4) Additionally, every person convicted or who pleads nolo contendere under (c)(2)(i) or  
29 convicted or who pleads nolo contendere a second or subsequent time under (c)(2)(ii), who is not  
30 sentenced to a term of imprisonment to serve for the offense, shall be required to:

31 (i) Perform up to one hundred (100) hours of community service;

32 (ii) Attend and complete a drug-counseling and education program, as prescribed, by the  
33 director of the department of behavioral healthcare, developmental disabilities and hospitals and  
34 pay the sum of four hundred dollars (\$400) to help defray the costs of this program which shall be

1 deposited as general revenues, with the estimated amount to be collected to be allocated to the  
2 department of behavioral healthcare, developmental disabilities and hospitals (BHDDH) to fund  
3 substance abuse prevention programs and student assistance programs for youth pursuant to  
4 chapters 21.2 and 21.3 of title 16 and in accordance with the criteria set forth in §§ 16-21.2-4(a)  
5 and 16-21.3-2(a). Failure to attend may result, after hearing by the court, in jail sentence up to  
6 one year;

7 (iii) The court shall not suspend any part or all of the imposition of the fee required by this  
8 subsection, unless the court finds an inability to pay;

9 (iv) If the offense involves the use of any automobile to transport the substance or the  
10 substance is found within an automobile, then a person convicted or who pleads nolo contendere  
11 under (c)(2)(i) and (c)(2)(ii) shall be subject to a loss of license for a period of six (6) months for  
12 a first offense and one year for each offense after.

13 (5) All fees assessed and collected pursuant to ~~(e)(3)(ii)~~ subsection (c)(4)(ii) of this section  
14 shall be deposited as general revenues, with the estimated amount of fees to be collected to be  
15 allocated to the department of behavioral healthcare, developmental disabilities and hospitals  
16 (BHDDH) to fund substance abuse prevention programs and student assistance programs for  
17 youth pursuant to chapters 21.2 and 21.3 of title 16 and in accordance with the criteria set forth in  
18 §§ 16-21.2-4(a) and 16-21.3-2(a) and shall be collected from the person convicted or who pleads  
19 nolo contendere before any other fines authorized by this chapter.

20 (d) It shall be unlawful for any person to manufacture, distribute, or possess with intent to  
21 manufacture or distribute, an imitation controlled substance. Any person who violates this  
22 subsection is guilty of a crime and, upon conviction, shall be subject to the same term of  
23 imprisonment and/or fine as provided by this chapter for the manufacture or distribution of the  
24 controlled substance that the particular imitation controlled substance forming the basis of the  
25 prosecution was designed to resemble and/or represented to be; but in no case shall the  
26 imprisonment be for more than five (5) years nor the fine for more than twenty thousand dollars  
27 (\$20,000).

28 (e) It shall be unlawful for a practitioner to prescribe, order, distribute, supply, or sell an  
29 anabolic steroid or human growth hormone for: (1) Enhancing performance in an exercise, sport,  
30 or game, or (2) Hormonal manipulation intended to increase muscle mass, strength, or weight  
31 without a medical necessity. Any person who violates this subsection is guilty of a misdemeanor  
32 and, upon conviction, may be imprisoned for not more than six (6) months or a fine of not more  
33 than one thousand dollars (\$1,000), or both.

1 (f) It is unlawful for any person to knowingly or intentionally possess, manufacture,  
 2 distribute, or possess with intent to manufacture or distribute, any extract, compound, salt  
 3 derivative, or mixture of salvia divinorum or datura stramonium or its extracts unless the person  
 4 is exempt pursuant to the provisions of § 21-28-3.30. Notwithstanding any laws to the contrary,  
 5 any person who violates this section is guilty of a misdemeanor and, upon conviction, may be  
 6 imprisoned for not more than one year, or fined not more than one thousand dollars (\$1,000), or  
 7 both. The provisions of this section shall not apply to licensed physicians, pharmacists, and  
 8 accredited hospitals and teaching facilities engaged in the research or study of salvia divinorum or  
 9 datura stramonium and shall not apply to any person participating in clinical trials involving the  
 10 use of salvia divinorum or datura stramonium.

11 SECTION 6. Section 31-41.1-4 of the General Laws in Chapter 31-41.1 entitled  
 12 "Adjudication of Traffic Offenses" is hereby amended to read as follows:

13 **31-41.1-4. Schedule of violations.**

14 (a) The penalties for violations of the enumerated sections, listed in numerical order,  
 15 correspond to the fines described. However, those offenses for which punishments may vary  
 16 according to the severity of the offense, or punishment that require the violator to perform a  
 17 service, shall be heard and decided by the traffic tribunal or municipal court. The following  
 18 violations may be handled administratively through the method prescribed in this chapter. This  
 19 list is not exclusive and jurisdiction may be conferred on the traffic tribunal with regard to other  
 20 violations.

21 VIOLATIONS SCHEDULE

22	Section of		Total Fine
23	General Laws		
24	8-8.2-2	DOT, DEM, or other agency and department violations	
25		\$85.00	
26	24-10-17	Soliciting rides in motor vehicles	
27		85.00	
28	24-10-18	Backing up prohibited	
29		85.00	
30	24-10-20	Park and ride lots	
31		85.00	
32	24-12-37	Nonpayment of toll	
33		100.00	



1	31-3-12	Visibility of plates	
2		85.00	
3	31-3-18	Display of plates	85.00
4	31-3-32	Driving with expired registration	85.00
5	31-3-34	Failure to notify division of change of address	85.00
6	31-3-35	Notice of change of name	85.00
7	31-3-40	Temporary plates – dealer issued	85.00
8	31-4-3	Temporary registration – twenty-day (20) bill of sale	85.00
9	31-10-10	Rules as to armed forces license	85.00
10	31-10-30	Driving on expired license	85.00
11	31-10-32	Notice of change of address	85.00
12	31-10.1-4	No motorcycle helmet (operator)	85.00
13	31-10.1-5	Motorcycle handlebar violation	85.00
14	31-10.1-6	No motorcycle helmet (passenger)	85.00
15	31-10.1-7	Inspection of motorcycle required	85.00
16	31-12-12	Local motor vehicle ordinance	85.00
17	31-13-4	Obedience to devices	85.00
18	31-13-6(3)(i)	Eluding traffic light	85.00
19	31-13-9	Flashing signals	85.00
20	31-13-11	Injury to signs or devices	85.00
21	31-14-1	Reasonable and prudent speed	95.00
22	31-14-3	Condition requiring reduced speed	95.00
23	31-14-9	Below minimum speed	95.00
24	31-14-12	Speed limit on bridges and structures	95.00
25	31-15-1	Leaving lane of travel	85.00
26	31-15-2	Slow traffic to right	85.00
27	31-15-3	Operator left of center	85.00
28	31-15-4	Overtaking on left	85.00
29	31-15-5(a)	Overtaking on right	85.00
30	31-15-6	Clearance for overtaking	85.00
31	31-15-7	Places where overtaking prohibited	85.00
32	31-15-8	No passing zone	85.00
33	31-15-9	One way highways	85.00
34	31-15-10	Rotary traffic islands	85.00

1	31-15-11	Laned roadway violation	85.00
2	31-15-12	Following too closely	85.00
3	31-15-12.1	Entering intersection	100.00
4	31-15-13	Crossing center section of divided highway	85.00
5	31-15-14	Entering or leaving limited access roadways	85.00
6	31-15-16	Use of emergency break-down lane for travel	85.00
7	31-15-17	Crossing bicycle lane	85.00
8	31-15-18	Unsafe passing of person operating a bicycle	85.00
9	31-16-1	Care in starting from stop	85.00
10	31-16-2	Manner of turning at intersection	85.00
11	31-16-4	U turn where prohibited	85.00
12	31-16-5	Turn signal required	85.00
13	31-16-6	Time of signaling turn	85.00
14	31-16-7	Failure to give stop signal	85.00
15	31-16-8	Method of giving signals	85.00
16	31-16.1-3	Diesel vehicle idling rules	
17		first offense not to exceed	100.00
18		second and subsequent offense not to exceed	500.00
19	31-17-1	Failure to yield right of way	85.00
20	31-17-2	Vehicle turning left	85.00
21	31-17-3	Yield right of way (intersection)	85.00
22	31-17-4	Obedience to stop signs	85.00
23	31-17-5	Entering from private road or driveway	85.00
24	31-17-8	Vehicle within right of way, rotary	85.00
25	31-17-9	Yielding to bicycles on bicycle lane	85.00
26	31-18-3	Right of way in crosswalks	
27			85.00 first violation
28			100.00 second
29			violation or any
30			subsequent violation
31	31-18-5	Crossing other than at crosswalks	85.00
32	31-18-8	Due care by drivers	85.00
33	31-18-12	Hitchhiking	85.00
34	31-18-18	Right of way on sidewalks	85.00

1	31-19-3	Traffic laws applied to bicycles	85.00
2	31-19-20	Sale of new bicycles	85.00
3	31-19-21	Sale of used bicycles	85.00
4	31-19.1-2	Operating motorized bicycle on an interstate highway	85.00
5	31-19.2-2	Operating motorized tricycle on an interstate highway	85.00
6	31-20-1	Failure to stop at railroad crossing	85.00
7	31-20-2	Driving through railroad gate	85.00
8	31-20-9	Obedience to stop sign	85.00
9	31-21-4	Places where parking or stopping prohibited	85.00
10	31-21-14	Opening of vehicle doors	85.00
11	31-21-18	Electric vehicle charging station restriction	85.00
12	31-22-2	Improper backing up	85.00
13	31-22-4	Overloading vehicle	85.00
14	31-22-5	Violation of safety zone	85.00
15	31-22-6	Coasting	85.00
16	31-22-7	Following fire apparatus	85.00
17	31-22-8	Crossing fire hose	85.00
18	31-22-9	Throwing debris on highway – snow removal	85.00
19	31-22-11.5	Improper use of school bus	– not to exceed five
20			hundred dollars
21			(\$500) for each day
22		of improper use	
23	31-22-22(a)	No child restraint	85.00
24	31-22-22(a)	Child restraint/seat belt but not in any rear seating position	85.00
25	31-22-22(b), (f)	No seat belt – passenger	40.00
26	31-22-22(g)	No seat belt – operator	40.00
27	31-22-23	Tow trucks – proper identification	275.00
28	31-22-24	Operation of interior lights	85.00
29	31-23-1(b)(2)	U.S. department of transportation motor carrier safety	
30		rules and regulations	Not less than \$85.00
31			or more than \$500.00
32	31-23-1(e)(6)	Removal of an "out of service vehicle" sticker	125.00
33	31-23-1(e)(7)	Operation of an "out of service vehicle"	100.00
34	31-23-2(b)	Installation or adjustment of unsafe or prohibited	

1		parts, equipment, or accessories:	(first offense) 250.00
2			(second offense) 500.00
3			(third and subsequent
4			offenses) 1,000.00
5	31-23-4	Brake equipment required	85.00
6	31-23-8	Horn required	85.00
7	31-23-10	Sirens prohibited	85.00
8	31-23-13	Muffler required	85.00
9	31-23-13.1	Altering height or operating a motor vehicle with an	
10		altered height	85.00
11	31-23-14	Prevention of excessive fumes or smoke	85.00
12	31-23-16	Windshield and window stickers (visibility)	85.00
13	31-23-17	Windshield wipers	85.00
14	31-23-19	Metal tires prohibited	85.00
15	31-23-20	Protuberances on tires	85.00
16	31-23-26	Fenders and wheel flaps required	85.00
17	31-23-27	Rear wheel flaps on buses, trucks, and trailers	85.00
18	31-23-29	Flares or red flag required over	
19		four thousand pounds (4,000 lbs.)	85.00
20	31-23-40	Approved types of seat belt requirements	85.00
21	31-23-42.1	Special mirror – school bus	85.00
22	31-23-43	Chocks required (1 pair) – over	
23		four thousand pounds (4,000 lbs.)	85.00
24	31-23-45	Tire treads – defective tires	85.00
25	31-23-47	Slow moving emblem required	85.00
26	31-23-49	Transportation of gasoline – passenger vehicle	85.00
27	31-23-51	Operating bike or motor vehicle	
28		wearing ear phones	85.00 (first offense)
29			95.00 second offense
30			140.00 for the third
31			
32		and each subsequent	
33		offense	
34	31-24-1	Times when lights required	85.00

1	through		
2	31-24-54		
3	31-25-3	Maximum width of one hundred	
4		and two inches (102") exceeded	85.00
5	31-25-4	Maximum height of one hundred	
6		sixty-two inches (162") exceeded	85.00
7	31-25-6	Maximum number and length of coupled vehicles	500.00
8	31-25-7	Load extending three feet (3') front, six feet (6') rear exceeded	85.00
9	31-25-9	Leaking load	85.00
10	31-25-11	Connections between coupled vehicles	85.00
11	31-25-12	Towing chain, twelve-inch (12") square flag required	85.00
12	31-25-12.1	Tow truck – use of lanes (first offense)	85.00
13		second offense	95.00
14		for the third and each subsequent offense	100.00
15	31-25-14(d)(1)	Maximum weight and tandem axles	125.00
16	31-25-14(d)(2)	Maximum weight and tandem axles	125.00
17	31-25-14(d)(3)	Maximum weight and tandem axles	125.00
18	31-25-16(c)(2)	Maximum weight shown in registration	85.00 per
19			thousand lbs.
20			overweight or
21			portion thereof.
22	31-25-16(c)(3)	Maximum weight shown in registration	125.00 per
23			thousand lbs.
24			overweight or
25			portion thereof.
26	31-25-16(c)(4)	Maximum weight shown in registration	1,025.00 plus
27			\$125.00 per
28			thousand
29			pounds
30			overweight or
31			portion thereof.
32	31-25-17	Identification of trucks and truck-tractors (first offense)	85.00
33		(second offense)	95.00

1			125.00 for the third and
2			subsequent offenses
3	31-25-24	Carrying and inspection of excess load limit	175.00
4	31-25-27(c)	Maximum axle	3,000.00 (first offense)
5			not to exceed
6			5,000.00 for each
7		and every	
8		subsequent offense	
9	31-25-30	Maximum axle Pawtucket River Bridge and	
10		Sakonnet River Bridge	3,000.00 (first
11			offense) not to
12			exceed 5,000.00 for
13		each and every	
14		subsequent offense	
15	31-27-2.3	Refusal to take preliminary breath test	85.00
16	31-28-7(d)	Wrongful use of handicapped parking placard	500.00
17	31-28-7(f)	Handicapped parking space violation:	
18		First offense	100.00
19		Second offense	175.00
20		Third offense and subsequent offenses	325.00
21	31-28-7.1(e)	Wrongful use of institutional	
22		handicapped parking placard	125.00
23	31-33-2	Failure to file accident report	85.00
24	31-36.1-17	No fuel tax stamp (out-of-state)	
25		85.00 and not	
26		exceeding (\$100) for	
27		subsequent offense	
28	31-38-3	No inspection sticker	85.00
29	31-38-4	Violation of inspection laws	85.00
30	31-41.3-15	Automated school-zone-speed-enforcement system	50.00
31	31-47.2-6	Heavy-duty vehicle emission inspections:	
32		First offense	125.00
33		Second offense	525.00
34		Third and subsequent offenses	1,025.00

1 37-15-7 Littering not less than 55.00  
 2 not more than five  
 3 hundred dollars  
 4 (\$500)

5 39-12-26 Public carriers violation 300.00

6 SPEEDING Fine

7 Speeding Fine

8 (A) One to ten miles per hour (1-10 mph)  
 9 in excess of posted speed limit

10 \$  
 11 95.00

12 (B) Eleven miles per hour (11 mph) in excess  
 13 of posted speed limit with a fine of  
 14 ten dollars (\$10.00) per mile in excess  
 15 of speed limit shall be assessed.

205.00

16 minimum

17 (b) In addition to any other penalties provided by law, a judge may impose the following  
 18 penalties for speeding:

19 (1) For speeds up to and including ten miles per hour (10 mph) over the posted speed limit on  
 20 public highways, a fine as provided for in subsection (a) of this section for the first offense; ten  
 21 dollars (\$10.00) per mile for each mile in excess of the speed limit for the second offense if  
 22 within twelve (12) months of the first offense; and fifteen dollars (\$15.00) per mile for each mile  
 23 in excess of the speed limit for the third and any subsequent offense if within twelve (12) months  
 24 of the first offense. In addition, the license may be suspended up to thirty (30) days.

25 (2) For speeds in excess of ten miles per hour (10 mph) over the posted speed limit on public  
 26 highways, a mandatory fine of ten dollars (\$10.00) for each mile over the speed limit for the first  
 27 offense; fifteen dollars (\$15.00) per mile for each mile in excess of the speed limit for the second  
 28 offense if within twelve (12) months of the first offense; and twenty dollars (\$20.00) per mile for  
 29 each mile in excess of the speed limit for the third and subsequent offense if within twelve (12)  
 30 months of the first offense. In addition, the license may be suspended up to sixty (60) days.

31 (c) Except for a technology surcharge assessed in accordance with § 8-15-11 [and assessments](#)  
 32 [collected under §16-21.2-5 and §16-21.3-3](#), any person charged with a violation who pays the fine  
 33 administratively pursuant to this chapter shall not be subject to any additional costs or  
 34 assessments, including, but not limited to, the hearing fee established in § 8-18-4.

1 SECTION 7. Effective July 1, 2020, section 40-5.2-8 of the General Laws in Chapter 40-  
2 5.2 entitled "The Rhode Island Works Program" are hereby amended to read as follows:

3 **40-5.2-8. Definitions.**

4 (a) As used in this chapter, the following terms having the meanings set forth herein, unless  
5 the context in which such terms are used clearly indicates to the contrary:

6 (1) "Applicant" means a person who has filed a written application for assistance for  
7 herself/himself and her/his dependent child(ren). An applicant may be a parent or non-parent  
8 caretaker relative.

9 (2) "Assistance" means cash and any other benefits provided pursuant to this chapter.

10 (3) "Assistance unit" means the assistance filing unit consisting of the group of persons,  
11 including the dependent child(ren), living together in a single household who must be included in  
12 the application for assistance and in the assistance payment if eligibility is established. An  
13 assistance unit may be the same as a family.

14 (4) "Benefits" shall mean assistance received pursuant to this chapter.

15 (5) "Community service programs" means structured programs and activities in which  
16 cash assistance recipients perform work for the direct benefit of the community under the  
17 auspices of public or nonprofit organizations. Community service programs are designed to  
18 improve the employability of recipients not otherwise able to obtain paid employment.

19 (6) "Department" means the department of human services.

20 (7) "Dependent child" means an individual, other than an individual with respect to  
21 whom foster care maintenance payments are made, who is: (A) under the age of eighteen (18); or  
22 (B) under the age of nineteen (19) and a full-time student in a secondary school (or in the  
23 equivalent level of vocational or educational training), ~~if before he or she attains age nineteen~~  
24 ~~(19), he or she may reasonably be expected to complete the program of such secondary school (or~~  
25 ~~such training).~~

26 (8) "Director" means the director of the department of human services.

27 (9) "Earned income" means income in cash or the equivalent received by a person  
28 through the receipt of wages, salary, commissions, or profit from activities in which the person is  
29 self-employed or as an employee and before any deductions for taxes.

30 (10) "Earned income tax credit" means the credit against federal personal income tax  
31 liability under § 32 of the Internal Revenue Code of 1986, 26 U.S.C. § 32, or any successor  
32 section, the advanced payment of the earned income tax credit to an employee under § 3507 of  
33 the code, 26 U.S.C. § 3507, or any successor section and any refund received as a result of the  
34 earned income tax credit, as well as any refundable state earned income tax credit.



1 (11) "Education directly related to employment" means education, in the case of a  
2 participant who has not received a high school diploma or a certificate of high school  
3 equivalency, related to a specific occupation, job, or job offer.

4 (12) "Family" means: (A) a pregnant woman from and including the seventh month of  
5 her pregnancy; or (B) a child and the following eligible persons living in the same household as  
6 the child: (C) each biological, adoptive or stepparent of the child, or in the absence of a parent,  
7 any adult relative who is responsible, in fact, for the care of such child; and (D) the child's minor  
8 siblings (whether of the whole or half-blood); provided, however, that the term "family" shall not  
9 include any person receiving benefits under title XVI of the Social Security Act, 42 U.S.C. §  
10 1381 et seq. A family may be the same as the assistance unit.

11 (13) "Gross earnings" means earnings from employment and self-employment further  
12 described in the department of human services rules and regulations.

13 (14) "Individual employment plan" means a written, individualized plan for employment  
14 developed jointly by the applicant and the department of human services that specifies the steps  
15 the participant shall take toward long-term economic independence developed in accordance with  
16 subsection 40-5.2-10(e). A participant must comply with the terms of the individual employment  
17 plan as a condition of eligibility in accordance with subsection 40-5.2-10(e) of this chapter.

18 (15) "Job search and job readiness" means the mandatory act of seeking or obtaining  
19 employment by the participant, or the preparation to seek or obtain employment.

20 In accord with federal requirements, job search activities must be supervised by the department of  
21 labor and training and must be reported to the department of human services in accordance with  
22 TANF work verification requirements.

23 Except in the context of rehabilitation employment plans, and special services provided  
24 by the department of children, youth and families, job search and job readiness activities are  
25 limited to four (4) consecutive weeks, or for a total of six (6) weeks in a twelve (12) month  
26 period, with limited exceptions as defined by the department. The department of human services  
27 in consultation with the department of labor and training shall extend job search, and job  
28 readiness assistance for up to twelve (12) weeks in a fiscal year if a state has an unemployment  
29 rate at least fifty percent (50%) greater than the United States unemployment rate if the state  
30 meets the definition of a "needy state" under the contingency fund provisions of federal law.

31 Preparation to seek employment, or job readiness, may include, but may not be limited to,  
32 the participant obtaining life skills training, homelessness services, domestic violence services,  
33 special services for families provided by the department of children youth and families, substance  
34 abuse treatment, mental health treatment, or rehabilitation activities as appropriate for those who

1 are otherwise employable. Such services, treatment or therapy must be determined to be  
2 necessary and certified by a qualified medical or mental health professional. Intensive work  
3 readiness services may include work-based literacy, numeracy, hands-on training, work  
4 experience and case management services. Nothing in this section shall be interpreted to mean  
5 that the department of labor and training shall be the sole provider of job readiness activities  
6 described herein.

7 (16) "Job skills training directly related to employment" means training or education for  
8 job skills required by an employer to provide an individual with the ability to obtain employment  
9 or to advance or adapt to the changing demands of the workplace. Job skills training directly  
10 related to employment must be supervised on an ongoing basis.

11 (17) "Net income" means the total gross income of the assistance unit less allowable  
12 disregards and deductions as described in subsection 40-5.2-10(g).

13 (18) "Minor parent" means a parent under the age of eighteen (18). A minor parent may  
14 be an applicant or recipient with his or her dependent child(ren) in his/her own case or a member  
15 of an assistance unit with his or her dependent child(ren) in a case established by the minor  
16 parent's parent.

17 (19) "On-the-job-training" means training in the public or private sector that is given to a  
18 paid employee while he or she is engaged in productive work and that provides knowledge and  
19 skills essential to the full and adequate performance of the job. On-the-job training must be  
20 supervised by an employer, work site sponsor, or other designee of the department of human  
21 services on an ongoing basis.

22 (20) "Participant" means a person who has been found eligible for assistance in  
23 accordance with this chapter and who must comply with all requirements of this chapter, and has  
24 entered into an individual employment plan. A participant may be a parent or non-parent  
25 caretaker relative included in the cash assistance payment.

26 (21) "Recipient" means a person who has been found eligible and receives cash assistance  
27 in accordance with this chapter.

28 (22) "Relative" means a parent, stepparent, grandparent, great grandparent, great-great  
29 grandparent, aunt, great aunt, great-great aunt, uncle, great-uncle, great-great uncle, sister,  
30 brother, stepbrother, stepsister, half-brother, half-sister, first cousin, first cousin once removed,  
31 niece, great niece, great-great niece, nephew, great nephew, or great-great nephew.

32 (23) "Resident" means a person who maintains residence by his or her continuous  
33 physical presence in the state.

1           (24) "Self-employment income" means the total profit from a business enterprise,  
2 farming, etc., resulting from a comparison of the gross receipts with the business expenses, i.e.,  
3 expenses directly related to producing the goods or services and without which the goods or  
4 services could not be produced. However, items such as depreciation, personal business and  
5 entertainment expenses, and personal transportation are not considered business expenses for the  
6 purposes of determining eligibility for cash assistance in accordance with this chapter.

7           (25) "State" means the State of Rhode Island and Providence Plantations.

8           (26) "Subsidized employment" means employment in the private or public sectors for  
9 which the employer receives a subsidy from TANF or other public funds to offset some or all of  
10 the wages and costs of employing a recipient. It includes work in which all or a portion of the  
11 wages paid to the recipient are provided to the employer either as a reimbursement for the extra  
12 costs of training or as an incentive to hire the recipient, including, but not limited to, grant  
13 diversion.

14           (27) "Subsidized housing" means housing for a family whose rent is restricted to a  
15 percentage of its income.

16           (28) "Unsubsidized employment" means full or part-time employment in the public or  
17 private sector that is not subsidized by TANF or any other public program.

18           (29) "Vocational educational training" means organized educational programs, not to  
19 exceed twelve (12) months with respect to any participant, that are directly related to the  
20 preparation of participants for employment in current or emerging occupations. Vocational  
21 educational training must be supervised.

22           (30) "Work experience" means a work activity that provides a participant with an  
23 opportunity to acquire the general skills, training, knowledge, and work habits necessary to obtain  
24 employment. The purpose of work experience is to improve the employability of those who  
25 cannot find unsubsidized employment. An employer, work site sponsor, and/or other appropriate  
26 designee of the department must supervise this activity.

27           (31) "Work supplementation" also known as "grant diversion" means the use of all or a  
28 portion of a participant's cash assistance grant and food stamp grant as a wage supplement to an  
29 employer. Such a supplement shall be limited to a maximum period of twelve (12) months. An  
30 employer must agree to continue the employment of the participant as part of the regular work  
31 force, beyond the supplement period, if the participant demonstrates satisfactory performance.

32           (32) "Work activities" mean the specific work requirements which must be defined in the  
33 individual employment plan and must be complied with by the participant as a condition of

1 eligibility for the receipt of cash assistance for single and two (2) family households outlined in §  
2 40-5.2-12 of this chapter.

3 SECTION 8. Effective January 1, 2021, section 40-5.2-10 of the General Laws in  
4 Chapter 40-5.2 entitled “The Rhode Island Works Program” are hereby amended to read as  
5 follows:

6 **40-5.2-10. Necessary requirements and conditions.**

7 The following requirements and conditions shall be necessary to establish eligibility for  
8 the program.

9 (a) *Citizenship, alienage, and residency requirements.*

10 (1) A person shall be a resident of the State of Rhode Island.

11 (2) Effective October 1, 2008, a person shall be a United States citizen, or shall meet the  
12 alienage requirements established in § 402(b) of the Personal Responsibility and Work  
13 Opportunity Reconciliation Act of 1996, PRWORA, Public Laws No. 104-193 and as that section  
14 may hereafter be amended [8 U.S.C. § 1612]; a person who is not a United States citizen and does  
15 not meet the alienage requirements established in PRWORA, as amended, is not eligible for cash  
16 assistance in accordance with this chapter.

17 (b) The family/assistance unit must meet any other requirements established by the  
18 department of human services by rules and regulations adopted pursuant to the Administrative  
19 Procedures Act, as necessary to promote the purpose and goals of this chapter.

20 (c) Receipt of cash assistance is conditional upon compliance with all program  
21 requirements.

22 (d) All individuals domiciled in this state shall be exempt from the application of  
23 subdivision 115(d)(1)(A) of Public Law 104-193, the Personal Responsibility and Work  
24 Opportunity Reconciliation Act of 1996, PRWORA [21 U.S.C. § 862a], which makes any  
25 individual ineligible for certain state and federal assistance if that individual has been convicted  
26 under federal or state law of any offense that is classified as a felony by the law of the jurisdiction  
27 and that has as an element the possession, use, or distribution of a controlled substance as defined  
28 in § 102(6) of the Controlled Substances Act (21 U.S.C. § 802(6)).

29 (e) *Individual employment plan as a condition of eligibility.*

30 (1) Following receipt of an application, the department of human services shall assess the  
31 financial conditions of the family, including the non-parent caretaker relative who is applying for  
32 cash assistance for himself or herself as well as for the minor child(ren), in the context of an  
33 eligibility determination. If a parent or non-parent caretaker relative is unemployed or under-  
34 employed, the department shall conduct an initial assessment, taking into account: (A) The

1 physical capacity, skills, education, work experience, health, safety, family responsibilities and  
2 place of residence of the individual; and (B) The child care and supportive services required by  
3 the applicant to avail himself or herself of employment opportunities and/or work readiness  
4 programs.

5 (2) On the basis of this assessment, the department of human services and the department  
6 of labor and training, as appropriate, in consultation with the applicant, shall develop an  
7 individual employment plan for the family which requires the individual to participate in the  
8 intensive employment services. Intensive employment services shall be defined as the work  
9 requirement activities in § 40-5.2-12(g) and (i).

10 (3) The director, or his or her designee, may assign a case manager to an  
11 applicant/participant, as appropriate.

12 (4) The department of labor and training and the department of human services in  
13 conjunction with the participant shall develop a revised individual employment plan that shall  
14 identify employment objectives, taking into consideration factors above, and shall include a  
15 strategy for immediate employment and for preparing for, finding, and retaining employment  
16 consistent, to the extent practicable, with the individual's career objectives.

17 (5) The individual employment plan must include the provision for the participant to  
18 engage in work requirements as outlined in § 40-5.2-12.

19 (6)(i) The participant shall attend and participate immediately in intensive assessment and  
20 employment services as the first step in the individual employment plan, unless temporarily  
21 exempt from this requirement in accordance with this chapter. Intensive assessment and  
22 employment services shall be defined as the work requirement activities in § 40-5.2-12(g) and (i).

23 (ii) Parents under age twenty (20) without a high school diploma or general equivalency  
24 diploma (GED) shall be referred to special teen parent programs which will provide intensive  
25 services designed to assist teen parents to complete high school education or GED, and to  
26 continue approved work plan activities in accord with Rhode Island works program requirements.

27 (7) The applicant shall become a participant in accordance with this chapter at the time  
28 the individual employment plan is signed and entered into.

29 (8) Applicants and participants of the Rhode Island works program shall agree to comply  
30 with the terms of the individual employment plan, and shall cooperate fully with the steps  
31 established in the individual employment plan, including the work requirements.

32 (9) The department of human services has the authority under the chapter to require  
33 attendance by the applicant/participant, either at the department of human services or at the  
34 department of labor and training, at appointments deemed necessary for the purpose of having the

1 applicant enter into and become eligible for assistance through the Rhode Island works program.  
2 The appointments include, but are not limited to, the initial interview, orientation and assessment;  
3 job readiness and job search. Attendance is required as a condition of eligibility for cash  
4 assistance in accordance with rules and regulations established by the department.

5 (10) As a condition of eligibility for assistance pursuant to this chapter, the  
6 applicant/participant shall be obligated to keep appointments, attend orientation meetings at the  
7 department of human services and/or the Rhode Island department of labor and training,  
8 participate in any initial assessments or appraisals and comply with all the terms of the individual  
9 employment plan in accordance with department of human services rules and regulations.

10 (11) A participant, including a parent or non-parent caretaker relative included in the cash  
11 assistance payment, shall not voluntarily quit a job or refuse a job unless there is good cause as  
12 defined in this chapter or the department's rules and regulations.

13 (12) A participant who voluntarily quits or refuses a job without good cause, as defined in  
14 § 40-5.2-12(1), while receiving cash assistance in accordance with this chapter, shall be  
15 sanctioned in accordance with rules and regulations promulgated by the department.

16 (f) *Resources.*

17 (1) The family or assistance unit's countable resources shall be less than the allowable  
18 resource limit established by the department in accordance with this chapter.

19 (2) No family or assistance unit shall be eligible for assistance payments if the combined  
20 value of its available resources (reduced by any obligations or debts with respect to such  
21 resources) exceeds one thousand dollars (\$1,000).

22 (3) For purposes of this subsection, the following shall not be counted as resources of the  
23 family/assistance unit in the determination of eligibility for the works program:

24 (i) The home owned and occupied by a child, parent, relative or other individual;

25 (ii) Real property owned by a husband and wife as tenants by the entirety, if the property  
26 is not the home of the family and if the spouse of the applicant refuses to sell his or her interest in  
27 the property;

28 (iii) Real property that the family is making a good faith effort to dispose of, however,  
29 any cash assistance payable to the family for any such period shall be conditioned upon such  
30 disposal of the real property within six (6) months of the date of application and any payments of  
31 assistance for that period shall (at the time of disposal) be considered overpayments to the extent  
32 that they would not have occurred at the beginning of the period for which the payments were  
33 made. All overpayments are debts subject to recovery in accordance with the provisions of the  
34 chapter;

1 (iv) Income producing property other than real estate including, but not limited to,  
2 equipment such as farm tools, carpenter's tools and vehicles used in the production of goods or  
3 services that the department determines are necessary for the family to earn a living;

4 (v) One vehicle for each adult household member, but not to exceed two (2) vehicles per  
5 household, and in addition, a vehicle used primarily for income producing purposes such as, but  
6 not limited to, a taxi, truck or fishing boat; a vehicle used as a family's home; a vehicle that  
7 annually produces income consistent with its fair market value, even if only used on a seasonal  
8 basis; a vehicle necessary to transport a family member with a disability where the vehicle is  
9 specially equipped to meet the specific needs of the person with a disability or if the vehicle is a  
10 special type of vehicle that makes it possible to transport the person with a disability;

11 (vi) Household furnishings and appliances, clothing, personal effects, and keepsakes of  
12 limited value;

13 (vii) Burial plots (one for each child, relative, and other individual in the assistance unit)  
14 and funeral arrangements;

15 (viii) For the month of receipt and the following month, any refund of federal income  
16 taxes made to the family by reason of § 32 of the Internal Revenue Code of 1986, 26 U.S.C. § 32  
17 (relating to earned income tax credit), and any payment made to the family by an employer under  
18 § 3507 of the Internal Revenue Code of 1986, 26 U.S.C. § 3507 (relating to advance payment of  
19 such earned income credit);

20 (ix) The resources of any family member receiving supplementary security income  
21 assistance under the Social Security Act, 42 U.S.C. § 301 et seq.

22 (g) *Income.*

23 (1) Except as otherwise provided for herein, in determining eligibility for and the amount  
24 of cash assistance to which a family is entitled under this chapter, the income of a family includes  
25 all of the money, goods, and services received or actually available to any member of the family.

26 (2) In determining the eligibility for and the amount of cash assistance to which a  
27 family/assistance unit is entitled under this chapter, income in any month shall not include the  
28 first one hundred seventy dollars (\$170) of gross earnings plus fifty percent (50%) of the gross  
29 earnings of the family in excess of one hundred seventy dollars (\$170) earned during the month.

30 (3) The income of a family shall not include:

31 (i) The first fifty dollars (\$50.00) in child support received in any month from each non-  
32 custodial parent of a child plus any arrearages in child support (to the extent of the first fifty  
33 dollars (\$50.00) per month multiplied by the number of months in which the support has been in  
34 arrears) that are paid in any month by a non-custodial parent of a child;

- 1 (ii) Earned income of any child;
- 2 (iii) Income received by a family member who is receiving supplemental security income  
3 (SSI) assistance under Title XVI of the Social Security Act, 42 U.S.C. § 1381 et seq.;
- 4 (iv) The value of assistance provided by state or federal government or private agencies  
5 to meet nutritional needs, including: value of USDA donated foods; value of supplemental food  
6 assistance received under the Child Nutrition Act of 1966, as amended and the special food  
7 service program for children under Title VII, nutrition program for the elderly, of the Older  
8 Americans Act of 1965 as amended, and the value of food stamps;
- 9 (v) Value of certain assistance provided to undergraduate students, including any grant or  
10 loan for an undergraduate student for educational purposes made or insured under any loan  
11 program administered by the U.S. Commissioner of Education (or the Rhode Island council on  
12 postsecondary education or the Rhode Island division of higher education assistance);
- 13 (vi) Foster care payments;
- 14 (vii) Home energy assistance funded by state or federal government or by a nonprofit  
15 organization;
- 16 (viii) Payments for supportive services or reimbursement of out-of-pocket expenses made  
17 to foster grandparents, senior health aides or senior companions and to persons serving in SCORE  
18 and ACE and any other program under Title II and Title III of the Domestic Volunteer Service  
19 Act of 1973, 42 U.S.C. § 5000 et seq.;
- 20 (ix) Payments to volunteers under AmeriCorps VISTA as defined in the department's  
21 rules and regulations;
- 22 (x) Certain payments to native Americans; payments distributed per capita to, or held in  
23 trust for, members of any Indian Tribe under P.L. 92-254, 25 U.S.C. § 1261 et seq., P.L. 93-134,  
24 25 U.S.C. § 1401 et seq., or P.L. 94-540; receipts distributed to members of certain Indian tribes  
25 which are referred to in § 5 of P.L. 94-114, 25 U.S.C. § 459d, that became effective October 17,  
26 1975;
- 27 (xi) Refund from the federal and state earned income tax credit;
- 28 (xii) The value of any state, local, or federal government rent or housing subsidy,  
29 provided that this exclusion shall not limit the reduction in benefits provided for in the payment  
30 standard section of this chapter.
- 31 (xiii) The earned income of any adult family member who gains employment, in  
32 compliance with their employment plan, while an active RI Works household member. Such  
33 earned income is excluded for the first six (6) months of earned income from employment, until



1 the household reaches its forty-eight (48) month time limit, or until household's total gross  
2 income exceeds 185% of the Federal Poverty Level (FPL) whichever is first.

3 (4) The receipt of a lump sum of income shall affect participants for cash assistance in  
4 accordance with rules and regulations promulgated by the department.

5 (h) *Time limit on the receipt of cash assistance.*

6 (1) On or after January 1, 2020, no cash assistance shall be provided, pursuant to this  
7 chapter, to a family or assistance unit that includes an adult member who has received cash  
8 assistance for a total of forty-eight (48) months (whether or not consecutive), to include any time  
9 receiving any type of cash assistance in any other state or territory of the United States of  
10 America as defined herein. Provided further, in no circumstances other than provided for in  
11 subsection (h)(3) with respect to certain minor children, shall cash assistance be provided  
12 pursuant to this chapter to a family or assistance unit which includes an adult member who has  
13 received cash assistance for a total of a lifetime limit of forty-eight (48) months.

14 (2) Cash benefits received by a minor dependent child shall not be counted toward their  
15 lifetime time limit for receiving benefits under this chapter should that minor child apply for cash  
16 benefits as an adult.

17 (3) Certain minor children not subject to time limit. This section regarding the lifetime  
18 time limit for the receipt of cash assistance, shall not apply only in the instances of a minor  
19 child(ren) living with a parent who receives SSI benefits and a minor child(ren) living with a  
20 responsible adult non-parent caretaker relative who is not in the case assistance payment.

21 (4) Receipt of family cash assistance in any other state or territory of the United States of  
22 America shall be determined by the department of human services and shall include family cash  
23 assistance funded in whole or in part by Temporary Assistance for Needy Families (TANF) funds  
24 [Title IV-A of the Federal Social Security Act 42 U.S.C. § 601 et seq.] and/or family cash  
25 assistance provided under a program similar to the Rhode Island families work and opportunity  
26 program or the federal TANF program.

27 (5)(i) The department of human services shall mail a notice to each assistance unit when  
28 the assistance unit has six (6) months of cash assistance remaining and each month thereafter  
29 until the time limit has expired. The notice must be developed by the department of human  
30 services and must contain information about the lifetime time limit, the number of months the  
31 participant has remaining, the hardship extension policy, the availability of a post-employment-  
32 and-closure bonus, and any other information pertinent to a family or an assistance unit nearing  
33 the forty-eight-month (48) lifetime time limit.

1 (ii) For applicants who have less than six (6) months remaining in the forty-eight-month  
2 (48) lifetime time limit because the family or assistance unit previously received cash assistance  
3 in Rhode Island or in another state, the department shall notify the applicant of the number of  
4 months remaining when the application is approved and begin the process required in subsection  
5 (h)(5)(i).

6 (6) If a cash assistance recipient family closed pursuant to Rhode Island's Temporary  
7 Assistance for Needy Families Program (federal TANF described in Title IV A of the Federal  
8 Social Security Act, 42 U.S.C. § 601 et seq.), formerly entitled the Rhode Island family  
9 independence program, more specifically under § 40-5.1-9(2)(c) [repealed], due to sanction  
10 because of failure to comply with the cash assistance program requirements; and that recipient  
11 family received forty-eight (48) months of cash benefits in accordance with the family  
12 independence program, then that recipient family is not able to receive further cash assistance for  
13 his/her family, under this chapter, except under hardship exceptions.

14 (7) The months of state or federally funded cash assistance received by a recipient family  
15 since May 1, 1997, under Rhode Island's Temporary Assistance for Needy Families Program  
16 (federal TANF described in Title IV A of the Federal Social Security Act, 42 U.S.C. § 601 et  
17 seq.), formerly entitled the Rhode Island family independence program, shall be countable toward  
18 the time limited cash assistance described in this chapter.

19 (i) *Time limit on the receipt of cash assistance.*

20 (1) No cash assistance shall be provided, pursuant to this chapter, to a family assistance  
21 unit in which an adult member has received cash assistance for a total of sixty (60) months  
22 (whether or not consecutive) to include any time receiving any type of cash assistance in any  
23 other state or territory of the United States as defined herein effective August 1, 2008. Provided  
24 further, that no cash assistance shall be provided to a family in which an adult member has  
25 received assistance for twenty-four (24) consecutive months unless the adult member has a  
26 rehabilitation employment plan as provided in § 40-5.2-12(g)(5).

27 (2) Effective August 1, 2008, no cash assistance shall be provided pursuant to this chapter  
28 to a family in which a child has received cash assistance for a total of sixty (60) months (whether  
29 or not consecutive) if the parent is ineligible for assistance under this chapter pursuant to  
30 subdivision 40-5.2(a) (2) to include any time received any type of cash assistance in any other  
31 state or territory of the United States as defined herein.

32 (j) *Hardship exceptions.*

33 (1) The department may extend an assistance unit's or family's cash assistance beyond the  
34 time limit, by reason of hardship; provided, however, that the number of families to be exempted

1 by the department with respect to their time limit under this subsection shall not exceed twenty  
2 percent (20%) of the average monthly number of families to which assistance is provided for  
3 under this chapter in a fiscal year; provided, however, that to the extent now or hereafter  
4 permitted by federal law, any waiver granted under § 40-5.2-35, for domestic violence, shall not  
5 be counted in determining the twenty percent (20%) maximum under this section.

6 (2) Parents who receive extensions to the time limit due to hardship must have and  
7 comply with employment plans designed to remove or ameliorate the conditions that warranted  
8 the extension.

9 (k) *Parents under eighteen (18) years of age.*

10 (1) A family consisting of a parent who is under the age of eighteen (18), and who has  
11 never been married, and who has a child; or a family consisting of a woman under the age of  
12 eighteen (18) who is at least six (6) months pregnant, shall be eligible for cash assistance only if  
13 the family resides in the home of an adult parent, legal guardian, or other adult relative. The  
14 assistance shall be provided to the adult parent, legal guardian, or other adult relative on behalf of  
15 the individual and child unless otherwise authorized by the department.

16 (2) This subsection shall not apply if the minor parent or pregnant minor has no parent,  
17 legal guardian, or other adult relative who is living and/or whose whereabouts are unknown; or  
18 the department determines that the physical or emotional health or safety of the minor parent, or  
19 his or her child, or the pregnant minor, would be jeopardized if he or she was required to live in  
20 the same residence as his or her parent, legal guardian, or other adult relative (refusal of a parent,  
21 legal guardian or other adult relative to allow the minor parent or his or her child, or a pregnant  
22 minor, to live in his or her home shall constitute a presumption that the health or safety would be  
23 so jeopardized); or the minor parent or pregnant minor has lived apart from his or her own parent  
24 or legal guardian for a period of at least one year before either the birth of any child to a minor  
25 parent or the onset of the pregnant minor's pregnancy; or there is good cause, under departmental  
26 regulations, for waiving the subsection; and the individual resides in a supervised supportive  
27 living arrangement to the extent available.

28 (3) For purposes of this section, "supervised supportive living arrangement" means an  
29 arrangement that requires minor parents to enroll and make satisfactory progress in a program  
30 leading to a high school diploma or a general education development certificate, and requires  
31 minor parents to participate in the adolescent parenting program designated by the department, to  
32 the extent the program is available; and provides rules and regulations that ensure regular adult  
33 supervision.

1           (1) *Assignment and cooperation.* As a condition of eligibility for cash and medical  
2 assistance under this chapter, each adult member, parent, or caretaker relative of the  
3 family/assistance unit must:

4           (1) Assign to the state any rights to support for children within the family from any  
5 person that the family member has at the time the assignment is executed or may have while  
6 receiving assistance under this chapter;

7           (2) Consent to and cooperate with the state in establishing the paternity and in  
8 establishing and/or enforcing child support and medical support orders for all children in the  
9 family or assistance unit in accordance with title 15 of the general laws, as amended, unless the  
10 parent or caretaker relative is found to have good cause for refusing to comply with the  
11 requirements of this subsection.

12           (3) Absent good cause, as defined by the department of human services through the rule-  
13 making process, for refusing to comply with the requirements of (1)(1) and (1)(2), cash assistance  
14 to the family shall be reduced by twenty-five percent (25%) until the adult member of the family  
15 who has refused to comply with the requirements of this subsection consents to and cooperates  
16 with the state in accordance with the requirements of this subsection.

17           (4) As a condition of eligibility for cash and medical assistance under this chapter, each  
18 adult member, parent, or caretaker relative of the family/assistance unit must consent to and  
19 cooperate with the state in identifying and providing information to assist the state in pursuing  
20 any third-party who may be liable to pay for care and services under Title XIX of the Social  
21 Security Act, 42 U.S.C. § 1396 et seq.

22           SECTION 9. Effective July 1, 2020, section 40-5.2-20 of the General Laws in Chapter  
23 40-5.2 entitled “The Rhode Island Works Program” are hereby amended to read as follows:

24           **40-5.2-20. Child-care assistance.**

25           Families or assistance units eligible for child-care assistance.

26           (a) The department shall provide appropriate child care to every participant who is  
27 eligible for cash assistance and who requires child care in order to meet the work requirements in  
28 accordance with this chapter.

29           (b) *Low-income child care.* The department shall provide child care to all other working  
30 families with incomes at or below one hundred eighty percent (180%) of the federal poverty level  
31 if, and to the extent, these other families require child care in order to work at paid employment  
32 as defined in the department's rules and regulations. Beginning October 1, 2013, the department  
33 shall also provide child care to families with incomes below one hundred eighty percent (180%)  
34 of the federal poverty level if, and to the extent, these families require child care to participate on

1 a short-term basis, as defined in the department's rules and regulations, in training,  
2 apprenticeship, internship, on-the-job training, work experience, work immersion, or other job-  
3 readiness/job-attachment program sponsored or funded by the human resource investment council  
4 (governor's workforce board) or state agencies that are part of the coordinated program system  
5 pursuant to § 42-102-11. Beginning January 1, 2021, the department shall also provide child care  
6 to families with incomes below one hundred eighty percent (180%) of the federal poverty level if,  
7 and to the extent, these families require child care to enroll or maintain enrollment in a Rhode  
8 Island public institution of higher education.

9 (c) No family/assistance unit shall be eligible for child-care assistance under this chapter  
10 if the combined value of its liquid resources exceeds one million dollars (\$1,000,000), which  
11 corresponds to the amount permitted by the federal government under the state plan and set forth  
12 in the administrative rule-making process by the department. Liquid resources are defined as any  
13 interest(s) in property in the form of cash or other financial instruments or accounts that are  
14 readily convertible to cash or cash equivalents. These include, but are not limited to: cash, bank,  
15 credit union, or other financial institution savings, checking, and money market accounts;  
16 certificates of deposit or other time deposits; stocks; bonds; mutual funds; and other similar  
17 financial instruments or accounts. These do not include educational savings accounts, plans, or  
18 programs; retirement accounts, plans, or programs; or accounts held jointly with another adult,  
19 not including a spouse. The department is authorized to promulgate rules and regulations to  
20 determine the ownership and source of the funds in the joint account.

21 (d) As a condition of eligibility for child-care assistance under this chapter, the parent or  
22 caretaker relative of the family must consent to, and must cooperate with, the department in  
23 establishing paternity, and in establishing and/or enforcing child support and medical support  
24 orders for any children in the family receiving appropriate child care under this section in  
25 accordance with the applicable sections of title 15 of the state's general laws, as amended, unless  
26 the parent or caretaker relative is found to have good cause for refusing to comply with the  
27 requirements of this subsection.

28 (e) For purposes of this section, "appropriate child care" means child care, including  
29 infant, toddler, pre-school, nursery school, school-age, that is provided by a person or  
30 organization qualified, approved, and authorized to provide the care by the state agency or  
31 agencies designated to make the determinations in accordance with the provisions set forth  
32 herein.

33 (f)(1) Families with incomes below one hundred percent (100%) of the applicable federal  
34 poverty level guidelines shall be provided with free child care. Families with incomes greater

1 than one hundred percent (100%) and less than one hundred eighty percent (180%) of the  
2 applicable federal poverty guideline shall be required to pay for some portion of the child care  
3 they receive, according to a sliding-fee scale adopted by the department in the department's rules.

4 (2) Families who are receiving child-care assistance and who become ineligible for child-  
5 care assistance as a result of their incomes exceeding one hundred eighty percent (180%) of the  
6 applicable federal poverty guidelines shall continue to be eligible for child-care assistance until  
7 their incomes exceed two hundred twenty-five percent (225%) of the applicable federal poverty  
8 guidelines. To be eligible, the families must continue to pay for some portion of the child care  
9 they receive, as indicated in a sliding-fee scale adopted in the department's rules and in  
10 accordance with all other eligibility standards.

11 (g) In determining the type of child care to be provided to a family, the department shall  
12 take into account the cost of available child-care options; the suitability of the type of care  
13 available for the child; and the parent's preference as to the type of child care.

14 (h) For purposes of this section, "income" for families receiving cash assistance under §  
15 40-5.2-11 means gross, earned income and unearned income, subject to the income exclusions in  
16 §§ 40-5.2-10(g)(2) and 40-5.2-10(g)(3), and income for other families shall mean gross, earned  
17 and unearned income as determined by departmental regulations.

18 (i) The caseload estimating conference established by chapter 17 of title 35 shall forecast  
19 the expenditures for child care in accordance with the provisions of § 35-17-1.

20 (j) In determining eligibility for child-care assistance for children of members of reserve  
21 components called to active duty during a time of conflict, the department shall freeze the family  
22 composition and the family income of the reserve component member as it was in the month prior  
23 to the month of leaving for active duty. This shall continue until the individual is officially  
24 discharged from active duty.

25 SECTION 10. Effective July 1, 2020, section 40-6.2-1.1 of the General Laws in Chapter  
26 40-6.2 entitled "Child Care – State Subsidies" is hereby amended to read as follows:

27 **40-6.2-1.1. Rates established.**

28 (a) Through June 30, ~~2015-2021~~, ~~subject to the payment limitations in subsection (e), the~~  
29 minimum base reimbursement rates to be paid by the departments of human services and  
30 children, youth and families for licensed childcare centers for care of infant/toddler and preschool  
31 age children shall be determined using the following schedule, with infant/toddler reimbursement  
32 rates to be set at the 25<sup>th</sup> percentile of the 2018 weekly market rates and preschool  
33 reimbursement rates to be set halfway to the 25<sup>th</sup> percentile of the 2018 weekly market rates.  
34 The maximum infant/toddler and preschool reimbursement rates to be paid by the departments of

1 human services and children, youth and families for licensed family childcare providers shall be  
 2 implemented in a tiered manner, reflective of the quality rating the provider has achieved within  
 3 the state's quality rating system outlined in § 42-12-23.1 and to be based on the 75<sup>th</sup> percentile of  
 4 the 2018 weekly market rates. ~~The maximum base reimbursement rates to be paid by the~~  
 5 ~~departments of human services and children, youth and families for licensed childcare centers for~~  
 6 ~~care of infant and preschool aged children and licensed family childcare providers shall be based~~  
 7 ~~on the following schedule of the 75th percentile of the 2002-2018 weekly market rates adjusted~~  
 8 ~~for the average of the 75th percentile of the 2002 and the 2004 weekly market rates:~~

9 ~~LICENSED CHILDCARE CENTERS 75th PERCENTILE OF WEEKLY MARKET RATE~~

10 ~~INFANT \$182.00~~

11 ~~PRESCHOOL \$150.00~~

12 ~~SCHOOL AGE \$135.00~~

13 ~~LICENSED FAMILY CHILDCARE~~

14 ~~CHILDCARE PROVIDERS 75th PERCENTILE OF WEEKLY MARKET RATE~~

15 ~~INFANT \$150.00~~

16 ~~PRESCHOOL \$150.00~~

17 ~~SCHOOL AGE \$135.00~~

18 LICENSED TIER ONE TIER TWO TIER TIER FOUR TIER FIVE

19 CHILDCARE (25th THREE (75th

20 CENTERS percentile of percentile of

21 weekly weekly

22 market rate) market rate)

23 INFANT/TODDLER \$222.38 \$226.83 \$240.17 \$249.07 \$257.54

24 PRESCHOOL \$176.67 \$180.53 \$193.94 \$201.99 \$212.84

25 ~~Effective July 1, 2015, subject to the payment limitations in subsection (c), the maximum~~  
 26 ~~reimbursement rates to be paid by the departments of human services and children, youth and~~  
 27 ~~families for licensed childcare centers and licensed family childcare providers shall be based on~~  
 28 ~~the above schedule of the 75th percentile of the 2002 weekly market rates adjusted for the~~  
 29 ~~average of the 75th percentile of the 2002 and the 2004 weekly market rates. These rates shall be~~  
 30 ~~increased by ten dollars (\$10.00) per week for infant/toddler care provided by licensed family-~~  
 31 ~~childcare providers and license exempt providers and then the rates for all providers for all age~~  
 32 ~~groups shall be increased by three percent (3%). For the fiscal year ending June 30, 2018,~~  
 33 ~~licensed childcare centers shall be reimbursed a maximum weekly rate of one hundred ninety-~~

1 ~~three dollars and sixty four cents (\$193.64) for infant/toddler care and one hundred sixty one~~  
2 ~~dollars and seventy one cents (\$161.71) for preschool age children.~~

3 ~~(b) Effective July 1, 2018, subject to the payment limitations in subsection (c), the maximum~~  
4 ~~infant/toddler and preschool age reimbursement rates to be paid by the departments of human~~  
5 ~~services and children, youth and families for licensed childcare centers shall be implemented in a~~  
6 ~~tiered manner, reflective of the quality rating the provider has achieved within the state's quality~~  
7 ~~rating system outlined in § 42-12-23.1.~~

8 ~~(1) For infant/toddler childcare, tier one shall be reimbursed two and one half percent (2.5%)~~  
9 ~~above the FY 2018 weekly amount, tier two shall be reimbursed five percent (5%) above the FY~~  
10 ~~2018 weekly amount, tier three shall be reimbursed thirteen percent (13%) above the FY 2018~~  
11 ~~weekly amount, tier four shall be reimbursed twenty percent (20%) above the FY 2018 weekly~~  
12 ~~amount, and tier five shall be reimbursed thirty three percent (33%) above the FY 2018 weekly~~  
13 ~~amount.~~

14 ~~(2) For preschool reimbursement rates, tier one shall be reimbursed two and one half (2.5%)~~  
15 ~~percent above the FY 2018 weekly amount, tier two shall be reimbursed five percent (5%) above~~  
16 ~~the FY 2018 weekly amount, tier three shall be reimbursed ten percent (10%) above the FY 2018~~  
17 ~~weekly amount, tier four shall be reimbursed thirteen percent (13%) above the FY 2018 weekly~~  
18 ~~amount, and tier five shall be reimbursed twenty one percent (21%) above the FY 2018 weekly~~  
19 ~~amount.~~

20 (b) The weekly reimbursement rate for licensed childcare centers for care of school age  
21 children shall be \$146.26.

22 The minimum base reimbursement rates to be paid by the departments of human services  
23 and children, youth, and families for licensed family childcare providers shall be determined  
24 through collective bargaining with the maximum infant/toddler and preschool reimbursement  
25 rates to be paid by the departments of human services and children, youth and families for  
26 licensed family childcare providers and shall be implemented in a tiered manner, reflective of the  
27 quality rating the provider has achieved within the state's quality rating system outlined in 42-12-  
28 23.1.

29 (c) [Deleted by P.L. 2019, ch. 88, art. 13, § 4].

30 ~~(d) By June 30, 2004, and biennially through June 30, 2014, the department of labor and~~  
31 ~~training~~ The department of human services shall conduct an independent survey or certify an  
32 independent survey of the then current weekly market rates for childcare in Rhode Island ~~and~~  
33 ~~shall forward such weekly market rate survey to the department of human services. The next~~  
34 ~~survey shall be conducted by June 30, 2016, and triennially thereafter. The departments of human~~



1 ~~services and labor and training~~ The department of human services will ~~jointly~~ determine the  
2 survey criteria including, but not limited to, rate categories and sub-categories. Surveys shall be  
3 conducted by June 30, 2021 and triennially thereafter.

4 (e) In order to expand the accessibility and availability of quality childcare, the  
5 department of human services is authorized to establish by regulation alternative or incentive  
6 rates of reimbursement for quality enhancements, innovative or specialized childcare and  
7 alternative methodologies of childcare delivery, including non-traditional delivery systems and  
8 collaborations.

9 (f) Effective January 1, 2007, all childcare providers have the option to be paid every two  
10 (2) weeks and have the option of automatic direct deposit and/or electronic funds transfer of  
11 reimbursement payments.

12 ~~(g) Effective July 1, 2019, the maximum infant/toddler reimbursement rates to be paid by~~  
13 ~~the departments of human services and children, youth and families for licensed family childcare~~  
14 ~~providers shall be implemented in a tiered manner, reflective of the quality rating the provider has~~  
15 ~~achieved within the state's quality rating system outlined in § 42-12-23.1. Tier one shall be~~  
16 ~~reimbursed two percent (2%) above the prevailing base rate for step 1 and step 2 providers, three~~  
17 ~~percent (3%) above prevailing base rate for step 3 providers, and four percent (4%) above the~~  
18 ~~prevailing base rate for step 4 providers; tier two shall be reimbursed five percent (5%) above the~~  
19 ~~prevailing base rate; tier three shall be reimbursed eleven percent (11%) above the prevailing base~~  
20 ~~rate; tier four shall be reimbursed fourteen percent (14%) above the prevailing base rate; and tier~~  
21 ~~five shall be reimbursed twenty-three percent (23%) above the prevailing base rate.~~

22 SECTION 11. Section 42-56-38 of the General Laws in Chapter 42-56 entitled  
23 “Corrections Department” is hereby amended to read as follows:

24 **42-56-38. Assessment of costs.**

25 (a) Each sentenced offender committed to the care, custody or control of the department  
26 of corrections shall reimburse the state for the cost or the reasonable portion of the cost incurred  
27 by the state relating to that commitment; provided, however, that a person committed, awaiting  
28 trial and not convicted, shall not be liable for the reimbursement. Items of cost shall include  
29 physical services and commodities such as food, medical, clothing and specialized housing, as  
30 well as social services such as specialized supervision and counseling. Costs shall be assessed by  
31 the director of corrections, or his or her designee, based upon each person's ability to pay,  
32 following a public hearing of proposed fee schedules. Each offender's family income and number  
33 of dependents shall be among the factors taken into consideration when determining ability to  
34 pay. Moneys received under this section shall be deposited as general revenues. The director shall

1 promulgate rules and regulations necessary to carry out the provisions of this section. The rules  
2 and regulations shall provide that the financial situation of persons, financially dependent on the  
3 person, be considered prior to the determination of the amount of reimbursement. This section  
4 shall not be effective until the date the rules and regulations are filed with the office of the  
5 secretary of state.

6 (b) Notwithstanding the provision of subsection (a), or any rule or regulation  
7 promulgated by the director, any sentenced offender who is ordered or directed to the work  
8 release program, shall pay no less than thirty percent (30%) of his or her ~~gross~~ net salary for room  
9 and board.

10 SECTION 12. Sections 1-7 and Sections 9-11 of this article shall take effect July 1, 2020.

11 Section 8 of this article shall take effect January 1, 2021.

12

1 **ARTICLE 16**

2 **RELATING TO VETERANS AFFAIRS**

3 SECTION 1. Section 30-24-10 of Chapter 30-24 of the General Laws entitled "Rhode  
4 Island Veterans Home" is hereby amended to read as follows:

5 **30-24-10. Admissible to home – Fees.**

6 (a) Any person who has served in the army, navy, marine corps, coast guard, or air force  
7 of the United States for a period of ninety (90) days or more and that period began or ended  
8 during any foreign war in which the United States shall have been engaged or in any expedition  
9 or campaign for which the United States government issues a campaign medal, and who was  
10 honorably discharged from it, and who shall be deemed to be in need of care provided at the  
11 Rhode Island veterans' home, may be admitted to that facility subject to such rules and  
12 regulations as shall be adopted by the director of human services to govern the admission of  
13 applicants to the facility. Any person who has served in the armed forces of the United States  
14 designated herein and otherwise qualified, who has served less than the ninety-day (90) period  
15 described in this section, and who was honorably discharged from service, and who, as a result of  
16 the service, acquired a service-connected disability or disease, may be admitted. No person shall  
17 be admitted to the facility unless the person has been accredited to the enlistment or induction  
18 quota of the state or has resided in the state for at least two (2) consecutive years next prior to the  
19 date of the application for admission to the facility.

20 (b)(1) The director shall, at the end of each fiscal year, determine the net, per-diem  
21 expenses of maintenance of residents in the facility and shall assess against each resident who has  
22 "net income", as defined in this section, a fee equal to ~~eighty~~ one-hundred percent (~~80-100~~%) of  
23 the resident's net income, provided that fee shall not exceed the actual cost of care and  
24 maintenance for the resident; and provided that an amount equal to ~~twenty~~ one-hundred percent  
25 (~~20-100~~%) of the maintenance fee assessed shall be allocated to, and deposited in, the veterans'  
26 restricted account. For the purposes of this section, "net income" is defined as gross income  
27 minus applicable federal and state taxes and minus:

28 (i) An amount equal to ~~one hundred fifty dollars (\$150)~~ three hundred dollars (\$300) per  
29 month of residency and fifty percent (50%) of any sum received due to wounds incurred under  
30 battle conditions for which the resident received the purple heart; and

31 (ii) The amount paid by a resident for the support and maintenance of his or her spouse,  
32 parent(s), minor child(ren), or child(ren) who is/are blind or permanently and totally disabled as  
33 defined in title XVI of the Federal Social Security Act, 42 U.S.C. §§ 1381 – 1383d, subject to a  
34 maximum amount to be determined by rules and regulations as shall be adopted by the director.

1 (2) The fees shall be paid monthly to the home and any failure to make payment when  
2 due shall be cause for dismissal from the facility. Prior to dismissal, the resident shall be afforded  
3 administrative due process.

4 (c) Admissions to the veterans' home shall be made without discrimination as to race,  
5 color, national origin, religion, sex, disability, marital status, age, sexual orientation, gender  
6 identity or expression, assets, or income.

7 (d) Laundry services shall be provided to the residents of the Rhode Island veterans'  
8 home at no charge to the residents, with such funds to cover the cost of providing laundry  
9 services for residents of the Rhode Island veterans' home derived from monies appropriated to the  
10 ~~department of human~~ office of veterans services.

11 SECTION 2. Section 30-25-14 of the General Laws entitled "Burial of Veterans" is hereby  
12 amended to read as follows:

13 **30-25-14. Rhode Island veterans' memorial cemetery.**

14 (a) The Rhode Island veterans' memorial cemetery, located ~~on the grounds of the Joseph~~  
15 ~~H. Ladd school~~ in the town of Exeter, shall be under the management and control of the director  
16 of the ~~department of human~~ office of veterans services. The director of the ~~department of human~~  
17 office of veterans services shall appoint an administrator for the Rhode Island veterans' memorial  
18 cemetery who shall be an honorably discharged veteran of the United States Armed Forces and  
19 shall have the general supervision over, and shall prescribe rules for, the government and  
20 management of the cemetery. He or she shall make all needful rules and regulations governing  
21 the operation of the cemetery and generally may do all things necessary to ensure the successful  
22 operation thereof. The director shall promulgate rules and regulations, not inconsistent with the  
23 provisions of 38 U.S.C. § 2402, to govern the eligibility for burial in the Rhode Island veterans'  
24 memorial cemetery. In addition to all persons eligible for burial pursuant to rules and regulations  
25 established by the director, any person who served in the army, navy, air force, or marine corps of  
26 the United States for a period of not less than two (2) years and whose service was terminated  
27 honorably, shall be eligible for burial in the Rhode Island veterans' memorial cemetery. The  
28 director shall appoint and employ all subordinate officials and persons needed for the proper  
29 management of the cemetery. National guard members who are killed in the line of duty or who  
30 are honorably discharged after completion of at least twenty (20) years' of service in the Rhode  
31 Island national guard and their spouse shall be eligible for interment in the Rhode Island veterans'  
32 memorial cemetery. For the purpose of computing service under this section, honorable service in  
33 the active forces or reserves shall be considered toward the twenty (20) years of national guard  
34 service. The general assembly shall make an annual appropriation to the ~~department of human~~

1 [office of veterans](#) services to provide for the operation and maintenance for the cemetery. The  
2 director shall charge and collect ~~a grave liner~~ fees per interment of the eligible spouse and/or  
3 eligible dependents of the qualified veteran ~~equal to the department's cost for the grave liner.~~  
4 [equal to the U.S. Department of Veterans Affairs burial plot allowance as set forth annually on](#)  
5 [October 1, for the burial of an eligible veteran in a state veterans cemetery.](#)

6 (b) No domestic animal shall be allowed on the grounds of the Rhode Island veterans'  
7 memorial cemetery, whether at large or under restraint, except for seeing eye guide dogs, hearing  
8 ear signal dogs or any other service animal, as required by federal law or any personal assistance  
9 animal, as required by chapter 9.1 of title 40. Any person who violates the provisions of this  
10 section shall be subject to a fine of not less than five hundred dollars (\$500).

11 (c) The state of Rhode Island office of veterans' ~~affairs~~ [services](#) shall bear the cost of all  
12 tolls incurred by any motor vehicles that are part of a veteran's funeral procession, originating  
13 from Aquidneck Island ending at the veterans' memorial cemetery, for burial or internment. The  
14 executive director of the turnpike and bridge authority shall assist in the administration and  
15 coordination of this toll reimbursement program.

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

17

1 **ARTICLE 17**

2 **RELATING TO HOSPITAL UNCOMPENSATED CARE**

3 SECTION 1. Sections 40-8.3-2 and 40-8.3-3 of the General Laws in Chapter 40-8.3 entitled  
4 “Uncompensated Care” are hereby amended to read as follows:

5 **40-8.3-2. Definitions.** As used in this chapter:

6 (1) "Base year" means, for the purpose of calculating a disproportionate share payment for  
7 any fiscal year ending after September 30, ~~2018~~ 2019, the period from October 1, ~~2016~~ 2017,  
8 through September 30, ~~2017~~ 2018, and for any fiscal year ending after September 30, ~~2019~~ 2020,  
9 the period from October 1, ~~2016~~ 2017, through September 30, ~~2017~~ 2018.

10 (2) "Medicaid inpatient utilization rate for a hospital" means a fraction (expressed as a  
11 percentage), the numerator of which is the hospital's number of inpatient days during the base  
12 year attributable to patients who were eligible for medical assistance during the base year and the  
13 denominator of which is the total number of the hospital's inpatient days in the base year.

14 (3) "Participating hospital" means any nongovernment and nonpsychiatric hospital that:

15 (i) Was licensed as a hospital in accordance with chapter 17 of title 23 during the base year  
16 and shall mean the actual facilities and buildings in existence in Rhode Island, licensed pursuant  
17 to § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on that license,  
18 regardless of changes in licensure status pursuant to chapter 17.14 of title 23 (hospital  
19 conversions) and § 23-17-6(b) (change in effective control), that provides short-term, acute  
20 inpatient and/or outpatient care to persons who require definitive diagnosis and treatment for  
21 injury, illness, disabilities, or pregnancy. Notwithstanding the preceding language, the negotiated  
22 Medicaid managed-care payment rates for a court-approved purchaser that acquires a hospital  
23 through receivership, special mastership, or other similar state insolvency proceedings (which  
24 court-approved purchaser is issued a hospital license after January 1, 2013), shall be based upon  
25 the newly negotiated rates between the court-approved purchaser and the health plan, and such  
26 rates shall be effective as of the date that the court-approved purchaser and the health plan  
27 execute the initial agreement containing the newly negotiated rate. The rate-setting methodology  
28 for inpatient hospital payments and outpatient hospital payments set forth in §§ 40-8-  
29 13.4(b)(1)(ii)(C) and 40-8-13.4(b)(2), respectively, shall thereafter apply to negotiated increases  
30 for each annual twelve-month (12) period as of July 1 following the completion of the first full  
31 year of the court-approved purchaser's initial Medicaid managed-care contract;

32 (ii) Achieved a medical assistance inpatient utilization rate of at least one percent (1%) during  
33 the base year; and

1 (iii) Continues to be licensed as a hospital in accordance with chapter 17 of title 23 during the  
2 payment year.

3 (4) "Uncompensated-care costs" means, as to any hospital, the sum of: (i) The cost incurred  
4 by such hospital during the base year for inpatient or outpatient services attributable to charity  
5 care (free care and bad debts) for which the patient has no health insurance or other third-party  
6 coverage less payments, if any, received directly from such patients; and (ii) The cost incurred by  
7 such hospital during the base year for inpatient or out-patient services attributable to Medicaid  
8 beneficiaries less any Medicaid reimbursement received therefor; multiplied by the  
9 uncompensated care index.

10 (5) "Uncompensated-care index" means the annual percentage increase for hospitals  
11 established pursuant to § 27-19-14 for each year after the base year, up to and including the  
12 payment year; provided, however, that the uncompensated-care index for the payment year  
13 ending September 30, 2007, shall be deemed to be five and thirty-eight hundredths percent  
14 (5.38%), and that the uncompensated-care index for the payment year ending September 30,  
15 2008, shall be deemed to be five and forty-seven hundredths percent (5.47%), and that the  
16 uncompensated-care index for the payment year ending September 30, 2009, shall be deemed to  
17 be five and thirty-eight hundredths percent (5.38%), and that the uncompensated-care index for  
18 the payment years ending September 30, 2010, September 30, 2011, September 30, 2012,  
19 September 30, 2013, September 30, 2014, September 30, 2015, September 30, 2016, September  
20 30, 2017, September 30, 2018, September 30, 2019, ~~and~~ September 30, 2020, and September 30,  
21 2021 shall be deemed to be five and thirty hundredths percent (5.30%).

22 **40-8.3-3. Implementation.** ~~(a) For federal fiscal year 2018, commencing on October 1, 2017,~~  
23 ~~and ending September 30, 2018, the executive office of health and human services shall submit to~~  
24 ~~the Secretary of the U.S. Department of Health and Human Services a state plan amendment to~~  
25 ~~the Rhode Island Medicaid DSH Plan to provide:~~

26 ~~(1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of \$138.6~~  
27 ~~million, shall be allocated by the executive office of health and human services to the Pool D~~  
28 ~~component of the DSH Plan; and~~

29 ~~(2) That the Pool D allotment shall be distributed among the participating hospitals in direct~~  
30 ~~proportion to the individual participating hospital's uncompensated care costs for the base year,~~  
31 ~~inflated by the uncompensated care index to the total uncompensated care costs for the base year~~  
32 ~~inflated by uncompensated care index for all participating hospitals. The disproportionate share~~  
33 ~~payments shall be made on or before July 10, 2018, and are expressly conditioned upon approval~~  
34 ~~on or before July 5, 2018, 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 2018 for~~  
3 ~~the disproportionate share payments.~~

4 ~~(b)~~ (a) For federal fiscal year 2019, commencing on October 1, 2018, and ending September  
5 30, 2019, the executive office of health and human services shall submit to the Secretary of the  
6 U.S. Department of Health and Human Services a state plan amendment to the Rhode Island  
7 Medicaid DSH Plan to provide:

8 (1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of  
9 \$142.4 million, shall be allocated by the executive office of health and human services to the Pool  
10 D component of the DSH Plan; and

11 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct  
12 proportion to the individual participating hospital's uncompensated care costs for the base year,  
13 inflated by the uncompensated care index to the total uncompensated care costs for the base year  
14 inflated by uncompensated care index for all participating hospitals. The disproportionate share  
15 payments shall be made on or before July 10, 2019, and are expressly conditioned upon approval  
16 on or before July 5, 2019, 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 2019 for  
19 the disproportionate share payments.

20 ~~(b)~~ (b) For federal fiscal year 2020, commencing on October 1, 2019, and ending September  
21 30, 2020, the executive office of health and human services shall submit to the Secretary of the  
22 U.S. Department of Health and Human Services a state plan amendment to the Rhode Island  
23 Medicaid DSH Plan to provide:

24 (1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of  
25 ~~\$142.4~~ \$142.3 million, shall be allocated by the executive office of health and human services to  
26 the Pool D component of the DSH Plan; and

27 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct  
28 proportion to the individual participating hospital's uncompensated care costs for the base year,  
29 inflated by the uncompensated care index to the total uncompensated care costs for the base year  
30 inflated by uncompensated care index for all participating hospitals. The disproportionate share  
31 payments shall be made on or before July 13, 2020, and are expressly conditioned upon approval  
32 on or before July 6, 2020, by the Secretary of the U.S. Department of Health and Human  
33 Services, or his or her authorized representative, of all Medicaid state plan amendments necessary



1 to secure for the state the benefit of federal financial participation in federal fiscal year 2020 for  
2 the disproportionate share payments.

3 (c) For federal fiscal year 2021, commencing on October 1, 2020, and ending September 30,  
4 2021, the executive office of health and human services shall submit to the Secretary of the U.S.  
5 Department of Health and Human Services a state plan amendment to the Rhode Island Medicaid  
6 DSH Plan to provide:

7 (1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of  
8 \$142.3 million, shall be allocated by the executive office of health and human services to the Pool  
9 D component of the DSH Plan; and

10 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct  
11 proportion to the individual participating hospital's uncompensated care costs for the base year,  
12 inflated by the uncompensated care index to the total uncompensated care costs for the base year  
13 inflated by uncompensated care index for all participating hospitals. The disproportionate share  
14 payments shall be made on or before July 13, 2021, and are expressly conditioned upon approval  
15 on or before July 6, 2021, by the Secretary of the U.S. Department of Health and Human  
16 Services, or his or her authorized representative, of all Medicaid state plan amendments necessary  
17 to secure for the state the benefit of federal financial participation in federal fiscal year 2021 for  
18 the disproportionate share payments.

19 (d) No provision is made pursuant to this chapter for disproportionate-share hospital  
20 payments to participating hospitals for uncompensated-care costs related to graduate medical  
21 education programs.

22 (e) The executive office of health and human services is directed, on at least a monthly basis,  
23 to collect patient-level uninsured information, including, but not limited to, demographics,  
24 services rendered, and reason for uninsured status from all hospitals licensed in Rhode Island.

25 SECTION 2. This article shall take effect as of July 1, 2020.

26

27

1 ARTICLE 18

2 RELATING TO LICENSING OF HOSPITAL FACILITIES

3 SECTION 1. Section 23-17-38.1 of the General Laws in Chapter 23-17 entitled "Licensing of  
4 Health Care Facilities" is hereby amended to read as follows:

5 23-17-38.1. Hospitals – Licensing fee. ~~(a) There is also imposed a hospital licensing fee at~~  
6 ~~the rate of six percent (6%) upon the net patient services revenue of every hospital for the~~  
7 ~~hospital's first fiscal year ending on or after January 1, 2017, except that the license fee for all~~  
8 ~~hospitals located in Washington County, Rhode Island shall be discounted by thirty seven percent~~  
9 ~~(37%). The discount for Washington County hospitals is subject to approval by the Secretary of~~  
10 ~~the U.S. Department of Health and Human Services of a state plan amendment submitted by the~~  
11 ~~executive office of health and human services for the purpose of pursuing a waiver of the~~  
12 ~~uniformity requirement for the hospital license fee. This licensing fee shall be administered and~~  
13 ~~collected by the tax administrator, division of taxation within the department of revenue, and all~~  
14 ~~the administration, collection, and other provisions of chapter 51 of title 44 shall apply. Every~~  
15 ~~hospital shall pay the licensing fee to the tax administrator on or before July 10, 2019, and~~  
16 ~~payments shall be made by electronic transfer of monies to the general treasurer and deposited to~~  
17 ~~the general fund. Every hospital shall, on or before June 14, 2019, make a return to the tax~~  
18 ~~administrator containing the correct computation of net patient services revenue for the hospital~~  
19 ~~fiscal year ending September 30, 2017, and the licensing fee due upon that amount. All returns~~  
20 ~~shall be signed by the hospital's authorized representative, subject to the pains and penalties of~~  
21 ~~perjury.~~

22 ~~(b)~~ (a) There is also imposed a hospital licensing fee at the rate of six percent (6%) upon the  
23 net patient-services revenue of every hospital for the hospital's first fiscal year ending on or after  
24 January 1, 2018, except that the license fee for all hospitals located in Washington County, Rhode  
25 Island shall be discounted by thirty-seven percent (37%). The discount for Washington County  
26 hospitals is subject to approval by the Secretary of the U.S. Department of Health and Human  
27 Services of a state plan amendment submitted by the executive office of health and human  
28 services for the purpose of pursuing a waiver of the uniformity requirement for the hospital  
29 license fee. This licensing fee shall be administered and collected by the tax administrator,  
30 division of taxation within the department of revenue, and all the administration, collection, and  
31 other provisions of Chapter 51 of Title 44 shall apply. Every hospital shall pay the licensing fee to  
32 the tax administrator on or before July 13, 2020, and payments shall be made by electronic  
33 transfer of monies to the general treasurer and deposited to the general fund. Every hospital shall,  
34 on or before June 15, 2020, make a return to the tax administrator containing the correct

1 computation of net patient-services revenue for the hospital fiscal year ending September 30,  
2 2018, and the licensing fee due upon that amount. All returns shall be signed by the hospital's  
3 authorized representative, subject to the pains and penalties of perjury.

4 ~~(e)~~ (b) There is also imposed a hospital licensing fee for state fiscal year 2021 against each  
5 hospital in the state. The hospital licensing fee is equal to ~~five~~ six percent ~~(5.0%)~~ (6.0%) of the  
6 net patient-services revenue of every hospital for the hospital's first fiscal year ending on or after  
7 January 1, 2018, except that the license fee for all hospitals located in Washington County, Rhode  
8 Island shall be discounted by thirty-seven percent (37%). The discount for Washington County  
9 hospitals is subject to approval by the Secretary of the U.S. Department of Health and Human  
10 Services of a state plan amendment submitted by the executive office of health and human  
11 services for the purpose of pursuing a waiver of the uniformity requirement for the hospital  
12 license fee. This licensing fee shall be administered and collected by the tax administrator,  
13 division of taxation within the department of revenue, and all the administration, collection, and  
14 other provisions of Chapter 51 of Title 44 shall apply. Every hospital shall pay the licensing fee to  
15 the tax administrator on or before July 13, 2021, and payments shall be made by electronic  
16 transfer of monies to the general treasurer and deposited to the general fund. Every hospital shall,  
17 on or before June 15, 2020, make a return to the tax administrator containing the correct  
18 computation of net patient-services revenue for the hospital fiscal year ending September 30,  
19 2018, and the licensing fee due upon that amount. All returns shall be signed by the hospital's  
20 authorized representative, subject to the pains and penalties of perjury.

21  
22 ~~(d)~~ (c) For purposes of this section the following words and phrases have the following  
23 meanings:

24 (1) "Hospital" means the actual facilities and buildings in existence in Rhode Island, licensed  
25 pursuant to § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on that  
26 license, regardless of changes in licensure status pursuant to Chapter 17.14 of Title 23 (hospital  
27 conversions) and § 23-17-6(b) (change in effective control), that provides short-term acute  
28 inpatient and/or outpatient care to persons who require definitive diagnosis and treatment for  
29 injury, illness, disabilities, or pregnancy. Notwithstanding the preceding language, the negotiated  
30 Medicaid managed care payment rates for a court-approved purchaser that acquires a hospital  
31 through receivership, special mastership, or other similar state insolvency proceedings (which  
32 court-approved purchaser is issued a hospital license after January 1, 2013) shall be based upon  
33 the newly negotiated rates between the court-approved purchaser and the health plan, and such  
34 rates shall be effective as of the date that the court-approved purchaser and the health plan  
35 execute the initial agreement containing the newly negotiated rate. The rate-setting methodology

1 for inpatient hospital payments and outpatient hospital payments set forth in §§ 40-8-13.4(b) and  
2 40-8-13.4(b)(2), respectively, shall thereafter apply to negotiated increases for each annual  
3 twelve-month (12) period as of July 1 following the completion of the first full year of the court-  
4 approved purchaser's initial Medicaid managed care contract.

5 (2) "Gross patient-services revenue" means the gross revenue related to patient care services.

6 (3) "Net patient-services revenue" means the charges related to patient care services less (i)  
7 charges attributable to charity care; (ii) bad debt expenses; and (iii) contractual allowances.

8 ~~(e)~~ (d) The tax administrator shall make and promulgate any rules, regulations, and  
9 procedures not inconsistent with state law and fiscal procedures that he or she deems necessary  
10 for the proper administration of this section and to carry out the provisions, policy, and purposes  
11 of this section.

12 ~~(e)~~ (e) The licensing fee imposed by subsection ~~(b)~~ (a) shall apply to hospitals as defined  
13 herein that are duly licensed on July 1, 2019, and shall be in addition to the inspection fee  
14 imposed by § 23-17-38 and to any licensing fees previously imposed in accordance with this  
15 section.

16 ~~(e)~~ (f) The licensing fee imposed by subsection ~~(e)~~ (b) shall apply to hospitals as defined  
17 herein that are duly licensed on July 1, 2020, and shall be in addition to the inspection fee  
18 imposed by § 23-17-38 and to any licensing fees previously imposed in accordance with this  
19 section.

20 SECTION 2. This article shall take effect as of July 1, 2020.

21



1 SECTION 2. Sections 5-6-24, 5-6-24.1 and 5-6-34 of the General Laws in Chapter 5-6  
2 entitled "Electricians" are hereby amended to read as follows:

3 **5-6-24. Apprentices -- Registration.**

4 (a) This chapter does not forbid the employment of one properly limited-registered  
5 Apprentice electrician working with and under the direct personal supervision of a licensed  
6 journeyman electrician. Additionally, this chapter does not forbid the employment of: (1) One  
7 properly registered apprentice journeyman working with and under the direct personal  
8 supervision of a licensed journeyman; (2) One properly registered apprentice fire alarm installer  
9 working with and under the direct personal supervision of a licensed fire alarm installer; or (3)  
10 Two (2) properly registered ~~apprentice~~ electrical sign installers in training, working with and  
11 under the direct personal supervision of a licensed electrical sign installer; (4) One properly  
12 registered apprentice maintenance electrician working with and under the direct personal  
13 supervision of a valid Class C or Class D license holder; or (5) One properly registered ~~apprentice~~  
14 lightning-protection installer in training, working with and under the direct personal supervision  
15 of a licensed lightning-protection installer (LPI). Apprentices are required to register with the  
16 division of professional regulation immediately upon employment with a properly licensed  
17 electrical contractor or lightning-protection contractor.

18 ~~(b) Indentured apprentice electricians are required to work a minimum of eight thousand  
19 (8,000) hours over a period of time of not less than four (4) years and successfully complete one  
20 hundred forty four (144) hours of related instruction per year in an indentured apprenticeship  
21 program approved by the Rhode Island department of labor and training, to qualify for the  
22 journeyman "B" electrician examination; provided, however, apprentices may receive credit for  
23 one hundred forty four (144) hours of classroom training gained in a vocational school authorized  
24 by the board of education and approved by the Rhode Island department of labor and training  
25 apprenticeship council. Provided, that the test applicant has possessed, for at least four (4) years  
26 prior to the filing of the application, a certificate of registration in full force and effect from the  
27 department of labor and training of Rhode Island specifying the person as an indentured  
28 apprentice, and the application of an applicant is accompanied by an affidavit or affidavits of his  
29 or her employer or former employers or other reasonably satisfactory evidence showing that the  
30 applicant has been actually engaged in electrical work as an apprentice in Rhode Island during  
31 those four (4) years; or the application is accompanied by an affidavit or other reasonably  
32 satisfactory evidence showing that the applicant has successfully completed a course of study in a  
33 recognized college or university and has pursued a course of electrical technology for at least two  
34 (2) academic years or is the recipient of an associate degree in electrical technology, and has~~

1 ~~thereafter been indentured by the department of labor and training as an apprentice for at least~~  
2 ~~two (2) years and employed as an indentured apprentice by a duly licensed electrician master in~~  
3 ~~this state for a period of two (2) years; or a showing that the applicant possesses a certificate of~~  
4 ~~license issued under the laws of another state, based on training equal to that required by the state~~  
5 ~~of Rhode Island. Limited registered apprentice electricians shall be required to work a minimum~~  
6 ~~of four thousand (4,000) hours over a period of time of not less than two (2) years.~~

7 ~~(c) Indentured apprentice maintenance electricians are required to work a minimum of six~~  
8 ~~thousand (6,000) hours over a period of time of not less than three (3) years and successfully~~  
9 ~~complete one hundred forty four (144) hours of related instruction per year in an indentured~~  
10 ~~apprenticeship program approved by the Rhode Island department of labor and training, to qualify~~  
11 ~~for the journeyperson "M" electrician examination. Provided, however, that the test applicant has~~  
12 ~~possessed for at least three (3) years prior to the filing of the application a certificate of~~  
13 ~~registration in full force and effect from the department of labor and training specifying the~~  
14 ~~person as an indentured apprentice, and the application of an applicant is accompanied by an~~  
15 ~~affidavit or affidavits of his or her employer or former employers or other reasonably satisfactory~~  
16 ~~evidence showing that the applicant has been actually engaged in electrical work as an apprentice~~  
17 ~~in Rhode Island during those three (3) years. Class M journeyperson electricians may qualify to~~  
18 ~~take the journeyperson "B" electrician examination upon registering as a fourth year~~  
19 ~~apprentice and becoming employed by a properly licensed Class A electrical contractor for that~~  
20 ~~period of time.~~

21 ~~(d) Apprentice lightning protection installers are required to work a minimum of four~~  
22 ~~thousand (4,000) hours over a period of time of not less than two (2) years to qualify for the~~  
23 ~~lightning protection installer (LPI) examination. Provided, that the test applicant has possessed~~  
24 ~~for at least two (2) years prior to the filing of the application a certificate of registration in full~~  
25 ~~force and effect from the department of labor and training specifying the person as an apprentice~~  
26 ~~lightning protection installer, and the application of an applicant is accompanied by an affidavit~~  
27 ~~or affidavits of his or her employer or former employers or other reasonably satisfactory evidence~~  
28 ~~showing that the applicant has been actually engaged in lightning protection work as an~~  
29 ~~apprentice during those two (2) years.~~

30 **5-6-24.1. Apprentices certified by other states Reciprocal recognition of electrical**  
31 **apprentices registered in other states.**

32 ~~Any apprentice electrician holding an apprentice certificate, license, or equivalent document~~  
33 ~~issued by another state shall register with and obtain the approval of the division of professional~~  
34 ~~regulation in the department of labor and training prior to being permitted to work or serve as an~~

1 ~~electrician's apprentice in this state. Provided, no approval shall be granted unless the applicant~~  
2 ~~demonstrates to the board that the applicant is currently enrolled in one hundred forty four (144)~~  
3 ~~hours of electrical related classroom instruction per year for not less than four (4) years in an~~  
4 ~~indentured apprenticeship program approved by the department of labor and training. An~~  
5 electrical apprentice registered with a registration agency outside of Rhode Island, as defined in  
6 29 C.F.R. § 29.2, shall obtain reciprocal recognition from the department of labor and training  
7 pursuant to § 28-45-16, prior to being permitted to work as an electrical apprentice in Rhode  
8 Island.

9 **5-6-34. Certification of electric sign contractors and electric sign installers.**

10 (a) After July 1, 1991, and at any time prior to January 1, 1992, the division shall, without  
11 examination, upon payment of the fees provided in this chapter, issue a "certificate ACF" or  
12 "certificate CF" to any applicant for the certificate who presents satisfactory evidence that he or  
13 she has the qualifications for the type of license applied for, and who has been engaged in the  
14 occupation or business of installing, servicing, maintaining, and testing of electric signs covered  
15 by the license within this state for a period of five (5) years in the case of a "certificate ACF" and  
16 three (3) years in the case of a "certificate CF" prior to July 1, 1991. Any person who, being  
17 qualified to obtain a "certificate ACF" or "certificate CF" under this section, is prevented from  
18 making application for it because of service in the armed forces of the United States during the  
19 period between July 1, 1991, and January 1, 1992, has three (3) months after discharge to make  
20 an application. No person is liable for prosecution for making electric sign installations, services,  
21 maintenance, or tests, without a license for the first six (6) months after July 1, 1991.

22 (b) Any ~~apprentice~~ electric sign installer in training having completed a training period of not  
23 less than two (2) years is eligible to take a journeyman's examination; provided, after  
24 September 1, 1995, and at anytime prior to March 1, 1996, any apprentice employed and  
25 sponsored by a sign company is eligible to take a journeyman's examination, notwithstanding  
26 the previously mentioned training period.

27 SECTION 3. Section 5-20-5 of the General Laws in Chapter 5-20 entitled "Plumbers,  
28 Irrigators, and Water System Installers" is hereby amended to read as follows:

29 **5-20-5. "Apprentice plumber" defined.**

30 "Apprentice plumber," as used in this chapter, means any employee, who is registered as an  
31 apprentice plumber in accordance with chapter 45 of title 28 and whose principal occupation is  
32 service with a master plumber with a view to learning the art or trade of maintenance, installation,  
33 or repair of plumbing, as defined in § 5-20-2.



1 SECTION 4. Section 5-70-5 of the General Laws in Chapter 5-70 entitled  
2 "Telecommunications" is hereby amended to read as follows:

3 **5-70-5. Form of license and registration.**

4 Three (3) major forms of license shall be issued with the two (2) higher licenses carrying  
5 certification for one or more of the four (4) category(s), as defined within this chapter, for which  
6 qualified:

7 (1) Telecommunications system contractor.

8 (i) TSC license shall be issued to any person qualified under this chapter representing  
9 themselves, individually, or a firm or corporation engaging in or about to engage in, the business  
10 of designing, installing, altering, servicing, and/or testing telecommunications systems.

11 (ii) Qualification shall be evidenced by passing the examination(s) for any or all of the  
12 categories of telecommunications systems described in this chapter, and applicants who hold an  
13 equivalent out-of-state license, as determined by this board, issued by another state shall be  
14 allowed to take the Rhode Island form TSC license examination. Applicants for TSC license who  
15 hold no equivalent form of TSC license issued in another state and show evidence of three (3)  
16 years of verifiable and continuous contracting experience, immediately preceding the date of  
17 application and are registered to conduct business in the state of Rhode Island, will be allowed to  
18 take the Rhode Island form of TSC examination. Applicants who do not meet these qualifications  
19 shall have been licensed as a Rhode Island ~~telecommunication~~ telecommunications systems  
20 technician for a minimum of three (3) consecutive years, immediately preceding the date of  
21 application, in order to qualify to take the TSC examination, and shall have been registered to  
22 conduct business in the state of Rhode Island.

23 (iii) The holding of a TSC license shall entitle the holder individually to contract for, engage  
24 in, and/or perform the actual work of designing, installing the type(s) of telecommunications  
25 systems for which they were granted certification. No individual shall be required to hold more  
26 than one form of license.

27 (2) Telecommunications systems technician.

28 (i) TST license shall be issued to any person who passes the examination(s) as defined within  
29 this chapter for any or all of the categories of telecommunications systems described in this  
30 chapter.

31 (ii) The holding of a TST license shall entitle the holder individually to perform the actual  
32 work of installing, altering, servicing, and/or testing the type(s) of telecommunications systems  
33 for which they were granted certification. All the work performed shall be under the supervision  
34 of the holder of a TSC license.

1 (3) Telecommunications system limited installer.

2 (i) TSLI license shall be issued to any person who passes the examination as defined within  
3 this chapter and as described in this section.

4 (ii) The holding of a TSLI license shall entitle the holder to perform the actual work of  
5 installation of wiring, low voltage surface raceway, enclosures, and wiring devices directly  
6 associated with a telecommunications system. Connection to, installation of, or servicing of  
7 telecommunications devices shall only be performed under the direct supervision of a holder of a  
8 TST or TSC license.

9 (4) ~~Trainee/telecommunications apprentice~~ Telecommunications trainees.

10 (i) Registered ~~trainees/telecommunications apprentices~~ telecommunications trainees may be  
11 employed to perform the actual work of installation of wiring, low voltage surface raceway,  
12 enclosures, and wiring devices directly associated with a telecommunications system under the  
13 direct supervision of a holder of a TST or TSC license.

14 (ii) ~~Trainee/telecommunications apprentices~~ Telecommunications trainees shall be required to  
15 register with the licensing authority subsequent to employment by a person, firm, or corporation  
16 licensed as a TSC under this chapter; and prior to being permitted to perform any actual  
17 installation work.

18 (iii) The registered ~~trainees/telecommunications apprentice~~ telecommunications trainees shall  
19 not be permitted to make connection to, install, or service telecommunications devices. No more  
20 than two (2) registered ~~trainees/telecommunications apprentices~~ telecommunications trainees can  
21 be directly supervised by a single TSC or TST license holder.

22 SECTION 5. The title of Chapter 28-3 of the General Laws entitled "Employment of Women  
23 and Children" is hereby amended to read as follows:

24 ~~CHAPTER 28-3~~  
25 ~~Employment of Women and Children~~  
26 CHAPTER 28-3  
27 EMPLOYMENT OF MINORS

28 SECTION 6. Section 28-3-18 of the General Laws in Chapter 28-3 entitled "Employment of  
29 Women and Children" is hereby amended to read as follows:

30 28-3-18. Enforcement of provisions -- Prosecution of violations.

31 The division of labor standards has full power to enforce §§ 28-3-1 -- 28-3-20, and has all the  
32 powers of the division of compliance inspection insofar as those powers relate to and affect  
33 ~~women and children~~ minors. All actions, suits, complaints, and prosecutions for the violation of  
34 any of the provisions of these sections shall be brought by and in the name of the director of labor

1 and training or the chief of the division of labor standards in the department of labor and training;  
2 or by and in the name of any duly authorized representative of the director of labor and training.

3 SECTION 7. Chapter 28-4 of the General Laws entitled "Indenture of Apprentices" is hereby  
4 repealed in its entirety.

#### 5 CHAPTER 28-4

#### 6 Indenture of Apprentices

##### 7 28-4-1. Power of minor to execute indenture.

8 ~~Any minor being sixteen (16) years of age or over, or who, being under sixteen (16) years of~~  
9 ~~age, has a limited permit to work given him or her by or under the direction of the school~~  
10 ~~committee where the minor resides under the provisions of chapter 3 of this title, may, by~~  
11 ~~execution of an indenture, bind himself or herself as provided in this chapter, for a term of service~~  
12 ~~of not less than one year.~~

##### 13 28-4-2. Parties to sign indenture.

14 Every indenture shall be signed:

15 (1) By the minor;

16 (2) ~~By the parents, or either one of them, as the natural guardians or guardian of the minor; or~~  
17 ~~by the duly appointed legal guardian of the person, or of the person and estate of the minor, if~~  
18 ~~any; or by the person having the legal custody of the minor;~~

19 (3) ~~By the employer.~~

##### 20 28-4-3. Contents of indenture.

21 Every indenture shall contain:

22 (1) ~~The names of the parties;~~

23 (2) ~~The date of birth of the minor;~~

24 (3) ~~A statement of the trade, craft, or business which the minor is to be taught;~~

25 (4) ~~An agreement that a certificate shall be given to the apprentice at the conclusion of his or~~  
26 ~~her indenture, stating that he or she has completed the apprenticeship under the indenture.~~

##### 27 28-4-4. Deeds in triplicate.

28 ~~In every case there shall be three (3) deeds in the same form and tenor, executed by all parties,~~  
29 ~~one to be kept by each party.~~

##### 30 28-4-5. Effect of indenture as against parties.

31 ~~All indentures made in accordance with the provisions of §§ 28-4-1—28-4-4 shall be good~~  
32 ~~and effectual in law against all parties and the minor engaged by them, according to their tenor,~~  
33 ~~except as to any of their provisions that the court, in which any suit or controversy relating to the~~  
34 ~~articles of indenture may be heard, shall determine to be unjust or unreasonable.~~

1        ~~**28-4-6. Petition or complaint for breach of indenture -- Summons.**~~

2        ~~Whenever a petition or complaint in writing and under oath is made to any judge of the~~  
3 ~~district court that any master or apprentice, within a division where the court is situated, has~~  
4 ~~willfully neglected or refused to comply with or perform the terms and provisions of any~~  
5 ~~indenture, the judge, if satisfied that there is a reasonable cause for the petition or complaint, shall~~  
6 ~~issue a summons requiring the master or apprentice to appear before the court at a time and place~~  
7 ~~named in the summons to answer relative to the petition or complaint. The petitioner or~~  
8 ~~complainant shall cause the summons to be served by some officer qualified to serve civil process~~  
9 ~~upon the person complained of at least six (6) days before the time set for appearance and hearing~~  
10 ~~by reading the summons to the person to be served, or by leaving an attested copy of it with the~~  
11 ~~person to be served in his or her hands and possession, or at his or her last and usual place of~~  
12 ~~abode with some person living there, or if the person to be served is a corporation, then, by~~  
13 ~~leaving an attested copy of the summons with some officer of the corporation or at the office of~~  
14 ~~the corporation with some person employed there.~~

15        ~~**28-4-7. Determination of petition or complaint -- Enforcement of order.**~~

16        ~~Upon the hearing of a petition or complaint, the court may determine the controversy or~~  
17 ~~matter complained of in a summary way, and discharge either party from the indenture and~~  
18 ~~contract of apprenticeship, and may make any further order in the premises that the case may~~  
19 ~~require and seems proper to the court. Any neglect or failure of any person, against whom any~~  
20 ~~order is made, to do, perform, or comply with the order shall be contempt of court, and the court~~  
21 ~~may enforce its order by proceedings for contempt.~~

22  
23        SECTION 8. Section 28-12-3 of the General Laws in Chapter 28-12 entitled "Minimum  
24 Wages" is hereby amended to read as follows:

25        **28-12-3. Minimum wages.**

26        (a) Every employer shall pay to each of his or her employees: commencing July 1, 1999, at  
27 least the minimum wage of five dollars and sixty-five cents (\$5.65) per hour. Commencing  
28 September 1, 2000, the minimum wage is six dollars and fifteen cents (\$6.15) per hour.

29        (b) Commencing January 1, 2004, the minimum wage is six dollars and seventy-five cents  
30 (\$6.75) per hour.

31        (c) Commencing March 1, 2006, the minimum wage is seven dollars and ten cents (\$7.10)  
32 per hour.

33        (d) Commencing January 1, 2007, the minimum wage is seven dollars and forty cents (\$7.40)  
34 per hour.

1 (e) Commencing January 1, 2013, the minimum wage is seven dollars and seventy-five cents  
2 (\$7.75) per hour.

3 (f) Commencing January 1, 2014, the minimum wage is eight dollars (\$8.00) per hour.

4 (g) Commencing January 1, 2015, the minimum wage is nine dollars (\$9.00) per hour.

5 (h) Commencing January 1, 2016, the minimum wage is nine dollars and sixty cents (\$9.60)  
6 per hour.

7 (i) Commencing January 1, 2018, the minimum wage is ten dollars and ten cents (\$10.10) per  
8 hour.

9 (j) Commencing January 1, 2019, the minimum wage is ten dollars and fifty cents (\$10.50)  
10 per hour.

11 (k) Commencing October 1, 2020, the minimum wage is eleven dollars and fifty cents  
12 (\$11.50) per hour.

13 SECTION 9. Sections 28-27-4.1, 28-27-4.2, 28-27-4.3, 28-27-5.1, 28-27-5.2, 28-27-11 and  
14 28-27-18 of the General Laws in Chapter 28-27 entitled "Mechanical Trades" are hereby  
15 amended to read as follows:

16 **28-27-4.1. "Journeyman refrigeration technician" defined.**

17 "Journeyman refrigeration technician" means any person who has completed a ~~five (5) year~~  
18 ~~apprentice program~~ ten thousand (10,000) hour registered apprenticeship program and/or has  
19 passed a refrigeration technician examination and who by ~~him~~ himself or herself does work in  
20 refrigeration/air conditioning subject to provisions of this chapter and the rules, regulations, and  
21 licensing criteria promulgated hereunder.

22 **28-27-4.2. "Journeyman pipefitter," "journeyman sprinkler fitter," and**  
23 **"journeyman sheet metal worker" defined.**

24 (a) "Journeyman pipefitter" means any person who has completed a ~~five (5) year apprentice~~  
25 ~~program~~ ten thousand (10,000) hour registered apprenticeship program and/or has passed a  
26 journeyman examination and who by himself or herself does work on pipefitting systems  
27 subject to provisions of this chapter. The rules, regulations, and licensing criteria guide  
28 promulgated under this chapter referencing Class II limited journeyman licenses shall require  
29 completion of an ~~accepted formal technical program~~ approved apprenticeship program registered  
30 with ~~by~~ the department of labor and training.

31 (b) "Journeyman sheet metal worker" means any person who has completed a ~~four (4) year~~  
32 ~~apprentice program~~ an eight thousand (8,000) hour registered apprenticeship program and/or has  
33 passed a journeyman sheet metal worker examination and who by himself or herself does sheet

1 metal work subject to provisions of this chapter and the rules, regulations, and licensing criteria  
2 promulgated under this chapter.

3 (c) "Journeyman sprinkler fitter" means any person who has completed ~~a four (4) year~~  
4 ~~apprentice program~~ an eight thousand (8,000) hour registered apprenticeship program and/or has  
5 passed a journeyman sprinkler fitter examination and who by himself or herself does work in  
6 fire protection sprinkler systems subject to provisions of this chapter and the rules, regulations,  
7 and licensing criteria promulgated under this chapter.

8 28-27-4.3. "Pipefitter apprentice," "refrigeration/air conditioning apprentice,"  
9 "journeyman sprinkler fitter apprentice" and "journeyman sheet metal worker  
10 apprentice" defined -- Duration of apprentice programs.

11 (a) "~~Journeyman sheet~~ Sheet metal worker apprentice" means any person at least eighteen  
12 (18) years of age who is learning or working at the ~~businesses~~ business of sheet metal work under  
13 the direct supervision of a sheet metal contractor or journeyman sheet metal worker ~~under a~~  
14 ~~and is~~ registered ~~state-sanctioned~~ as a sheet metal worker apprentice program in accordance with  
15 chapter 45 of title 28.

16 (b) "~~Journeyman sprinkler~~ Sprinkler fitter apprentice" means any person at least eighteen  
17 (18) years of age who is learning or working at the business of fire protection sprinkler systems  
18 under the direct supervision of a master or journeyman sprinkler fitter ~~under a~~ and is registered  
19 ~~state-sanctioned~~ as a sprinkler fitter apprentice, in accordance with chapter 45 of title 28 ~~program.~~

20 (c) "Pipefitter apprentice" means any person at least eighteen (18) years of age who is  
21 learning or working at the business of pipefitting under the direct supervision of a master  
22 pipefitter or journeyman pipefitter ~~under a~~ and is registered as a pipefitter ~~state-sanctioned~~  
23 apprentice, in accordance with chapter 45 of title 28 ~~program.~~

24 ~~(d) Pipefitter, refrigeration, sprinkler fitter and sheet metal worker apprentice programs are of~~  
25 ~~a five (5) year duration, except as detailed in § 28-27-4.2, for all Class II limited licenses.~~

26 ~~(e)~~(d) "Refrigeration/air conditioning apprentice" means any person at least eighteen (18)  
27 years of age who is learning and working at the business of refrigeration/air conditioning as a  
28 refrigeration/air conditioning registered apprentice under the direct supervision of a  
29 refrigeration/air conditioning master or journeyman ~~under a registered state-sanctioned~~  
30 ~~apprentice,~~ in accordance with chapter 45 of title 28 ~~program.~~

31 (e) For licensing purposes with regard to individuals who have completed pipefitter,  
32 refrigeration, sprinkler fitter, and sheet metal worker apprenticeship programs, decisions by an  
33 apprenticeship sponsor to grant credit for prior learning or experience toward the term of the  
34 apprenticeship pursuant to chapter 45 of title 28 shall also require the written approval of the

1 [mechanical board within the department of labor and training. Students in a recognized college,](#)  
2 [university, or trade school who have pursued a course of pipefitting or refrigeration/air](#)  
3 [conditioning, sheet metal, or fire protection sprinkler systems for at least two \(2\) academic years](#)  
4 [or are recipients of an associate degree in pipefitting, refrigeration/air conditioning, or fire](#)  
5 [protection sprinkler systems will receive credit for two hundred eighty-eight \(288\) hours of](#)  
6 [related technical academic instruction.](#)

7 **~~28-27-5.1. Practices for which a journeyperson or apprentice license required~~ Practices**  
8 **for which a journeyperson license or apprentice registration is required.**

9 (a) No person shall engage to work as a pipefitter, refrigeration/air conditioning, or sprinkler  
10 fitter journeyperson or apprentice, or journeyperson sheet metal worker or apprentice, or shall  
11 advertise or represent in any form or matter that he or she is a journeyperson or apprentice, unless  
12 that person possesses and carries on his or her person at all times while so engaged a valid license  
13 [or registration](#) issued by the department of labor and training qualifying that person as a  
14 journeyperson or apprentice.

15 (b) A person holding a valid license under this chapter shall not be required to obtain an  
16 additional license under this chapter to perform sheet metal work when AC air handling  
17 equipment is ten (10) tons or less or when heating equipment does not exceed 250,000 BTUs.

18 (c) A holder of a journeyperson license shall only be entitled to work as an employee of the  
19 properly licensed master permit holder in accordance with this chapter.

20 **28-27-5.2. Issuance of P.J.F. journeyperson oil burnerperson's license.**

21 (a) Any person who has previously qualified for the electrician's F certificate and the P.J.F. II  
22 limited to oil individually, and presently holds both licenses, may convert to the single P.J.F.  
23 limited journeyperson II oil burnerperson's license by application to the division on an approved  
24 application and with payment of the applicable fee as detailed in this section. This licensee cannot  
25 be self-employed and is limited to domestic oil burner service work, burner, tank, and oil line  
26 installation. Persons seeking an initial P.J.F. limited journeyperson II oil burner license must  
27 show proof of completion of a ~~trade sponsored~~ [registered apprenticeship](#) program or a trade  
28 related program offered by a recognized college, [university, or trade school](#). All programs must  
29 have prior approval of the department of labor and training before licenses are issued.

30 (b) The person seeking P.J.F. licensing must be employed by a master pipefitting contractor  
31 class II as detailed under § 28-27-4.

32 (c) The above provisions are similar for most limited licenses under chapter 27 of this title.

33 (d) Fees shall be as follows:

34 ~~(1) Apprenticeship fee is thirty dollars (\$30.00) with birth month licensing;~~

1 ~~(1)~~ License fee is seventy-two dollars (\$72.00) with birth-month licensing;

2 ~~(2)~~ Renewal fee is seventy-two dollars (\$72.00) with birth-month licensing;

3 (e) The fees collected shall be deposited as general revenues.

4 **28-27-11. Journeyperson license – Test fees – License fees and qualifications – Filing**  
5 **deadline for journeyperson.**

6 (a) No application for a journeyperson's test shall be filed by the department nor shall any  
7 applicant be permitted to take the examination for a license as a journeyperson unless:

8 (1) The test application is accompanied by a test fee as outlined in § 28-27-17.

9 (2) Upon passing of a journeyperson test, payment of a license fee as outlined in § 28-27-17  
10 is required and the journeyperson license will be issued as provided in § 28-27-15.

11 (3) The applicant ~~has possessed for at least five (5) years prior to the filing of the application~~  
12 ~~a certificate of registration in full force and effect from the department of labor and training~~  
13 ~~specifying the person as a registered apprentice, and the application of an applicant: is a~~  
14 registered apprentice in accordance with chapter 45 of title 28 having completed all the  
15 requirements for completion of the apprenticeship except the licensing exam.

16 ~~(i) Is accompanied by an affidavit or affidavits of~~ (4) The applicant provides documentation  
17 of related technical instruction and work records from his or her employer or former employers or  
18 other reasonably satisfactory evidence showing that the applicant has ~~been actually engaged in~~  
19 ~~pipefitting or refrigeration/air conditioning, sheet metal or fire protection sprinkler systems work~~  
20 ~~as an apprentice in the state of Rhode Island during those five (5) years;~~ completed the related  
21 instruction and on-the-job learning as enumerated in the standards of apprenticeship.

22 (i) For licensing purposes, decisions by an apprenticeship sponsor to grant credit for prior  
23 learning or experience toward the term of the apprenticeship pursuant to chapter 45 of title 28  
24 shall also require the written approval of the appropriate licensing authority.

25 ~~(ii) Is accompanied by an affidavit or other reasonably satisfactory evidence showing that the~~  
26 ~~applicant has been registered as a student in a recognized college, university, or trade school and~~  
27 ~~has pursued a course of pipefitting or refrigeration/air conditioning, sheet metal or fire protection~~  
28 ~~sprinkler systems for at least two (2) academic years or is the recipient of an associate degree in~~  
29 ~~pipefitting or refrigeration/air conditioning or fire protection sprinkler systems, and has thereafter~~  
30 ~~been registered by the department of labor and training as an apprentice for at least three (3) years~~  
31 ~~and employed as a registered apprentice by a duly licensed pipefitter or refrigeration/air~~  
32 ~~conditioning or fire protection sprinkler systems master or sheet metal contractors in this state for~~  
33 ~~a period of three (3) years; or~~



1        ~~(iii) Is~~ (5) The application is accompanied by an affidavit or other reasonably satisfactory  
2 evidence showing that the applicant possesses a certificate of license issued under the laws of  
3 another state specifying that person as a journeyman.

4        ~~(4) The licensing authority may grant an exemption to the requirements of subdivision (a)(3)~~  
5 ~~on the basis of past experience.~~

6        (b) The test application is to be filed with the department at least fifteen (15) days prior to the  
7 examination date.

8        **28-27-18. Registration of apprentices.**

9        (a) ~~Any person who has agreed to work under the supervision of a licensed pipefitter,~~  
10 ~~refrigeration/air conditioning, sprinkler fitter or sheet metal master under a state sanctioned~~  
11 ~~apprenticeship program~~ Apprentices shall be registered by the director of labor and training, in  
12 accordance with chapter 45 of title 28, and be issued a certificate of apprenticeship.

13        (b) The minimum formal training period for a P.J.F. limited class II license shall be one  
14 hundred sixty (160) hours of classroom and/or laboratory technical training, approved by the  
15 department of labor and training as part of standards of apprenticeship. The fee schedules for the  
16 P.J.F. limited license are detailed in § 28-27-5.2. All other sections of this chapter shall remain in  
17 full force and effect.

18        SECTION 10. Effective January 1, 2021, sections 28-43-8.1 and 28-43-29 of the General  
19 Laws in Chapter 28-43 entitled “Employment Security – Contributions” are hereby amended to  
20 read as follows:

21        **28-43-8.1. Time and manner of payment of employer contributions.**

22        Contributions and assessments required under this chapter for each year shall be paid by each  
23 employer in the manner and at the times that the director may prescribe.

24        **28-43-29. Liability for contributions and election of reimbursement.**

25        (a) Any nonprofit organization or governmental entity which is or becomes subject to  
26 chapters 42 – 44 of this title on or after January 1, 1978, shall pay contributions under the  
27 provisions of chapters 42 – 44 of this title, unless it elects, in accordance with this section, to pay  
28 to the director for the employment security fund the full amount of regular benefits paid plus the  
29 full amount of the extended benefits paid, less any federal payments to the state under § 204 of  
30 the Federal-State Extended Unemployment Compensation Act of 1970, that are attributable to  
31 service in the employ of that nonprofit organization or governmental entity to individuals for  
32 weeks of unemployment which begin during the effective period of that election; provided, that  
33 for weeks of unemployment beginning on or after January 1, 1979, governmental entities which  
34 have elected reimbursement shall be responsible for reimbursing the employment security fund

1 for the full amount of extended benefits paid that is attributable to service in the employ of those  
2 entities.

3 (b) Any nonprofit organization or governmental entity which is or becomes subject to  
4 chapters 42 – 44 of this title on January 1, 1978, may elect to become liable for payments in lieu  
5 of contributions for a period of not less than the 1978 tax year and the next ensuing tax year  
6 provided it files with the director a written notice of its election within the thirty (30) day period  
7 immediately following January 1, 1978.

8 (c) Any nonprofit organization or governmental entity which becomes subject to chapters 42  
9 – 44 of this title after January 1, 1978, may elect to become liable for payments in lieu of  
10 contributions for a period of not less than the balance of the tax year beginning with the date on  
11 which that subjectivity begins and the next ensuing tax year by filing a written notice of its  
12 election with the director not later than thirty (30) days immediately following the date of the  
13 determination of that subjectivity.

14 (d) Any nonprofit organization or governmental entity which makes an election in accordance  
15 with subsection (b) or (c) of this section will continue to be liable for payments in lieu of  
16 contributions until it files with the director a written notice terminating its election not later than  
17 thirty (30) days prior to the beginning of the tax year for which that termination shall first be  
18 effective. The nonprofit organization or governmental entity shall thereafter be liable for the  
19 payment of contributions for not less than that tax year and the next ensuing tax year before  
20 another election can be exercised.

21 (e) Any nonprofit organization or governmental entity which has been paying contributions  
22 under chapters 42 – 44 of this title for a period subsequent to January 1, 1978, may change to a  
23 reimbursable basis by filing with the director not later than thirty (30) days prior to the beginning  
24 of any tax year a written notice of election to become liable for payments in lieu of contributions.  
25 That election shall not be terminable by the organization or entity for that tax year and for the  
26 next ensuing tax year.

27 (f) The director may for good cause extend the period within which a notice of election, or a  
28 notice of termination, must be filed and may permit an election to be retroactive but not any  
29 earlier than with respect to benefits paid on or after January 1, 1978.

30 (g) The director, in accordance with any procedures that he or she may prescribe, shall notify  
31 each nonprofit organization or governmental entity of any determination which may be made of  
32 its status as an employer and of the effective date of any election which it makes and of any  
33 termination of that election. Any determination shall be conclusive on the organization or the  
34 entity unless within fifteen (15) days after notice of the determination has been mailed or

1 otherwise delivered to it, an appeal is made to the board of review in writing in accordance with  
2 the provisions of § 28-43-14.

3 (h) Notwithstanding the foregoing, any nonprofit organization, not including governmental  
4 entities, employing not less than one thousand (1,000) employees shall be subject to the job  
5 development assessment as prescribed in § 28-43-8.5. The director is authorized to promulgate  
6 regulations to administer this assessment, including to allow employers to make in-kind  
7 contributions in lieu of monetary payments.

8 SECTION 11. Sections 28-45-1, 28-45-3, 28-45-9, 28-45-10, 28-45-11, 28-45-13, 28-45-14  
9 and 28-45-16 of the General Laws in Chapter 28-45 entitled "Apprenticeship Programs in Trade  
10 and Industry" are hereby amended to read as follows:

11 **28-45-1. Purposes.**

12 The purposes of this chapter are:

13 (1) To encourage employers, associations of employers, and organizations of employees to  
14 voluntarily establish apprenticeship programs and the making of apprenticeship agreements;

15 (2) To create opportunities for ~~young~~ people to obtain employment and adequate training in  
16 trades and industry with parallel instructions in related and supplementary education under  
17 conditions that will equip them for profitable employment and citizenship;

18 (3) To cooperate with the promotion and development of apprenticeship programs and  
19 systems in other states and with the federal committee on apprenticeship appointed under 29  
20 U.S.C. § 50 et seq.;

21 (4) To provide for the registration and approval of apprenticeship programs and  
22 apprenticeship agreements and for the issuance of state certificates of completion of  
23 apprenticeship.

24 **28-45-3. Powers and duties.**

25 (a) The department of labor and training is the agency with responsibility and accountability  
26 for apprenticeship within Rhode Island for federal purposes. The state apprenticeship council  
27 shall be a regulatory council and part of the department of labor and training. The council shall  
28 promulgate regulations consistent with 29 C.F.R. 29 and 30 at the direction of the director of the  
29 department of labor and training and shall provide advice and guidance to the director of the  
30 department of labor and training on the operation of the Rhode Island apprenticeship ~~program~~  
31 system. Enforcement of apprenticeship rules and regulations shall be the duty of the director of  
32 the department of labor and training. In addition, the council shall:

33 (1) Adopt rules and regulations to ~~insure~~ ensure equality of opportunity in apprenticeship  
34 programs pursuant to the Rhode Island state plan for equal opportunity in apprenticeship;

- 1 (2) Establish trade, craft, manufacturing, or industrial standards for apprenticeship or training  
2 agreements in cooperation with a joint employer and employee groups in conformity with 29  
3 C.F.R. § 29.5;
- 4 (3) Establish program performance standards in conformity with 29 C.F.R. § 29.6;
- 5 (4) Hold at least four (4) regular public meetings each year; any additional meetings  
6 considered necessary shall be held at the call of the chairperson, or at the written request of a  
7 majority of the members of the council;
- 8 (5) Formulate and publish rules of procedure for the function of local, regional, and state joint  
9 apprenticeship committees and for the filling of vacancies on those committees;
- 10 (6) Adopt rules and regulations concerning the following:
- 11 (i) The contents of apprenticeship agreements in conformity with 29 C.F.R. § 29.7;
- 12 (ii) Criteria for apprenticeable occupations as provided by 29 C.F.R. § 29.4;
- 13 (iii) Reciprocal ~~approval~~ recognition for federal purposes to apprentices, apprenticeship  
14 programs, and apprenticeship standards that are registered in other states by the U.S. department  
15 of labor or another state apprenticeship program recognized by the U.S. department of labor if  
16 such reciprocity is requested by the apprenticeship program sponsor;
- 17 (iv) The cancellation and/or deregistration of programs, and for temporary suspension,  
18 cancellation, and/or deregistration of apprenticeship agreements as provided in 29 C.F.R. §§ 29.8  
19 and 29.9;
- 20 (v) The standards of apprenticeship, program performance standards, apprenticeship  
21 agreements, deregistration of registered apprenticeship programs, reinstatement of apprenticeship  
22 programs, and reciprocal ~~approval~~ recognition of apprentices from other states.
- 23 (b) The department of labor and training in ~~aeoord~~ accordance with its regulations and  
24 this chapter shall:
- 25 (1) Encourage the promotion, expansion, and improvement of programs of apprenticeship  
26 training and pre-apprenticeship and the making of apprenticeship agreements;
- 27 (2) Bring about the settlement of differences arising out of an apprenticeship agreement when  
28 those differences cannot be adjusted locally or in accordance with established trade procedure;
- 29 (3) Supervise the execution of agreements and maintenance of standards;
- 30 (4) Register or terminate or cancel the registration of apprenticeship programs and  
31 apprenticeship agreements;
- 32 (5) Issue certificates of completion of apprenticeship;
- 33 (6) Keep a record of apprenticeship programs and apprentice agreements and their  
34 disposition;

1 (7) Render any assistance and submit any information and data that may be requested by  
2 employers, employees, and joint apprenticeship committees engaged in the formulation and  
3 operation of programs of apprenticeship, particularly in regard to work schedules, wages,  
4 conditions of employment, apprenticeship records, and number of apprentices;

5 (8) Adopt rules and regulations to ~~insure~~ ensure nondiscrimination in all phases of  
6 apprenticeship and employment during apprenticeship;

7 (9) Register trade, craft, manufacturing, or industrial standards for apprenticeship or training  
8 agreements in cooperation with joint employer and employee groups and in conformity with this  
9 chapter, or approve and register trade, craft, manufacturing, or industrial standards for agreements  
10 submitted ~~which~~ that are in conformity with this chapter, and disapprove those standards or  
11 agreements submitted ~~which~~ that are not in conformity with this chapter, to the extent deemed  
12 appropriate;

13 (10) Establish committees and approve nominations to existing committees ~~which~~ that are  
14 submitted in conformity with this chapter;

15 (11) Terminate registration of committees for failure of the committee to abide by the  
16 provisions of this chapter; and

17 (12) Perform any other duties that are described and imposed by this chapter.

18 **28-45-9. Standards of apprenticeship programs.**

19 An apprenticeship program, to be eligible for approval and registration with the department of  
20 labor and training, shall conform to regulations issued by the department of labor and training and  
21 29 C.F.R. 29 and 29 C.F.R. 30 and shall conform to the following standards:

22 (1) The apprenticeship program is an organized, written plan embodying the terms and  
23 conditions of employment, training, and supervision of one or more apprentices in the  
24 apprenticeable occupation, as defined in this chapter and subscribed to by a sponsor who has  
25 undertaken to carry out the ~~apprentice training~~ apprenticeship program.

26 (2) The program standards contain the equal opportunity pledge prescribed in 29 C.F.R. §  
27 30.3(b) and, when applicable, an affirmative action plan in accordance with 29 C.F.R. § 30.4, a  
28 selection method authorized in 29 C.F.R. § ~~30.5~~ 30.10, or similar requirements expressed in a state  
29 plan for equal employment opportunity in apprenticeship adopted pursuant to 29 C.F.R. Part 30  
30 and approved by the U.S. department of labor, and provisions concerning the following:

31 (i) The employment and training of the apprentice in a skilled occupation;

32 (ii) A term of apprenticeship not less than two thousand (2,000) hours of work experience,  
33 consistent with training requirements as established by industry practice, which for an individual  
34 apprentice may be measured either through the completion of the industry standard for on-the-job

1 learning (at least two thousand (2,000) hours) (time-based approach), the attainment of  
2 competency (competency-based approach), or a blend of the time-based and competency-based  
3 approaches (hybrid approach):

4 (A) The time-based approach measures skill acquisition through the individual apprentice's  
5 completion of at least two thousand (2,000) hours of on-the-job learning as described in a work  
6 process schedule;

7 (B) The competency-based approach measures skill acquisition through the individual  
8 apprentice's successful demonstration of acquired skills and knowledge, as verified by the  
9 program sponsor. Programs utilizing this approach must still require apprentices to complete an  
10 on-the-job learning component of registered apprenticeship. The program standards must address  
11 how on-the-job learning will be integrated into the program, describe competencies, and identify  
12 an appropriate means of testing and evaluation for such competencies;

13 (C) The hybrid approach measures the individual apprentice's skill acquisition through a  
14 combination of specified minimum number of hours of on-the-job learning and the successful  
15 demonstration of competency as described in a work process schedule; and

16 (D) The determination of the appropriate approach for the program standards is made by the  
17 program sponsor, subject to approval by the registration agency of the determination as  
18 appropriate to the apprenticeable occupation for which the program standards are registered.

19 (iii) An outline of the work processes in which the apprentice will receive supervised work  
20 experience and training on the job, and the allocation of the approximate time to be spent in each  
21 major process;

22 (iv) Provision for organized, related, and supplemental instruction in technical subjects  
23 related to the trade. A minimum of one hundred forty-four (144) hours for each year of  
24 apprenticeship is recommended. This instruction in technical subjects may be accomplished  
25 through media, such as classroom, occupational or industry courses, electronic media, or other  
26 instruction approved by the department of labor and training; every apprenticeship instructor  
27 must:

28 (A) Meet the Rhode Island department of elementary and secondary education requirements  
29 for a ~~vocational-technical~~ [career and technical education](#) instructor, or be a subject matter expert,  
30 which is an individual, such as a journey worker, who is recognized within an industry as having  
31 expertise in a specific occupation; and

32 (B) Have training in teaching techniques and adult learning styles, which may occur before or  
33 after the apprenticeship instructor has started to provide the related technical instruction.

1 (v) A statement of the progressively increasing scale of wages to be paid the apprentice  
2 consistent with the skill acquired, the entry wage to be not less than the minimum wage  
3 prescribed by the federal and state labor standards act, where applicable, unless a higher wage is  
4 required by other applicable federal law, state law, respective regulations, or by collective  
5 bargaining agreement;

6 (vi) A provision for periodic review and evaluation of the apprentice's progress in job  
7 performance and related instruction, and the maintenance of appropriate progress records;

8 (vii) The numeric ratio of apprentices to journeypersons consistent with proper supervision,  
9 training, safety, and continuity of employment, and applicable provisions in collective bargaining  
10 agreements, except where the ratios are expressly prohibited by the collective bargaining  
11 agreement. The ratio language shall be specific and clear as to application in terms of jobsite,  
12 work force, department, or plant;

13 (viii) A probationary period reasonable in relation to the full apprenticeship term, with full  
14 credit given for the period toward completion of apprenticeship. ~~the~~The probationary period shall  
15 not exceed twenty-five percent (25%) of the length of the program or one year, whichever is  
16 shorter;

17 (ix) Adequate and safe equipment and facilities for training and supervision, and safety  
18 training for apprentices on the job and in related instruction;

19 (x) The minimum qualifications required by a sponsor for persons entering the apprenticeship  
20 program, with an eligible starting age not less than sixteen (16) years;

21 (xi) The placement of an apprentice under a written apprenticeship agreement that conforms  
22 to the requirements of this chapter. The agreement shall directly, or by reference incorporate the  
23 standards of the program as part of the agreement;

24 (xii) The granting of advanced standing or credit for demonstrated competency, previously  
25 acquired experience, training, or skills for all applicants equally, with commensurate wages for  
26 any progression step so granted;

27 (xiii) The transfer of an apprentice between apprenticeship programs and within an  
28 apprenticeship program must be based on agreement between the apprentice and the affected  
29 apprenticeship committees or program sponsors, and must comply with the following  
30 requirements:

31 (A) The transferring apprentice must be provided a transcript of related instruction and on-  
32 the-job learning by the committee or program sponsor;

33 (B) Transfer must be to the same occupation; and

- 1 (C) A new apprenticeship agreement must be executed when the transfer occurs between  
2 program sponsors.
- 3 (xiv) Assurance of qualified training personnel and adequate supervision on the job;
- 4 (xv) Recognition for successful completion of apprenticeship evidenced by an appropriate  
5 certificate issued by the department of labor and training;
- 6 (xvi) Program standards that utilize the competency-based or hybrid approach for progression  
7 through an apprenticeship and that choose to issue interim credentials must clearly identify the  
8 interim credentials, demonstrate how these credentials link to the components of the  
9 apprenticeable occupation, and establish the process for assessing an individual apprentice's  
10 demonstration of competency associated with the particular interim credential; further, interim  
11 credentials must only be issued for recognized components of an apprenticeable occupation,  
12 thereby linking interim credentials specifically to the knowledge, skills, and abilities associated  
13 with those components of the apprenticeable occupation.
- 14 (xvii) Identification of the department of labor and training as the registration agency;
- 15 (xviii) Provision for the registration, cancellation, and deregistration of the program, and  
16 requirement for the prompt submission of any modification or amendment to the department of  
17 labor and training for approval;
- 18 (xix) Provision for registration of apprenticeship agreements, modifications, and  
19 amendments; notice to the department of labor and training of persons who have successfully  
20 completed apprenticeship programs; and notice of transfers, cancellations, suspensions, and  
21 terminations of apprenticeship agreements and a statement of the reasons therefore;
- 22 (xx) Authority for the cancellation of an apprenticeship agreement during the probationary  
23 period by either party without stated cause. Cancellation during the probationary period will not  
24 have an adverse impact on the sponsor's completion rate;
- 25 (xxi) Compliance with 29 C.F.R. 30, including the equal opportunity pledge prescribed in 29  
26 C.F.R. § 30.3(b); an affirmative action plan complying with 29 C.F.R. § 30.4; and a method for  
27 the selection of apprentices authorized by 29 C.F.R. § ~~30.5~~ [30.10](#), or compliance with parallel  
28 requirements contained in a state plan for equal opportunity in apprenticeship adopted under 29  
29 C.F.R. part 30 and approved by the department. The apprenticeship standards must also include a  
30 statement that the program will be conducted, operated, and administered in conformity with  
31 applicable provisions of 29 C.F.R. part 30, as amended, or if applicable, an approved state plan  
32 for equal opportunity in apprenticeship;
- 33 (xxii) Name and address, telephone number, and e-mail address (if applicable) of the  
34 appropriate authority under the program to receive, process, and make disposition of complaints;



1 (xxiii) Recording and maintenance of all records concerning apprenticeship as may be  
2 required by the office of apprenticeship or the department of labor and training and other  
3 applicable law.

4 **28-45-10. Definitions.**

5 For the purposes of this chapter:

6 (1) "Apprentice" means a worker at least sixteen (16) years of age, except where a higher  
7 minimum age standard is otherwise fixed by law or by the apprenticeship program sponsor, who  
8 is employed to learn an apprenticeable occupation as provided in 29 C.F.R. § 29.4 under  
9 standards of apprenticeship fulfilling the requirement of 29 C.F.R. § 29.5.

10 ~~(1)~~(2) "Apprenticeship agreement" means a written agreement complying with 29 C.F.R. §  
11 29.7 between an apprentice and either the apprenticeship program sponsor, or an apprenticeship  
12 committee acting as agent for the program sponsor(s), which contains the terms and conditions of  
13 the employment and training of the apprentice.

14 ~~(2)~~(3) "Apprenticeable occupation" ~~which is an occupation that~~ possesses all of the following  
15 characteristics:

16 (i) It is customarily learned in a practical way through a structured, systematic program of ~~on~~  
17 ~~the job~~ on-the-job supervised learning.

18 (ii) It is clearly identified and commonly recognized throughout an industry.

19 (iii) It involves the progressive attainment of manual, mechanical, or technical skills and  
20 knowledge, which is in accordance with the industry standard for the occupation, that requires the  
21 completion of at least a minimum of two thousand (2,000) hours of ~~on the job~~ on-the-job learning  
22 to attain experience.

23 (iv) It requires related instruction to supplement the ~~on the job~~ on-the-job learning.

24 (4) "Apprenticeship program" means a plan containing all terms and conditions for the  
25 qualification, recruitment, selection, employment, and training of apprentices, as required under  
26 29 C.F.R. Parts 29 and 30, including such matters as the requirement for a written apprenticeship  
27 agreement.

28 ~~(3)~~(5) "Council" means the state apprenticeship council as established by § 28-45-2.

29 ~~(4)~~(6) "OA" means office of apprenticeship, U.S. department of labor.

30 (7) "Registration agency" means the office of apprenticeship or a recognized state  
31 apprenticeship agency that has responsibility for registering apprenticeship programs and  
32 apprentices; providing technical assistance; and conducting reviews for compliance with 29  
33 C.F.R. Parts 29 and 30 and quality assurance assessments.

34 ~~(5)~~(8) "Secretary" means secretary of the U.S. department of labor.

1        **28-45-11. Applicability of chapter.**

2        The provisions of this chapter shall apply only to registered apprenticeships and shall apply to  
3 a firm, person, corporation, or organization of employees or an association of employers only  
4 after that person, firm, corporation, or organization of employees or association of employers has  
5 voluntarily elected to conform to its provisions.

6        **28-45-13. Standards of apprenticeship agreements.**

7        All apprenticeship agreements submitted for approval and registration with the department of  
8 labor and training shall contain, explicitly or by reference, standards adopted by the council,  
9 including:

10        (1) Names and signatures of the contracting parties (apprentice and the program sponsor or  
11 employer), and the signature of a parent or guardian if the apprentice is a minor.

12        (2) The date of birth of apprentice and on a voluntary basis the social security number of the  
13 apprentice.

14        (3) Name and address of the program sponsor and the registration agency.

15        (4) A statement of the occupation, trade, or craft in which the apprentice is to be trained, and  
16 the beginning date and term (duration) of apprenticeship.

17        (5) A statement showing:

18        (i) The number of hours to be spent by the apprentice in work on the job in a time-based  
19 program or a description of the skill sets to be attained by completion of a competency-based  
20 program, including the on-the-job learning component; or the minimum number of hours to be  
21 spent by the apprentice and a description of the skill sets to be attained by completion of a hybrid  
22 program.

23        (ii) The number of hours to be spent in related and supplemental instruction in technical  
24 subjects related to the occupation, which is recommended to be not less than one hundred forty-  
25 four (144) hours per year.

26        (6) A statement setting forth a schedule of the work processes in the occupation or industry  
27 divisions in which the apprentice is to be trained and the approximate time to be spent at each  
28 process.

29        (7) A statement of the graduated scale of wages to be paid the apprentice and whether or not  
30 the required related instruction shall be compensated.

31        (8) Statements providing:

32        (i) For a specific period of probation, during which time the apprenticeship agreement may be  
33 terminated by either party to the agreement upon written notice to the department of labor and  
34 training, without adverse impact on the sponsor; and

1 (ii) That, after the probationary period, the agreement may be cancelled at the request of the  
2 apprentice, or may be suspended, or terminated by the sponsor, for good cause, with due notice to  
3 the apprentice and a reasonable opportunity for corrective action, and with written notice to the  
4 apprentice and to the department of labor and training of the final action taken.

5 (9) A reference incorporating as part of the agreement the standards of the apprenticeship  
6 program as it exists on the date of the agreement and as it may be amended during the period of  
7 the agreement.

8 (10) A statement that the apprentice will be accorded equal opportunity in all phases of  
9 apprenticeship employment, and training, without discrimination because of race, color, religion,  
10 ~~national origin, or~~ sex, sexual orientation, gender identity or expression, disability, age, or  
11 country of ancestral origin, as enumerated in § 28-5-5.

12 (11) Name and address, ~~phone~~ telephone number, and e-mail address (if applicable) of the  
13 appropriate authority, if any, designated under the program to receive, process, and make  
14 disposition of controversies or differences arising out of the apprenticeship agreement when the  
15 controversies or differences cannot be adjusted locally or resolved in accordance with the  
16 established procedure or applicable collective bargaining provisions.

17 **28-45-14. State EEO plan.**

18 The apprenticeship program shall operate in conformance ~~with state law, including the EEO~~  
19 ~~standards and regulations~~ the state plan for equal employment opportunity in registered  
20 apprenticeship programs, adopted by the department of labor and training.

21 **28-45-16. Reciprocity.**

22 (a) When a sponsor of an active apprenticeship program ~~which that~~ is registered ~~and~~  
23 ~~operating in a neighboring state~~ with a registration agency, as defined by 29 C.F.R. § 29.2 and  
24 located outside of Rhode Island requests ~~registration~~ reciprocal recognition from the department  
25 of labor and training to train apprentices for work projects in this state, the ~~sponsor~~ apprentice  
26 shall be granted ~~registration providing~~ recognition as long as the sponsor ~~conforms~~ complies with  
27 the regulations and standards of the state of Rhode Island.

28 ~~(b) An apprentice registered in an approved registered apprenticeship program in a~~  
29 ~~neighboring state will be awarded certification of registration for state purposes upon request and~~  
30 ~~on the condition that the neighboring state's sponsorship program is registered with the~~  
31 ~~appropriate state apprentice agency.~~

32 ~~(c) The department of labor and training shall have the authority to expand or limit the~~  
33 ~~number of states that are subject to the provisions of subsection (a) of this section by regulation~~  
34 ~~through the promulgation of rules and regulations.~~

1 ~~(d) The department of labor and training shall accord reciprocal approval for federal purposes~~  
2 ~~to apprentices, apprenticeship programs and standards that are registered in other states by the~~  
3 ~~U.S. department of labor or a registration agency recognized by the U.S. department of labor if~~  
4 ~~such reciprocity is requested by the apprenticeship program sponsor; program sponsors seeking~~  
5 ~~reciprocal approval must meet Rhode Island wage and hour provisions and apprentice~~  
6 ~~ratio standards.~~

7 SECTION 12. Section 28-45-18 of the General Laws in Chapter 28-45 entitled  
8 "Apprenticeship Programs in Trade and Industry" is hereby repealed.

9 **28-45-18. Vocational school training.**

10 ~~(a) The board of regents for elementary and secondary education may authorize vocational~~  
11 ~~schools to provide apprenticeship classroom training to students subject to the approval of the~~  
12 ~~Rhode Island department of labor and training.~~

13 ~~(b) In the event the board of regents authorizes state certified apprenticeship training under~~  
14 ~~subsection (a), and a student successfully completes the vocational school program, then the~~  
15 ~~student shall receive apprentice credit, to be applied against a state certified apprenticeship~~  
16 ~~program requirement set forth by the state apprenticeship council pursuant to § 28-45-13, for one~~  
17 ~~hundred forty four (144) hours of apprenticeship classroom training.~~

18 SECTION 13. Effective July 1, 2020, Chapter 37-13 of the General Laws entitled "Labor and  
19 Payment of Debts by Contractors" is hereby amended by adding thereto the following sections:

20 **37-13-3.2. Legislative findings, intent, and purposes.**

21 It is hereby found and declared as follows:

22 (1) It is the intent of the general assembly in enacting this act to protect the state's proprietary  
23 and financial interests in major school construction projects by requiring participating contractors  
24 and subcontractors working on such projects to maintain effective apprenticeship training  
25 programs as a means for ensuring they will deploy properly trained craft labor required for  
26 these projects.

27 (2) New school construction is a critical and pressing need for Rhode Island. A 2017 report  
28 commissioned by the School Building Authority, State of Rhode Island Schoolhouses, identified  
29 more than 2.2 billion dollars (\$2,200,000,000) in deficiencies in the state's three hundred six  
30 (306) public schools. Subsequently, state and local authorities won voter approval in 2018  
31 authorizing the issuance of 250 million dollars (\$250,000,000) in general obligation bonds over  
32 five (5) years to fund school construction projects. It is essential that these vital resources be  
33 administered carefully to ensure the delivery of safe, timely, high-quality construction projects.  
34 To this end, public contracts awarded for this work must fully comply with the intent and purpose

1 [of existing state law provisions requiring the use of qualified, responsible bidders pursuant to](#)  
2 [§45-55-5.](#)

3 [\(3\) School construction projects valued at five million dollars \(\\$5,000,000\) or more are](#)  
4 [inherently complex undertakings that utilize multiple site contractors and subcontractors and](#)  
5 [dozens or even hundreds of skilled craft personnel in various specialized trades. Errors in](#)  
6 [construction planning on such projects can result in cost overruns, inferior quality, increased](#)  
7 [safety risks, and schedule delays that can disrupt the timely delivery of educational services. Such](#)  
8 [effects are especially problematic where they are caused by flaws in project staffing insofar as](#)  
9 [construction is both a highly skilled and labor-intensive industry. While these challenges exist](#)  
10 [under virtually any market conditions, the construction industry is currently facing acute,](#)  
11 [widespread labor shortages that pose unprecedented risks to future project delivery. Unless](#)  
12 [effective policy responses are developed to address this skills crisis, it is estimated there will be a](#)  
13 [national shortage of one million five hundred thousand \(1,500,000\) construction workers by](#)  
14 [2022. Consider the following research studies: The Associated General Contractors of America,](#)  
15 [Eighty Percent of Contractors Report Difficulty Finding Qualified Craft Workers to Hire As](#)  
16 [Association Calls for Measures to Rebuild Workforce \(August 29, 2018\); Construction Labor](#)  
17 [Market Analyzer, Construction Users RoundTable, The Long-Term Outlook for Construction](#)  
18 [6\(2017\); Petrochemical Update, Heather Doyle, Craft Labor Shortage Seriously Affecting Mega](#)  
19 [Projects: Poll, \(June 29, 2017\). Given these circumstances, Rhode Island, like virtually all other](#)  
20 [states, has been struggling for several years with this skills gap and has been working to address](#)  
21 [the growing risks posed by this challenge. Building Futures, Gerard M. Waites, Ahead of the](#)  
22 [Curve: Increasing Apprentice Utilization in Rhode Island's Construction Industry, \(March 2013\);](#)  
23 [Building Futures, Beth Ashman-Collins, Phase 1 - Skills Gap Analysis, RI Construction Trades,](#)  
24 [\(April 25, 2008\).](#)

25 [\(4\) These construction labor shortages, which have been extensively documented in both](#)  
26 [national and local research reports, are already causing serious disruptions to project delivery in](#)  
27 [the form of negative effects on project cost, schedule, safety, and quality. Consider the following](#)  
28 [research studies: Virtual Builders Exchange, Adolfo Pesquera, Labor Shortages Spur Increased](#)  
29 [Pay/Benefits, Yet Construction Firms Bullish on 2019, \(January 4, 2019\); Associated Builders](#)  
30 [and Contractors, Inc., ABC Highlights Construction Worker Shortage During National](#)  
31 [Apprenticeship Week, \(November 15, 2017\); The Aspen Institute: Workforce Strategies](#)  
32 [Initiative, Maureen Conway and Allison Gerber, Construction Pre-Apprenticeship Programs:](#)  
33 [Results from a National Survey 6-7 \(2009\).](#)

1        (5) Substantial research also shows that apprenticeship training programs are one of the  
2 most viable solutions for addressing these challenges because it has long been recognized as a  
3 matter of public policy and industry practice that using apprenticeship training programs  
4 effectively and reliably develops a skilled workforce to meet our nation's construction industry  
5 needs, including critical infrastructure programs, such as educational facilities. To this end, the  
6 U.S. Congress passed the National Apprenticeship Act, Pub. L. No. 75-308, 50 Stat. 664, in 1937  
7 to promote the use of structured education and training in the skilled crafts and trades through  
8 formal apprenticeship training programs.

9        (6) The value, benefits, and utility of using apprenticeship training programs in the  
10 construction industry have been verified by numerous public and private research projects over  
11 the past several years. Consider the following research studies: Case Western Reserve University  
12 and U.S. Department of Commerce, The Benefits and Costs of Apprenticeship: A Business  
13 Perspective; The Council of Economic Advisors, Addressing America's Reskilling Challenge 7-8  
14 (2018); The Workforce Training & Education Coordinating Board, a Washington state agency,  
15 Workforce Training Results (2015); U.S. Departments of Labor, Commerce, Education, and  
16 Health and Human Services, What Works in Job Training: A Synthesis of the Evidence 8 (2014);  
17 The Aspen Institute: Workforce Strategies Initiative, Matt Helmer and Dave Altstadt,  
18 Apprenticeship: Completion and Cancellation in the Building Trades 8-9 (2013); Mathematica  
19 Policy Research, Debbie Reed et. al, An Effectiveness Assessment and Cost-Benefit Analysis of  
20 Registered Apprenticeship in 10 States (2012); and Urban Institute, Robert Lerman et al., The  
21 Benefits and Challenges of Registered Apprenticeship: Sponsors' Perspective ii (2009).

22        (7) Given these factors, apprenticeship programs that are operated in accordance with  
23 federally established qualification standards under 29 C.F.R. § 29 have been relied upon for more  
24 than eighty (80) years as the most effective and reliable method for conducting skills training in  
25 construction, and such programs are broadly relied upon for addressing the industry's current  
26 skills crisis. Recognizing these benefits, numerous states have enacted legislation requiring  
27 contractors to participate in formal apprenticeship programs as a condition for performing public  
28 works projects. Rhode Island adopted such a policy for general public works projects in 2014 by  
29 enacting § 37-13-3.1. Private sector construction organizations, such as the Construction Users  
30 Roundtable, support similar strategies and have recommended that those responsible for large  
31 capital projects require site contractors to participate in credible skills training programs as a  
32 condition of performing work on their projects. Consider the following research study:  
33 Construction Users Roundtable, Skilled Labor Shortage Risk Mitigation (January 2015).

1 (8) Requiring contractors and subcontractors on major school construction projects to  
2 participate in apprenticeship training programs will help ensure that craft labor personnel on such  
3 projects are properly trained by verifying that they are either apprentices currently enrolled in  
4 bona fide programs or graduates of such programs. These efforts will also promote needed  
5 workforce development efforts in construction that are critical for ensuring future projects are  
6 properly staffed with qualified construction craft personnel.

7 **37-13-3.3. Definitions.**

8 For purposes of this section:

9 (1) "Approved apprenticeship program" or "apprenticeship program" shall mean an  
10 apprenticeship program that has been approved by the U.S. Department of Labor, or by a  
11 recognized state apprenticeship agency, pursuant to 29 C.F.R. Parts 29 and 30; however, such  
12 programs shall not include those that have obtained only provisional approval status. The required  
13 apprenticeship programs may either be programs that have specifically allocated funding and  
14 are subject to the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et  
15 seq. ("ERISA") or be non-ERISA programs financed by general funds of employers.

16 (2) "School construction contract" shall mean any construction contract for a school  
17 building or any school-related facility that is funded with public money.

18 (3) "User agency" shall mean the state, municipality, quasi-governmental agency, or other  
19 entity that is responsible for management of a school construction contract.

20 **37-13-3.4. School construction contract apprenticeship requirements.**

21 (a) Notwithstanding any laws to the contrary, all specifications in any invitations to bid on  
22 any school construction contract valued at five million dollars (\$5,000,000) or more shall  
23 include a requirement that all bidders responding to an invitation to bid on a school construction  
24 contract shall have an approved apprenticeship program for all suitable crafts or trades as  
25 determined by the state department of labor and training that will be employed on the project at  
26 the time of bid. All bidders responding to such invitation to bid shall also provide proof in the bid  
27 package of the existence of an approved apprenticeship program for all suitable crafts or trades as  
28 determined by the state department of labor and training that will be employed on the project by  
29 all contractors and subcontractors needed for the project. All general contractors and  
30 subcontractors who perform work on any school construction contract valued at five million  
31 dollars (\$5,000,000) or more that is awarded after passage of this section shall ensure that no less  
32 than ten percent (10%) of the labor hours worked on the project shall be performed by apprentices  
33 for all suitable crafts or trades as determined by the state department of labor and training that

1 will be employed on the project. The provisions of this section shall only apply to contractors and  
2 subcontractors with five (5) or more employees.

3 (b) All bids for such school construction contracts valued at five million dollars (\$5,000,000) or  
4 more shall fully comply with the intent and purpose of existing state law provisions requiring the  
5 use of qualified, responsible bidders pursuant to § 45-55-5, including the criteria that invitation  
6 for such bids shall reference this section when enumerating the objective measurable criteria  
7 that will be used to make awards, as required by § 45-55-5(b).

8 (c) For the purposes of this section, the ten percent (10%) apprenticeship requirement  
9 shall be applied per month.

10 (d) Upon petition by a contractor in writing, a user agency may lower the ten percent  
11 (10%) apprenticeship requirement of this section for a specific project for one or more crafts or  
12 trades for the following reasons:

13 (1) The demonstrated lack of availability of apprentices in specific geographic areas; or

14 (2) Participating contractors have demonstrated a good faith effort to comply with the  
15 requirements of this section but have not been able to attain the ten percent (10%) requirement.

16 (e) Any determination by a user agency to lower the apprenticeship requirements according  
17 to this section shall be provided in writing to the contractor and to the state department of labor  
18 and training.

19 (f) The state department of labor and training shall provide information and technical  
20 assistance to any affected user agencies and contractors awarded any school construction  
21 contracts relative to their obligations under this section.

22 (g) Any contractor or subcontractor awarded a school construction contract shall collect and  
23 submit the following data for each project covered by this section to the user agency on  
24 certified payroll forms, as required by § 37-13-13:

25 (1) The name and dollar value of the project being worked on;

26 (2) The name of each apprentice categorized by trade or craft; each apprentice's registration  
27 number; the name and address of each apprentice's approved apprenticeship program; and the  
28 number of hours each apprentice has worked on the project for each month being reported;

29 (3) The name of each journey level worker, categorized by trade or craft, and the number of  
30 hours each has worked on the project for each month being reported; and

31 (4) If applicable, the number, type, and rationale for the exceptions granted.

32 (h) Upon receiving the data from any contractor or subcontractor awarded a school  
33 construction contract, the user agency shall provide the department of administration and the  
34 department of labor and training with said data. The department of administration shall develop



1 procedures for using and comparing said data and shall annually publish a report with aggregate  
2 data related to apprenticeships.

3 (i) The user agency shall withhold the next scheduled payment to any contractor or  
4 subcontractor who does not submit the information required by the provisions of this section and  
5 shall also notify the director of labor and training of the contractor's noncompliance. The user  
6 agency shall withhold final payment until all of the information required by the provisions of this  
7 section has been provided.

8 (j) The department of labor and training may also impose a penalty of up to five hundred  
9 dollars (\$500) for each calendar day that any contractor or subcontractor does not comply with  
10 the requirement to submit data pursuant to the provisions of this section, as determined by the  
11 director of labor and training. Such penalty shall be paid by the contractor or subcontractor to the  
12 department of labor and training. Mere errors or omissions shall not be grounds for imposing a  
13 penalty under this subsection. The severity of any penalties shall be based on the facts and  
14 circumstances involved in the violation, including whether there are repeat or multiple violations  
15 and/or willful conduct.

16 (k) Any penalties assessed pursuant to the provisions of this section shall be paid to the  
17 department of labor and training's dedicated "prevailing wages enforcement fund" and be  
18 deposited in a restricted receipt account.

19 (l) Failure of the contractors and subcontractors required to utilize apprentices or be  
20 exempted shall be considered a material breach of their school construction contract, and they  
21 shall be subject to any and all applicable penalties under their contract with the user agency.

22 (m) Any contractor or subcontractor aggrieved by any action taken by the director of the  
23 state department of labor and training or his or her designated hearing officer, pursuant to the  
24 provisions of chapter 13 of title 37, may obtain a review thereof for the purpose of obtaining  
25 relief from the action or lack of action, pursuant to § 37-13-15.

26 (n) To the extent that any of the provisions contained in § 37-13-3.3 conflict with the  
27 requirements for federal aid contracts, federal law and regulations shall control.

28 SECTION 14. Effective July 1, 2020, sections 37-13-3.1 and 37-13-14.1 of the  
29 General Laws in Chapter 37-13 entitled "Labor and Payment of Debts by Contractors" are  
30 hereby amended to read as follows:

31 **37-13-3.1. State public works contract apprenticeship requirements.**

32 Notwithstanding any laws to the contrary, all general contractors and subcontractors who  
33 perform work on any public works contract awarded by the state after passage of this act and  
34 valued at one million dollars (\$1,000,000) or more shall employ apprentices required for the

1 performance of the awarded contract. The number of apprentices shall comply with the  
2 apprentice-to-journeyman ratio for each trade approved by ~~the apprenticeship council of the~~  
3 ~~department of labor and training.~~ the department of labor and training. To the extent that any of  
4 the provisions contained in this section conflict with the requirements for federal aid contracts,  
5 federal law and regulations shall control.

6 **37-13-14.1. Enforcement -- Hearings.**

7 (a) Before issuing an order or determination, the director of labor and training shall order a  
8 hearing thereon at a time and place to be specified, and shall give notice thereof, together with a  
9 copy of the complaint or the purpose thereof, or a statement of the facts disclosed upon  
10 investigation, which notice shall be served personally or by mail on any person, firm, or  
11 corporation affected thereby. The person, firm, or corporation shall have an opportunity to be  
12 heard in respect to the matters complained of at the time and place specified in the notice, which  
13 time shall be not less than five (5) days from the service of the notice personally or by mail. The  
14 hearing shall be held within ~~ten (10)~~ thirty (30) days from the order of hearing. The hearing shall  
15 be conducted by the director of labor and training or his or her designee. The hearing officer in  
16 the hearing shall be deemed to be acting in a judicial capacity and shall have the right to issue  
17 subpoenas, administer oaths, and examine witnesses. The enforcement of a subpoena issued  
18 under this section shall be regulated by Rhode Island civil practice law and rules. The hearing  
19 shall be expeditiously conducted, and upon such hearing, the hearing officer shall determine the  
20 issues raised thereon and shall make a determination and enter an order within ~~ten (10)~~ thirty (30)  
21 days of the close of the hearing, and forthwith serve a copy of the order, with a notice of the filing  
22 thereof, upon the parties to the proceeding, personally or by mail. The order shall dismiss the  
23 charges or direct payment of wages or supplements found to be due, including interest at the rate  
24 of twelve percentum (12%) per annum from the date of the underpayment to the date of payment,  
25 and may direct payment of reasonable attorney's fees and costs to the complaining party.

26 (b) In addition to directing payment of wages or supplements including interest found to be  
27 due, the order shall also require payment of a further sum as a civil penalty in an amount up to  
28 three times the total amount found to be due. Further, if the amount of salary owed to an  
29 employee pursuant to this chapter but not paid to the employee in violation of thereof exceeds  
30 five thousand dollars (\$5,000), it shall constitute a misdemeanor and shall be referred to the office  
31 of the attorney general. The misdemeanor shall be punishable for a period of not more than one  
32 year in prison and/or fined not more than one thousand dollars (\$1,000). In assessing the amount  
33 of the penalty, due consideration shall be given to the size of the employer's business, the good  
34 faith of the employer, the gravity of the violation, the history of previous violations, and the

1 failure to comply with recordkeeping or other nonwage requirements. The surety of the person,  
2 firm, or corporation found to be in violation of the provisions of this chapter shall be bound to  
3 pay any penalties assessed on such person, firm, or corporation. The penalty shall be paid to the  
4 department of labor and training for deposit in the state treasury; provided, however, it is hereby  
5 provided that the general treasurer shall establish a dedicated "prevailing wages enforcement  
6 fund" for the purpose of depositing the penalties paid as provided herein. There is hereby  
7 appropriated to the annual budget of the department of labor and training the amount of the fund  
8 collected annually under this section, to be used at the direction of the director of labor and  
9 training for the sole purpose of enforcing prevailing wage rates as provided in this chapter.

10 (c) For the purposes of this chapter, each day or part thereof of violation of any provision of  
11 this chapter by a person, firm, or corporation, whether the violation is continuous or  
12 intermittent, shall constitute a separate and succeeding violation.

13 (d) In addition to the above, any person, firm, or corporation found in violation of any of the  
14 provisions of this chapter by the director of labor and training, an awarding authority, or the  
15 hearing officer, shall be ineligible to bid on, or be awarded work by, an awarding authority or  
16 perform any such work for a period of no less than eighteen (18) months and no more than thirty-  
17 six (36) months from the date of the order entered by the hearing officer. Once a person, firm, or  
18 corporation is found to be in violation of this chapter, all pending bids with any awarding  
19 authority shall be revoked, and any bid awarded by an awarding authority prior to the  
20 commencement of the work shall also be revoked.

21 (e) In addition to the above, any person, firm, or corporation found to have committed  
22 two (2) or more willful violations in any period of eighteen (18) months of any of the provisions  
23 of this chapter by the hearing officer, which violations are not arising from the same incident,  
24 shall be ineligible to bid on, or be awarded work by, an awarding authority or perform any work  
25 for a period of sixty (60) months from the date of the second violation.

26 (f) The order of the hearing officer shall remain in full force and effect unless stayed by  
27 order of the superior court.

28 (g) The director of labor and training, awarding authority, or hearing officer shall notify the  
29 bonding company of any person, firm, or corporation suspected of violating any section of this  
30 chapter. The notice shall be mailed certified mail and shall enumerate the alleged violations  
31 being investigated.

32 (h) In addition to the above, any person, firm, or corporation found to have willfully  
33 made a false or fraudulent representation on certified payroll records [or in reporting their](#)  
34 [apprenticeship information to any governmental agency](#) shall be referred to the office of the

1 attorney general. A first violation of this section shall be considered a misdemeanor and shall be  
2 punishable for a period of not more than one year in prison and/or fined one thousand dollars  
3 (\$1,000). A second or subsequent violation of this section shall be considered a felony and shall  
4 be punishable for a period of not more than three (3) years imprisonment, a fine of three thousand  
5 dollars (\$3,000), or both. Further, any person, firm, or corporation found to have willfully made a  
6 false or fraudulent representation on certified payroll records [or in reporting their apprenticeship](#)  
7 [information to any governmental agency](#) shall be required to pay a civil penalty to the department  
8 of labor and training in an amount of no less than two thousand dollars (\$2,000) and not greater  
9 than fifteen thousand dollars (\$15,000) per representation.

10 SECTION 15. The title of Chapter 44-30 entitled "Personal Income Tax" is hereby amended  
11 to read as follows:

12 ~~CHAPTER 30~~

13 ~~PERSONAL INCOME TAX~~

14 CHAPTER 30

15 RHODE ISLAND PERSONAL INCOME TAX

16 SECTION 16. Section 44-30-2.6 of the General Laws in Chapter 44-30 entitled "Personal  
17 Income Tax" is hereby amended to read as follows:

18 **44-30-2.6. Rhode Island taxable income – Rate of tax.**

19 (a) "Rhode Island taxable income" means federal taxable income as determined under the  
20 Internal Revenue Code, 26 U.S.C. § 1 et seq., not including the increase in the basic, standard-  
21 deduction amount for married couples filing joint returns as provided in the Jobs and Growth Tax  
22 Relief Reconciliation Act of 2003 and the Economic Growth and Tax Relief Reconciliation Act of  
23 2001 (EGTRRA), and as modified by the modifications in § 44-30-12.

24 (b) Notwithstanding the provisions of §§ 44-30-1 and 44-30-2, for tax years beginning on or after  
25 January 1, 2001, a Rhode Island personal income tax is imposed upon the Rhode Island taxable  
26 income of residents and nonresidents, including estates and trusts, at the rate of twenty-five and one-  
27 half percent (25.5%) for tax year 2001, and twenty-five percent (25%) for tax year 2002 and thereafter  
28 of the federal income tax rates, including capital gains rates and any other special rates for other types  
29 of income, except as provided in § 44-30-2.7, which were in effect immediately prior to enactment of  
30 the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA); provided, rate  
31 schedules shall be adjusted for inflation by the tax administrator beginning in taxable year 2002 and  
32 thereafter in the manner prescribed for adjustment by the commissioner of Internal Revenue in 26  
33 U.S.C. § 1(f). However, for tax years beginning on or after January 1, 2006, a taxpayer may elect to

1 use the alternative flat tax rate provided in § 44-30-2.10 to calculate his or her personal income tax  
2 liability.

3 (c) For tax years beginning on or after January 1, 2001, if a taxpayer has an alternative minimum  
4 tax for federal tax purposes, the taxpayer shall determine if he or she has a Rhode Island alternative  
5 minimum tax. The Rhode Island alternative minimum tax shall be computed by multiplying the  
6 federal tentative minimum tax without allowing for the increased exemptions under the Jobs and  
7 Growth Tax Relief Reconciliation Act of 2003 (as redetermined on federal form 6251 Alternative  
8 Minimum Tax-Individuals) by twenty-five and one-half percent (25.5%) for tax year 2001, and  
9 twenty-five percent (25%) for tax year 2002 and thereafter, and comparing the product to the Rhode  
10 Island tax as computed otherwise under this section. The excess shall be the taxpayer's Rhode Island  
11 alternative minimum tax.

12 (1) For tax years beginning on or after January 1, 2005, and thereafter, the exemption amount for  
13 alternative minimum tax, for Rhode Island purposes, shall be adjusted for inflation by the tax  
14 administrator in the manner prescribed for adjustment by the commissioner of Internal Revenue in 26  
15 U.S.C. § 1(f).

16 (2) For the period January 1, 2007, through December 31, 2007, and thereafter, Rhode Island  
17 taxable income shall be determined by deducting from federal adjusted gross income as defined in 26  
18 U.S.C. § 62 as modified by the modifications in § 44-30-12 the Rhode Island itemized-deduction  
19 amount and the Rhode Island exemption amount as determined in this section.

20 (A) *Tax imposed.*

21 (1) There is hereby imposed on the taxable income of married individuals filing joint returns and  
22 surviving spouses a tax determined in accordance with the following table:

23 If taxable income is:	The tax is:
24 Not over \$53,150	3.75% of taxable income
25 Over \$53,150 but not over \$128,500	\$1,993.13 plus 7.00% of the excess over \$53,150
26 Over \$128,500 but not over \$195,850	\$7,267.63 plus 7.75% of the excess over \$128,500
27 Over \$195,850 but not over \$349,700	\$12,487.25 plus 9.00% of the excess over \$195,850
28 Over \$349,700	\$26,333.75 plus 9.90% of the excess over \$349,700

29 (2) There is hereby imposed on the taxable income of every head of household a tax determined  
30 in accordance with the following table:

31 If taxable income is:	The tax is:
32 Not over \$42,650	3.75% of taxable income
33 Over \$42,650 but not over \$110,100	\$1,599.38 plus 7.00% of the excess over \$42,650
34 Over \$110,100 but not over \$178,350	\$6,320.88 plus 7.75% of the excess over \$110,100

1	Over \$178,350 but not over \$349,700	\$11,610.25 plus 9.00% of the excess over \$178,350
2	Over \$349,700	\$27,031.75 plus 9.90% of the excess over \$349,700

3 (3) There is hereby imposed on the taxable income of unmarried individuals (other than  
4 surviving spouses and heads of households) a tax determined in accordance with the following  
5 table:

6	If taxable income is:	The tax is:
7	Not over \$31,850	3.75% of taxable income
8	Over \$31,850 but not over \$77,100	\$1,194.38 plus 7.00% of the excess over \$31,850
9	Over \$77,100 but not over \$160,850	\$4,361.88 plus 7.75% of the excess over \$77,100
10	Over \$160,850 but not over \$349,700	\$10,852.50 plus 9.00% of the excess over \$160,850
11	Over \$349,700	\$27,849.00 plus 9.90% of the excess over \$349,700

12 (4) There is hereby imposed on the taxable income of married individuals filing separate returns  
13 and bankruptcy estates a tax determined in accordance with the following table:

14	If taxable income is:	The tax is:
15	Not over \$26,575	3.75% of taxable income
16	Over \$26,575 but not over \$64,250	\$996.56 plus 7.00% of the excess over \$26,575
17	Over \$64,250 but not over \$97,925	\$3,633.81 plus 7.75% of the excess over \$64,250
18	Over \$97,925 but not over \$174,850	\$6,243.63 plus 9.00% of the excess over \$97,925
19	Over \$174,850	\$13,166.88 plus 9.90% of the 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 over \$2,150
25	Over \$5,000 but not over \$7,650	\$280.13 plus 7.75% of the excess over \$5,000
26	Over \$7,650 but not over \$10,450	\$485.50 plus 9.00% of the excess over \$7,650
27	Over \$10,450	\$737.50 plus 9.90% of the excess over \$10,450

28 (6) Adjustments for inflation.

29 The dollars amount contained in paragraph (A) shall be increased by an amount equal to:

- 30 (a) Such dollar amount contained in paragraph (A) in the year 1993, multiplied by;
- 31 (b) The cost-of-living adjustment determined under section (J) with a base year of 1993;
- 32 (c) The cost-of-living adjustment referred to in subparagraphs (a) and (b) used in making
- 33 adjustments to the nine percent (9%) and nine and nine tenths percent (9.9%) dollar amounts shall
- 34 be determined under section (J) by substituting "1994" for "1993."

1 (B) *Maximum capital gains rates.*

2 (1) In general.

3 If a taxpayer has a net capital gain for tax years ending prior to January 1, 2010, the tax  
4 imposed by this section for such taxable year shall not exceed the sum of:

5 (a) 2.5 % of the net capital gain as reported for federal income tax purposes under section 26  
6 U.S.C. § 1(h)(1)(a) and 26 U.S.C. § 1(h)(1)(b).

7 (b) 5% of the net capital gain as reported for federal income tax purposes under 26 U.S.C. §  
8 1(h)(1)(c).

9 (c) 6.25% of the net capital gain as reported for federal income tax purposes under 26 U.S.C. §  
10 1(h)(1)(d).

11 (d) 7% of the net capital gain as reported for federal income tax purposes under 26 U.S.C. §  
12 1(h)(1)(e).

13 (2) For tax years beginning on or after January 1, 2010, the tax imposed on net capital gain shall  
14 be determined under subdivision 44-30-2.6(c)(2)(A).

15 (C) *Itemized deductions.*

16 (1) In general.

17 For the purposes of section (2), "itemized deductions" means the amount of federal itemized  
18 deductions as modified by the modifications in § 44-30-12.

19 (2) Individuals who do not itemize their deductions.

20 In the case of an individual who does not elect to itemize his deductions for the taxable year,  
21 they may elect to take a standard deduction.

22 (3) Basic standard deduction.

23 The Rhode Island standard deduction shall be allowed in accordance with the following table:

24 Filing status	Amount
25 Single	5,350
26 Married filing jointly or qualifying widow(er)	\$8,900
27 Married filing separately	\$4,450
28 Head of Household	\$7,850

29 (4) Additional standard deduction for the aged and blind.

30 An additional standard deduction shall be allowed for individuals age sixty-five (65) or older or  
31 blind in the amount of \$1,300 for individuals who are not married and \$1,050 for individuals who  
32 are married.

33 (5) Limitation on basic standard deduction in the case of certain dependents.

1 In the case of an individual to whom a deduction under section (E) is allowable to another taxpayer,  
2 the basic standard deduction applicable to such individual shall not exceed the greater of:

- 3 (a) \$850;
- 4 (b) The sum of \$300 and such individual's earned income;
- 5 (6) Certain individuals not eligible for standard deduction.

6 In the case of:

- 7 (a) A married individual filing a separate return where either spouse itemizes deductions;
- 8 (b) Nonresident alien individual;
- 9 (c) An estate or trust;

10 The standard deduction shall be zero.

11 (7) Adjustments for inflation.

12 Each dollar amount contained in paragraphs (3), (4) and (5) shall be increased by an amount  
13 equal to:

- 14 (a) Such dollar amount contained in paragraphs (3), (4) and (5) in the year 1988, multiplied by
- 15 (b) The cost-of-living adjustment determined under section (J) with a base year of 1988.

16 (D) *Overall limitation on itemized deductions.*

17 (1) General rule.

18 In the case of an individual whose adjusted gross income as modified by § 44-30-12 exceeds  
19 the applicable amount, the amount of the itemized deductions otherwise allowable for the taxable  
20 year shall be reduced by the lesser of:

21 (a) Three percent (3%) of the excess of adjusted gross income as modified by § 44-30-12 over  
22 the applicable amount; or

23 (b) Eighty percent (80%) of the amount of the itemized deductions otherwise allowable for such  
24 taxable year.

25 (2) Applicable amount.

26 (a) In general.

27 For purposes of this section, the term "applicable amount" means \$156,400 (\$78,200 in the case  
28 of a separate return by a married individual)

29 (b) Adjustments for inflation.

30 Each dollar amount contained in paragraph (a) shall be increased by an amount equal to:

- 31 (i) Such dollar amount contained in paragraph (a) in the year 1991, multiplied by
- 32 (ii) The cost-of-living adjustment determined under section (J) with a base year of 1991.

33 (3) Phase-out of Limitation.

34 (a) In general.



1 In the case of taxable year beginning after December 31, 2005, and before January 1, 2010, the  
2 reduction under section (1) shall be equal to the applicable fraction of the amount which would be  
3 the amount of such reduction.

4 (b) Applicable fraction.

5 For purposes of paragraph (a), the applicable fraction shall be determined in accordance with  
6 the following table:

7 For taxable years beginning in calendar year	The applicable fraction is
8 2006 and 2007	2/3
9 2008 and 2009	1/3

10 (E) *Exemption amount.*

11 (1) In general.

12 Except as otherwise provided in this subsection, the term "exemption amount" means \$3,400.

13 (2) Exemption amount disallowed in case of certain dependents.

14 In the case of an individual with respect to whom a deduction under this section is allowable to  
15 another taxpayer for the same taxable year, the exemption amount applicable to such individual for  
16 such individual's taxable year shall be zero.

17 (3) Adjustments for inflation.

18 The dollar amount contained in paragraph (1) shall be increased by an amount equal to:

19 (a) Such dollar amount contained in paragraph (1) in the year 1989, multiplied by

20 (b) The cost-of-living adjustment determined under section (J) with a base year of 1989.

21 (4) Limitation.

22 (a) In general.

23 In the case of any taxpayer whose adjusted gross income as modified for the taxable year  
24 exceeds the threshold amount shall be reduced by the applicable percentage.

25 (b) Applicable percentage.

26 In the case of any taxpayer whose adjusted gross income for the taxable year exceeds the  
27 threshold amount, the exemption amount shall be reduced by two (2) percentage points for each  
28 \$2,500 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year  
29 exceeds the threshold amount. In the case of a married individual filing a separate return, the  
30 preceding sentence shall be applied by substituting "\$1,250" for "\$2,500." In no event shall the  
31 applicable percentage exceed one hundred percent (100%).

32 (c) Threshold Amount.

33 For the purposes of this paragraph, the term "threshold amount" shall be determined with the  
34 following table:

1	Filing status	Amount
2	Single	\$156,400
3	Married filing jointly or qualifying widow(er)	\$234,600
4	Married filing separately	\$117,300
5	Head of Household	\$195,500

6 (d) Adjustments for inflation.

7 Each dollar amount contained in paragraph (b) shall be increased by an amount equal to:

8 (i) Such dollar amount contained in paragraph (b) in the year 1991, multiplied by

9 (ii) The cost-of-living adjustment determined under section (J) with a base year of 1991.

10 (5) Phase-out of limitation.

11 (a) In general.

12 In the case of taxable years beginning after December 31, 2005, and before January 1, 2010, the  
 13 reduction under section 4 shall be equal to the applicable fraction of the amount which would be the  
 14 amount of such reduction.

15 (b) Applicable fraction.

16 For the purposes of paragraph (a), the applicable fraction shall be determined in accordance  
 17 with the following table:

18	For taxable years beginning in calendar year	The applicable fraction is
19	2006 and 2007	2/3
20	2008 and 2009	1/3

21 (F) *Alternative minimum tax.*

22 (1) General rule. There is hereby imposed (in addition to any other tax imposed by this subtitle)  
 23 a tax equal to the excess (if any) of:

24 (a) The tentative minimum tax for the taxable year, over

25 (b) The regular tax for the taxable year.

26 (2) The tentative minimum tax for the taxable year is the sum of:

27 (a) 6.5 percent of so much of the taxable excess as does not exceed \$175,000, plus

28 (b) 7.0 percent of so much of the taxable excess above \$175,000.

29 (3) The amount determined under the preceding sentence shall be reduced by the alternative  
 30 minimum tax foreign tax credit for the taxable year.

31 (4) Taxable excess. For the purposes of this subsection the term "taxable excess" means so  
 32 much of the federal alternative minimum taxable income as modified by the modifications in § 44-  
 33 30-12 as exceeds the exemption amount.

1 (5) In the case of a married individual filing a separate return, subparagraph (2) shall be applied  
2 by substituting "\$87,500" for \$175,000 each place it appears.

3 (6) Exemption amount.

4 For purposes of this section "exemption amount" means:

5 Filing status	Amount
6 Singled	\$39,150
7 Married filing jointly or qualifying widow(er)	\$53,700
8 Married filing separately	\$26,850
9 Head of Household	\$39,150
10 Estate or trust	\$24,650

11 (7) Treatment of unearned income of minor children

12 (a) In general.

13 In the case of a minor child, the exemption amount for purposes of section (6) shall not exceed  
14 the sum of:

15 (i) Such child's earned income, plus

16 (ii) \$6,000.

17 (8) Adjustments for inflation.

18 The dollar amount contained in paragraphs (6) and (7) shall be increased by an amount equal to:

19 (a) Such dollar amount contained in paragraphs (6) and (7) in the year 2004, multiplied by

20 (b) The cost-of-living adjustment determined under section (J) with a base year of 2004.

21 (9) Phase-out.

22 (a) In general.

23 The exemption amount of any taxpayer shall be reduced (but not below zero) by an amount  
24 equal to twenty-five percent (25%) of the amount by which alternative minimum taxable income of  
25 the taxpayer exceeds the threshold amount.

26 (b) Threshold amount.

27 For purposes of this paragraph, the term "threshold amount" shall be determined with the  
28 following table:

29 Filing status	Amount
30 Single	\$123,250
31 Married filing jointly or qualifying widow(er)	\$164,350
32 Married filing separately	\$82,175
33 Head of Household	\$123,250
34 Estate or Trust	\$82,150

1 (c) Adjustments for inflation

2 Each dollar amount contained in paragraph (9) shall be increased by an amount equal to:

3 (i) Such dollar amount contained in paragraph (9) in the year 2004, multiplied by

4 (ii) The cost-of-living adjustment determined under section (J) with a base year of 2004.

5 (G) *Other Rhode Island taxes.*

6 (1) General rule. There is hereby imposed (in addition to any other tax imposed by this subtitle)  
7 a tax equal to twenty-five percent (25%) of:

8 (a) The Federal income tax on lump-sum distributions.

9 (b) The Federal income tax on parents' election to report child's interest and dividends.

10 (c) The recapture of Federal tax credits that were previously claimed on Rhode Island return.

11 (H) *Tax for children under 18 with investment income.*

12 (1) General rule. There is hereby imposed a tax equal to twenty-five percent (25%) of:

13 (a) The Federal tax for children under the age of 18 with investment income.

14 (I) *Averaging of farm income.*

15 (1) General rule. At the election of an individual engaged in a farming business or fishing  
16 business, the tax imposed in section 2 shall be equal to twenty-five percent (25%) of:

17 (a) The Federal averaging of farm income as determined in IRC section 1301 [26 U.S.C. §  
18 1301].

19 (J) *Cost-of-living adjustment.*

20 (1) In general.

21 The cost-of-living adjustment for any calendar year is the percentage (if any) by which:

22 (a) The CPI for the preceding calendar year exceeds

23 (b) The CPI for the base year.

24 (2) CPI for any calendar year.

25 For purposes of paragraph (1), the CPI for any calendar year is the average of the consumer  
26 price index as of the close of the twelve (12) month period ending on August 31 of such calendar  
27 year.

28 (3) Consumer price index.

29 For purposes of paragraph (2), the term "consumer price index" means the last consumer price  
30 index for all urban consumers published by the department of labor. For purposes of the preceding  
31 sentence, the revision of the consumer price index that is most consistent with the consumer price  
32 index for calendar year 1986 shall be used.

33 (4) Rounding.

34 (a) In general.

1 If any increase determined under paragraph (1) is not a multiple of \$50, such increase shall be  
2 rounded to the next lowest multiple of \$50.

3 (b) In the case of a married individual filing a separate return, subparagraph (a) shall be applied  
4 by substituting "\$25" for \$50 each place it appears.

5 (K) *Credits against tax.* For tax years beginning on or after January 1, 2001, a taxpayer entitled to  
6 any of the following federal credits enacted prior to January 1, 1996, shall be entitled to a credit  
7 against the Rhode Island tax imposed under this section:

8 (1) [Deleted by P.L. 2007, ch. 73, art. 7, § 5].

9 (2) Child and dependent care credit;

10 (3) General business credits;

11 (4) Credit for elderly or the disabled;

12 (5) Credit for prior year minimum tax;

13 (6) Mortgage interest credit;

14 (7) Empowerment zone employment credit;

15 (8) Qualified electric vehicle credit.

16 (L) *Credit against tax for adoption.* For tax years beginning on or after January 1, 2006, a  
17 taxpayer entitled to the federal adoption credit shall be entitled to a credit against the Rhode Island  
18 tax imposed under this section if the adopted child was under the care, custody, or supervision of  
19 the Rhode Island department of children, youth and families prior to the adoption.

20 (M) The credit shall be twenty-five percent (25%) of the aforementioned federal credits  
21 provided there shall be no deduction based on any federal credits enacted after January 1, 1996,  
22 including the rate reduction credit provided by the federal Economic Growth and Tax  
23 Reconciliation Act of 2001 (EGTRRA). In no event shall the tax imposed under this section be  
24 reduced to less than zero. A taxpayer required to recapture any of the above credits for federal tax  
25 purposes shall determine the Rhode Island amount to be recaptured in the same manner as  
26 prescribed in this subsection.

27 (N) Rhode Island earned-income ~~credit~~. [credit](#).

28 (1) In general.

29 [\(a\)](#) For tax years beginning before January 1, 2015, a taxpayer entitled to a federal earned-  
30 income credit shall be allowed a Rhode Island earned-income credit equal to twenty-five percent  
31 (25%) of the federal earned-income credit. Such credit shall not exceed the amount of the Rhode  
32 Island income tax.

33 [\(b\)](#) For tax years beginning on or after January 1, 2015, and before January 1, 2016, a taxpayer  
34 entitled to a federal earned-income credit shall be allowed a Rhode Island earned-income credit

1 equal to ten percent (10%) of the federal earned-income credit. Such credit shall not exceed the  
2 amount of the Rhode Island income tax.

3 (c) For tax years beginning on or after January 1, 2016, and before January 1, 2017, a taxpayer  
4 entitled to a federal earned-income credit shall be allowed a Rhode Island earned-income credit  
5 equal to twelve and one-half percent (12.5%) of the federal earned-income credit. Such credit shall  
6 not exceed the amount of the Rhode Island income tax.

7 (d) For tax years beginning on or after January 1, 2017, and before January 1, 2021, a taxpayer  
8 entitled to a federal earned-income credit shall be allowed a Rhode Island earned-income credit  
9 equal to fifteen percent (15%) of the federal earned-income credit. Such credit shall not exceed the  
10 amount of the Rhode Island income tax.

11 (e) For tax years beginning on or after January 1, 2021, and before January 1, 2022, a taxpayer  
12 entitled to a federal earned-income credit shall be allowed a Rhode Island earned-income credit  
13 equal to sixteen percent (16%) of the federal earned-income credit. Such credit shall not exceed the  
14 amount of the Rhode Island income tax.

15 (f) For tax years beginning on or after January 1, 2022, and before January 1, 2023, a taxpayer  
16 entitled to a federal earned-income credit shall be allowed a Rhode Island earned-income credit  
17 equal to seventeen percent (17%) of the federal earned-income credit. Such credit shall not exceed  
18 the amount of the Rhode Island income tax.

19 (g) For tax years beginning on or after January 1, 2023, and before January 1, 2024, a taxpayer  
20 entitled to a federal earned-income credit shall be allowed a Rhode Island earned-income credit  
21 equal to eighteen percent (18%) of the federal earned-income credit. Such credit shall not exceed  
22 the amount of the Rhode Island income tax.

23 (h) For tax years beginning on or after January 1, 2024, and before January 1, 2025, a taxpayer  
24 entitled to a federal earned-income credit shall be allowed a Rhode Island earned-income credit  
25 equal to nineteen percent (19%) of the federal earned-income credit. Such credit shall not exceed  
26 the amount of the Rhode Island income tax.

27 (i) For tax years beginning on or after January 1, 2025, a taxpayer entitled to a federal earned-  
28 income credit shall be allowed a Rhode Island earned-income credit equal to twenty percent (20%)  
29 of the federal earned-income credit. Such credit shall not exceed the amount of the Rhode Island  
30 income tax.

31 (2) Refundable portion.

32 In the event the Rhode Island earned-income credit allowed under paragraph (N)(1) of this section  
33 exceeds the amount of Rhode Island income tax, a refundable earned-income credit shall be allowed  
34 as follows.

1 (i) For tax years beginning before January 1, 2015, for purposes of paragraph (2) refundable  
 2 earned-income credit means fifteen percent (15%) of the amount by which the Rhode Island earned-  
 3 income credit exceeds the Rhode Island income tax.

4 (ii) For tax years beginning on or after January 1, 2015, for purposes of paragraph (2)  
 5 refundable earned-income credit means one hundred percent (100%) of the amount by which the  
 6 Rhode Island earned-income credit exceeds the Rhode Island income tax.

7 (O) The tax administrator shall recalculate and submit necessary revisions to paragraphs (A)  
 8 through (J) to the general assembly no later than February 1, 2010, and every three (3) years  
 9 thereafter for inclusion in the statute.

10 (3) For the period January 1, 2011, through December 31, 2011, and thereafter, "Rhode Island  
 11 taxable income" means federal adjusted gross income as determined under the Internal Revenue  
 12 Code, 26 U.S.C. § 1 et seq., and as modified for Rhode Island purposes pursuant to § 44-30-12 less  
 13 the amount of Rhode Island Basic Standard Deduction allowed pursuant to subparagraph 44-30-  
 14 2.6(c)(3)(B), and less the amount of personal exemption allowed pursuant to subparagraph 44-30-  
 15 2.6(c)(3)(C).

16 (A) *Tax imposed.*

17 (I) There is hereby imposed on the taxable income of married individuals filing joint returns,  
 18 qualifying widow(er), every head of household, unmarried individuals, married individuals filing  
 19 separate returns and bankruptcy estates, a tax determined in accordance with the following table:

RI Taxable Income		RI Income Tax	
Over	But not over	Pay + Excess	on the amount over
21 \$ 0	22 \$ 55,000	\$ 0 + 3.75%	\$ 0
23 55,000	125,000	2,063 + 4.75%	55,000
24 125,000		5,388 + 5.99%	125,000

25 (II) There is hereby imposed on the taxable income of an estate or trust a tax determined in  
 26 accordance with the following table:

RI Taxable Income		RI Income Tax	
Over	But not Over	% ON Pay + Excess	on the amount over
28 \$ 0	29 \$ 2,230	\$ 0 + 3.75%	\$ 0
30 2,230	7,022	84 + 4.75%	2,230
31 7,022		312 + 5.99%	7,022

32 (B) *Deductions:*

33 (I) Rhode Island Basic Standard Deduction.

1 Only the Rhode Island standard deduction shall be allowed in accordance with the following  
2 table:

3 Filing status:	Amount
4 Single	\$7,500
5 Married filing jointly or qualifying widow(er)	\$15,000
6 Married filing separately	\$7,500
7 Head of Household	\$11,250

8 (II) Nonresident alien individuals, estates and trusts are not eligible for standard deductions.

9 (III) In the case of any taxpayer whose adjusted gross income, as modified for Rhode Island  
10 purposes pursuant to § 44-30-12, for the taxable year exceeds one hundred seventy-five thousand  
11 dollars (\$175,000), the standard deduction amount shall be reduced by the applicable percentage. The  
12 term "applicable percentage" means twenty (20) percentage points for each five thousand dollars  
13 (\$5,000) (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year  
14 exceeds one hundred seventy-five thousand dollars (\$175,000).

15 (C) *Exemption Amount:*

16 (I) The term "exemption amount" means three thousand five hundred dollars (\$3,500) multiplied  
17 by the number of exemptions allowed for the taxable year for federal income tax purposes. For tax  
18 years beginning on or after 2018, the term "exemption amount" means the same as it does in 26  
19 U.S.C. § 151 and 26 U.S.C. § 152 just prior to the enactment of the Tax Cuts and Jobs Act (Pub. L.  
20 115-97) on December 22, 2017.

21 (II) Exemption amount disallowed in case of certain dependents. In the case of an individual with  
22 respect to whom a deduction under this section is allowable to another taxpayer for the same taxable  
23 year, the exemption amount applicable to such individual for such individual's taxable year shall be  
24 zero.

25 (III) Identifying information required.

26 (1) Except as provided in § 44-30-2.6(c)(3)(C)(II) of this section, no exemption shall be allowed  
27 under this section with respect to any individual unless the Taxpayer Identification Number of such  
28 individual is included on the federal return claiming the exemption for the same tax filing period.

29 (2) Notwithstanding the provisions of § 44-30-2.6(c)(3)(C)(I) of this section, in the event that the  
30 Taxpayer Identification Number for each individual is not required to be included on the federal tax  
31 return for the purposes of claiming a personal exemption(s), then the Taxpayer Identification Number  
32 must be provided on the Rhode Island tax return for the purpose of claiming said exemption(s).

33 (D) In the case of any taxpayer whose adjusted gross income, as modified for Rhode Island  
34 purposes pursuant to § 44-30-12, for the taxable year exceeds one hundred seventy-five thousand



1 dollars (\$175,000), the exemption amount shall be reduced by the applicable percentage. The term  
2 "applicable percentage" means twenty (20) percentage points for each five thousand dollars (\$5,000)  
3 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds one  
4 hundred seventy-five thousand dollars (\$175,000).

5 (E) *Adjustment for inflation.* The dollar amount contained in subparagraphs 44-30-2.6(c)(3)(A),  
6 44-30-2.6(c)(3)(B) and 44-30-2.6(c)(3)(C) shall be increased annually by an amount equal to:

7 (I) Such dollar amount contained in subparagraphs 44-30-2.6(c)(3)(A), 44-30-2.6(c)(3)(B) and  
8 44-30-2.6(c)(3)(C) adjusted for inflation using a base tax year of 2000, multiplied by;

9 (II) The cost-of-living adjustment with a base year of 2000.

10 (III) For the purposes of this section, the cost-of-living adjustment for any calendar year is the  
11 percentage (if any) by which the consumer price index for the preceding calendar year exceeds the  
12 consumer price index for the base year. The consumer price index for any calendar year is the average  
13 of the consumer price index as of the close of the twelve-month (12) period ending on August 31, of  
14 such calendar year.

15 (IV) For the purpose of this section the term "consumer price index" means the last consumer  
16 price index for all urban consumers published by the department of labor. For the purpose of this  
17 section the revision of the consumer price index that is most consistent with the consumer price index  
18 for calendar year 1986 shall be used.

19 (V) If any increase determined under this section is not a multiple of fifty dollars (\$50.00), such  
20 increase shall be rounded to the next lower multiple of fifty dollars (\$50.00). In the case of a married  
21 individual filing separate return, if any increase determined under this section is not a multiple of  
22 twenty-five dollars (\$25.00), such increase shall be rounded to the next lower multiple of twenty-five  
23 dollars (\$25.00).

24 (F) *Credits against tax.*

25 (I) Notwithstanding any other provisions of Rhode Island Law, for tax years beginning on or after  
26 January 1, 2011, the only credits allowed against a tax imposed under this chapter shall be as follows:

27 (a) Rhode Island earned-income credit: Credit shall be allowed for earned-income credit pursuant  
28 to subparagraph 44-30-2.6(c)(2)(N).

29 (b) Property Tax Relief Credit: Credit shall be allowed for property tax relief as provided in § 44-  
30 33-1 et seq.

31 (c) Lead Paint Credit: Credit shall be allowed for residential lead abatement income tax credit as  
32 provided in § 44-30.3-1 et seq.

33 (d) Credit for income taxes of other states. Credit shall be allowed for income tax paid to other  
34 states pursuant to § 44-30-74.

1 (e) Historic Structures Tax Credit: Credit shall be allowed for historic structures tax credit as  
2 provided in § 44-33.2-1 et seq.

3 (f) Motion Picture Productions Tax Credit: Credit shall be allowed for motion picture production  
4 tax credit as provided in § 44-31.2-1 et seq.

5 (g) Child and Dependent Care: Credit shall be allowed for twenty-five percent (25%) of the  
6 federal child and dependent care credit allowable for the taxable year for federal purposes; provided,  
7 however, such credit shall not exceed the Rhode Island tax liability.

8 (h) Tax credits for contributions to Scholarship Organizations: Credit shall be allowed for  
9 contributions to scholarship organizations as provided in chapter 62 of title 44.

10 (i) Credit for tax withheld. Wages upon which tax is required to be withheld shall be taxable as if  
11 no withholding were required, but any amount of Rhode Island personal income tax actually deducted  
12 and withheld in any calendar year shall be deemed to have been paid to the tax administrator on behalf  
13 of the person from whom withheld, and the person shall be credited with having paid that amount of  
14 tax for the taxable year beginning in that calendar year. For a taxable year of less than twelve (12)  
15 months, the credit shall be made under regulations of the tax administrator.

16 (j) Stay Invested in RI Wavemaker Fellowship: Credit shall be allowed for stay invested in RI  
17 wavemaker fellowship program as provided in § 42-64.26-1 et seq.

18 (k) Rebuild Rhode Island: Credit shall be allowed for rebuild RI tax credit as provided in § 42-  
19 64.20-1 et seq.

20 (l) Rhode Island Qualified Jobs Incentive Program: Credit shall be allowed for Rhode Island new  
21 qualified jobs incentive program credit as provided in § 44-48.3-1 et seq.

22 (m) Historic homeownership assistance act: Effective for tax year 2017 and thereafter, unused  
23 carryforward for such credit previously issued shall be allowed for the historic homeownership  
24 assistance act as provided in § 44-33.1-4. This allowance is for credits already issued pursuant to § 44-  
25 33.1-4 and shall not be construed to authorize the issuance of new credits under the historic  
26 homeownership assistance act.

27 (2) Except as provided in section 1 above, no other state and federal tax credit shall be available to  
28 the taxpayers in computing tax liability under this chapter.

29 SECTION 17. Sections 13 and 14 shall take effect on July 1, 2020 and shall be effective for all  
30 contracts entered into on and after July 1, 2020. Section 10 shall take effect on January 1, 2021. The  
31 remaining sections of this article shall take effect upon passage.

32



1 37.8-12.

2 (6) "Interstate medical licensure compact" or "compact" means the interstate medical  
3 licensure compact created pursuant to this chapter.

4 (7) "License" means authorization by a state for a physician to engage in the practice of  
5 medicine, which would be unlawful without the authorization.

6 (8) "Medical practice act" means laws and regulations governing the practice of  
7 allopathic and osteopathic medicine within a member state.

8 (9) "Member board" means a state agency in a member state that acts in the sovereign  
9 interests of the state by protecting the public through licensure, regulation, and education of  
10 physicians as directed by the state government.

11 (10) "Member state" means a state that has enacted the compact.

12 (11) "Practice of medicine" means the clinical prevention, diagnosis, or treatment of  
13 human disease, injury, or condition requiring a physician to obtain and maintain a license in  
14 compliance with the medical practice act of this state.

15 (12) "Physician" means any person who:

16 (i) Is a graduate of a medical school accredited by the Liaison Committee on Medical  
17 Education, the Commission on Osteopathic College Accreditation, or a medical school listed in  
18 the International Medical Education Directory or its equivalent;

19 (ii) Passed each component of the United States Medical Licensing Examination  
20 (USMLE) or the Comprehensive Osteopathic Medical Licensing Examination (COMLEX-USA)  
21 within three (3) attempts, or any of its predecessor examinations accepted by a state medical  
22 board as an equivalent examination for licensure purposes;

23 (iii) Successfully completed graduate medical education approved by the Accreditation  
24 Council for Graduate Medical Education or the American Osteopathic Association;

25 (iv) Holds specialty certification or a time-unlimited specialty certificate recognized by  
26 the American Board of Medical Specialties or the American Osteopathic Association's Bureau of  
27 Osteopathic Specialists;

28 (v) Possesses a full and unrestricted license to engage in the practice of medicine issued  
29 by a member board;

30 (vi) Has never been convicted, received adjudication, deferred adjudication, community  
31 supervision, or deferred disposition for any offense by a court of appropriate jurisdiction;

32 (vii) Has never held a license authorizing the practice of medicine subjected to discipline  
33 by a licensing agency in any state, federal, or foreign jurisdiction, excluding any action related to  
34 non-payment of fees related to a license;

1 (viii) Has never had a controlled substance license or permit suspended or revoked by a  
2 state or the United States Drug Enforcement Administration; and

3 (ix) Is not under active investigation by a licensing agency or law enforcement authority  
4 in any state, federal, or foreign jurisdiction.

5 (13) "Offense" means a felony, gross misdemeanor, or crime of moral turpitude.

6 (14) "Rule" means a written statement by the interstate commission promulgated pursuant  
7 to § 5-37.8-13 of the compact that is of general applicability, implements, interprets, or prescribes  
8 a policy or provision of the compact, or an organizational, procedural, or practice requirement of  
9 the interstate commission, and has the force and effect of statutory law in a member state, and  
10 includes the amendment, repeal, or suspension of an existing rule.

11 (15) "State" means any state, commonwealth, district, or territory of the United States.

12 (16) "State of principal license" means a member state where a physician holds a license  
13 to practice medicine and which has been designated as such by the physician for purposes of  
14 registration and participation in the compact.

15 **5-37.8-4. Eligibility.**

16 (a) A physician must meet the eligibility requirements as defined in § 5-37.8-3(11) to  
17 receive an expedited license under the terms and provisions of the compact.

18 (b) A physician who does not meet the requirements of § 5-37.8-3(11) may obtain a  
19 license to practice medicine in a member state if the individual complies with all laws and  
20 requirements, other than the compact, relating to the issuance of a license to practice medicine in  
21 that state.

22 **5-37.8-5. Designation of state principal license.**

23 (a) A physician shall designate a member state as the state of principal license for  
24 purposes of registration for expedited licensure through the compact if the physician possesses a  
25 full and unrestricted license to practice medicine in that state, and the state is:

26 (1) The state of primary residence for the physician; or

27 (2) The state where at least twenty-five percent (25%) of the practice of medicine occurs;

28 or

29 (3) The location of the physician's employer; or

30 (4) If no state qualifies under §§ 5-37.8-5(a)(1), (2), or (3), the state designated as state of  
31 residence for purpose of federal income tax.

32 (b) A physician may redesignate a member state as state of principal license at any time,  
33 as long as the state meets the requirements in § 5-37.8-5(a).

1 (c) The interstate commission is authorized to develop rules to facilitate redesignation of  
2 another member state as the state of principal license.

3 **5-37.8-6. Application and issuance of expedited licensure.**

4 (a) A physician seeking licensure through the compact shall file an application for an  
5 expedited license with the member board of the state selected by the physician as the state of  
6 principal license.

7 (b) Upon receipt of an application for an expedited license, the member board within the  
8 state selected as the state of principal license shall evaluate whether the physician is eligible for  
9 expedited licensure and issue a letter of qualification, verifying or denying the physician's  
10 eligibility, to the interstate commission.

11 (1) State qualifications, which include verification of medical education, graduate  
12 medical education, results of any medical or licensing examination, and other qualifications as  
13 determined by the interstate commission through rule, shall not be subject to additional primary  
14 source verification where already primary source verified by the state of principal license.

15 (2) The member board within the state selected as the state of principal license shall, in  
16 the course of verifying eligibility, perform a criminal background check of an applicant, including  
17 the use of the results of fingerprint or other biometric data checks compliant with the  
18 requirements of the Federal Bureau of Investigation, with the exception of federal employees who  
19 have suitability determination in accordance with U.S.C.F.R. § 731.202.

20 (3) Appeal on the determination of eligibility shall be made to the member state where  
21 the application was filed and shall be subject to the laws of that state.

22 (c) Upon verification in § 5-37.8-6(b), physicians eligible for an expedited license shall  
23 complete the registration process established by the interstate commission to receive a license in a  
24 member state selected pursuant to § 5-37.8-6(a), including the payment of any applicable fees.

25 (d) After receiving verification of eligibility under § 5-37.8-6(b) and any fees under § 5-  
26 37.8-6(c), a member board shall issue an expedited license to the physician. This license shall  
27 authorize the physician to practice medicine in the issuing state consistent with the medical  
28 practice act and all applicable laws and regulations of the issuing member board and member  
29 state.

30 (e) An expedited license shall be valid for a period consistent with the licensure period in  
31 the member state and in the same manner as required for other physicians holding a full and  
32 unrestricted license within the member state.

1 (f) An expedited license obtained through the compact shall be terminated if a physician  
2 fails to maintain a license in the state of principal licensure for a non-disciplinary reason, without  
3 redesignation of a new state of principal licensure.

4 (g) The interstate commission is authorized to develop rules regarding the application  
5 process, including payment of any applicable fees, and the issuance of an expedited license.

6 **5-37.8-7. Fees for expedited licensure.**

7 (a) A member state issuing an expedited license authorizing the practice of medicine in  
8 that state may impose a fee for a license issued or renewed through the compact.

9 (b) The interstate commission is authorized to develop rules regarding fees for expedited  
10 licenses.

11 **5-37.8-8. Renewal and continued participation.**

12 (a) A physician seeking to renew an expedited license granted in a member state shall  
13 complete a renewal process with the interstate commission if the physician:

14 (1) Maintains a full and unrestricted license in a state of principal license;

15 (2) Has not been convicted, received adjudication, deferred adjudication, community  
16 supervision, or deferred disposition for any offense by a court of appropriate jurisdiction;

17 (3) Has not had a license authorizing the practice of medicine subject to discipline by a  
18 licensing agency in any state, federal, or foreign jurisdiction, excluding any action related to  
19 nonpayment of fees related to a license; and

20 (4) Has not had a controlled substance license or permit suspended or revoked by a state  
21 or the United States Drug Enforcement Administration.

22 (b) Physicians shall comply with all continuing professional development or continuing  
23 medical education requirements for renewal of a license issued by a member state.

24 (c) The interstate commission shall collect any renewal fees charged for the renewal of a  
25 license and distribute the fees to the applicable member board.

26 (d) Upon receipt of any renewal fees collected in § 5-37.8-8(c), a member board shall  
27 renew the physician's license.

28 (e) Physician information collected by the interstate commission during the renewal  
29 process will be distributed to all member boards.

30 (f) The interstate commission is authorized to develop rules to address renewal of licenses  
31 obtained through the compact.

32 **5-37.8-9. Coordinated information system.**

33 (a) The interstate commission shall establish a database of all physicians licensed, or who  
34 have applied for licensure, under § 5-37.8-6.

1 (b) Notwithstanding any other provision of law, member boards shall report to the  
2 interstate commission any public action or complaints against a licensed physician who has  
3 applied or received an expedited license through the compact.

4 (c) Member boards shall report disciplinary or investigatory information determined as  
5 necessary and proper by rule of the interstate commission.

6 (d) Member boards may report any non-public complaint, disciplinary, or investigatory  
7 information not required by § 5-37.8-6(c) to the interstate commission.

8 (e) Member boards shall share complaint or disciplinary information about a physician  
9 upon request of another member board.

10 (f) All information provided to the interstate commission or distributed by member  
11 boards shall be confidential, filed under seal, and used only for investigatory or disciplinary  
12 matters.

13 (g) The interstate commission is authorized to develop rules for mandated or  
14 discretionary sharing of information by member boards.

15 **5-37.8-10. Joint investigations.**

16 (a) Licensure and disciplinary records of physicians are deemed investigative.

17 (b) In addition to the authority granted to a member board by its respective medical  
18 practice act or other applicable state law, a member board may participate with other member  
19 boards in joint investigations of physicians licensed by the member boards.

20 (c) A subpoena issued by a member state shall be enforceable in other member states.

21 (d) Member boards may share any investigative, litigation, or compliance materials in  
22 furtherance of any joint or individual investigation initiated under the compact.

23 (e) Any member state may investigate actual or alleged violations of the statutes  
24 authorizing the practice of medicine in any other member state in which a physician holds a  
25 license to practice medicine.

26 **5-37.8-11. Disciplinary actions.**

27 (a) Any disciplinary action taken by any member board against a physician licensed  
28 through the compact shall be deemed unprofessional conduct which may be subject to discipline  
29 by other member boards, in addition to any violation of the medical practice act or regulations in  
30 that state.

31 (b) If a license granted to a physician by the member board in the state of principal  
32 license is revoked, surrendered or relinquished in lieu of discipline, or suspended, then all  
33 licenses issued to the physician by member boards shall automatically be placed, without further  
34 action necessary by any member board, on the same status. If the member board in the state of



1 principal license subsequently reinstates the physician's license, a license issued to the physician  
2 by any other member board shall remain encumbered until that respective member board takes  
3 action to reinstate the license in a manner consistent with the medical practice act of that state.

4 (c) If disciplinary action is taken against a physician by a member board not in the state  
5 of principal license, any other member board may deem the action conclusive as to matter of law  
6 and fact decided, and:

7 (1) impose the same or lesser sanction(s) against the physician so long as such sanctions  
8 are consistent with the medical practice act of that state; or

9 (2) Pursue separate disciplinary action against the physician under its respective medical  
10 practice act, regardless of the action taken in other member states.

11 (d) If a license granted to a physician by a member board is revoked, surrendered or  
12 relinquished in lieu of discipline, or suspended, then any license(s) issued to the physician by any  
13 other member board(s) shall be suspended, automatically and immediately without further action  
14 necessary by the other member board(s), for ninety (90) days upon entry of the order by the  
15 disciplining board, to permit the member board(s) to investigate the basis for the action under the  
16 medical practice act of that state. A member board may terminate the automatic suspension of the  
17 license it issued prior to the completion of the ninety (90) day suspension period in a manner  
18 consistent with the medical practice act of that state.

19 **5-37.8-12. Interstate medical licensure compact commission.**

20 (a) The member states hereby create the "Interstate Medical Licensure Compact  
21 commission".

22 (b) The purpose of the interstate commission is the administration of the interstate  
23 medical licensure compact, which is a discretionary state function.

24 (c) The interstate commission shall be a body corporate and joint agency of the member  
25 states and shall have all the responsibilities, powers, and duties set forth in the compact, and such  
26 additional powers as may be conferred upon it by a subsequent concurrent action of the respective  
27 legislatures of the member states in accordance with the terms of the compact.

28 (d) The interstate commission shall consist of two (2) voting representatives appointed by  
29 each member state who shall serve as commissioners. In states where allopathic and osteopathic  
30 physicians are regulated by separate member boards, or if the licensing and disciplinary authority  
31 is split between multiple member boards within a member state, the member state shall appoint  
32 one representative from each member board. A commissioner shall be a(n):

33 (1) Allopathic or osteopathic physician appointed to a member board;

34 (2) Executive director, executive secretary, or similar executive of a member board; or

1 (3) Member of the public appointed to a member board.

2 (e) The interstate commission shall meet at least once each calendar year. A portion of  
3 this meeting shall be a business meeting to address such matters as may properly come before the  
4 commission, including the election of officers. The chairperson may call additional meetings and  
5 shall call for a meeting upon the request of a majority of the member states.

6 (f) The bylaws may provide for meetings of the interstate commission to be conducted by  
7 telecommunication or electronic communication.

8 (g) Each commissioner participating at a meeting of the interstate commission is entitled  
9 to one vote. A majority of commissioners shall constitute a quorum for the transaction of  
10 business, unless a larger quorum is required by the bylaws of the interstate commission. A  
11 commissioner shall not delegate a vote to another commissioner. In the absence of its  
12 commissioner, a member state may delegate voting authority for a specified meeting to another  
13 person from that state who shall meet the requirements of § 5-37.8-12(d).

14 (h) The interstate commission shall provide public notice of all meetings and all meetings  
15 shall be open to the public. The interstate commission may close a meeting, in full or in portion,  
16 where it determines by a two-thirds (2/3) vote of the commissioners present that an open meeting  
17 would be likely to:

18 (1) Relate solely to the internal personnel practices and procedures of the interstate  
19 commission;

20 (2) Discuss matters specifically exempted from disclosure by federal statute;

21 (3) Discuss trade secrets, commercial, or financial information that is privileged or  
22 confidential;

23 (4) Involve accusing a person of a crime, or formally censuring a person;

24 (5) Discuss information of a personal nature where disclosure would constitute a clearly  
25 unwarranted invasion of personal privacy;

26 (6) Discuss investigative records compiled for law enforcement purposes; or

27 (7) Specifically relate to the participation in a civil action or other legal proceeding.

28 (i) The interstate commission shall keep minutes which shall fully describe all matters  
29 discussed in a meeting and shall provide a full and accurate summary of actions taken, including  
30 record of any roll call votes.

31 (j) The interstate commission shall make its information and official records, to the extent  
32 not otherwise designated in the compact or by its rules, available to the public for inspection.

33 (k) The interstate commission shall establish an executive committee, which shall include  
34 officers, members, and others as determined by the bylaws. The executive committee shall have

1 the power to act on behalf of the interstate commission, with the exception of rulemaking, during  
2 periods when the interstate commission is not in session. When acting on behalf of the interstate  
3 commission, the executive committee shall oversee the administration of the compact including  
4 enforcement and compliance with the provisions of the compact, its bylaws and rules, and other  
5 such duties as necessary.

6 (1) The interstate commission may establish other committees for governance and  
7 administration of the compact.

8 **5-37.8-13. Powers and duties of the interstate commission.** -- The interstate  
9 commission shall have the duty and power to:

10 (1) Oversee and maintain the administration of the compact;

11 (2) Promulgate rules which shall be binding to the extent and in the manner provided for  
12 in the compact;

13 (3) Issue, upon the request of a member state or member board, advisory opinions  
14 concerning the meaning or interpretation of the compact, its bylaws, rules, and actions;

15 (4) Enforce compliance with compact provisions, the rules promulgated by the interstate  
16 commission, and the bylaws, using all necessary and proper means, including, but not limited to,  
17 the use of judicial process;

18 (5) Establish and appoint committees including, but not limited to, an executive  
19 committee as required by § 5-37.8-12, which shall have the power to act on behalf of the  
20 interstate commission in carrying out its powers and duties;

21 (6) Pay, or provide for the payment of the expenses related to the establishment,  
22 organization, and ongoing activities of the interstate commission;

23 (7) Establish and maintain one or more offices;

24 (8) Borrow, accept, hire, or contract for services of personnel;

25 (9) Purchase and maintain insurance and bonds;

26 (10) Employ an executive director who shall have such powers to employ, select or  
27 appoint employees, agents, or consultants, and to determine their qualifications, define their  
28 duties, and fix their compensation;

29 (11) Establish personnel policies and programs relating to conflicts of interest, rates of  
30 compensation, and qualifications of personnel;

31 (12) Accept donations and grants of money, equipment, supplies, materials and services,  
32 and to receive, utilize, and dispose of it in a manner consistent with the conflict of interest  
33 policies established by the interstate commission;

1           (13) Lease, purchase, accept contributions or donations of, or otherwise to own, hold,  
2 improve or use, any property, real, personal, or mixed;

3           (14) Sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of  
4 any property, real, personal, or mixed;

5           (15) Establish a budget and make expenditures;

6           (16) Adopt a seal and bylaws governing the management and operation of the interstate  
7 commission;

8           (17) Report annually to the legislatures and governors of the member states concerning  
9 the activities of the interstate commission during the preceding year. Such reports shall also  
10 include reports of financial audits and any recommendations that may have been adopted by the  
11 interstate commission;

12           (18) Coordinate education, training, and public awareness regarding the compact, its  
13 implementation, and its operation;

14           (19) Maintain records in accordance with the bylaws;

15           (20) Seek and obtain trademarks, copyrights, and patents; and

16           (21) Perform such functions as may be necessary or appropriate to achieve the purposes  
17 of the compact.

18           **5-37.8-14. Finance powers.**

19           (a) The interstate commission may levy on and collect an annual assessment from each  
20 member state to cover the cost of the operations and activities of the interstate commission and its  
21 staff. The total assessment must be sufficient to cover the annual budget approved each year for  
22 which revenue is not provided by other sources. The aggregate annual assessment amount shall be  
23 allocated upon a formula to be determined by the interstate commission, which shall promulgate a  
24 rule binding upon all member states.

25           (b) The interstate commission shall not incur obligations of any kind prior to securing the  
26 funds adequate to meet the same.

27           (c) The interstate commission shall not pledge the credit of any of the member states,  
28 except by, and with the authority of, the member state.

29           (d) The interstate commission shall be subject to a yearly financial audit conducted by a  
30 certified or licensed public accountant and the report of the audit shall be included in the annual  
31 report of the interstate commission.

32           **5-37.8-15. Organization and operation of the interstate commission.**

1           (a) The interstate commission shall, by a majority of commissioners present and voting,  
2 adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the purposes  
3 of the compact within twelve (12) months of the first interstate commission meeting.

4           (b) The interstate commission shall elect or appoint annually from among its  
5 commissioners a chairperson, a vice-chairperson, and a treasurer, each of whom shall have such  
6 authority and duties as may be specified in the bylaws. The chairperson, or in the chairperson's  
7 absence or disability, the vice-chairperson, shall preside at all meetings of the interstate  
8 commission.

9           (c) Officers selected in § 5-37.8-15(b) shall serve without remuneration from the  
10 interstate commission.

11           (d) The officers and employees of the interstate commission shall be immune from suit  
12 and liability, either personally or in their official capacity, for a claim for damage to or loss of  
13 property or personal injury or other civil liability caused or arising out of, or relating to, an actual  
14 or alleged act, error, or omission that occurred, or that such person had a reasonable basis for  
15 believing occurred, within the scope of interstate commission employment, duties, or  
16 responsibilities; provided that such person shall not be protected from suit or liability for damage,  
17 loss, injury, or liability caused by the intentional or willful and wanton misconduct of such  
18 person.

19           (1) The liability of the executive director and employees of the interstate commission or  
20 representatives of the interstate commission, acting within the scope of such person's employment  
21 or duties for acts, errors, or omissions occurring within such person's state, may not exceed the  
22 limits of liability set forth under the constitution and laws of that state for state officials,  
23 employees, and agents. The interstate commission is considered to be an instrumentality of the  
24 states for the purposes of any such action. Nothing in this subsection shall be construed to protect  
25 such person from suit or liability for damage, loss, injury, or liability caused by the intentional or  
26 willful and wanton misconduct of such person.

27           (2) The interstate commission shall defend the executive director, its employees, and  
28 subject to the approval of the attorney general or other appropriate legal counsel of the member  
29 state represented by an interstate commission representative, shall defend such interstate  
30 commission representative in any civil action seeking to impose liability arising out of an actual  
31 or alleged act, error or omission that occurred within the scope of interstate commission  
32 employment, duties or responsibilities, or that the defendant had a reasonable basis for believing  
33 occurred within the scope of interstate commission employment, duties, or responsibilities.

1 provided that the actual or alleged act, error, or omission did not result from intentional or willful  
2 and wanton misconduct on the part of such person.

3 (3) To the extent not covered by the state involved, member state, or the interstate  
4 commission, the representatives or employees of the interstate commission shall be held harmless  
5 in the amount of a settlement or judgment, including attorneys' fees and costs, obtained against  
6 such persons arising out of an actual or alleged act, error, or omission that occurred within the  
7 scope of interstate commission employment, duties, or responsibilities, or that such persons had a  
8 reasonable basis for believing occurred within the scope of interstate commission employment,  
9 duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result  
10 from intentional or willful and wanton misconduct on the part of such persons.

11 **5-37.8-16. Rulemaking functions of the interstate commission.**

12 (a) The interstate commission shall promulgate reasonable rules in order to effectively  
13 and efficiently achieve the purposes of the compact. Notwithstanding the foregoing, in the event  
14 the interstate commission exercises its rulemaking authority in a manner that is beyond the scope  
15 of the purposes of the compact, or the powers granted hereunder, then such an action by the  
16 interstate commission shall be invalid and have no force or effect.

17 (b) Rules deemed appropriate for the operations of the interstate commission shall be  
18 made pursuant to a rulemaking process that substantially conforms to the "model state  
19 administrative procedure act" of 2010, and subsequent amendments thereto.

20 (c) Not later than thirty (30) days after a rule is promulgated, any person may file a  
21 petition for judicial review of the rule in the United States District Court for the District of  
22 Columbia or the federal district where the interstate commission has its principal offices,  
23 provided that the filing of such a petition shall not stay or otherwise prevent the rule from  
24 becoming effective unless the court finds that the petitioner has a substantial likelihood of  
25 success. The court shall give deference to the actions of the interstate commission consistent with  
26 applicable law and shall not find the rule to be unlawful if the rule represents a reasonable  
27 exercise of the authority granted to the interstate commission.

28 **5-37.8-17. Oversight of the interstate compact.**

29 (a) The executive, legislative, and judicial branches of state government in each member  
30 state shall enforce the compact and shall take all actions necessary and appropriate to effectuate  
31 the compact's purposes and intent. The provisions of the compact and the rules promulgated  
32 hereunder shall have standing as statutory law but shall not override existing state authority to  
33 regulate the practice of medicine.

1 (b) All courts shall take judicial notice of the compact and the rules in any judicial or  
2 administrative proceeding in a member state pertaining to the subject matter of the compact  
3 which may affect the powers, responsibilities or actions of the interstate commission.

4 (c) The interstate commission shall be entitled to receive all service of process in any  
5 such proceeding, and shall have standing to intervene in the proceeding for all purposes. Failure  
6 to provide service of process to the interstate commission shall render a judgment or order void as  
7 to the interstate commission, the compact, or promulgated rules.

8 **5-37.8-18. Enforcement of interstate compact.**

9 (a) The interstate commission, in the reasonable exercise of its discretion, shall enforce  
10 the provisions and rules of the compact.

11 (b) The interstate commission may, by majority vote of the commissioners, initiate legal  
12 action in the United States District Court for the District of Columbia, or, at the discretion of the  
13 interstate commission, in the federal district where the interstate commission has its principal  
14 offices, to enforce compliance with the provisions of the compact, and its promulgated rules and  
15 bylaws, against a member state in default. The relief sought may include both injunctive relief  
16 and damages. In the event judicial enforcement is necessary, the prevailing party shall be awarded  
17 all costs of such litigation including reasonable attorney's fees.

18 (c) The remedies herein shall not be the exclusive remedies of the interstate commission.  
19 The interstate commission may avail itself of any other remedies available under state law or the  
20 regulation of a profession.

21 **5-37.8-19. Default procedures.**

22 (a) The grounds for default include, but are not limited to, failure of a member state to  
23 perform such obligations or responsibilities imposed upon it by the compact, or the rules and  
24 bylaws of the interstate commission promulgated under the compact.

25 (b) If the interstate commission determines that a member state has defaulted in the  
26 performance of its obligations or responsibilities under the compact, or the bylaws or promulgated  
27 rules, the interstate commission shall:

28 (1) Provide written notice to the defaulting state and other member states, of the nature of  
29 the default, the means of curing the default, and any action taken by the interstate commission.  
30 The interstate commission shall specify the conditions by which the defaulting state must cure its  
31 default; and

32 (2) Provide remedial training and specific technical assistance regarding the default.

33 (c) If the defaulting state fails to cure the default, the defaulting state shall be terminated  
34 from the compact upon an affirmative vote of a majority of the commissioners and all rights,

1 privileges, and benefits conferred by the compact shall terminate on the effective date of  
2 termination. A cure of the default does not relieve the offending state of obligations or liabilities  
3 incurred during the period of the default.

4 (d) Termination of membership in the compact shall be imposed only after all other  
5 means of securing compliance have been exhausted. Notice of intent to terminate shall be given  
6 by the interstate commission to the governor, the speaker, the senate president and minority  
7 leaders of the defaulting state's legislature, and each of the member states.

8 (e) The interstate commission shall establish rules and procedures to address licenses and  
9 physicians that are materially impacted by the termination of a member state, or the withdrawal of  
10 a member state.

11 (f) The member state which has been terminated is responsible for all dues, obligations,  
12 and liabilities incurred through the effective date of termination including obligations, the  
13 performance of which extends beyond the effective date of termination.

14 (g) The interstate commission shall not bear any costs relating to any state that has been  
15 found to be in default or which has been terminated from the compact, unless otherwise mutually  
16 agreed upon in writing between the interstate commission and the defaulting state.

17 (h) The defaulting state may appeal the action of the interstate commission by petitioning  
18 the United States District Court for the District of Columbia or the federal district where the  
19 interstate commission has its principal offices. The prevailing party shall be awarded all costs of  
20 such litigation including reasonable attorney's fees.

21 **5-37.8-20. Dispute resolution.**

22 (a) The interstate commission shall attempt, upon the request of a member state, to  
23 resolve disputes which are subject to the compact and which may arise among member states or  
24 member boards.

25 (b) The interstate commission shall promulgate rules providing for both mediation and  
26 binding dispute resolution as appropriate.

27 **5-37.8-21. Member states, effective date and amendment.**

28 (a) Any state is eligible to become a member state of the compact.

29 (b) The compact shall become effective and binding upon legislative enactment of the  
30 compact into law by no less than seven (7) states. Thereafter, it shall become effective and  
31 binding on a state upon enactment of the compact into law by that state.

32 (c) The governors of non-member states, or their designees, shall be invited to participate  
33 in the activities of the interstate commission on a non-voting basis prior to adoption of the  
34 compact by all states.



1 (d) The interstate commission may propose amendments to the compact for enactment by  
2 the member states. No amendment shall become effective and binding upon the interstate  
3 commission and the member states unless and until it is enacted into law by unanimous consent  
4 of the member states.

5 **5-37.8-22. Withdrawal.**

6 (a) Once effective, the compact shall continue in force and remain binding upon each and  
7 every member state; provided that a member state may withdraw from the compact by  
8 specifically repealing the statute which enacted the compact into law.

9 (b) Withdrawal from the compact shall be by the enactment of a statute repealing the  
10 same, but shall not take effect until one year after the effective date of such statute and until  
11 written notice of the withdrawal has been given by the withdrawing state to the governor of each  
12 other member state.

13 (c) The withdrawing state shall immediately notify the chairperson of the interstate  
14 commission in writing upon the introduction of legislation repealing the compact in the  
15 withdrawing state.

16 (d) The interstate commission shall notify the other member states of the withdrawing  
17 state's intent to withdraw within sixty (60) days of its receipt of notice provided under § 5-  
18 37.822(c).

19 (e) The withdrawing state is responsible for all dues, obligations and liabilities incurred  
20 through the effective date of withdrawal, including obligations, the performance of which extend  
21 beyond the effective date of withdrawal.

22 (f) Reinstatement following withdrawal of a member state shall occur upon the  
23 withdrawing state reenacting the compact or upon such later date as determined by the interstate  
24 commission.

25 (g) The interstate commission is authorized to develop rules to address the impact of the  
26 withdrawal of a member state on licenses granted in other member states to physicians who  
27 designated the withdrawing member state as the state of principal license.

28 **5-37.8-23. Dissolution.**

29 (a) The compact shall dissolve effective upon the date of the withdrawal or default of the  
30 member state which reduces the membership in the compact to one member state.

31 (b) Upon the dissolution of the compact, the compact becomes null and void and shall be  
32 of no further force or effect, and the business and affairs of the interstate commission shall be  
33 concluded and surplus funds shall be distributed in accordance with the bylaws.

34 **5-37.8-24. Severability and construction.**

1           (a) The provisions of the compact shall be severable, and if any phrase, clause, sentence,  
2 or provision is deemed unenforceable, the remaining provisions of the compact shall be  
3 enforceable.

4           (b) The provisions of the compact shall be liberally construed to effectuate its purposes.

5           (c) Nothing in the compact shall be construed to prohibit the applicability of other  
6 interstate compacts to which the states are members.

7           **5-37.8-25. Binding effect of compact and other laws.**

8           (a) Nothing herein prevents the enforcement of any other law of a member state that is  
9 not inconsistent with the compact.

10           (b) All laws in a member state in conflict with the compact are superseded to the extent  
11 of the conflict.

12           (c) All lawful actions of the interstate commission, including all rules and bylaws  
13 promulgated by the commission, are binding upon the member states.

14           (d) All agreements between the interstate commission and the member states are binding  
15 in accordance with their terms.

16           (e) In the event any provision of the compact exceeds the constitutional limits imposed on  
17 the legislature of any member state, such provision shall be ineffective to the extent of the  
18 conflict with the constitutional provision in question in that member state.

19           SECTION 2. Chapter 5-34.3 of the General Laws entitled "Nurse Licensure Compact" is  
20 hereby amended by adding thereto the following sections:

21           **5-34.3-10.1. Rulemaking.**

22           (a) The commission shall exercise its rulemaking powers pursuant to the criteria set forth  
23 in this section and the rules adopted thereunder. Rules and amendments shall become binding as  
24 of the date specified in each rule or amendment and shall have the same force and effect as  
25 provisions of this compact.

26           (b) Rules or amendments to the rules shall be adopted at a regular or special meeting of  
27 the commission.

28           (c) Prior to promulgation and adoption of a final rule or rules by the commission, and at  
29 least sixty (60) days in advance of the meeting at which the rule will be considered and voted  
30 upon, the commission shall file a notice of proposed rulemaking:

31           (1) On the website of the commission; and

32           (2) On the website of each licensing board or the publication in which each state would  
33 otherwise publish proposed rules.

34           (d) The notice of proposed rulemaking shall include:

1           (1) The proposed time, date and location of the meeting in which the rule will be  
2 considered and voted upon;

3           (2) The text of the proposed rule or amendment, and the reason for the proposed rule;  
4           (3) A request for comments on the proposed rule from any interested person; and  
5           (4) The manner in which interested persons may submit notice to the commission of their  
6 intention to attend the public hearing and any written comments.

7           (e) Prior to adoption of a proposed rule, the commission shall allow persons to submit  
8 written data, facts, opinions and arguments, which shall be made available to the public.

9           (f) The commission shall grant an opportunity for a public hearing before it adopts a rule  
10 or amendment.

11           (g) The commission shall publish the place, time and date of the scheduled public  
12 hearing.

13           (1) Hearings shall be conducted in a manner providing each person who wishes to  
14 comment a fair and reasonable opportunity to comment orally or in writing. All hearings will be  
15 recorded, and a copy will be made available upon request.

16           (2) Nothing in this section shall be construed as requiring a separate hearing on each rule.  
17 Rules may be grouped for the convenience of the commission at hearings required by this section.

18           (h) If no one appears at the public hearing, the commission may proceed with  
19 promulgation of the proposed rule.

20           (i) Following the scheduled hearing date, or by the close of business on the scheduled  
21 hearing date if the hearing was not held, the commission shall consider all written and oral  
22 comments received.

23           (j) The commission shall, by majority vote of all administrators, take final action on the  
24 proposed rule and shall determine the effective date of the rule, if any, based on the rulemaking  
25 record and the full text of the rule.

26           (k) Upon determination that an emergency exists, the commission may consider and  
27 adopt an emergency rule without prior notice, opportunity for comment or hearing, provided that  
28 the usual rulemaking procedures provided in this compact and in this section shall be  
29 retroactively applied to the rule as soon as reasonably possible, in no event later than ninety (90)  
30 days after the effective date of the rule. For the purposes of this provision, an emergency rule is  
31 one that must be adopted immediately in order to:

32           (1) Meet an imminent threat to public health, safety or welfare;  
33           (2) Prevent a loss of commission or party state funds; or

1 (3) Meet a deadline for the promulgation of an administrative rule that is required by  
2 federal law or rule.

3 (1) The commission may direct revisions to a previously adopted rule or amendment for  
4 purposes of correcting typographical errors, errors in format, errors in consistency or grammatical  
5 errors. Public notice of any revisions shall be posted on the website of the commission. The  
6 revision shall be subject to challenge by any person for a period of thirty (30) days after posting.  
7 The revision may be challenged only on grounds that the revision results in a material change to a  
8 rule. A challenge shall be made in writing, and delivered to the commission, prior to the end of  
9 the notice period. If no challenge is made, the revision will take effect without further action. If  
10 the revision is challenged, the revision may not take effect without the approval of the  
11 commission.

12 **5-34.3-11.1. Oversight, dispute resolution and enforcement.**

13 (a) Oversight.

14 (1) Each party state shall enforce this compact and take all actions necessary and  
15 appropriate to effectuate this compact's purposes and intent.

16 (2) The commission shall be entitled to receive service of process in any proceeding that  
17 may affect the powers, responsibilities or actions of the commission, and shall have standing to  
18 intervene in such a proceeding for all purposes. Failure to provide service of process in such  
19 proceeding to the commission shall render a judgment or order void as to the commission, this  
20 compact or promulgated rules.

21 (b) Default, technical assistance and termination.

22 (1) If the commission determines that a party state has defaulted in the performance of its  
23 obligations or responsibilities under this compact or the promulgated rules, the commission shall:

24 (i) Provide written notice to the defaulting state and other party states of the nature of the  
25 default, the proposed means of curing the default or any other action to be taken by the  
26 commission; and

27 (ii) Provide remedial training and specific technical assistance regarding the default;

28 (2) If a state in default fails to cure the default, the defaulting state's membership in this  
29 compact may be terminated upon an affirmative vote of a majority of the administrators, and all  
30 rights, privileges and benefits conferred by this compact may be terminated on the effective date  
31 of termination. A cure of the default does not relieve the offending state of obligations or  
32 liabilities incurred during the period of default;

33 (3) Termination of membership in this compact shall be imposed only after all other  
34 means of securing compliance have been exhausted. Notice of intent to suspend or terminate shall

1 be given by the commission to the governor of the defaulting state and to the executive officer of  
2 the defaulting state's licensing board and each of the party states;

3 (4) A state whose membership in this compact has been terminated is responsible for all  
4 assessments, obligations and liabilities incurred through the effective date of termination,  
5 including obligations that extend beyond the effective date of termination;

6 (5) The commission shall not bear any costs related to a state that is found to be in default  
7 or whose membership in this compact has been terminated unless agreed upon in writing between  
8 the commission and the defaulting state;

9 (6) The defaulting state may appeal the action of the commission by petitioning the U.S.  
10 District Court for the District of Columbia or the federal district in which the commission has its  
11 principal offices. The prevailing party shall be awarded all costs of such litigation, including  
12 reasonable attorneys' fees.

13 (c) Dispute Resolution.

14 (1) Upon request by a party state, the commission shall attempt to resolve disputes related  
15 to the compact that arise among party states and between party and non-party states;

16 (2) The commission shall promulgate a rule providing for both mediation and binding  
17 dispute resolution for disputes, as appropriate;

18 (3) In the event the commission cannot resolve disputes among party states arising under  
19 this compact:

20 (i) The party states may submit the issues in dispute to an arbitration panel, which will be  
21 comprised of individuals appointed by the compact administrator in each of the affected party  
22 states and an individual mutually agreed upon by the compact administrators of all the party  
23 states involved in the dispute;

24 (ii) The decision of a majority of the arbitrators shall be final and binding.

25 (d) Enforcement.

26 (1) The commission, in the reasonable exercise of its discretion, shall enforce the  
27 provisions and rules of this compact;

28 (2) By majority vote, the commission may initiate legal action in the U.S. District Court  
29 for the District of Columbia or the federal district in which the commission has its principal  
30 offices against a party state that is in default to enforce compliance with the provisions of this  
31 compact and its promulgated rules and bylaws. The relief sought may include both injunctive  
32 relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be  
33 awarded all costs of such litigation, including reasonable attorneys' fees;

1           (3) The remedies herein shall not be the exclusive remedies of the commission. The  
2 commission may pursue any other remedies available under federal or state law.

3           SECTION 3. Sections 5-34.3-3, 5-34.3-4, 5-34.3-5, 5-34.3-6, 5-34.3-8, 5-34.3-9, 5-34.310, 5-  
4 34.3-12 and 5-34.3-14 of the General Laws in Chapter 5-34.3 entitled "Nurse Licensure  
5 Compact" are hereby amended to read as follows:

6           **5-34.3-3. Legislative findings.**

7           (a) The general assembly finds and declares that:

8           (1) The health and safety of the public are affected by the degree of compliance with and the  
9 effectiveness of enforcement activities related to state nurse licensure laws;

10          (2) Violations of nurse licensure and other laws regulating the practice of nursing may result  
11 in injury or harm to the public;

12          (3) The expanded mobility of nurses and the use of advanced communication technologies as  
13 part of our nation's healthcare delivery system require greater coordination and cooperation  
14 among states in the areas of nurse licensure and regulations;

15          (4) New practice modalities and technology make compliance with individual state nurse  
16 licensure laws difficult and complex; ~~and~~

17          (5) The current system of duplicative licensure for nurses practicing in multiple states is  
18 cumbersome and redundant to both nurses and states; ~~and~~

19           (6) Uniformity of nurse licensure requirements throughout the states promotes public safety  
20 and public health benefits.

21          (b) The general purposes of this compact are to:

22          (1) Facilitate the states' responsibility to protect the public's health and safety;

23          (2) Ensure and encourage the cooperation of party states in the areas of nurse licensure and  
24 regulation;

25          (3) Facilitate the exchange of information between party states in the areas of nurse  
26 regulation, investigation and adverse actions;

27          (4) Promote compliance with the laws governing the practice of nursing in each jurisdiction;  
28 ~~and~~

29          (5) Invest all party states with the authority to hold a nurse accountable for meeting all state  
30 practice laws in the state in which the patient is located at the time care is rendered through the  
31 mutual recognition of party state licenses; ~~and~~

32          (6) Decrease redundancies in the consideration and issuance of nurse licenses; and

33          (7) Provide opportunities for interstate practice by nurses who meet uniform licensure  
34 requirements.

1 5-34.3-4. Definitions.

2 As used in this chapter:

3 (1) "Adverse action" means ~~a home or remote state action.~~ any administrative, civil, equitable  
4 or criminal action permitted by a state's laws which is imposed by a licensing board or other  
5 authority against a nurse, including actions against an individual's license or multistate licensure  
6 privilege such as revocation, suspension, probation, monitoring of the licensee, limitation on the  
7 licensee's practice, or any other encumbrance on licensure affecting a nurse's authorization to  
8 practice, including issuance of a cease and desist action.

9 (2) "Alternative program" means a voluntary, nondisciplinary monitoring program approved  
10 by a nurse licensing board.

11 (3) "Commission" means the interstate commission of nurse license compact  
12 administrators, the governing body of the nurse licensure compact.

13 ~~(3)~~(4) "Coordinated licensure information system" means an integrated process for collecting,  
14 storing, and sharing information on nurse licensure and enforcement activities related to nurse  
15 licensure laws, which is administered by a nonprofit organization composed of and  
16 controlled by state nurse licensing boards.

17 ~~(4)~~(5) "Current significant investigative information" means investigative information that a  
18 licensing board, after a preliminary inquiry that includes notification and an opportunity for the  
19 nurse to respond if required by state law, has reason to believe is not groundless and, if proved  
20 true, would indicate more than a minor infraction; or investigative information that indicates that  
21 the nurse represents an immediate treat to public health and safety regardless of whether the nurse  
22 has been notified and had an opportunity to respond.

23 (6) "Encumbrance" means a revocation or suspension of, or any limitation on, the full and  
24 unrestricted practice of nursing imposed by a licensing board.

25 ~~(5)~~(7) "Home state" means the party state which is the nurse's primary state of residence.

26 ~~(6)~~(8) "Home state action" means any administrative, civil, equitable or criminal action  
27 permitted by the home state's laws which are imposed on a nurse by the home state's licensing  
28 board or other authority including actions against an individual's license such as: revocation,  
29 suspension, probation or any other action which affects a nurse's authorization to practice.

30 ~~(7)~~(9) "Licensing board" means a party state's regulatory body responsible for issuing nurse  
31 licenses.

32 (8)(10) "Multistate licensure ~~privilege~~" means ~~current, official authority from a remote state~~  
33 ~~permitting the practice of nursing as either a registered nurse or a licensed practical/vocational~~  
34 ~~nurse in such party state. All party states have the authority, in accordance with existing state due~~

1 ~~process law, to take actions against the nurse's privilege such as: revocation, suspension,~~  
2 ~~probation or any other action which affects a nurse's authorization to practice. a license to~~  
3 ~~practice as a registered nurse (RN) or a licensed practical nurse/vocational nurse (LPN/VN)~~  
4 ~~issued by a home state licensing board that authorizes the licensed nurse to practice in all party~~  
5 ~~states under a multistate licensure privilege.~~

6 (11) "Multistate licensure privilege" means a legal authorization associated with a multistate  
7 license permitting the practice of nursing as either a registered nurse (RN) or licensed practical  
8 nurse/vocational nurse (LPN/VN) in a remote state.

9 ~~(9)~~(12) "Nurse" means a registered nurse or licensed practical/vocational nurse, as those  
10 terms are defined by each party's state practice laws.

11 ~~(10)~~(13) "Party state" means any state that has adopted this compact.

12 ~~(11)~~(14) "Remote state" means a party state, other than the home state, ~~where the patient is~~  
13 ~~located at the time nursing care is provided, or, in the case of the practice of nursing not involving~~  
14 ~~a patient, in such party state where the recipient of nursing practice is located.~~

15 ~~(12)~~(15) "Remote state action" means any administrative, civil, equitable or criminal action  
16 permitted by a remote state's laws which are imposed on a nurse by the remote state's licensing  
17 board or other authority including actions against an individual's multistate licensure privilege to  
18 practice in the remote state, and cease and desist and other injunctive or equitable orders issued  
19 by remote states or the licensing boards thereof.

20 (16) "Single-state license" means a nurse license issued by a party state that authorizes  
21 practice only within the issuing state and does not include a multistate licensure privilege to  
22 practice in any other party state.

23 ~~(13)~~(17) "State" means a state, territory, or possession of the United States, the District of  
24 Columbia.

25 ~~(14)~~(18) "State practice laws" means those individual party's state laws and regulations that  
26 govern the practice of nursing, define the scope of nursing practice, and create the methods and  
27 grounds for imposing discipline. It does not include the initial qualifications for licensure or  
28 requirements necessary to obtain and retain a license, except for qualifications or requirements of  
29 the home state.

30 **5-34.3-5. Permitted activities and jurisdiction. General provisions and jurisdiction.**

31 ~~A license to practice registered nursing issued by a home state to a resident in that state will~~  
32 ~~be recognized by each party state as authorizing a multistate licensure privilege to practice as a~~  
33 ~~registered nurse in such party state. A license to practice licensed practical/vocational nursing~~  
34 ~~issued by a home state to a resident in that state will be recognized by each party state as~~



1 ~~authorizing a multistate licensure privilege to practice as a licensed practical/vocational nurse in~~  
2 ~~such party state. In order to obtain or retain a license, an applicant must meet the home state's~~  
3 ~~qualifications for licensure and license renewal as well as all other applicable state laws.~~

4 ~~Party states may, in accordance with state due process laws, limit or revoke the multistate~~  
5 ~~licensure privilege of any nurse to practice in their state and may take any other actions under~~  
6 ~~their applicable state laws necessary to protect the health and safety of their citizens. If a party~~  
7 ~~state takes such action, it shall promptly notify the administrator of the coordinated licensure~~  
8 ~~information system. The administrator of the coordinated licensure information system shall~~  
9 ~~promptly notify the home state of any such actions by remote states.~~

10 ~~Every nurse practicing in a party state must comply with the state practice laws of the state in~~  
11 ~~which the patient is located at the time care is rendered. In addition, the practice of nursing is not~~  
12 ~~limited to patient care, but shall include all nursing practice as defined by the state practice laws~~  
13 ~~of a party state. The practice of nursing will subject a nurse to the jurisdiction of the nurse~~  
14 ~~licensing board and courts, as well as the laws, in that party state.~~

15 ~~This compact does not affect additional requirements imposed by states for advanced practice~~  
16 ~~registered nursing. However, a multistate licensure privilege to practice registered nursing~~  
17 ~~granted by a party shall be recognized by other party states as a license to practice registered~~  
18 ~~nursing if one is required by state law as a precondition for qualifying for advanced practice~~  
19 ~~registered nurse authorization.~~

20 ~~Individuals not residing in a party state shall continue to be able to apply for nurse licensure as~~  
21 ~~provided for under the laws of each party state. However, the license granted to these individuals~~  
22 ~~will not be recognized as granting the privilege to practice nursing in any other party~~  
23 ~~state unless explicitly agreed to by that party state.~~

24 (a) A multistate license to practice registered or licensed practical nursing/vocational nursing  
25 issued by a home state to a resident in that state will be recognized by each party state as  
26 authorizing a nurse to practice as a registered nurse (RN) or as a licensed practical  
27 nurse/vocational nurse (LPN/VN), under a multistate licensure privilege, in each party state.

28 (b) A state must implement procedures for considering the criminal history records of  
29 applicants for initial multistate license or licensure by endorsement. Such procedures shall  
30 include the submission of fingerprints or other biometric-based information by applicants for the  
31 purpose of obtaining an applicant's criminal history record information from the Federal Bureau  
32 of Investigation, and the agency responsible for retaining that state's criminal records.

33 (c) Each party state shall require the following for an applicant to obtain or retain a multistate  
34 license in the home state:

1       (1) Meets the home state's qualifications for licensure or renewal of licensure, as well as all  
2 other applicable state laws;

3       (2)(i) Has graduated or is eligible to graduate from a licensing board-approved RN or  
4 LPN/VN prelicensure education program; or

5       (ii) Has graduated from a foreign RN or LPN/VN prelicensure education program that:  
6       (A) Has been approved by the authorized accrediting body in the applicable country; and  
7       (B) Has been verified by an independent credentials review agency to be comparable to a  
8 licensing board-approved prelicensure education program;

9       (3) Has, if a graduate of a foreign prelicensure education program not taught in English or if  
10 English is not the individual's native language, successfully passed an English proficiency  
11 examination that includes the components of reading, speaking, writing and listening;

12       (4) Has successfully passed an NCLEX-RN® or NCLEX-PN® Examination or recognized  
13 predecessor, as applicable;

14       (5) Is eligible for or holds an active, unencumbered license;

15       (6) Has submitted, in connection with an application for initial licensure or licensure by  
16 endorsement, fingerprints or other biometric data for the purpose of obtaining criminal history  
17 record information from the Federal Bureau of Investigation and the agency responsible for  
18 retaining that state's criminal records;

19       (7) Has not been convicted or found guilty nor entered into an agreed disposition of a felony  
20 offense under applicable state or federal criminal law;

21       (8) Has not been convicted or found guilty nor entered into an agreed disposition of a  
22 misdemeanor offense related to the practice of nursing as determined on a case-by-case basis;

23       (9) Is not currently enrolled in an alternative program;

24       (10) Is subject to self-disclosure requirements regarding current participation in an alternative  
25 program; and

26       (11) Has a valid United States Social Security number.

27       (d) All party states shall be authorized, in accordance with existing state due process law, to  
28 take adverse action against a nurse's multistate licensure privilege such as revocation, suspension,  
29 probation or any other action that affects a nurse's authorization to practice under a multistate  
30 licensure privilege, including cease and desist actions. If a party state takes such action, it shall  
31 promptly notify the administrator of the coordinated licensure information system. The  
32 administrator of the coordinated licensure information system shall promptly notify the home  
33 state of any such actions by remote states.

1 (e) A nurse practicing in a party state must comply with the state practice laws of the state in  
2 which the client is located at the time service is provided. The practice of nursing is not limited to  
3 patient care, but shall include all nursing practice as defined by the state practice laws of the party  
4 state in which the client is located. The practice of nursing in a party state under a multistate  
5 licensure privilege will subject a nurse to the jurisdiction of the licensing board, the courts and the  
6 laws of the party state in which the client is located at the time service is provided.

7 (f) Individuals not residing in a party state shall continue to be able to apply for a party state's  
8 single-state license as provided under the laws of each party state. However, the singlestate  
9 license granted to these individuals will not be recognized as granting the privilege to practice  
10 nursing in any other party state. Nothing in this compact shall affect the requirements established  
11 by a party state for the issuance of a single-state license.

12 (g) Any nurse holding a home state multistate license, on the effective date of this compact,  
13 may retain and renew the multistate license issued by the nurse's then-current home state,  
14 provided that:

15 (1) A nurse, who changes primary state of residence after this compact's effective date, must  
16 meet all applicable requirements to obtain a multistate license from a new home state; and

17 (2) A nurse who fails to satisfy the multistate licensure requirements due to a disqualifying  
18 event occurring after this compact's effective date shall be ineligible to retain or renew a  
19 multistate license, and the nurse's multistate license shall be revoked or deactivated in accordance  
20 with applicable rules adopted by the commission.

21 **5-34.3-6. Applications for licensure in a party state.**

22 ~~(a) Upon application for a license, the licensing board in a party state shall ascertain, through~~  
23 ~~the coordinated licensure information system, whether the applicant has ever held, or is the holder~~  
24 ~~of, a license issued by any other state, whether there are any restrictions on the multistate~~  
25 ~~licensure privilege, and whether any other adverse action by any state has been taken against the~~  
26 ~~license.~~

27 ~~(b) A nurse in a party state shall hold licensure in only one party state at a time, issued by~~  
28 ~~the home state.~~

29 ~~(c) A nurse who intends to change primary state of residence may apply for licensure in the~~  
30 ~~new home state in advance of such change. However, new licenses will not be issued by a party~~  
31 ~~state until after a nurse provides evidence of change in primary state of residence satisfactory to~~  
32 ~~the new home state's licensing board.~~

33 ~~(d) When a nurse changes primary state of residence by:~~

1 ~~(1) Moving between two party states, and obtains a license from the new home state, the~~  
2 ~~license from the former home state is no longer valid;~~

3 ~~(2) Moving from a non party state to a party state, and obtains a license from the new~~  
4 ~~home state, the individual state license issued by the non party state is not affected and will~~  
5 ~~remain in full force if so provided by the laws of the non party state;~~

6 ~~(3) Moving from a party state to a non party state, the license issued by the prior home~~  
7 ~~state converts to an individual state license, valid only in the former home state, without the~~  
8 ~~multistate licensure privilege to practice in other party states.~~

9 (a) Upon application for a multistate license, the licensing board in the issuing party state  
10 shall ascertain, through the coordinated licensure information system, whether the applicant has  
11 ever held, or is the holder of, a license issued by any other state, whether there are any  
12 encumbrances on any license or multistate licensure privilege held by the applicant, whether any  
13 adverse action has been taken against any license or multistate licensure privilege held by the  
14 applicant and whether the applicant is currently participating in an alternative program.

15 (b) A nurse may hold a multistate license, issued by the home state, in only one party  
16 state at a time.

17 (c) If a nurse changes primary state of residence by moving between two (2) party states,  
18 the nurse must apply for licensure in the new home state, and the multistate license issued by the  
19 prior home state will be deactivated in accordance with applicable rules adopted by the  
20 commission.

21 (1) The nurse may apply for licensure in advance of a change in primary state of  
22 residence.

23 (2) A multistate license shall not be issued by the new home state until the nurse provides  
24 satisfactory evidence of a change in primary state of residence to the new home state and satisfies  
25 all applicable requirements to obtain a multistate license from the new home state.

26 (d) If a nurse changes primary state of residence by moving from a party state to a nonparty  
27 state, the multistate license issued by the prior home state will convert to a single-state license,  
28 valid only in the former home state.

29 **5-34.3-8. Additional authorities invested in party state nurse licensing boards.**

30 (a) Notwithstanding any other powers conferred by state law, party state nurse licensing  
31 boards shall have the authority to:

32 ~~(1) If otherwise, permitted by state law, recover from the affected nurse the costs of~~  
33 ~~investigations and disposition of cases resulting from any adverse action taken against that nurse;~~

1 ~~(2) Issue subpoenas for both hearings and investigations which require the attendance and~~  
2 ~~testimony of witnesses, and the production of evidence. Subpoenas issued by a nurse licensing~~  
3 ~~board in a party state for the attendance and testimony of witnesses, and/or the production of~~  
4 ~~evidence from another party state, shall be enforced in the latter state by any court of competent~~  
5 ~~jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued~~  
6 ~~in proceedings pending before it. The issuing authority shall pay any witness fees, travel~~  
7 ~~expenses, mileage and other fees required by the service statutes of the state where the witnesses~~  
8 ~~and/or evidence are located.~~

9 ~~(3) Issue cease and desist orders to limit or revoke a nurse's authority to practice in their state;~~

10 ~~(4) Promulgate uniform rules and regulations as provided for in subsection 5-34.3-10(c).~~

11 (1) Take adverse action against a nurse's multistate licensure privilege to practice within that  
12 party state.

13 (i) Only the home state shall have the power to take adverse action against a nurse's license  
14 issued by the home state.

15 (ii) For purposes of taking adverse action, the home state licensing board shall give the same  
16 priority and effect to reported conduct received from a remote state as it would if such conduct  
17 had occurred within the home state. In so doing, the home state shall apply its own state laws to  
18 determine appropriate action.

19 (2) Issue cease and desist orders or impose an encumbrance on a nurse's authority to practice  
20 within that party state.

21 (3) Complete any pending investigations of a nurse who changes primary state of residence  
22 during the course of such investigations. The licensing board shall also have the authority to take  
23 appropriate action(s) and shall promptly report the conclusions of such investigations to the  
24 administrator of the coordinated licensure information system. The administrator of the  
25 coordinated licensure information system shall promptly notify the new home state of any such  
26 actions.

27 (4) Issue subpoenas for both hearings and investigations that require the attendance and  
28 testimony of witnesses, as well as, the production of evidence. Subpoenas issued by a licensing  
29 board in a party state for the attendance and testimony of witnesses or the production of evidence  
30 from another party state shall be enforced in the latter state by any court of competent  
31 jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued  
32 in proceedings pending before it. The issuing authority shall pay any witness fees, travel  
33 expenses, mileage and other fees required by the service statutes of the state in which the  
34 witnesses or evidence are located.

1 (5) Obtain and submit, for each nurse licensure applicant, fingerprint or other biometric-based  
2 information to the Federal Bureau of Investigation for criminal background checks, receive the  
3 results of the Federal Bureau of Investigation record search on criminal background checks and  
4 use the results in making licensure decisions.

5 (6) If otherwise permitted by state law, recover from the affected nurse the costs of  
6 investigations and disposition of cases resulting from any adverse action taken against that nurse.

7 (7) Take adverse action based on the factual findings of the remote state, provided that the  
8 licensing board follows its own procedures for taking such adverse action.

9 (b) If adverse action is taken by the home state against a nurse's multistate license, the nurse's  
10 multistate licensure privilege to practice in all other party states shall be deactivated until all  
11 encumbrances have been removed from the multistate license. All home state disciplinary orders  
12 that impose adverse action against a nurse's multistate license shall include a statement that the  
13 nurse's multistate licensure privilege is deactivated in all party states during the pendency of the  
14 order.

15 (c) Nothing in this compact shall override a party state's decision that participation in an  
16 alternative program may be used in lieu of adverse action. The home state licensing board shall  
17 deactivate the multistate licensure privilege under the multistate license of any nurse for the  
18 duration of the nurse's participation in an alternative program.

19 **5-34.3-9. ~~Coordinated licensure information system~~ Coordinated licensure information**  
20 **system and exchange of information.**

21 (a) All party states shall participate in a ~~cooperative effort to create a~~ coordinated ~~data base~~  
22 licensure information system of all licensed registered nurses (RNs) and licensed practical  
23 nurses/vocational nurses (LPNs/VNs). This system will include information on the licensure and  
24 disciplinary history of each nurse, as ~~contributed~~ submitted by party states, to assist in the  
25 coordination of nurse licensure and enforcement efforts.

26 (b) ~~Notwithstanding any other provision of law, all party states' licensing boards shall~~  
27 ~~promptly report adverse actions, actions against multistate licensure privileges, any current~~  
28 ~~significant investigative information yet to result in adverse action, denials of applications, and~~  
29 ~~the reasons for such denials, to the coordinated licensure information system.~~ The commission,  
30 in consultation with the administrator of the coordinated licensure information system, shall  
31 formulate necessary and proper procedures for the identification, collection and exchange of  
32 information under this compact.

33 (c) All licensing boards shall promptly report to the coordinated licensure information system  
34 any adverse action, any current significant investigative information, denials of applications (with

1 the reasons for such denials) and nurse participation in alternative programs known to the  
2 licensing board regardless of whether such participation is deemed nonpublic or confidential  
3 under state law.

4 ~~(e)~~(d) Current significant investigative information and participation in nonpublic or  
5 confidential alternative programs shall be transmitted through the coordinated licensure  
6 information system only to party state licensing boards.

7 ~~(d)~~(e) Notwithstanding any other provision of law, all party states' licensing boards  
8 contributing information to the coordinated licensure information system may designate  
9 information that may not be shared with non-party states or disclosed to other entities or  
10 individuals without the express permission of the contributing state.

11 ~~(e)~~(f) Any personally identifiable information obtained from the coordinated licensure  
12 information system by a party state's licensing board shall ~~from the coordinated licensure~~  
13 ~~information system may~~ not be shared with non-party states or disclosed to other entities or  
14 individuals except to the extent permitted by the laws of the party state contributing the  
15 information.

16 ~~(f)~~(g) Any information contributed to the coordinated licensure information system that is  
17 subsequently required to be expunged by the laws of the party state contributing that information,  
18 shall also be expunged from the coordinated licensure information system.

19 ~~(g) The compact administrators, acting jointly with each other and in consultation with the~~  
20 ~~administrator of the coordinated licensure information system, shall formulate necessary and~~  
21 ~~proper procedures for the identification, collection and exchange of information under this~~  
22 ~~compact.~~

23 (h) The compact administrator of each party state shall furnish a uniform data set to the  
24 compact administrator of each other party state, which shall include, at a minimum:

25 (1) Identifying information;

26 (2) Licensure data;

27 (3) Information related to alternative program participation; and

28 (4) Other information that may facilitate the administration of this compact, as  
29 determined by commission rules.

30 (i) The compact administrator of a party state shall provide all investigative documents and  
31 information requested by another party state.

32 **5-34.3-10. Compact administration and interchange of information** Establishment of the  
33 interstate commission of nurse licensure compact administrators.

1 ~~(a) The head of the nurse licensing board, or his/her designee, of each party state shall be~~  
2 ~~the administrator of this compact for his/her state.~~

3 ~~(b) The compact administrator of each party shall furnish to the compact administrator of~~  
4 ~~each other party state any information and documents including, but not limited to, a uniform data~~  
5 ~~set of investigations, identifying information, licensure data, and disclosable alternative program~~  
6 ~~participation information to facilitate the administration of this compact.~~

7 ~~(c) Compact administrators shall have the authority to develop uniform rules to facilitate~~  
8 ~~and coordinate implementation of this compact. These uniform rules shall be adopted by party~~  
9 ~~states, under the authority invested under § 5-34.3-8(4).~~

10 (a) The party states hereby create and establish a joint public entity known as the  
11 interstate commission of nurse licensure compact administrators (the "commission").

12 (1) The commission is an instrumentality of the party states.

13 (2) Venue is proper, and judicial proceedings by or against the commission shall be brought  
14 solely and exclusively, in a court of competent jurisdiction where the principal office of the  
15 commission is located. The commission may waive venue and jurisdictional defenses to the  
16 extent it adopts or consents to participate in alternative dispute resolution proceedings.

17 (3) Nothing in this compact shall be construed to be a waiver of sovereign immunity.

18 (b) Membership, voting and meetings:

19 (1) Each party state shall have and be limited to one administrator. The head of the state  
20 licensing board or designee shall be the administrator of this compact for each party state. Any  
21 administrator may be removed or suspended from office as provided by the law of the state from  
22 which the administrator is appointed. Any vacancy occurring in the commission shall be filled in  
23 accordance with the laws of the party state in which the vacancy exists.

24 (2) Each administrator shall be entitled to one vote with regard to the promulgation of rules  
25 and creation of bylaws and shall otherwise have an opportunity to participate in the business and  
26 affairs of the commission. An administrator shall vote in person or by such other means as  
27 provided in the bylaws. The bylaws may provide for an administrator's participation in meetings  
28 by telephone or other means of communication.

29 (3) The commission shall meet at least once during each calendar year. Additional meetings  
30 shall be held as set forth in the bylaws or rules of the commission.

31 (4) All meetings shall be open to the public, and public notice of meetings shall be given in  
32 the same manner as required under the rulemaking provisions in § 5-34.3-10.1.

33 (5) The commission may convene in a closed, nonpublic meeting if the commission must  
34 discuss:



1 (i) Noncompliance of a party state with its obligations under this compact;  
2 (ii) The employment, compensation, discipline or other personnel matters, practices or  
3 procedures related to specific employees or other matters related to the commission's internal  
4 personnel practices and procedures;  
5 (iii) Current, threatened or reasonably anticipated litigation;  
6 (iv) Negotiation of contracts for the purchase or sale of goods, services or real estate;  
7 (v) Accusing any person of a crime or formally censuring any person;  
8 (vi) Disclosure of trade secrets or commercial or financial information that is privileged or  
9 confidential;  
10 (vii) Disclosure of information of a personal nature where disclosure would constitute a  
11 clearly unwarranted invasion of personal privacy;  
12 (viii) Disclosure of investigatory records compiled for law enforcement purposes;  
13 (ix) Disclosure of information related to any reports prepared by or on behalf of the  
14 commission for the purpose of investigation of compliance with this compact; or  
15 (x) Matters specifically exempted from disclosure by federal or state statute.  
16 (6) If a meeting, or portion of a meeting, is closed pursuant to this provision, the  
17 commission's legal counsel or designee shall certify that the meeting may be closed and shall  
18 reference each relevant exempting provision. The commission shall keep minutes that fully and  
19 clearly describe all matters discussed in a meeting and shall provide a full and accurate summary  
20 of actions taken, and the reasons therefor, including a description of the views expressed. All  
21 documents considered in connection with an action shall be identified in such minutes. All  
22 minutes and documents of a closed meeting shall remain under seal, subject to release by a  
23 majority vote of the commission or order of a court of competent jurisdiction.  
24 (c) The commission shall, by a majority vote of the administrators, prescribe bylaws or rules  
25 to govern its conduct as may be necessary or appropriate to carry out the purposes and exercise  
26 the powers of this compact, including, but not limited to:  
27 (1) Establishing the fiscal year of the commission;  
28 (2) Providing reasonable standards and procedures:  
29 (i) For the establishment and meetings of other committees; and  
30 (ii) Governing any general or specific delegation of any authority or function of the  
31 commission;  
32 (3) Providing reasonable procedures for calling and conducting meetings of the commission,  
33 ensuring reasonable advance notice of all meetings and providing an opportunity for attendance  
34 of such meetings by interested parties, with enumerated exceptions designed to protect the

1 public's interest, the privacy of individuals, and proprietary information, including trade secrets.  
2 The commission may meet in closed session only after a majority of the administrators vote to  
3 close a meeting in whole or in part. As soon as practicable, the commission must make public a  
4 copy of the vote to close the meeting revealing the vote of each administrator, with no proxy  
5 votes allowed;

6 (4) Establishing the titles, duties and authority and reasonable procedures for the election  
7 of the officers of the commission;

8 (5) Providing reasonable standards and procedures for the establishment of the personnel  
9 policies and programs of the commission. Notwithstanding any civil service or other similar laws  
10 of any party state, the bylaws shall exclusively govern the personnel policies and programs of the  
11 commission; and

12 (6) Providing a mechanism for winding up the operations of the commission and the  
13 equitable disposition of any surplus funds that may exist after the termination of this compact  
14 after the payment or reserving of all of its debts and obligations;

15 (d) The commission shall publish its bylaws and rules, and any amendments thereto, in a  
16 convenient form on the website of the commission.

17 (e) The commission shall maintain its financial records in accordance with the bylaws.

18 (f) The commission shall meet and take such actions as are consistent with the provisions  
19 of this compact and the bylaws.

20 (g) The commission shall have the following powers:

21 (1) To promulgate uniform rules to facilitate and coordinate implementation and  
22 administration of this compact. The rules shall have the force and effect of law and shall be  
23 binding in all party states;

24 (2) To bring and prosecute legal proceedings or actions in the name of the commission,  
25 provided that the standing of any licensing board to sue or be sued under applicable law shall not  
26 be affected;

27 (3) To purchase and maintain insurance and bonds;

28 (4) To borrow, accept or contract for services of personnel, including, but not limited to,  
29 employees of a party state or nonprofit organizations;

30 (5) To cooperate with other organizations that administer state compacts related to the  
31 regulation of nursing, including, but not limited to, sharing administrative or staff expenses,  
32 office space or other resources;

33 (6) To hire employees, elect or appoint officers, fix compensation, define duties, grant such  
34 individuals appropriate authority to carry out the purposes of this compact, and to establish the

1 commission's personnel policies and programs relating to conflicts of interest, qualifications of  
2 personnel and other related personnel matters;

3 (7) To accept any and all appropriate donations, grants and gifts of money, equipment,  
4 supplies, materials and services, and to receive, utilize and dispose of the same; provided that at  
5 all times the commission shall avoid any appearance of impropriety or conflict of interest;

6 (8) To lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold,  
7 improve or use, any property, whether real, personal or mixed; provided that at all times the  
8 commission shall avoid any appearance of impropriety;

9 (9) To sell, convey, mortgage, pledge, lease, exchange, abandon or otherwise dispose of any  
10 property, whether real, personal or mixed;

11 (10) To establish a budget and make expenditures;

12 (11) To borrow money;

13 (12) To appoint committees, including advisory committees comprised of administrators,  
14 state nursing regulators, state legislators or their representatives, and consumer representatives,  
15 and other such interested persons;

16 (13) To provide and receive information from, and to cooperate with, law enforcement  
17 agencies;

18 (14) To adopt and use an official seal; and

19 (15) To perform such other functions as may be necessary or appropriate to achieve the  
20 purposes of this compact consistent with the state regulation of nurse licensure and practice.

21 (h) Financing of the commission:

22 (1) The commission shall pay, or provide for the payment of, the reasonable expenses of its  
23 establishment, organization and ongoing activities;

24 (2) The commission may also levy on and collect an annual assessment from each party state  
25 to cover the cost of its operations, activities and staff in its annual budget as approved each year.  
26 The aggregate annual assessment amount, if any, shall be allocated based upon a formula to be  
27 determined by the commission, which shall promulgate a rule that is binding upon all party states;

28 (3) The commission shall not incur obligations of any kind prior to securing the funds  
29 adequate to meet the same; nor shall the commission pledge the credit of any of the party states,  
30 except by, and with the authority of, such party state;

31 (4) The commission shall keep accurate accounts of all receipts and disbursements. The  
32 receipts and disbursements of the commission shall be subject to the audit and accounting  
33 procedures established under its bylaws. However, all receipts and disbursements of funds  
34 handled by the commission shall be audited yearly by a certified or licensed public accountant,

1 and the report of the audit shall be included in and become part of the annual report of the  
2 commission.

3 (i) Qualified immunity, defense and indemnification:

4 (1) The administrators, officers, executive director, employees and representatives of the  
5 commission shall be immune from suit and liability, either personally or in their official capacity,  
6 for any claim for damage to or loss of property or personal injury or other civil liability caused by  
7 or arising out of any actual or alleged act, error or omission that occurred, or that the person  
8 against whom the claim is made had a reasonable basis for believing occurred, within the scope  
9 of commission employment, duties or responsibilities; provided that nothing in this paragraph  
10 shall be construed to protect any such person from suit or liability for any damage, loss, injury or  
11 liability caused by the intentional, willful or wanton misconduct of that person;

12 (2) The commission shall defend any administrator, officer, executive director, employee  
13 or representative of the commission in any civil action seeking to impose liability arising out of  
14 any actual or alleged act, error or omission that occurred within the scope of commission  
15 employment, duties or responsibilities, or that the person against whom the claim is made had a  
16 reasonable basis for believing occurred within the scope of commission employment, duties or  
17 responsibilities; provided that nothing herein shall be construed to prohibit that person from  
18 retaining their own counsel; and provided further that the actual or alleged act, error or omission  
19 did not result from that person's intentional, willful or wanton misconduct;

20 (3) The commission shall indemnify and hold harmless any administrator, officer,  
21 executive director, employee or representative of the commission for the amount of any  
22 settlement or judgment obtained against that person arising out of any actual or alleged act, error  
23 or omission that occurred within the scope of commission employment, duties or responsibilities,  
24 or that such person had a reasonable basis for believing occurred within the scope of commission  
25 employment, duties or responsibilities, provided that the actual or alleged act, error or omission  
26 did not result from the intentional, willful or wanton misconduct of that person.

27 **5-34.3-12. ~~Entry into force, withdrawal and amendment~~ Effective date, withdrawal and**  
28 **amendment.**

29 ~~(a) This compact shall enter into force and become effective as to any state when it has~~  
30 ~~been enacted into the laws of that state. Any party state may withdraw from this compact by~~  
31 ~~enacting a statute repealing the same, but no such withdrawal shall take effect until six (6) months~~  
32 ~~after the withdrawing state has given notice of the withdrawal to the executive heads of all other~~  
33 ~~party states.~~

1 ~~(b) No withdrawal shall affect the validity or applicability by the licensing boards of~~  
2 ~~states remaining party to the compact of any report of adverse action occurring prior to the~~  
3 ~~withdrawal.~~

4 ~~(c) Nothing contained in this compact shall be construed to invalidate or prevent any~~  
5 ~~nurse licensure agreement or other cooperative arrangement between a party state and a non-party~~  
6 ~~state that is made in accordance with the other provisions of this compact.~~

7 ~~(d) This compact may be amended by the party states. No amendment to this compact~~  
8 ~~shall become effective and binding upon the party states unless and until it is enacted into the~~  
9 ~~laws of all party states.~~

10 (a) This compact shall become effective upon passage. All party states to this compact,  
11 that also were parties to the prior nurse licensure compact, superseded by this compact, ("prior  
12 compact"), shall be deemed to have withdrawn from said prior compact within six (6) months  
13 after the effective date of this compact.

14 (b) Each party state to this compact shall continue to recognize a nurse's multistate  
15 licensure privilege to practice in that party state issued under the prior compact until such party  
16 state has withdrawn from the prior compact.

17 (c) Any party state may withdraw from this compact by enacting a statute repealing the  
18 same. A party state's withdrawal shall not take effect until six (6) months after enactment of the  
19 repealing statute.

20 (d) A party state's withdrawal or termination shall not affect the continuing requirement  
21 of the withdrawing or terminated state's licensing board to report adverse actions and significant  
22 investigations occurring prior to the effective date of such withdrawal or termination.

23 (e) Nothing contained in this compact shall be construed to invalidate or prevent any  
24 nurse licensure agreement or other cooperative arrangement between a party state and a non-party  
25 state that is made in accordance with the other provisions of this compact.

26 (f) This compact may be amended by the party states. No amendment to this compact  
27 shall become effective and binding upon the party states unless and until it is enacted into the  
28 laws of all party states.

29 (g) Representatives of non-party states to this compact shall be invited to participate in  
30 the activities of the commission, on a nonvoting basis, prior to the adoption of this compact by all  
31 states.

32 **5-34.3-14. Construction and severability.**

33 (a) This compact shall be liberally construed so as to effectuate the purposes thereof. The  
34 provisions of this compact shall be severable and if any phrase, clause, sentence or provision of

1 this compact is declared to be contrary to the constitution of any party state or of the United  
2 States or the applicability thereof to any government, agency, person or circumstance is held  
3 invalid, the validity of the remainder of this compact and the applicability thereof to any  
4 government, agency, person or circumstance shall not be affected thereby. If this compact shall  
5 be held contrary to the constitution of any state party thereto, the compact shall remain in full  
6 force and effect as to the remaining party states and in full force and effect as to the party state  
7 affected as to all severable matters.

8 ~~(b) In the event party states find a need for settling disputes arising under this compact:~~

9 ~~(1) The party states may submit the issues in dispute to an arbitration panel which will be~~  
10 ~~comprised of an individual appointed by the compact administrator in the home state; an~~  
11 ~~individual appointed by the compact administrator in the remote state(s) involved; and an~~  
12 ~~individual mutually agreed upon by the compact administrators of all the party states involved in~~  
13 ~~the dispute.~~

14 ~~(2) The decision of a majority of the arbitrators shall be final and binding.~~

15 SECTION 4. Sections 5-34.3-7 and 5-34.3-11 of the General Laws in Chapter 5-34.3 entitled  
16 "Nurse Licensure Compact" are hereby repealed.

17 ~~**5-34.3-7. Adverse actions.**~~

18 ~~In addition to the provisions described in § 5-34.3-5, the following provisions apply:~~

19 ~~(1) The licensing board of a remote state shall promptly report to the administrator of the~~  
20 ~~coordinated licensure information system any remote state actions including the factual and legal~~  
21 ~~basis for such action, if known. The licensing board of a remote state shall also promptly report~~  
22 ~~any significant current investigative information yet to result in a remote state action. The~~  
23 ~~administrator of the coordinated licensure information system shall promptly notify the home~~  
24 ~~state of any such reports.~~

25 ~~(2) The licensing board of a party state shall have the authority to complete any pending~~  
26 ~~investigations for a nurse who changes primary state of residence during the course of such~~  
27 ~~investigations. It shall also have the authority to take appropriate action(s), and shall promptly~~  
28 ~~report the conclusions of such investigations to the administrator of the coordinated licensure~~  
29 ~~information system. The administrator of the coordinated licensure information system shall~~  
30 ~~promptly notify the new home state of any such actions.~~

31 ~~(3) A remote state may take adverse action affecting the multistate licensure privilege to~~  
32 ~~practice within that party state. However, only the home state shall have the power to impose~~  
33 ~~adverse action against the license issued by the home state.~~



1           WHEREAS, this compact is intended to authorize state psychology regulatory authorities  
2 to afford legal recognition, in a manner consistent with the terms of the compact, to psychologists  
3 licensed in another state;

4           WHEREAS, this compact recognizes that states have a vested interest in protecting the  
5 public’s health and safety through their licensing and regulation of psychologists and that such  
6 state regulation will best protect public health and safety;

7           WHEREAS, this compact does not apply when a psychologist is licensed in both the  
8 home and receiving states; and

9           WHEREAS, this compact does not apply to permanent in-person, face-to-face practice, it  
10 does allow for authorization of temporary psychological practice.

11 Consistent with these principles, this compact is designed to achieve the following purposes and  
12 objectives:

13           (1) Increase public access to professional psychological services by allowing for  
14 telepsychological practice across state lines as well as temporary in-person, face-to-face services  
15 into a state which the psychologist is not licensed to practice psychology;

16           (2) Enhance the states’ ability to protect the public’s health and safety, especially  
17 client/patient safety;

18           (3) Encourage the cooperation of compact states in the areas of psychology licensure and  
19 regulation;

20           (4) Facilitate the exchange of information between compact states regarding psychologist  
21 licensure, adverse actions and disciplinary history;

22           (5) Promote compliance with the laws governing psychological practice in each compact  
23 state; and

24           (6) Invest all compact states with the authority to hold licensed psychologists accountable  
25 through the mutual recognition of compact state licenses.

26           **5-44.1-3. – Definitions**

27           (a) “Adverse action” means any action taken by a state psychology regulatory authority  
28 which finds a violation of a statute or regulation that is identified by the state psychology  
29 regulatory authority as discipline and is a matter of public record.

30           (b) “Association of state and provincial psychology boards (ASPPB)” means the  
31 recognized membership organization composed of state and provincial psychology regulatory  
32 authorities responsible for the licensure and registration of psychologists throughout the United  
33 States and Canada.



1           (c) “Authority to practice interjurisdictional telepsychology” means a licensed  
2 psychologist’s authority to practice telepsychology, within the limits authorized under this  
3 compact, in another compact state.

4           (d) “Bylaws” means those bylaws established by the psychology interjurisdictional  
5 compact commission pursuant to section 5-44.1-11 for its governance, or for directing and  
6 controlling its actions and conduct.

7           (e) “Client/patient” means the recipient of psychological services, whether psychological  
8 services are delivered in the context of healthcare, corporate, supervision, and/or consulting  
9 services.

10           (f) “Commissioner” means the voting representative appointed by each state psychology  
11 Regulatory Authority pursuant to section 5-44.1-11.

12           (g) “Compact state” means a state, the District of Columbia, or United States territory  
13 that has enacted this compact legislation and which has not withdrawn pursuant to section 5-44.1-  
14 14 (e) or been terminated pursuant to section 5-44.1-13 (b).

15           (h) “Coordinated licensure information system” also referred to as “coordinated  
16 database” means an integrated process for collecting, storing, and sharing information on  
17 psychologists’ licensure and enforcement activities related to psychology licensure laws, which is  
18 administered by the recognized membership organization composed of state and provincial  
19 psychology regulatory authorities.

20           (i) “Confidentiality” means the principle that data or information is not made available or  
21 disclosed to unauthorized persons and/or processes.

22           (j) “Day” means any part of a day in which psychological work is performed.

23           (k) “Distant State” means the compact state where a psychologist is physically present  
24 (not through the use of telecommunications technologies), to provide temporary in-person, face-  
25 to-face psychological services.

26           (l) “E.Passport” means a certificate issued by the ASPPB that promotes the  
27 standardization in the criteria of interjurisdictional telepsychology practice and facilitates the  
28 process for licensed psychologists to provide telepsychological services across state lines.

29           (m) “Executive board” means a group of directors elected or appointed to act on behalf  
30 of, and within the powers granted to them by, the commission.

31           (n) “Home state” means a compact state where a psychologist is licensed to practice  
32 psychology. If the psychologist is licensed in more than one compact state and is practicing  
33 under the authorization to practice interjurisdictional telepsychology, the home state is the  
34 compact state where the psychologist is physically present when the telepsychological services

1 are delivered. If the psychologist is licensed in more than one compact state and is practicing  
2 under the temporary authorization to practice, the home state is any compact state where the  
3 psychologist is licensed.

4 (o) “Identity history summary” means a summary of information retained by the FBI, or  
5 other designee with similar authority, in connection with arrests and, in some instances, federal  
6 employment, naturalization, or military service.

7 (p) “In-person, face-to-face” means interactions in which the psychologist and the  
8 client/patient are in the same physical space and which does not include interactions that may  
9 occur through the use of telecommunication technologies.

10 (q) “Interjurisdictional practice certificate (IPC)” means a certificate issued by the  
11 ASPPB that grants temporary authority to practice based on notification to the state psychology  
12 regulatory authority of intention to practice temporarily, and verification of one’s qualifications  
13 for such practice.

14 (r) “License” means authorization by a state psychology regulatory authority to engage in  
15 the independent practice of psychology, which would be unlawful without the authorization.

16 (s) “Non-compact state” means any state which is not at the time a compact state.

17 (t) “Psychologist” means an individual licensed for the independent practice of  
18 psychology.

19 (u) “Psychology interjurisdictional compact” means the formal compact authorized in  
20 chapter 5-44.1.

21 (v) “Psychology interjurisdictional compact commission” also referred to as  
22 “commission” means the national administration of which all compact states are members.

23 (w) “Receiving State” means a compact state where the client/patient is physically  
24 located when the telepsychological services are delivered.

25 (x) “Rule” means a written statement by the psychology interjurisdictional compact  
26 commission promulgated pursuant to section 5-44.1-12 that is of general applicability,  
27 implements, interprets, or prescribes a policy or provision of the compact, or an organizational,  
28 procedural, or practice requirement of the commission and has the force and effect of statutory  
29 law in a compact state, and includes the amendment, repeal or suspension of an existing rule.

30 (y) “Significant investigatory information” means investigative information that a state  
31 psychology regulatory authority, after a preliminary inquiry that includes notification and an  
32 opportunity to respond if required by state law, has reason to believe, if proven true, would  
33 indicate more than a violation of state statute or ethics code that would be considered more  
34 substantial than minor infraction; or investigative information that indicates that the psychologist

1 represents an immediate threat to public health and safety regardless of whether the psychologist  
2 has been notified and/or had an opportunity to respond.

3 (z) “State” means a state, commonwealth, territory, or possession of the United States,  
4 the District of Columbia.

5 (aa) “State psychology regulatory authority” means the board, office or other agency with  
6 the legislative mandate to license and regulate the practice of psychology.

7 (bb) “Telepsychology” means the provision of psychological services using  
8 telecommunication technologies.

9 (cc) “Temporary authorization to practice” means a licensed psychologist’s authority to  
10 conduct temporary in-person, face-to-face practice, within the limits authorized under this  
11 compact, in another compact state.

12 (dd) “Temporary in-person, face-to-face practice” means where a psychologist is  
13 physically present (not through the use of telecommunications technologies), in the distant state  
14 to provide for the practice of psychology for 30 days within a calendar year and based on  
15 notification to the distant state.

16 **5-44.1-4. – Home state licensure.**

17 (a) The home state shall be a compact state where a psychologist is licensed to practice  
18 psychology.

19 (b) A psychologist may hold one or more compact State licenses at a time. If the  
20 psychologist is licensed in more than one compact State, the home State is the compact state  
21 where the psychologist is physically present when the services are delivered as authorized by the  
22 authority to practice interjurisdictional telepsychology under the terms of this compact.

23 (c) Any compact state may require a psychologist not previously licensed in a compact  
24 state to obtain and retain a license to be authorized to practice in the compact state under  
25 circumstances not authorized by the authority to practice interjurisdictional telepsychology under  
26 the terms of this compact.

27 (d) Any compact state may require a psychologist to obtain and retain a license to be  
28 authorized to practice in a compact state under circumstances not authorized by temporary  
29 authorization to practice under the terms of this compact.

30 (e) A homes state’s license authorizes a psychologist to practice in a receiving state under  
31 the authority to practice interjurisdictional telepsychology only if the compact state:

32 (1) Currently requires the psychologist to hold an active E.Passport;

33 (2) Has a mechanism in place for receiving and investigating complaints about licensed  
34 individuals;

1 (3) Notifies the commission, in compliance with the terms herein, of any adverse action  
2 or significant investigatory information regarding a licensed individual;

3 (4) Requires an identity history summary of all applicants at initial licensure, including  
4 the use of the results of fingerprints or other biometric data checks compliant with the  
5 requirements of the Federal Bureau of Investigation (FBI), or other designee with similar  
6 authority, no later than ten years after activation of the compact; and

7 (5) Complies with the bylaws and rules.

8 (f) A home state's license grants temporary authorization to practice to a psychologist in  
9 a distant state only if the compact state:

10 (1) Currently requires the psychologist to hold an active IPC;

11 (2) Has a mechanism in place for receiving and investigating complaints about licensed  
12 individuals;

13 (3) Notifies the commission, in compliance with the terms herein, of any adverse action  
14 or significant investigatory information regarding a licensed individual;

15 (4) Requires an identity history summary of all applicants at initial licensure, including  
16 the use of the results of fingerprints or other biometric data checks compliant with the  
17 requirements of the FBI, or other designee with similar authority, no later than ten years after  
18 activation of the compact; and

19 (5) Complies with the bylaws and rules.

20 **5-44.1-5 Compact privilege to practice telepsychology.**

21 (a) Compact states shall recognize the right of a psychologist, licensed in a compact state  
22 in conformance with section 5-44.1-4, to practice telepsychology in other compact states  
23 (receiving states) in which the psychologist is not licensed, under the authority to practice  
24 interjurisdictional telepsychology as provided in the compact.

25 (b) To exercise the authority to practice interjurisdictional telepsychology under the terms  
26 and provisions of this compact, a psychologist licensed to practice in a compact state must:

27 (1) Hold a graduate degree in psychology from an institute of higher education that was,  
28 at the time the degree was awarded:

29 (i) Regionally accredited by an accrediting body recognized by the U.S. department of  
30 education to grant graduate degrees, or authorized by provincial statute or royal charter to grant  
31 doctoral degrees; or

32 (ii) A foreign college or university deemed to be equivalent to 1(a) above by a foreign  
33 credential evaluation service that is a member of the national association of credential evaluation  
34 services (NACES) or by a recognized foreign credential evaluation service; and

- 1           (2) Hold a graduate degree in psychology that meets the following criteria: and
- 2           (3) The program, wherever it may be administratively housed, must be clearly identified  
3 and labeled as a psychology program. Such a program must specify in pertinent institutional  
4 catalogues and brochures its intent to educate and train professional psychologists;
- 5           (4) The psychology program must stand as a recognizable, coherent, organizational entity  
6 within the institution;
- 7           (5) There must be a clear authority and primary responsibility for the core and specialty  
8 areas whether or not the program cuts across administrative lines;
- 9           (6) The program must consist of an integrated, organized sequence of study;
- 10          (7) There must be an identifiable psychology faculty sufficient in size and breadth to  
11 carry out its responsibilities;
- 12          (8) The designated director of the program must be a psychologist and a member of the  
13 core faculty;
- 14          (9) The program must have an identifiable body of students who are matriculated in that  
15 program for a degree;
- 16          (10) The program must include supervised practicum, internship, or field training  
17 appropriate to the practice of psychology;
- 18          (11) The curriculum shall encompass a minimum of three academic years of full-time  
19 graduate study for doctoral degree and a minimum of one academic year of full-time graduate  
20 study for master's degree;
- 21          (12) The program includes an acceptable residency as defined by the rules.
- 22          (13) Possess a current, full and unrestricted license to practice psychology in a home state  
23 which is a compact state;
- 24          (14) Have no history of adverse action that violate the rules;
- 25          (15) Have no criminal record history reported on an Identity history summary that  
26 violates the rules;
- 27          (16) Possess a current, active E.Passport;
- 28          (17) Provide attestations in regard to areas of intended practice, conformity with  
29 standards of practice, competence in telepsychology technology; criminal background; and  
30 knowledge and adherence to legal requirements in the home and receiving states, and provide a  
31 release of information to allow for primary source verification in a manner specified by the  
32 commission; and
- 33          (18) Meet other criteria as defined by the rules.

1 (c) The home state maintains authority over the license of any psychologist practicing  
2 into a Receiving State under the authority to practice interjurisdictional telepsychology.

3 (d) A psychologist practicing into a receiving state under the authority to practice  
4 interjurisdictional telepsychology will be subject to the receiving state's scope of practice. A  
5 receiving state may, in accordance with that state's due process law, limit or revoke a  
6 psychologist's Authority to practice interjurisdictional telepsychology in the receiving state and  
7 may take any other necessary actions under the receiving state's applicable law to protect the  
8 health and safety of the receiving State's citizens. If a receiving state takes action, the state shall  
9 promptly notify the home state and the commission.

10 (e) If a psychologist's license in any home state, another compact state, or any authority  
11 to practice interjurisdictional telepsychology in any receiving state, is restricted, suspended or  
12 otherwise limited, the E.Passport shall be revoked and therefore the psychologist shall not be  
13 eligible to practice telepsychology in a compact state under the authority to practice  
14 interjurisdictional telepsychology.

15 **5-44.1-6. – Compact temporary authorization to practice.**

16 (a) Compact states shall also recognize the right of a psychologist, licensed in a compact state  
17 in conformance with section 5-44.1-4, to practice temporarily in other compact states (distant  
18 states) in which the psychologist is not licensed, as provided in the compact.

19 (b) To exercise the temporary authorization to practice under the terms and provisions of this  
20 compact, a psychologist licensed to practice in a compact state must:

21 (1) Hold a graduate degree in psychology from an institute of higher education that was, at  
22 the time the degree was awarded:

23 (i) Regionally accredited by an accrediting body recognized by the U.S. department of  
24 education to grant graduate degrees, or authorized by provincial statute or royal charter to grant  
25 doctoral degrees; or

26 (ii) A foreign college or university deemed to be equivalent to 1 (a) above by a foreign  
27 credential evaluation service that is a member of the national association of credential evaluation  
28 services (NACES) or by a recognized foreign credential evaluation service; and

29 (2) Hold a graduate degree in psychology that meets the following criteria:

30 (i) The program, wherever it may be administratively housed, must be clearly identified and  
31 labeled as a psychology program. Such a program must specify in pertinent institutional  
32 catalogues and brochures its intent to educate and train professional psychologists;

33 (ii) The psychology program must stand as a recognizable, coherent, organizational entity  
34 within the institution;

- 1        (iii) There must be a clear authority and primary responsibility for the core and specialty  
2 areas whether or not the program cuts across administrative lines;
- 3        (iv) The program must consist of an integrated, organized sequence of study;
- 4        (v) There must be an identifiable psychology faculty sufficient in size and breadth to carry  
5 out its responsibilities;
- 6        (vi) The designated director of the program must be a psychologist and a member of the core  
7 faculty;
- 8        (vii) The program must have an identifiable body of students who are matriculated in that  
9 program for a degree;
- 10       (viii) The program must include supervised practicum, internship, or field training  
11 appropriate to the practice of psychology;
- 12       (ix) The curriculum shall encompass a minimum of three academic years of full-time  
13 graduate study for doctoral degrees and a minimum of one academic year of full-time graduate  
14 study for master's degree;
- 15       (x) The program includes an acceptable residency as defined by the rules.
- 16       (3) Possess a current, full and unrestricted license to practice psychology in a home state  
17 which is a compact state;
- 18       (4) No history of adverse action that violate the rules;
- 19       (5) No criminal record history that violates the rules;
- 20       (6) Possess a current, active IPC;
- 21       (7) Provide attestations in regard to areas of intended practice and work experience and  
22 provide a release of information to allow for primary source verification in a manner specified by  
23 the commission; and
- 24       (8) Meet other criteria as defined by the rules.
- 25       (c) A psychologist practicing into a distant state under the temporary authorization to practice  
26 shall practice within the scope of practice authorized by the distant state.
- 27       (d) A psychologist practicing into a distant state under the temporary authorization to practice  
28 will be subject to the distant state's authority and law. A distant state may, in accordance with  
29 that state's due process law, limit or revoke a psychologist's temporary authorization to practice  
30 in the distant state and may take any other necessary actions under the distant state's applicable  
31 law to protect the health and safety of the distant state's citizens. If a distant state takes action, the  
32 state shall promptly notify the home state and the commission.
- 33       (e) If a psychologist's license in any home state, another compact state, or any temporary  
34 authorization to practice in any distant state, is restricted, suspended or otherwise limited, the IPC

1 shall be revoked and therefore the psychologist shall not be eligible to practice in a compact state  
2 under the temporary authorization to practice. .

3 **5-44.1-7. – Conditions of telepsychology practice in a receiving state.**

4 (a) A psychologist may practice in a receiving state under the authority to practice  
5 interjurisdictional telepsychology only in the performance of the scope of practice for psychology  
6 as assigned by an appropriate state psychology regulatory authority, as defined in the rules, and  
7 under the following circumstances:

8 (1) The psychologist initiates a client/patient contact in a home state via  
9 telecommunications technologies with a client/patient in a receiving state;

10 (2) Other conditions regarding telepsychology as determined in the rules.

11 **5-44.1-8. – Adverse actions.**

12 (a) A home state shall have the power to impose adverse action against a psychologist's  
13 license issued by the home state. A distant state shall have the power to take adverse action on a  
14 psychologist's temporary authorization to practice within that distant state.

15 (b) A receiving state may take adverse action on a psychologist's authority to practice  
16 interjurisdictional telepsychology within that receiving state. A home state may take adverse  
17 action against a psychologist based on an adverse action taken by a distant state regarding  
18 temporary in-person, face-to-face practice.

19 (c) If a home state takes adverse action against a psychologist's license, that  
20 psychologist's authority to practice interjurisdictional telepsychology is terminated and the  
21 E.Passport is revoked. Furthermore, that psychologist's temporary authorization to practice is  
22 terminated and the IPC is revoked.

23 (1) All home state disciplinary orders which impose adverse action shall be reported to the  
24 commission in accordance with the rules. A compact state shall report adverse actions in  
25 accordance with the rules.

26 (2) In the event discipline is reported on a psychologist, the psychologist will not be eligible  
27 for telepsychology or temporary in-person, face-to-face practice in accordance with the rules.

28 (3) Other actions may be imposed as determined by the rules.

29 (d) A home state's psychology regulatory authority shall investigate and take appropriate  
30 action with respect to reported inappropriate conduct engaged in by a licensee which occurred in  
31 a Receiving State as it would if such conduct had occurred by a licensee within the home state. In  
32 such cases, the home state's law shall control in determining any adverse action against a  
33 psychologist's license.



1 (e) A distant state's psychology regulatory authority shall investigate and take  
2 appropriate action with respect to reported inappropriate conduct engaged in by a psychologist  
3 practicing under temporary authorization practice which occurred in that distant state as it would  
4 if such conduct had occurred by a licensee within the home state. In such cases, distant state's  
5 law shall control in determining any adverse action against a psychologist's temporary  
6 authorization to practice.

7 (f) Nothing in this compact shall override a compact state's decision that a psychologist's  
8 participation in an alternative program may be used in lieu of adverse action and that such  
9 participation shall remain non-public if required by the compact state's law. Compact states must  
10 require psychologists who enter any alternative programs to not provide telepsychology services  
11 under the authority to practice interjurisdictional telepsychology or provide temporary  
12 psychological services under the temporary authorization to practice in any other compact state  
13 during the term of the alternative program.

14 (g) No other judicial or administrative remedies shall be available to a psychologist in the  
15 event a compact State imposes an adverse action pursuant to subsection c, above.

16 **5-44.1-9. – Additional authorities invested in a compact state's psychology**  
17 **regulatory authority.**

18 (a) In addition to any other powers granted under state law, a compact state's psychology  
19 regulatory Authority shall have the authority under this compact to:

20 (1) Issue subpoenas, for both hearings and investigations, which require the attendance and  
21 testimony of witnesses and the production of evidence. Subpoenas issued by a compact state's  
22 psychology regulatory authority for the attendance and testimony of witnesses, and/or the  
23 production of evidence from another compact state shall be enforced in the latter state by any  
24 court of competent jurisdiction, according to that court's practice and procedure in considering  
25 subpoenas issued in its own proceedings. The issuing state psychology regulatory authority shall  
26 pay any witness fees, travel expenses, mileage and other fees required by the service statutes of  
27 the state where the witnesses and/or evidence are located; and

28 (2) Issue cease and desist and/or injunctive relief orders to revoke a psychologist's authority  
29 to practice interjurisdictional telepsychology and/or temporary authorization to practice.

30 (3) During the course of any investigation, a psychologist may not change his/her home state  
31 licensure. A home state psychology regulatory authority is authorized to complete any pending  
32 investigations of a psychologist and to take any actions appropriate under its law. The home state  
33 psychology regulatory authority shall promptly report the conclusions of such investigations to  
34 the commission. Once an investigation has been completed, and pending the outcome of said

1 investigation, the psychologist may change his/her home state licensure. The commission shall  
2 promptly notify the new home state of any such decisions as provided in the rules. All  
3 information provided to the commission or distributed by compact states pursuant to the  
4 psychologist shall be confidential, filed under seal and used for investigatory or disciplinary  
5 matters. The commission may create additional rules for mandated or discretionary sharing of  
6 information by compact States.

7 **5-44.1-10. – Coordinated licensure information system.**

8 (a) The commission shall provide for the development and maintenance of a coordinated  
9 licensure information system and reporting system containing licensure and disciplinary action  
10 information on all psychologists to whom this compact is applicable in all compact states as  
11 defined by the rules.

12 (b) Notwithstanding any other provision of state law to the contrary, a compact state shall  
13 submit a uniform data set to the coordinated database on all licensees as required by the rules,  
14 including:

- 15 (i) Identifying information;
- 16 (ii) Licensure data;
- 17 (iii) Significant investigatory information;
- 18 (iv) Adverse actions against a psychologist's license;
- 19 (v) An indicator that a psychologist's authority to practice interjurisdictional telepsychology  
20 and/or temporary authorization to practice is revoked;
- 21 (vi) Non-confidential information related to alternative program participation information;
- 22 (vii) Any denial of application for licensure, and the reasons for such denial; and
- 23 (viii) Other information which may facilitate the administration of this compact, as  
24 determined in the rules.

25 (c) The coordinated database administrator shall promptly notify all compact states of any  
26 adverse action taken against, or significant investigative information on, any licensee in a  
27 compact state.

28 (d) Compact states reporting information to the coordinated database may designate  
29 information that may not be shared with the public without the express permission of the compact  
30 state reporting the information.

31 (e) Any information submitted to the coordinated database that is subsequently required to be  
32 expunged by the law of the compact State reporting the information shall be removed from the  
33 coordinated database.

34 **5-44.1-11. – Establishment of the psychology interjurisdictional compact commission.**

1 (a) The compact states hereby create and establish a joint public agency known as the  
2 psychology interjurisdictional compact commission.

3 (1) The commission is a body politic and an instrumentality of the compact states.

4 (2) Venue is proper and judicial proceedings by or against the commission shall be brought  
5 solely and exclusively in a court of competent jurisdiction where the principal office of the  
6 commission is located. The commission may waive venue and jurisdictional defenses to the  
7 extent it adopts or consents to participate in alternative dispute resolution proceedings.

8 (3) Nothing in this compact shall be construed to be a waiver of sovereign immunity.

9 (b) Membership, voting, and meetings

10 (1) The commission shall consist of one voting representative appointed by each compact  
11 state who shall serve as that state's commissioner. The state psychology regulatory authority shall  
12 appoint its delegate. This delegate shall be empowered to act on behalf of the compact state. This  
13 delegate shall be limited to:

14 (i) Executive director, executive secretary or similar executive;

15 (ii) Current member of the state psychology regulatory authority of a compact State; or

16 (iii) Designee empowered with the appropriate delegate authority to act on behalf of the  
17 compact State.

18 (2) Any commissioner may be removed or suspended from office as provided by the law of  
19 the state from which the commissioner is appointed. Any vacancy occurring in  
20 the commission shall be filled in accordance with the laws of the compact state in which the  
21 vacancy exists.

22 (3) Each commissioner shall be entitled to one vote with regard to the promulgation of rules  
23 and creation of bylaws and shall otherwise have an opportunity to participate in the business and  
24 affairs of the commission. A commissioner shall vote in person or by such other means as  
25 provided in the bylaws. The By-Laws may provide for commissioner's participation in meetings  
26 by telephone or other means of communication.

27 (4) The commission shall meet at least once during each calendar year. Additional meetings  
28 shall be held as set forth in the bylaws.

29 (5) All meetings shall be open to the public, and public notice of meetings shall be given in  
30 the same manner as required under the rulemaking provisions in Chapter 35 of Title 42.

31 (6) The commission may convene in a closed, non-public meeting if the commission must  
32 discuss:

33 (i) Non-compliance of a compact state with its obligations under the compact;

1        (ii) The employment, compensation, discipline or other personnel matters, practices or  
2 procedures related to specific employees or other matters related to the commission's internal  
3 personnel practices and procedures;

4        (iii) Current, threatened, or reasonably anticipated litigation against the commission;

5        (iv) Negotiation of contracts for the purchase or sale of goods, services or real estate;

6        (v) Accusation against any person of a crime or formally censuring any person;

7        (vi) Disclosure of trade secrets or commercial or financial information which is privileged or  
8 confidential;

9        (vii) Disclosure of information of a personal nature where disclosure would constitute a  
10 clearly unwarranted invasion of personal privacy;

11       (viii) Disclosure of investigatory records compiled for law enforcement purposes;

12       (ix) Disclosure of information related to any investigatory reports prepared by or on behalf of  
13 or for use of the commission or other committee charged with responsibility for investigation or  
14 determination of compliance issues pursuant to the compact; or

15       (x) Matters specifically exempted from disclosure by federal and state statute.

16       (7) If a meeting, or portion of a meeting, is closed pursuant to this provision, the  
17 commission's legal counsel or designee shall certify that the meeting may be closed and shall  
18 reference each relevant exempting provision. The commission shall keep minutes which fully  
19 and clearly describe all matters discussed in a meeting and shall provide a full and accurate  
20 summary of actions taken, of any person participating in the meeting, and the reasons therefore,  
21 including a description of the views expressed. All documents considered in connection with an  
22 action shall be identified in such minutes. All minutes and documents of a closed meeting shall  
23 remain under seal, subject to release only by a majority vote of the commission or order of a  
24 court of competent jurisdiction.

25       (8) The commission shall, by a majority vote of the commissioners, prescribe bylaws and/or  
26 rules to govern its conduct as may be necessary or appropriate to carry out the purposes and  
27 exercise the powers of the compact, including but not limited to:

28       (i) Establishing the fiscal year of the commission;

29       (ii) Providing reasonable standards and procedures;

30       (iii) for the establishment and meetings of other committees; and

31       (iv) governing any general or specific delegation of any authority or function of the  
32 commission;

33       (v) Providing reasonable procedures for calling and conducting meetings of the commission,  
34 ensuring reasonable advance notice of all meetings and providing an opportunity for attendance

1 of such meetings by interested parties, with enumerated exceptions designed to protect the  
2 public's interest, the privacy of individuals of such proceedings, and proprietary information,  
3 including trade secrets. The commission may meet in closed session only after a majority of the  
4 commissioners vote to close a meeting to the public in whole or in part. As soon as practicable,  
5 the commission must make public a copy of the vote to close the meeting revealing the vote of  
6 each commissioner with no proxy votes allowed;

7 (vi) Establishing the titles, duties and authority and reasonable procedures for the election of  
8 the officers of the commission;

9 (vii) Providing reasonable standards and procedures for the establishment of the personnel  
10 policies and programs of the commission. Notwithstanding any civil service or other similar law  
11 of any compact State, the bylaws shall exclusively govern the personnel policies and programs of  
12 the commission;

13 (viii) Promulgating a code of ethics to address permissible and prohibited activities of  
14 commission members and employees;

15 (ix) Providing a mechanism for concluding the operations of the commission and the  
16 equitable disposition of any surplus funds that may exist after the termination of the compact  
17 after the payment and/or reserving of all of its debts and obligations;

18 (9) The commission shall publish its Bylaws in a convenient form and file a copy thereof and  
19 a copy of any amendment thereto, with the appropriate agency or officer in each of the compact  
20 states;

21 (10) The commission shall maintain its financial records in accordance with the Bylaws; and

22 (11) The commission shall meet and take such actions as are consistent with the provisions of  
23 this compact and the bylaws.

24 (c) The commission shall have the following powers:

25 (1) The authority to promulgate uniform rules to facilitate and coordinate implementation and  
26 administration of this compact. The rule shall have the force and effect of law and shall be  
27 binding in all compact states;

28 (2) To bring and prosecute legal proceedings or actions in the name of the commission,  
29 provided that the standing of any state psychology regulatory authority or other regulatory body  
30 responsible for psychology licensure to sue or be sued under applicable law shall not be affected;

31 (3) To purchase and maintain insurance and bonds;

32 (4) To borrow, accept or contract for services of personnel, including, but not limited to,  
33 employees of a compact state;

1       (5) To hire employees, elect or appoint officers, fix compensation, define duties, grant such  
2 individuals appropriate authority to carry out the purposes of the compact, and to establish the  
3 commission's personnel policies and programs relating to conflicts of interest, qualifications of  
4 personnel, and other related personnel matters;

5       (6) To accept any and all appropriate donations and grants of money, equipment, supplies,  
6 materials and services, and to receive, utilize and dispose of the same; provided that at all times  
7 the commission shall strive to avoid any appearance of impropriety and/or conflict of interest;

8       (7) To lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold,  
9 improve or use, any property, real, personal or mixed; provided that at all times the commission  
10 shall strive to avoid any appearance of impropriety;

11       (8) To sell, convey, mortgage, pledge, lease, exchange, abandon or otherwise dispose of any  
12 property real, personal or mixed;

13       (9) To establish a budget and make expenditures;

14       (10) To borrow money;

15       (11) To appoint committees, including advisory committees comprised of members, state  
16 regulators, state legislators or their representatives, and consumer representatives, and such other  
17 interested persons as may be designated in this compact and the bylaws;

18       (12) To provide and receive information from, and to cooperate with, law enforcement  
19 agencies;

20       (13) To adopt and use an official seal; and

21       (14) To perform such other functions as may be necessary or appropriate to achieve the  
22 purposes of this compact consistent with the state regulation of psychology licensure, temporary  
23 in-person, face-to-face practice and telepsychology practice.

24       (d) The executive board. The elected officers shall serve as the executive board, which shall  
25 have the power to act on behalf of the commission according to the terms of this compact.

26       (1) The executive board shall be comprised of six members:

27       (i) Five voting members who are elected from the current membership of the commission by  
28 the commission;

29       (ii) One ex-officio, nonvoting member from the recognized membership organization  
30 composed of state and provincial psychology regulatory authorities.

31       (1) The ex-officio member must have served as staff or member on a state psychology  
32 regulatory authority and will be selected by its respective organization.

33       (2) The commission may remove any member of the executive board as provided in the  
34 bylaws.

1           (3) The executive board shall meet at least annually.

2           (4) The executive board shall have the following duties and responsibilities:

3           (i) Recommend to the entire commission changes to the rules or bylaws, changes to this  
4 compact legislation, fees paid by compact states such as annual dues, and any other applicable  
5 fees;

6           (ii) Ensure compact administration services are appropriately provided, contractual or  
7 otherwise;

8           (iii) Prepare and recommend the budget;

9           (iv) Maintain financial records on behalf of the commission;

10          (v) Monitor compact compliance of member states and provide compliance reports to the  
11 commission;

12          (vi) Establish additional committees as necessary; and

13          (vii) Other duties as provided in rules or bylaws.

14          (e) Financing of the commission

15          (1) The commission shall pay, or provide for the payment of the reasonable expenses of its  
16 establishment, organization and ongoing activities.

17          (2) The commission may accept any and all appropriate revenue sources, donations and  
18 grants of money, equipment, supplies, materials and services.

19          (3) The commission may levy on and collect an annual assessment from each compact state  
20 or impose fees on other parties to cover the cost of the operations and activities of the  
21 commission and its staff which must be in a total amount sufficient to cover its annual budget as  
22 approved each year for which revenue is not provided by other sources. The aggregate annual  
23 assessment amount shall be allocated based upon a formula to be determined by the commission  
24 which shall promulgate a rule binding upon all compact states.

25          (1) The commission shall not incur obligations of any kind prior to securing the funds  
26 adequate to meet the same; nor shall the commission pledge the credit of any of the compact  
27 States, except by and with the authority of the compact state.

28          (2) The commission shall keep accurate accounts of all receipts and disbursements. The  
29 receipts and disbursements of the commission shall be subject to the audit and accounting  
30 procedures established under its bylaws. However, all receipts and disbursements of funds  
31 handled by the commission shall be audited yearly by a certified or licensed public accountant  
32 and the report of the audit shall be included in and become part of the annual report of the  
33 commission.

34          (a) Qualified immunity, defense, and indemnification

1       (1) The members, officers, executive director, employees and representatives of the  
2 commission shall be immune from suit and liability, either personally or in their official capacity,  
3 for any claim for damage to or loss of property or personal injury or other civil liability caused by  
4 or arising out of any actual or alleged act, error or omission that occurred, or that the person  
5 against whom the claim is made had a reasonable basis for believing occurred within the scope of  
6 commission employment, duties or responsibilities; provided that nothing in this paragraph shall  
7 be construed to protect any such person from suit and/or liability for any damage, loss, injury or  
8 liability caused by the intentional or willful or wanton misconduct of that person.

9       (2) The commission shall defend any member, officer, executive director, employee or  
10 representative of the commission in any civil action seeking to impose liability arising out of any  
11 actual or alleged act, error or omission that occurred within the scope of commission  
12 employment, duties or responsibilities, or that the person against whom the claim is made had a  
13 reasonable basis for believing occurred within the scope of commission employment, duties or  
14 responsibilities; provided that nothing herein shall be construed to prohibit that person from  
15 retaining his or her own counsel; and provided further, that the actual or alleged act, error or  
16 omission did not result from that person's intentional or willful or wanton misconduct.

17       (3) The commission shall indemnify and hold harmless any member, officer, executive  
18 director, employee or representative of the commission for the amount of any settlement or  
19 judgment obtained against that person arising out of any actual or alleged act, error or omission  
20 that occurred within the scope of commission. employment, duties or responsibilities, or that such  
21 person had a reasonable basis for believing occurred within the scope of commission  
22 employment, duties or responsibilities, provided that the actual or alleged act, error or omission  
23 did not result from the intentional or willful or wanton misconduct of that person.

24       **5-44.1-12. – Rulemaking.**

25       (a) The commission shall exercise its rulemaking powers pursuant to the criteria set forth in  
26 section 5-44.1-12 and the rules adopted thereunder. rules and amendments shall become binding  
27 as of the date specified in each rule or amendment.

28       (b) If a majority of the legislatures of the compact states rejects a rule, by enactment of a  
29 statute or resolution in the same manner used to adopt the compact, then such rule shall have no  
30 further force and effect in any compact state.

31       (c) Rules or amendments to the rules shall be adopted at a regular or special meeting of the  
32 commission.



1 (d) Prior to promulgation and adoption of a final rule or rules by the commission, and at least  
2 sixty (60) days in advance of the meeting at which the rule will be considered and voted upon, the  
3 commission shall file a notice of proposed rulemaking:

4 (1) On the website of the commission; and

5 (2) On the website of each compact states' psychology regulatory authority or the publication  
6 in which each state would otherwise publish proposed rules.

7 (e) The Notice of proposed rulemaking shall include:

8 (1) The proposed time, date, and location of the meeting in which the rule will be considered  
9 and voted upon;

10 (2) The text of the proposed rule or amendment and the reason for the proposed rule;

11 (3) A request for comments on the proposed rule from any interested person; and

12 (4) The manner in which interested persons may submit notice to the commission of their  
13 intention to attend the public hearing and any written comments.

14 (f) Prior to adoption of a proposed rule, the commission shall allow persons to submit written  
15 data, facts, opinions and arguments, which shall be made available to the public.

16 (g) The commission shall grant an opportunity for a public hearing before it adopts a rule or  
17 amendment if a hearing is requested by:

18 (1) At least twenty-five (25) persons who submit comments independently of each other;

19 (2) A governmental subdivision or agency; or

20 (3) A duly appointed person in an association that has having at least twenty-five (25)  
21 members.

22 (h) If a hearing is held on the proposed rule or amendment, the commission shall publish the  
23 place, time, and date of the scheduled public hearing.

24 (1) All persons wishing to be heard at the hearing shall notify the executive director of the  
25 commission or other designated member in writing of their desire to appear and testify at the  
26 hearing not less than five (5) business days before the scheduled date of the hearing.

27 (2) Hearings shall be conducted in a manner providing each person who wishes to comment a  
28 fair and reasonable opportunity to comment orally or in writing.

29 (3) No transcript of the hearing is required, unless a written request for a transcript is made, in  
30 which case the person requesting the transcript shall bear the cost of producing the transcript. A  
31 recording may be made in lieu of a transcript under the same terms and conditions as a transcript.  
32 This subsection shall not preclude the commission from making a transcript or recording of the  
33 hearing if it so chooses.

1 (4) Nothing in this section shall be construed as requiring a separate hearing on each rule.  
2 rules may be grouped for the convenience of the commission at hearings required by this section.

3 (i) Following the scheduled hearing date, or by the close of business on the scheduled hearing  
4 date if the hearing was not held, the commission shall consider all written and oral comments  
5 received.

6 (j) The commission shall, by majority vote of all members, take final action on the proposed  
7 rule and shall determine the effective date of the rule, if any, based on the rulemaking record and  
8 the full text of the rule.

9 (k) If no written notice of intent to attend the public hearing by interested parties is received,  
10 the commission may proceed with promulgation of the proposed rule without a public hearing.

11 (l) Upon determination that an emergency exists, the commission may consider and adopt an  
12 emergency rule without prior notice, opportunity for comment, or hearing, provided that the usual  
13 rulemaking procedures provided in the compact and in this section shall be retroactively applied  
14 to the rule as soon as reasonably possible, in no event later than ninety (90) days after the  
15 effective date of the rule. For the purposes of this provision, an emergency rule is one that must  
16 be adopted immediately in order to:

17 (1) Meet an imminent threat to public health, safety, or welfare;

18 (2) Prevent a loss of commission or compact state funds;

19 (3) Meet a deadline for the promulgation of an administrative rule that is established by  
20 federal law or rule; or

21 (4) Protect public health and safety.

22 (m) The commission or an authorized committee of the commission may direct revisions to a  
23 previously adopted rule or amendment for purposes of correcting typographical errors, errors in  
24 format, errors in consistency, or grammatical errors. Public notice of any revisions shall be posted  
25 on the website of the commission. The revision shall be subject to challenge by any person for a  
26 period of thirty (30) days after posting. The revision may be challenged only on grounds that the  
27 revision results in a material change to a rule. A challenge shall be made in writing, and delivered  
28 to the chair of the commission prior to the end of the notice period. If no challenge is made, the  
29 revision will take effect without further action. If the revision is challenged, the revision may not  
30 take effect without the approval of the commission.

31 **5-44.1-13. -- Oversight, dispute resolution, and enforcement.**

32 (a) Oversight

33 (1) The executive, legislative and judicial branches of state government in each compact state  
34 shall enforce this compact and take all actions necessary and appropriate to effectuate the

1 compact's purposes and intent. The provisions of this compact and the rules promulgated  
2 hereunder shall have standing as statutory law.

3 (2) All courts shall take judicial notice of the compact and the rules in any judicial or  
4 administrative proceeding in a compact state pertaining to the subject matter of this  
5 compact which may affect the powers, responsibilities or actions of the commission.

6 (3) The commission shall be entitled to receive service of process in any such proceeding,  
7 and shall have standing to intervene in such a proceeding for all purposes. Failure to provide  
8 service of process to the commission shall render a judgment or order void as to the commission,  
9 this compact or promulgated rules.

10 (b) Default, technical assistance, and termination

11 (1) If the commission determines that a compact state has defaulted in the performance of its  
12 obligations or responsibilities under this compact or the promulgated rules, the commission shall:

13 (a) Provide written notice to the defaulting state and other compact states of the nature of the  
14 default, the proposed means of remedying the default and/or any other action to be taken by the  
15 commission; and

16 (b) Provide remedial training and specific technical assistance regarding the default.

17 (2) If a state in default fails to remedy the default, the defaulting state may be terminated  
18 from the compact upon an affirmative vote of a majority of the compact states, and all rights,  
19 privileges and benefits conferred by this compact shall be terminated on the effective date of  
20 termination. A remedy of the default does not relieve the offending state of obligations or  
21 liabilities incurred during the period of default.

22 (3) Termination of membership in the compact shall be imposed only after all other means of  
23 securing compliance have been exhausted. Notice of intent to suspend or terminate shall be  
24 submitted by the commission to the governor, the majority and minority leaders of the defaulting  
25 state's legislature, and each of the compact states.

26 (4) A compact state which has been terminated is responsible for all assessments, obligations  
27 and liabilities incurred through the effective date of termination, including obligations which  
28 extend beyond the effective date of termination.

29 (5) The commission shall not bear any costs incurred by the state which is found to be in  
30 default or which has been terminated from the compact, unless agreed upon in writing between  
31 the commission and the defaulting state.

32 (6) The defaulting state may appeal the action of the commission by petitioning the U.S.  
33 district court for the state of Georgia or the federal district where the compact has its principal

1 offices. The prevailing member shall be awarded all costs of such litigation, including reasonable  
2 attorney's fees.

3 (c) Dispute resolution

4 (1) Upon request by a compact state, the commission shall attempt to resolve disputes related  
5 to the compact which arise among compact states and between compact and non-compact states.

6 (2) The commission shall promulgate a rule providing for both mediation and binding dispute  
7 resolution for disputes that arise before the commission.

8 (d) Enforcement

9 (1) The commission, in the reasonable exercise of its discretion, shall enforce the provisions  
10 and rules of this compact.

11 (2) By majority vote, the commission may initiate legal action in the United States district  
12 court for the State of Georgia or the federal district where the compact has its principal offices  
13 against a compact state in default to enforce compliance with the provisions of the compact and  
14 its promulgated rules and bylaws. The relief sought may include both injunctive relief and  
15 damages. In the event judicial enforcement is necessary, the prevailing member shall be awarded  
16 all costs of such litigation, including reasonable attorney's fees.

17 (3) The remedies herein shall not be the exclusive remedies of the commission. The  
18 commission may pursue any other remedies available under federal or state law.

19 **5-44.1-14. Date of implementation of the psychology interjurisdictional compact**  
20 **commission and associated rules, withdrawal, and amendments.**

21 (a) The compact shall come into effect on the date on which the compact is enacted into law  
22 in the seventh compact state. The provisions which become effective at that time shall be limited  
23 to the powers granted to the commission relating to assembly and the promulgation of rules.  
24 Thereafter, the commission shall meet and exercise rulemaking powers necessary to the  
25 implementation and administration of the compact.

26 (b) Any state which joins the compact subsequent to the commission's initial adoption of the  
27 rules shall be subject to the rules as they exist on the date on which the compact becomes law in  
28 that state. Any rule which has been previously adopted by the commission shall have the full  
29 force and effect of law on the day the compact becomes law in that state.

30 (c) Any compact state may withdraw from this compact by enacting a statute repealing the  
31 same.

32 (1) A compact state's withdrawal shall not take effect until six (6) months after enactment of  
33 the repealing statute.

1 (2) Withdrawal shall not affect the continuing requirement of the withdrawing state's  
2 psychology regulatory authority to comply with the investigative and adverse action reporting  
3 requirements of this act prior to the effective date of withdrawal.

4 (d) Nothing contained in this compact shall be construed to invalidate or prevent any  
5 psychology licensure agreement or other cooperative arrangement between a compact state and a  
6 non-compact state which does not conflict with the provisions of this compact.

7 (e) This compact may be amended by the compact states. No amendment to this compact  
8 shall become effective and binding upon any compact State until it is enacted into the law of all  
9 compact states.

10 **5-44.1-15. – Construction and severability.**

11 This compact shall be liberally construed so as to effectuate the purposes thereof. If this  
12 compact shall be held contrary to the constitution of any state member thereto, the compact shall  
13 remain in full force and effect as to the remaining compact States.

14 SECTION 6. Title 5 of the General Laws entitled “Business and Professions” is hereby  
15 amended by adding thereto the following chapter:

16 CHAPTER 40.2

17 RHODE ISLAND PHYSICAL THERAPIST LICENSURE COMPACT

18 **5-40.2-1. Short title – The Rhode Island Physical Therapist Licensure Compact Act.**

19 This chapter shall be known and may be cited as the Rhode Island physical therapist licensure  
20 compact act.

21 **5-40.2.-2. Purpose.**

22 (a) The purpose of the physical therapist licensure compact is to facilitate interstate practice  
23 of physical therapy with the goal of improving public access to physical therapy services. The  
24 practice of physical therapy occurs in the state where the patient/client is located at the time of the  
25 patient/client encounter. The compact preserves the regulatory authority of the state to protect  
26 public health and safety through the current system of state licensure. The compact is designed to  
27 achieve the following objectives:

28 (1) Increase public access to physical therapy services by providing for the mutual  
29 recognition of other member state licenses;

30 (2) Enhance the states’ ability to protect the public’s health and safety;

31 (3) Encourage the cooperation of member states in regulating multi-state physical therapy  
32 practice;

33 (4) Support spouses of relocating military members;

1 (5) Enhance the exchange of licensure, investigative, and disciplinary information between  
2 member states; and

3 (6) Allow a remote state to hold a provider of services with a compact privilege in that state  
4 accountable to that state's practice standards.

5 **5-40.2-3. Definitions.**

6 As used in this compact, and except as otherwise provided, the following definitions shall  
7 apply:

8 (a) "Active duty military" means full-time duty status in the active uniformed service of the  
9 United States, including members of the national guard and reserve on active duty orders  
10 pursuant to 10 U.S.C. Section 1209 and 1211.

11 (b) "Adverse action" means disciplinary action taken by a physical therapy licensing board  
12 based upon misconduct, unacceptable performance, or a combination of both.

13 (c) "Alternative program" means a non-disciplinary monitoring or practice remediation  
14 process approved by a physical therapy licensing board. This includes, but is not limited to,  
15 substance abuse issues.

16 (d) "Compact privilege" means the authorization granted by a remote state to allow a licensee  
17 from another member state to practice as a physical therapist or work as a physical therapist  
18 assistant in the remote state under its laws and rules. The practice of physical therapy occurs in  
19 the member state where the patient/client is located at the time of the patient/client encounter.

20 (e) "Continuing competence" means a requirement, as a condition of license renewal, to  
21 provide evidence of participation in, and/or completion of, educational and professional activities  
22 relevant to practice or area of work.

23 (f) "Data system" means a repository of information about licensees, including examination,  
24 licensure, investigative, compact privilege, and adverse action.

25 (g) "Encumbered license" means a license that a physical therapy licensing board has limited  
26 in any way.

27 (h) "Executive board" means a group of directors elected or appointed to act on behalf of, and  
28 within the powers granted to them by, the commission.

29 (i) "Home state" means the member state that is the licensee's primary state of residence.

30 (j) "Investigative information" means information, records, and documents received or  
31 generated by a physical therapy licensing board pursuant to an investigation.

32 (k) "Jurisprudence requirement" means the assessment of an individual's knowledge of the  
33 laws and rules governing the practice of physical therapy in a state.

1        (l) “Licensee” means an individual who currently holds an authorization from the state to  
2 practice as a physical therapist or to work as a physical therapist assistant.

3        (m) “Member state” means a state that has enacted the compact.

4        (n) “Party state” means any member state in which a licensee holds a current license or  
5 compact privilege or is applying for a license or compact privilege.

6        (o) “Physical therapist” means an individual who is licensed by a state to practice physical  
7 therapy.

8        (p) “Physical therapist assistant” means an individual who is licensed/certified by a state and  
9 who assists the physical therapist in selected components of physical therapy.

10       (q) “Physical therapy,” “physical therapy practice,” and “the practice of physical therapy”  
11 mean the care and services provided by or under the direction and supervision of a licensed  
12 physical therapist.

13       (r) “Physical therapy compact” means the formal compact authorized in chapter 5-40.2.

14       (s) “Physical therapy compact commission” or “commission” means the national  
15 administrative body whose membership consists of all states that have enacted the compact.

16       (t) “Physical therapy licensing board” or “licensing board” means the agency of a state that is  
17 responsible for the licensing and regulation of physical therapists and physical therapist  
18 assistants.

19       (u) “Remote state” means a member state other than the home state, where a licensee is  
20 exercising or seeking to exercise the compact privilege.

21       (v) “Rule” means a regulation, principle, or directive promulgated by the commission that has  
22 the force of law.

23       (w) “State” means any state, commonwealth, district, or territory of the United States of  
24 America that regulates the practice of physical therapy.

25       **5-40.2-4. State participation in the compact.**

26       (a) To participate in the compact, a state must:

27       (1) Participate fully in the commission’s data system, including using the commission’s  
28 unique identifier as defined in rules;

29       (2) Have a mechanism in place for receiving and investigating complaints about licensees;

30       (3) Notify the commission, in compliance with the terms of the compact and rules, of any  
31 adverse action or the availability of investigative information regarding a licensee;

32       (4) Fully implement a criminal background check requirement, within a time frame  
33 established by rule, by receiving the results of the Federal Bureau of Investigation record search

1 on criminal background checks and use the results in making licensure decisions in accordance  
2 with section 5-40.2-4 (b);

3 (5) Comply with the rules of the commission;

4 (6) Utilize a recognized national examination as a requirement for licensure pursuant to the  
5 rules of the commission; and

6 (7) Have continuing competence requirements as a condition for license renewal.

7 (b) Upon adoption of this statute, the member state shall have the authority to obtain  
8 biometric-based information from each physical therapy licensure applicant and submit this  
9 information to the Federal Bureau of Investigation for a criminal background check in accordance  
10 with 28 U.S.C. §534 and 42 U.S.C. §14616.

11 (c) A member state shall grant the compact privilege to a licensee holding a valid  
12 unencumbered license in another member state in accordance with the terms of the compact and  
13 rules.

14 (d) Member states may charge a fee for granting a compact privilege.

15 **5-40.2-5. Compact privilege.**

16 (a) To exercise the compact privilege under the terms and provisions of the compact, the  
17 licensee shall:

18 (1) Hold a license in the home state;

19 (2) Have no encumbrance on any state license;

20 (3) Be eligible for a compact privilege in any member state in accordance with section 5-  
21 40.2-5 (d), (g), and (h);

22 (4) Have not had any adverse action against any license or compact privilege within the  
23 previous two years;

24 (5) Notify the commission that the licensee is seeking the compact privilege within a remote  
25 state(s);

26 (6) Pay any applicable fees, including any state fee, for the compact privilege;

27 (7) Meet any jurisprudence requirements established by the remote state(s) in which the  
28 licensee is seeking a compact privilege; and

29 (8) Report to the commission adverse action taken by any non-member state within 30 days  
30 from the date the adverse action is taken.

31 (b) The compact privilege is valid until the expiration date of the home license. The licensee  
32 must comply with the requirements of section 5-40.2-5 (a) to maintain the compact privilege in  
33 the remote state.



1 (c) A licensee providing physical therapy in a remote state under the compact privilege shall  
2 function within the laws and regulations of the remote state.

3 (d) A licensee providing physical therapy in a remote state is subject to that state's regulatory  
4 authority. A remote state may, in accordance with due process and that state's laws, remove a  
5 licensee's compact privilege in the remote state for a specific period of time, impose fines, and/or  
6 take any other necessary actions to protect the health and safety of its citizens. The licensee is not  
7 eligible for a compact privilege in any state until the specific time for removal has passed and all  
8 fines are paid.

9 (e) If a home state license is encumbered, the licensee shall lose the compact privilege in any  
10 remote state until the following occur:

11 (1) The home state license is no longer encumbered; and

12 (2) Two years have elapsed from the date of the adverse action.

13 (f) Once an encumbered license in the home state is restored to good standing, the licensee  
14 must meet the requirements of section 5-40.2-5 (a) to obtain a compact privilege in any remote  
15 state.

16 (g) If a licensee's compact privilege in any remote state is removed, the individual shall lose  
17 the compact privilege in any remote state until the following occur:

18 (1) The specific period of time for which the compact privilege was removed has ended;

19 (2) All fines have been paid; and

20 (3) Two years have elapsed from the date of the adverse action.

21 (h) Once the requirements of section 5-40.2-5 (g) have been met, the license must meet the  
22 requirements in section 5-40.2-5 (a) to obtain a compact privilege in a remote state.

23 **5-40.2-6. Active duty military personnel or their spouses.**

24 (a) A licensee who is active duty military or is the spouse of an individual who is active duty  
25 military may designate one of the following as the home state:

26 (1) Home of record;

27 (2) Permanent change of station (PCS); or

28 (3) State of current residence if it is different than the PCS state or home of record.

29 **5-40.2-7. Adverse Actions.**

30 (a) A home state shall have exclusive power to impose adverse action against a license issued  
31 by the home state.

32 (b) A home state may take adverse action based on the investigative information of a remote  
33 state, so long as the home state follows its own procedures for imposing adverse action.

1 (c) Nothing in this compact shall override a member state's decision that participation in an  
2 alternative program may be used in lieu of adverse action and that such participation shall remain  
3 non-public if required by the member state's laws. Member states must require licensees who  
4 enter any alternative programs in lieu of discipline to agree not to practice in any other member  
5 state during the term of the alternative program without prior authorization from such other  
6 member state.

7 (d) Any member state may investigate actual or alleged violations of the statutes and rules  
8 authorizing the practice of physical therapy in any other member state in which a physical  
9 therapist or physical therapist assistant holds a license or compact privilege.

10 (e) A remote state shall have the authority to:

11 (1) Take adverse actions as set forth in section 5-40.2-5 (d) against a licensee's compact  
12 privilege in the state;

13 (2) Issue subpoenas for both hearings and investigations that require the attendance and  
14 testimony of witnesses, and the production of evidence. Subpoenas issued by a physical therapy  
15 licensing board in a party state for the attendance and testimony of witnesses, and/or the  
16 production of evidence from another party state, shall be enforced in the latter state by any court  
17 of competent jurisdiction, according to the practice and procedure of that court applicable to  
18 subpoenas issued in proceedings pending before it. The issuing authority shall pay any witness  
19 fees, travel expenses, mileage, and other fees required by the service statutes of the state where  
20 the witnesses and/or evidence are located; and

21 (3) If otherwise permitted by state law, recover from the licensee the costs of investigations  
22 and disposition of cases resulting from any adverse action taken against that licensee.

23 (f) Joint Investigations

24 (1) In addition to the authority granted to a member state by its respective physical therapy  
25 practice act or other applicable state law, a member state may participate with other member  
26 states in joint investigations of licensees.

27 (2) Member states shall share any investigative, litigation, or compliance materials in  
28 furtherance of any joint or individual investigation initiated under the Compact.

29 **5-40.2-8. Establishment of the physical therapy compact commission.**

30 (a) The compact member states hereby create and establish a joint public agency known as  
31 the physical therapy compact commission:

32 (1) The commission is an instrumentality of the compact states.

33 (2) Venue is proper and judicial proceedings by or against the commission shall be brought  
34 solely and exclusively in a court of competent jurisdiction where the principal office of the

1 commission is located. The commission may waive venue and jurisdictional defenses to the  
2 extent it adopts or consents to participate in alternative dispute resolution proceedings.

3 (3) Nothing in this compact shall be construed to be a waiver of sovereign immunity.

4 (b) Membership, Voting, and Meetings

5 (1) Each member state shall have and be limited to one delegate selected by that member  
6 state's licensing board.

7 (2) The delegate shall be a current member of the licensing board, who is a physical therapist,  
8 physical therapist assistant, public member, or the board administrator.

9 (3) Any delegate may be removed or suspended from office as provided by the law of the  
10 state from which the delegate is appointed.

11 (4) The member state board shall fill any vacancy occurring in the commission.

12 (5) Each delegate shall be entitled to one vote with regard to the promulgation of rules and  
13 creation of bylaws and shall otherwise have an opportunity to participate in the business and  
14 affairs of the commission.

15 (6) A delegate shall vote in person or by such other means as provided in the bylaws. The  
16 bylaws may provide for delegates' participation in meetings by telephone or other means of  
17 communication.

18 (7) The commission shall meet at least once during each calendar year.

19 (8) Additional meetings shall be held as set forth in the bylaws.

20 (c) The commission shall have the following powers and duties:

21 (1) Establish the fiscal year of the commission;

22 (2) Establish bylaws;

23 (3) Maintain its financial records in accordance with the bylaws;

24 (4) Meet and take such actions as are consistent with the provisions of this compact and the  
25 bylaws;

26 (5) Promulgate uniform rules to facilitate and coordinate implementation and administration  
27 of this compact. The rules shall have the force and effect of law and shall be binding in all  
28 member states;

29 (6) Bring and prosecute legal proceedings or actions in the name of the commission, provided  
30 that the standing of any state physical therapy licensing board to sue or be sued under applicable  
31 law shall not be affected;

32 (7) Purchase and maintain insurance and bonds;

33 (8) Borrow, accept, or contract for services of personnel, including, but not limited to,  
34 employees of a member state;

1 (9) Hire employees, elect or appoint officers, fix compensation, define duties, grant such  
2 individuals appropriate authority to carry out the purposes of the compact, and to establish the  
3 commission's personnel policies and programs relating to conflicts of interest, qualifications of  
4 personnel, and other related personnel matters;

5 (10) Accept any and all appropriate donations and grants of money, equipment, supplies,  
6 materials and services, and to receive, utilize and dispose of the same; provided that at all times  
7 the commission shall avoid any appearance of impropriety and/or conflict of interest;

8 (11) Lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold,  
9 improve or use, any property, real, personal or mixed; provided that at all times the commission  
10 shall avoid any appearance of impropriety;

11 (12) Sell convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any  
12 property real, personal, or mixed;

13 (13) Establish a budget and make expenditures;

14 (14) Borrow money;

15 (15) Appoint committees, including standing committees composed of members, state  
16 regulators, state legislators or their representatives, and consumer representatives, and such other  
17 interested persons as may be designated in this compact and the bylaws;

18 (16) Provide and receive information from, and cooperate with, law enforcement agencies;

19 (17) Establish and elect an executive board; and

20 (18) Perform such other functions as may be necessary or appropriate to achieve the purposes  
21 of this compact consistent with the state regulation of physical therapy licensure and practice.

22 (d) The executive board shall have the power to act on behalf of the commission according to  
23 the terms of this compact. The executive board shall be composed of nine members:

24 (1) Seven voting members who are elected by the commission from the current membership  
25 of the commission;

26 (2) One ex-officio, nonvoting member from the recognized national physical therapy  
27 professional association; and

28 (3) One ex-officio, nonvoting member from the recognized membership organization of the  
29 physical therapy licensing boards.

30 (4) The ex-officio members will be selected by their respective organizations.

31 (5) The commission may remove any member of the executive board as provided in bylaws.

32 (e) The executive board shall meet at least annually.

33 (f) The executive board shall have the following duties and responsibilities:

- 1       (1) Recommend to the entire commission changes to the rules or bylaws, changes to this  
2 compact legislation, fees paid by compact member states such as annual dues, and any  
3 commission compact fee charged to licensees for the compact privilege;
- 4       (2) Ensure compact administration services are appropriately provided, contractual or  
5 otherwise;
- 6       (3) Prepare and recommend the budget;
- 7       (4) Maintain financial records on behalf of the commission;
- 8       (5) Monitor compact compliance of member states and provide compliance reports to the  
9 commission;
- 10       (6) Establish additional committees as necessary; and
- 11       (7) Other duties as provided in rules or bylaws.
- 12       (g) All meetings of the commission shall be open to the public, and public notice of meetings  
13 shall be given in the same manner as required under the rulemaking provisions in 5-40.2-
- 14       (1) The commission or the executive board or other committees of the commission may  
15 convene in a closed, non-public meeting if the commission or executive board or other  
16 committees of the commission must discuss:
- 17       (2) Non-compliance of a member state with its obligations under the compact;
- 18       (3) The employment, compensation, discipline or other matters, practices or procedures  
19 related to specific employees or other matters related to the commission's internal personnel  
20 practices and procedures;
- 21       (4) Current, threatened, or reasonably anticipated litigation;
- 22       (5) Negotiation of contracts for the purchase, lease, or sale of goods, services, or real estate;
- 23       (6) Accusing any person of a crime or formally censuring any person;
- 24       (7) Disclosure of trade secrets or commercial or financial information that is privileged or  
25 confidential;
- 26       (8) Disclosure of information of a personal nature where disclosure would constitute a clearly  
27 unwarranted invasion of personal privacy;
- 28       (9) Disclosure of investigative records compiled for law enforcement purposes;
- 29       (10) Disclosure of information related to any investigative reports prepared by or on behalf of  
30 or for use of the commission or other committee charged with responsibility of investigation or  
31 determination of compliance issues pursuant to the compact; or
- 32       (11) Matters specifically exempted from disclosure by federal or member state statute.

1 (h) If a meeting, or portion of a meeting, is closed pursuant to this provision, the  
2 commission's legal counsel or designee shall certify that the meeting may be closed and shall  
3 reference each relevant exempting provision.

4 (i) The commission shall keep minutes that fully and clearly describe all matters discussed in  
5 a meeting and shall provide a full and accurate summary of actions taken, and the reasons  
6 therefore, including a description of the views expressed. All documents considered in connection  
7 with an action shall be identified in such minutes. All minutes and documents of a closed meeting  
8 shall remain under seal, subject to release by a majority vote of the commission or order of a  
9 court of competent jurisdiction.

10 (j) The commission shall pay, or provide for the payment of, the reasonable expenses of its  
11 establishment, organization, and ongoing activities.

12 (1) The commission may accept any and all appropriate revenue sources, donations, and  
13 grants of money, equipment, supplies, materials, and services.

14 (2) The commission may levy on and collect an annual assessment from each member state or  
15 impose fees on other parties to cover the cost of the operations and activities of the commission  
16 and its staff, which must be in a total amount sufficient to cover its annual budget as approved  
17 each year for which revenue is not provided by other sources. The aggregate annual assessment  
18 amount shall be allocated based upon a formula to be determined by the commission, which shall  
19 promulgate a rule binding upon all member states.

20 (3) The commission shall not incur obligations of any kind prior to securing the funds  
21 adequate to meet the same; nor shall the commission pledge the credit of any of the member  
22 states, except by and with the authority of the member state.

23 (4) The commission shall keep accurate accounts of all receipts and disbursements. The  
24 receipts and disbursements of the commission shall be subject to the audit and accounting  
25 procedures established under its bylaws. However, all receipts and disbursements of funds  
26 handled by the commission shall be audited yearly by a certified or licensed public accountant,  
27 and the report of the audit shall be included in and become part of the annual report of the  
28 commission.

29 (k) The members, officers, executive director, employees and representatives of the  
30 commission shall be immune from suit and liability, either personally or in their official capacity,  
31 for any claim for damage to or loss of property or personal injury or other civil liability caused by  
32 or arising out of any actual or alleged act, error or omission that occurred, or that the person  
33 against whom the claim is made had a reasonable basis for believing occurred within the scope of  
34 commission employment, duties or responsibilities; provided that nothing in this paragraph shall

1 be construed to protect any such person from suit and/or liability for any damage, loss, injury, or  
2 liability caused by the intentional or willful or wanton misconduct of that person.

3 (1) The commission shall defend any member, officer, executive director, employee or  
4 representative of the commission in any civil action seeking to impose liability arising out of any  
5 actual or alleged act, error, or omission that occurred within the scope of commission  
6 employment, duties, or responsibilities, or that the person against whom the claim is made had a  
7 reasonable basis for believing occurred within the scope of commission employment, duties, or  
8 responsibilities; provided that nothing herein shall be construed to prohibit that person from  
9 retaining his or her own counsel; and provided further, that the actual or alleged act, error, or  
10 omission did not result from that person's intentional or willful or wanton misconduct.

11 (2) The commission shall indemnify and hold harmless any member, officer, executive  
12 director, employee, or representative of the commission for the amount of any settlement or  
13 judgment obtained against that person arising out of any actual or alleged act, error or omission  
14 that occurred within the scope of commission employment, duties, or responsibilities, or that such  
15 person had a reasonable basis for believing occurred within the scope of commission  
16 employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission  
17 did not result from the intentional or willful or wanton misconduct of that person.

18 **5-40-.2-9. Data System.**

19 (a) The commission shall provide for the development, maintenance, and utilization of a  
20 coordinated database and reporting system containing licensure, adverse action, and investigative  
21 information on all licensed individuals in member states.

22 (b) Notwithstanding any other provision of state law to the contrary, a member state shall  
23 submit a uniform data set to the data system on all individuals to whom this compact is applicable  
24 as required by the rules of the commission, including:

25 (1) Identifying information;

26 (2) Licensure data;

27 (3) Adverse actions against a license or compact privilege;

28 (4) Non-confidential information related to alternative program participation;

29 (5) Any denial of application for licensure, and the reason(s) for such denial; and

30 (6) Other information that may facilitate the administration of this compact, as determined by  
31 the rules of the commission.

32 (c) Investigative information pertaining to a licensee in any member state will only be  
33 available to other party states.

1 (d) The commission shall promptly notify all member states of any adverse action taken  
2 against a licensee or an individual applying for a license. Adverse action information pertaining  
3 to a licensee in any member state will be available to any other member state.

4 (e) Member states contributing information to the data system may designate information that  
5 may not be shared with the public without the express permission of the contributing state.

6 (f) Any information submitted to the data system that is subsequently required to be  
7 expunged by the laws of the member state contributing the information shall be removed from the  
8 data system.

9 **5-40-.2-10. Rulemaking.**

10 (a) The commission shall exercise its rulemaking powers pursuant to the criteria set forth in  
11 this Section and the rules adopted thereunder. Rules and amendments shall become binding as of  
12 the date specified in each rule or amendment.

13 (b) If a majority of the legislatures of the member states rejects a rule, by enactment of a  
14 statute or resolution in the same manner used to adopt the compact within four years of the date  
15 of adoption of the rule, then such rule shall have no further force and effect in any member state.

16 (c) Rules or amendments to the rules shall be adopted at a regular or special meeting of the  
17 commission.

18 (d) Prior to promulgation and adoption of a final rule or rules by the commission, and at least  
19 thirty days in advance of the meeting at which the rule will be considered and voted upon, the  
20 commission shall file a notice of proposed Rulemaking:

21 (1) On the website of the commission or other publicly accessible platform; and

22 (2) On the website of each member state physical therapy licensing board or other publicly  
23 accessible platform or the publication in which each state would otherwise publish proposed  
24 rules.

25 (e) The notice of proposed rulemaking shall include:

26 (1) The proposed time, date, and location of the meeting in which the rule will be considered  
27 and voted upon;

28 (2) The text of the proposed rule or amendment and the reason for the proposed rule;

29 (3) A request for comments on the proposed rule from any interested person; and

30 (4) The manner in which interested persons may submit notice to the commission of their  
31 intention to attend the public hearing and any written comments.

32 (f) Prior to adoption of a proposed rule, the commission shall allow persons to submit written  
33 data, facts, opinions, and arguments, which shall be made available to the public.



1 (g) The commission shall grant an opportunity for a public hearing before it adopts a rule or  
2 amendment if a hearing is requested by:

3 (1) At least twenty-five persons;

4 (2) A state or federal governmental subdivision or agency; or

5 (3) An association having at least twenty-five members.

6 (h) If a hearing is held on the proposed rule or amendment, the commission shall publish the  
7 place, time, and date of the scheduled public hearing. If the hearing is held via electronic means,  
8 the commission shall publish the mechanism for access to the electronic hearing.

9 (1) All persons wishing to be heard at the hearing shall notify the executive director of the  
10 commission or other designated member in writing of their desire to appear and testify at the  
11 hearing not less than five business days before the scheduled date of the hearing.

12 (2) Hearings shall be conducted in a manner providing each person who wishes to comment a  
13 fair and reasonable opportunity to comment orally or in writing.

14 (3) All hearings will be recorded. A copy of the recording will be made available on request.

15 (4) Nothing in this section shall be construed as requiring a separate hearing on each rule.

16 Rules may be grouped for the convenience of the commission at hearings required by this section.

17 (i) Following the scheduled hearing date, or by the close of business on the scheduled hearing  
18 date if the hearing was not held, the commission shall consider all written and oral comments  
19 received.

20 (j) If no written notice of intent to attend the public hearing by interested parties is received,  
21 the commission may proceed with promulgation of the proposed rule without a public hearing.

22 (k) The commission shall, by majority vote of all members, take final action on the proposed  
23 rule and shall determine the effective date of the rule, if any, based on the rulemaking record and  
24 the full text of the rule.

25 (l) Upon determination that an emergency exists, the commission may consider and adopt an  
26 emergency rule without prior notice, opportunity for comment, or hearing, provided that the usual  
27 rulemaking procedures provided in the compact and in this section shall be retroactively applied  
28 to the rule as soon as reasonably possible, in no event later than ninety days after the effective  
29 date of the rule. For the purposes of this provision, an emergency rule is one that must be adopted  
30 immediately in order to:

31 (1) Meet an imminent threat to public health, safety, or welfare;

32 (2) Prevent a loss of commission or member state funds;

33 (3) Meet a deadline for the promulgation of an administrative rule that is established by  
34 federal law or rule; or

1 (4) Protect public health and safety.

2 (m) The commission or an authorized committee of the commission may direct revisions to a  
3 previously adopted rule or amendment for purposes of correcting typographical errors, errors in  
4 format, errors in consistency, or grammatical errors. Public notice of any revisions shall be posted  
5 on the website of the commission. The revision shall be subject to challenge by any person for a  
6 period of thirty days after posting. The revision may be challenged only on grounds that the  
7 revision results in a material change to a rule. A challenge shall be made in writing and delivered  
8 to the chair of the commission prior to the end of the notice period. If no challenge is made, the  
9 revision will take effect without further action. If the revision is challenged, the revision may not  
10 take effect without the approval of the Commission.

11 **5-40-.2-11. Oversight, dispute resolution, and enforcement.**

12 (a) The executive, legislative, and judicial branches of state government in each member state  
13 shall enforce this compact and take all actions necessary and appropriate to effectuate the  
14 compact's purposes and intent. The provisions of this compact and the rules promulgated  
15 hereunder shall have standing as statutory law.

16 (b) All courts shall take judicial notice of the compact and the rules in any judicial or  
17 administrative proceeding in a member state pertaining to the subject matter of this compact  
18 which may affect the powers, responsibilities or actions of the commission.

19 (c) The commission shall be entitled to receive service of process in any such proceeding and  
20 shall have standing to intervene in such a proceeding for all purposes. Failure to provide service  
21 of process to the commission shall render a judgment or order void as to the commission, this  
22 compact, or promulgated rules.

23 (d) If the commission determines that a member state has defaulted in the performance of its  
24 obligations or responsibilities under this compact or the promulgated rules, the commission shall:

25 (1) Provide written notice to the defaulting state and other member states of the nature of the  
26 default, the proposed means of curing the default and/or any other action to be taken by the  
27 commission; and

28 (2) Provide remedial training and specific technical assistance regarding the default.

29 (e) If a state in default fails to cure the default, the defaulting state may be terminated from  
30 the compact upon an affirmative vote of a majority of the member states, and all rights, privileges  
31 and benefits conferred by this compact may be terminated on the effective date of termination. A  
32 cure of the default does not relieve the offending state of obligations or liabilities incurred during  
33 the period of default.

1 (f) Termination of membership in the compact shall be imposed only after all other means of  
2 securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given  
3 by the commission to the governor, the majority and minority leaders of the defaulting state's  
4 legislature, and each of the member states.

5 (g) A state that has been terminated is responsible for all assessments, obligations, and  
6 liabilities incurred through the effective date of termination, including obligations that extend  
7 beyond the effective date of termination.

8 (h) The commission shall not bear any costs related to a state that is found to be in default or  
9 that has been terminated from the compact, unless agreed upon in writing between the  
10 commission and the defaulting state.

11 (i) The defaulting state may appeal the action of the commission by petitioning the U.S.  
12 district court for the District of Columbia or the federal district where the commission has its  
13 principal offices. The prevailing member shall be awarded all costs of such litigation, including  
14 reasonable attorney's fees.

15 (j) Upon request by a member state, the commission shall attempt to resolve disputes related  
16 to the compact that arise among member states and between member and non-member states.

17 (k) The commission shall promulgate a rule providing for both mediation and binding dispute  
18 resolution for disputes as appropriate.

19 (l) The commission, in the reasonable exercise of its discretion, shall enforce the provisions  
20 and rules of this compact.

21 (m) By majority vote, the commission may initiate legal action in the United States district  
22 court for the District of Columbia or the federal district where the commission has its principal  
23 offices against a member state in default to enforce compliance with the provisions of the  
24 compact and its promulgated rules and bylaws. The relief sought may include both injunctive  
25 relief and damages. In the event judicial enforcement is necessary, the prevailing member shall be  
26 awarded all costs of such litigation, including reasonable attorney's fees.

27 (n) The remedies herein shall not be the exclusive remedies of the commission. The  
28 commission may pursue any other remedies available under federal or state law.

29 **5-40-.2-12. Date of implementation of the interstate commission for physical therapy**  
30 **practice and associated rules, withdrawal, and amendment**

31 (a) The compact shall come into effect on the date on which the compact statute is enacted  
32 into law in the tenth member state. The provisions, which become effective at that time, shall be  
33 limited to the powers granted to the commission relating to assembly and the promulgation of

1 rules. Thereafter, the commission shall meet and exercise rulemaking powers necessary to the  
2 implementation and administration of the compact.

3 (b) Any state that joins the compact subsequent to the commission’s initial adoption of the  
4 rules shall be subject to the rules as they exist on the date on which the compact becomes law in  
5 that state. Any rule that has been previously adopted by the commission shall have the full force  
6 and effect of law on the day the compact becomes law in that state.

7 (c) Any member state may withdraw from this compact by enacting a statute repealing the  
8 same.

9 (1) A member state’s withdrawal shall not take effect until six months after enactment of the  
10 repealing statute.

11 (2) Withdrawal shall not affect the continuing requirement of the withdrawing state’s  
12 physical therapy licensing board to comply with the investigative and adverse action reporting  
13 requirements of this act prior to the effective date of withdrawal.

14 (d) Nothing contained in this compact shall be construed to invalidate or prevent any physical  
15 therapy licensure agreement or other cooperative arrangement between a member state and a non-  
16 member state that does not conflict with the provisions of this compact.

17 (e) This compact may be amended by the member states. No amendment to this compact  
18 shall become effective and binding upon any member state until it is enacted into the laws of all  
19 member states.

20 **5-40.2-13. Construction and severability**

21 This compact shall be liberally construed so as to effectuate the purposes thereof. The  
22 provisions of this compact shall be severable and if any phrase, clause, sentence or provision of  
23 this compact is declared to be contrary to the constitution of any party state or of the United  
24 States or the applicability thereof to any government, agency, person or circumstance is held  
25 invalid, the validity of the remainder of this compact and the applicability thereof to any  
26 government, agency, person or circumstance shall not be affected thereby. If this compact shall  
27 be held contrary to the constitution of any party state, the compact shall remain in full force and  
28 effect as to the remaining party states and in full force and effect as to the party state affected as  
29 to all severable matters.

30 SECTION 7. Title 23 of the General Laws entitled “Health and Safety” is hereby amended by  
31 adding thereto the following chapter:

32 **CHAPTER 23-4.2**

33 **EMERGENCY MEDICAL SERVICES PERSONNEL LICENSURE INTERSTATE**

34 **COMPACT.**

1        **23-4.2-1. Short title.** – This chapter shall be known and may be cited as the Emergency  
2 medical Services Personnel Licensure Interstate Compact.

3        **23-4.2-2. Purpose.** - In order to protect the public through verification of competency and  
4 ensure accountability for patient care related activities all states license emergency medical  
5 services (EMS) personnel, such as emergency medical technicians (EMTs), advanced EMTs and  
6 paramedics. This Compact is intended to facilitate the day to day movement of EMS personnel  
7 across state boundaries in the performance of their EMS duties as assigned by an appropriate  
8 authority and authorize state EMS offices to afford immediate legal recognition to EMS  
9 personnel licensed in a member state. This Compact recognizes that states have a vested interest  
10 in protecting the public’s health and safety through their licensing and regulation of EMS  
11 personnel and that such state regulation shared among the member states will best protect public  
12 health and safety. This Compact is designed to achieve the following purposes and objectives:

13        (1) Increase public access to EMS personnel;

14        (2) Enhance the states’ ability to protect the public’s health and safety, especially patient  
15 safety;

16        (3) Encourage the cooperation of member states in the areas of EMS personnel licensure and  
17 regulation;

18        (4) Support licensing of military members who are separating from an active duty tour and  
19 their spouses;

20        (5) Facilitate the exchange of information between member states regarding EMS personnel  
21 licensure, adverse action and significant investigatory information

22        (6) Promote compliance with the laws governing EMS personnel practice in each member  
23 state; and

24        (7) Invest all member states with the authority to hold EMS personnel accountable through  
25 the mutual recognition of member state licenses.

26        **23-4.2-3. Definitions.**

27        (a) “Advanced emergency medical technician (AEMT)” means: an individual licensed with  
28 cognitive knowledge and a scope of practice that corresponds to that level in the national EMS  
29 education standards and national EMS scope of practice model.

30        (b) “Adverse action” means: any administrative, civil, equitable or criminal action permitted  
31 by a state’s laws which may be imposed against licensed EMS personnel by a state EMS  
32 authority or state court, including, but not limited to, actions against an individual’s license such  
33 as revocation, suspension, probation, consent agreement, monitoring or other limitation or

1 encumbrance on the individual's practice, letters of reprimand or admonition, fines, criminal  
2 convictions and state court judgments enforcing adverse actions by the state EMS authority.

3 (c) "Alternative program" means: a voluntary, non-disciplinary substance abuse recovery  
4 program approved by a state EMS authority.

5 (d) "Certification" means the successful verification of entry-level cognitive and  
6 psychomotor competency using a reliable, validated, and legally defensible examination.

7 (e) "Commission" means the national administrative body of which all states that have  
8 enacted the compact are members.

9 (f) "Emergency medical technician (EMT)" means: an individual licensed with cognitive  
10 knowledge and a scope of practice that corresponds to that level in the national EMS education  
11 standards and national EMS scope of practice model.

12 (g) "Home state" means a member state where an individual is licensed to practice  
13 emergency medical services.

14 (h) "License" means the authorization by a state for an individual to practice as an EMT,  
15 AEMT, paramedic, or a level in between EMT and paramedic.

16 (i) "Medical director" means: a physician licensed in a member state who is accountable for  
17 the care delivered by EMS personnel.

18 (j) "Member state" means a state that has enacted this compact.

19 (k) "Privilege to practice" means: an individual's authority to deliver emergency medical  
20 services in remote states as authorized under this compact.

21 (l) "Paramedic" means an individual licensed with cognitive knowledge and a scope of  
22 practice that corresponds to that level in the national EMS education standards and national EMS  
23 scope of practice model.

24 (m) "Remote state" means a member state in which an individual is not licensed.

25 (n) "Restricted" means the outcome of an adverse action that limits a license or the privilege  
26 to practice.

27 (o) "Rule" means a written statement by the interstate commission promulgated pursuant to  
28 section 23-4.2-13 of this compact that is of general applicability; implements, interprets, or  
29 prescribes a policy or provision of the compact; or is an organizational, procedural, or practice  
30 requirement of the commission and has the force and effect of statutory law in a member state  
31 and includes the amendment, repeal, or suspension of an existing rule.

32 (p) "Scope of practice" means defined parameters of various duties or services that may be  
33 provided by an individual with specific credentials. Whether regulated by rule, statute, or court  
34 decision, it tends to represent the limits of services an individual may perform.

1 (q) “Significant investigatory information” means:

2 (1) investigative information that a state EMS authority, after a preliminary inquiry that  
3 includes notification and an opportunity to respond if required by state law, has reason to believe,  
4 if proved true, would result in the imposition of an adverse action on a license or privilege to  
5 practice; or

6 (2) investigative information that indicates that the individual represents an immediate threat  
7 to public health and safety regardless of whether the individual has been notified and had an  
8 opportunity to respond.

9 (r) “State” means means any state, commonwealth, district, or territory of the United  
10 States.

11 (s) “State EMS authority” means: the board, office, or other agency with the legislative  
12 mandate to license EMS personnel.

13 **23-4.2-4– Home state licensure.**

14 (a) Any member state in which an individual holds a current license shall be deemed a home  
15 state for purposes of this compact.

16 (b) Any member state may require an individual to obtain and retain a license to be  
17 authorized to practice in the member state under circumstances not authorized by the privilege to  
18 practice under the terms of this compact.

19 (c) A home state’s license authorizes an individual to practice in a remote state under the  
20 privilege to practice only if the home state:

21 (1) Currently requires the use of the national registry of emergency medical technicians  
22 (NREMT) examination as a condition of issuing initial licenses at the EMT and paramedic levels;

23 (2) Has a mechanism in place for receiving and investigating complaints about individuals;

24 (3) Notifies the commission, in compliance with the terms herein, of any adverse action or  
25 significant investigatory information regarding an individual;

26 (4) No later than five years after activation of the compact, requires a criminal background  
27 check of all applicants for initial licensure, including the use of the results of fingerprint or other  
28 biometric data checks compliant with the requirements of the Federal Bureau of Investigation  
29 with the exception of federal employees who have suitability determination in accordance with  
30 US CFR §731.202 and submit documentation of such as promulgated in the rules of the  
31 commission; and

32 (5) Complies with the rules of the commission.

33 **23-4.2-5– Compact privilege to practice.**

1 (a) Member states shall recognize the privilege to practice of an individual licensed in another  
2 member state that is in conformance with section 23-4.2-4.

3 (b) To exercise the privilege to practice under the terms and provisions of this compact, an  
4 individual must:

5 (1) Be at least 18 years of age;

6 (2) Possess a current unrestricted license in a member state as an EMT, AEMT, paramedic, or  
7 state recognized and licensed level with a scope of practice and authority between EMT and  
8 paramedic; and

9 (3) Practice under the supervision of a medical director.

10 (c) An individual providing patient care in a remote state under the privilege to practice shall  
11 function within the scope of practice authorized by the home state unless and until modified by an  
12 appropriate authority in the remote state as may be defined in the rules of the commission.

13 (d) Except as provided in this subsection, an individual practicing in a remote state will be  
14 subject to the remote state's authority and laws. A remote state may, in accordance with due  
15 process and that state's laws, restrict, suspend, or revoke an individual's privilege to practice in  
16 the remote state and may take any other necessary actions to protect the health and safety of its  
17 citizens. If a remote state takes action it shall promptly notify the home state and the Commission.

18 (e) If an individual's license in any home state is restricted or suspended, the individual shall  
19 not be eligible to practice in a remote state under the privilege to practice until the individual's  
20 home state license is restored.

21 (f) If an individual's privilege to practice in any remote state is restricted, suspended, or  
22 revoked the individual shall not be eligible to practice in any remote state until the individual's  
23 privilege to practice is restored.

24 **23-4.2-6– Conditions of practice in a remote site.**

25 An individual may practice in a remote state under a privilege to practice only in the  
26 performance of the individual's EMS duties as assigned by an appropriate authority, as defined in  
27 the rules of the Commission, and under the following circumstances:

28 (1) The individual originates a patient transport in a home state and transports the patient to a  
29 remote state;

30 (2) The individual originates in the home state and enters a remote state to pick up a patient  
31 and provide care and transport of the patient to the home state;

32 (3) The individual enters a remote state to provide patient care and/or transport within that  
33 remote state;



1 (4) The individual enters a remote state to pick up a patient and provide care and transport to  
2 a third member state;

3 (5) Other conditions as determined in the rules.

4 **23-4.2-7 – Relationship to emergency management assistance compact.**

5 Upon a member state’s governor’s declaration of a state of emergency or disaster that  
6 activates the emergency management assistance compact (EMAC), all relevant terms and  
7 provisions of EMAC shall apply and to the extent any terms or provisions of this compact  
8 conflicts with EMAC, the terms of EMAC shall prevail with respect to any individual practicing  
9 in the remote state in response to such declaration.

10 **23-4.2-8– Veterans, service members separating from active duty military, and their**  
11 **spouses.**

12 Member states shall consider a veteran, active military service member, and member of the  
13 national guard and reserves separating from an active duty tour, and a spouse thereof, who holds a  
14 current valid and unrestricted NREMT certification at or above the level of the state license being  
15 sought as satisfying the minimum training and examination requirements for such licensure.

16 (b) Member states shall expedite the processing of licensure applications submitted by  
17 veterans, active military service members, and members of the national guard and reserves  
18 separating from an active duty tour, and their spouses.

19 (c) All individuals functioning with a privilege to practice under this section remain subject to  
20 the adverse actions provisions of section 23-4.2-9.

21 **23-4.2-9– Adverse actions.**

22 A home state shall have exclusive power to impose adverse action against an individual’s  
23 license issued by the home state.

24 (b) If an individual’s license in any home state is restricted or suspended, the individual shall  
25 not be eligible to practice in a remote state under the privilege to practice until the individual’s  
26 home state license is restored.

27 (1) All home state adverse action orders shall include a statement that the individual’s  
28 compact privileges are inactive. The order may allow the individual to practice in remote states  
29 with prior written authorization from both the home state and remote state’s EMS authority.

30 (2) An individual currently subject to adverse action in the home state shall not practice in  
31 any remote state without prior written authorization from both the home state and remote state’s  
32 EMS authority.

1 (3) A member state shall report adverse actions and any occurrences that the individual's  
2 compact privileges are restricted, suspended, or revoked to the commission in accordance with  
3 the rules.

4 (4) A remote state may take adverse action on an individual's privilege to practice within that  
5 state.

6 (5) Any member state may take adverse action against an individual's privilege to practice in  
7 that state based on the factual findings of another member state, so long as each state follows its  
8 own procedures for imposing such adverse action.

9 (c) A home state's EMS authority shall investigate and take appropriate action with respect  
10 to reported conduct in a remote state as it would if such conduct had occurred within the home  
11 state. In such cases, the home state's law shall control in determining the appropriate adverse  
12 action.

13 (d) Nothing in this compact shall override a member state's decision that participation in an  
14 alternative program may be used in lieu of adverse action and that such participation shall remain  
15 non-public if required by the member state's laws. Member states must require individuals who  
16 enter any alternative programs to agree not to practice in any other member state during the term  
17 of the alternative program without prior authorization from such other member state.

18 **23-4.2-10- Additional powers invested in a member state's emergency medical services**  
19 **authority.**

20 A member state's EMS authority, in addition to any other powers granted under state law, is  
21 authorized under this compact to:

22 (1) Issue subpoenas for both hearings and investigations that require the attendance and  
23 testimony of witnesses and the production of evidence. Subpoenas issued by a member state's  
24 EMS authority for the attendance and testimony of witnesses, and/or the production of evidence  
25 from another member state, shall be enforced in the remote state by any court of competent  
26 jurisdiction, according to that court's practice and procedure in considering subpoenas issued in  
27 its own proceedings. The issuing state EMS authority shall pay any witness fees, travel expenses,  
28 mileage, and other fees required by the service statutes of the state where the witnesses and/or  
29 evidence are located; and

30 (2) Issue cease and desist orders to restrict, suspend, or revoke an individual's privilege to  
31 practice in the state.

32 **23-4.2-11- Establishment of the interstate commission for emergency medical personnel**  
33 **practice.**

1 (a) The compact states hereby create and establish a joint public agency known as the  
2 interstate commission for EMS personnel practice.

3 (1) The commission is a body politic and an instrumentality of the compact states.

4 (2) Venue is proper and judicial proceedings by or against the commission shall be brought  
5 solely and exclusively in a court of competent jurisdiction where the principal office of the  
6 commission is located. The commission may waive venue and jurisdictional defenses to the  
7 extent it adopts or consents to participate in alternative dispute resolution proceedings.

8 (3) Nothing in this compact shall be construed to be a waiver of sovereign immunity.

9 (b) Membership, voting, and meetings

10 (1) Each member state shall have and be limited to one delegate. The responsible official of  
11 the state EMS authority or his designee shall be the delegate to this compact for each member  
12 state. Any delegate may be removed or suspended from office as provided by the law of the state  
13 from which the delegate is appointed. Any vacancy occurring in the commission shall be filled in  
14 accordance with the laws of the member state in which the vacancy exists. In the event that more  
15 than one board, office, or other agency with the legislative mandate to license EMS personnel at  
16 and above the level of EMT exists, the governor of the state will determine which entity will be  
17 responsible for assigning the delegate.

18 (2) Each delegate shall be entitled to one vote with regard to the promulgation of rules and  
19 creation of bylaws and shall otherwise have an opportunity to participate in the business and  
20 affairs of the commission. A delegate shall vote in person or by such other means as provided in  
21 the bylaws. The bylaws may provide for delegates' participation in meetings by telephone or  
22 other means of communication.

23 (3) The commission shall meet at least once during each calendar year. Additional meetings  
24 shall be held as set forth in the bylaws.

25 (4) All meetings shall be open to the public, and public notice of meetings shall be given in  
26 the same manner as required under Chapter 35 of Title 42.

27 (5) The commission may convene in a closed, non-public meeting if the Commission must  
28 discuss:

29 (i) Non-compliance of a member state with its obligations under the compact;

30 (ii) The employment, compensation, discipline or other personnel matters, practices or  
31 procedures related to specific employees or other matters related to the commission's internal  
32 personnel practices and procedures;

33 (iii) Current, threatened, or reasonably anticipated litigation;

34 (iv) Negotiation of contracts for the purchase or sale of goods, services, or real estate;

1        (v) Accusing any person of a crime or formally censuring any person;  
2        (vi) Disclosure of trade secrets or commercial or financial information that is privileged or  
3 confidential;  
4        (vii) Disclosure of information of a personal nature where disclosure would constitute a  
5 clearly unwarranted invasion of personal privacy;  
6        (viii) Disclosure of investigatory records compiled for law enforcement purposes;  
7        (ix) Disclosure of information related to any investigatory reports prepared by or on behalf of  
8 or for use of the commission or other committee charged with responsibility of investigation or  
9 determination of compliance issues pursuant to the compact; or  
10       (x) Matters specifically exempted from disclosure by federal or member state statute.  
11       (6) If a meeting, or portion of a meeting, is closed pursuant to this provision, the  
12 commission's legal counsel or designee shall certify that the meeting may be closed and shall  
13 reference each relevant exempting provision. The commission shall keep minutes that fully and  
14 clearly describe all matters discussed in a meeting and shall provide a full and accurate summary  
15 of actions taken, and the reasons therefore, including a description of the views expressed. All  
16 documents considered in connection with an action shall be identified in such minutes. All  
17 minutes and documents of a closed meeting shall remain under seal, subject to release by a  
18 majority vote of the commission or order of a court of competent jurisdiction.  
19       (c) The commission shall, by a majority vote of the delegates, prescribe bylaws and/or rules  
20 to govern its conduct as may be necessary or appropriate to carry out the purposes and exercise  
21 the powers of the compact, including but not limited to:  
22       (1) Establishing the fiscal year of the commission;  
23       (2) Providing reasonable standards and procedures;  
24       (3) for the establishment and meetings of other committees; and  
25       (4) governing any general or specific delegation of any authority or function of the  
26 commission;  
27       (5) Providing reasonable procedures for calling and conducting meetings of the commission,  
28 ensuring reasonable advance notice of all meetings, and providing an opportunity for attendance  
29 of such meetings by interested parties, with enumerated exceptions designed to protect the  
30 public's interest, the privacy of individuals, and proprietary information, including trade secrets.  
31 The commission may meet in closed session only after a majority of the membership votes to  
32 close a meeting in whole or in part. As soon as practicable, the commission must make public a  
33 copy of the vote to close the meeting revealing the vote of each member with no proxy votes  
34 allowed;

1       (6) Establishing the titles, duties and authority, and reasonable procedures for the election of  
2 the officers of the commission;

3       (7) Providing reasonable standards and procedures for the establishment of the personnel  
4 policies and programs of the commission. Notwithstanding any civil service or other similar laws  
5 of any member state, the bylaws shall exclusively govern the personnel policies and programs of  
6 the commission;

7       (8) Promulgating a code of ethics to address permissible and prohibited activities of  
8 commission members and employees;

9       (9) Providing a mechanism for winding up the operations of the commission and the  
10 equitable disposition of any surplus funds that may exist after the termination of the compact after  
11 the payment and/or reserving of all of its debts and obligations;

12       (10) The commission shall publish its bylaws and file a copy thereof, and a copy of any  
13 amendment thereto, with the appropriate agency or officer in each of the member states, if any.

14       (11) The commission shall maintain its financial records in accordance with the bylaws.

15       (12) The commission shall meet and take such actions as are consistent with the provisions of  
16 this compact and the bylaws.

17       (d) The commission shall have the following powers:

18       (1) The authority to promulgate uniform rules to facilitate and coordinate implementation and  
19 administration of this compact. The rules shall have the force and effect of law and shall be  
20 binding in all member states;

21       (2) To bring and prosecute legal proceedings or actions in the name of the commission,  
22 provided that the standing of any state EMS authority or other regulatory body responsible for  
23 EMS personnel licensure to sue or be sued under applicable law shall not be affected;

24       (3) To purchase and maintain insurance and bonds;

25       (4) To borrow, accept, or contract for services of personnel, including, but not limited to,  
26 employees of a member state;

27       (5) To hire employees, elect or appoint officers, fix compensation, define duties, grant such  
28 individuals appropriate authority to carry out the purposes of the compact, and to establish the  
29 commission's personnel policies and programs relating to conflicts of interest, qualifications of  
30 personnel, and other related personnel matters;

31       (6) To accept any and all appropriate donations and grants of money, equipment, supplies,  
32 materials and services, and to receive, utilize and dispose of the same; provided that at all times  
33 the commission shall strive to avoid any appearance of impropriety and/or conflict of interest;

1 (7) To lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold,  
2 improve or use, any property, real, personal or mixed; provided that at all times the Commission  
3 shall strive to avoid any appearance of impropriety;

4 (8) To sell convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any  
5 property real, personal, or mixed;

6 (9) To establish a budget and make expenditures;

7 (10) To borrow money;

8 (11) To appoint committees, including advisory committees comprised of members, state  
9 regulators, state legislators or their representatives, and consumer representatives, and such other  
10 interested persons as may be designated in this compact and the bylaws;

11 (12) To provide and receive information from, and to cooperate with, law enforcement  
12 agencies;

13 (13) To adopt and use an official seal; and

14 (14) To perform such other functions as may be necessary or appropriate to achieve the  
15 purposes of this compact consistent with the state regulation of EMS personnel licensure and  
16 practice.

17 (e) Financing of the commission

18 (1) The Commission shall pay, or provide for the payment of, the reasonable expenses of its  
19 establishment, organization, and ongoing activities.

20 (2) The commission may accept any and all appropriate revenue sources, donations, and  
21 grants of money, equipment, supplies, materials, and services.

22 (3) The commission may levy on and collect an annual assessment from each member state or  
23 impose fees on other parties to cover the cost of the operations and activities of the commission  
24 and its staff, which must be in a total amount sufficient to cover its annual budget as approved  
25 each year for which revenue is not provided by other sources. The aggregate annual assessment  
26 amount shall be allocated based upon a formula to be determined by the commission, which shall  
27 promulgate a rule binding upon all member states.

28 (4) The commission shall not incur obligations of any kind prior to securing the funds  
29 adequate to meet the same; nor shall the commission pledge the credit of any of the member  
30 states, except by and with the authority of the member state.

31 (5) The commission shall keep accurate accounts of all receipts and disbursements. The  
32 receipts and disbursements of the commission shall be subject to the audit and accounting  
33 procedures established under its bylaws. However, all receipts and disbursements of funds  
34 handled by the commission shall be audited yearly by a certified or licensed public accountant,

1 and the report of the audit shall be included in and become part of the annual report of the  
2 commission.

3 (f) Qualified immunity, defense, and indemnification

4 (1) The members, officers, executive director, employees and representatives of the  
5 Commission shall be immune from suit and liability, either personally or in their official capacity,  
6 for any claim for damage to or loss of property or personal injury or other civil liability caused by  
7 or arising out of any actual or alleged act, error or omission that occurred, or that the person  
8 against whom the claim is made had a reasonable basis for believing occurred within the scope of  
9 commission employment, duties or responsibilities; provided that nothing in this paragraph shall  
10 be construed to protect any such person from suit and/or liability for any damage, loss, injury, or  
11 liability caused by the intentional or willful or wanton misconduct of that person.

12 (2) The commission shall defend any member, officer, executive director, employee or  
13 representative of the commission in any civil action seeking to impose liability arising out of any  
14 actual or alleged act, error, or omission that occurred within the scope of commission  
15 employment, duties, or responsibilities, or that the person against whom the claim is made had a  
16 reasonable basis for believing occurred within the scope of commission employment, duties, or  
17 responsibilities; provided that nothing herein shall be construed to prohibit that person from  
18 retaining his or her own counsel; and provided further, that the actual or alleged act, error, or  
19 omission did not result from that person's intentional or willful or wanton misconduct.

20 (3) The commission shall indemnify and hold harmless any member, officer, executive  
21 director, employee, or representative of the commission for the amount of any settlement or  
22 judgment obtained against that person arising out of any actual or alleged act, error or omission  
23 that occurred within the scope of commission employment, duties, or responsibilities, or that such  
24 person had a reasonable basis for believing occurred within the scope of commission  
25 employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission  
26 did not result from the intentional or willful or wanton misconduct of that person.

27 **23-4.2-12 Coordinated database.**

28 (a) The commission shall provide for the development and maintenance of a coordinated  
29 database and reporting system containing licensure, adverse action, and significant investigatory  
30 information on all licensed individuals in member states.

31 (b) Notwithstanding any other provision of state law to the contrary, a member state shall  
32 submit a uniform data set to the coordinated database on all individuals to whom this compact is  
33 applicable as required by the rules of the commission, including:

34 (1) Identifying information;

- 1       (2) Licensure data;
- 2       (3) Significant investigatory information;
- 3       (4) Adverse actions against an individual's license;
- 4       (5) An indicator that an individual's privilege to practice is restricted, suspended or revoked;
- 5       (6) Non-confidential information related to alternative program participation;
- 6       (7) Any denial of application for licensure, and the reason(s) for such denial; and
- 7       (8) Other information that may facilitate the administration of this Compact, as determined by
- 8 the rules of the commission.

9       (c) The coordinated database administrator shall promptly notify all member states of any  
10 adverse action taken against, or significant investigative information on, any individual in a  
11 member state.

12       (d) Member states contributing information to the coordinated database may designate  
13 information that may not be shared with the public without the express permission of the  
14 contributing state.

15       (e) Any information submitted to the coordinated database that is subsequently required to be  
16 expunged by the laws of the member state contributing the information shall be removed from the  
17 coordinated database.

18 **23-4.2-13– Rulemaking.**

19       The commission shall exercise its rulemaking powers pursuant to the criteria set forth in this  
20 Section and the rules adopted thereunder. As well as Chapter 35 of Title 42. Rules and  
21 amendments shall become binding as of the date specified in each rule or amendment.

22       (b) If a majority of the legislatures of the member states rejects a rule, by enactment of a  
23 statute or resolution in the same manner used to adopt the compact, then such rule shall have no  
24 further force and effect in any member state.

25       (c) Rules or amendments to the rules shall be adopted at a regular or special meeting of the  
26 commission.

27       (d) Prior to promulgation and adoption of a final rule or rules by the commission, and at least  
28 sixty (60) days in advance of the meeting at which the rule will be considered and voted upon, the  
29 commission shall file a notice of proposed rulemaking:

30       (1) On the website of the commission; and

31       (2) On the website of each member state EMS authority or the publication in which each state  
32 would otherwise publish proposed rules.

33       (e) The notice of proposed rulemaking shall include:



1       (1) The proposed time, date, and location of the meeting in which the rule will be considered  
2 and voted upon;

3       (2) The text of the proposed rule or amendment and the reason for the proposed rule;

4       (3) A request for comments on the proposed rule from any interested person; and

5       (4) The manner in which interested persons may submit notice to the commission of their  
6 intention to attend the public hearing and any written comments.

7       (f) Prior to adoption of a proposed rule, the commission shall allow persons to submit written  
8 data, facts, opinions, and arguments, which shall be made available to the public.

9       (g)The commission shall grant an opportunity for a public hearing before it adopts a rule or  
10 amendment if a hearing is requested by:

11       (1) At least twenty-five (25) persons;

12       (2) A governmental subdivision or agency; or

13       (3) An association having at least twenty-five (25) members.

14       (h) a hearing is held on the proposed rule or amendment, the commission shall publish the  
15 place, time, and date of the scheduled public hearing.

16       (1) All persons wishing to be heard at the hearing shall notify the executive director of the  
17 commission or other designated member in writing of their desire to appear and testify at the  
18 hearing not less than five business days before the scheduled date of the hearing.

19       (2) Hearings shall be conducted in a manner providing each person who wishes to comment a  
20 fair and reasonable opportunity to comment orally or in writing.

21       (3) No transcript of the hearing is required, unless a written request for a transcript is made, in  
22 which case the person requesting the transcript shall bear the cost of producing the transcript. A  
23 recording may be made in lieu of a transcript under the same terms and conditions as a transcript.  
24 This subsection shall not preclude the commission from making a transcript or recording of the  
25 hearing if it so chooses.

26       (4) Nothing in this section shall be construed as requiring a separate hearing on each rule.  
27 Rules may be grouped for the convenience of the commission at hearings required by this section.

28       (i) Following the scheduled hearing date, or by the close of business on the scheduled hearing  
29 date if the hearing was not held, the commission shall consider all written and oral comments  
30 received.

31       (j) The commission shall, by majority vote of all members, take final action on the proposed  
32 rule and shall determine the effective date of the rule, if any, based on the rulemaking record and  
33 the full text of the rule.

1 (k) If no written notice of intent to attend the public hearing by interested parties is received,  
2 the commission may proceed with promulgation of the proposed rule without a public hearing.

3 (l) Upon determination that an emergency exists, the commission may consider and adopt an  
4 emergency rule without prior notice, opportunity for comment, or hearing, provided that the usual  
5 rulemaking procedures provided in the compact and in this section shall be retroactively applied  
6 to the rule as soon as reasonably possible, in no event later than ninety (90) days after the  
7 effective date of the rule. For the purposes of this provision, an emergency rule is one that must  
8 be adopted immediately in order to:

9 (1) Meet an imminent threat to public health, safety, or welfare;

10 (2) Prevent a loss of commission or member state funds;

11 (3) Meet a deadline for the promulgation of an administrative rule that is established by  
12 federal law or rule; or

13 (4) Protect public health and safety.

14 (m) The commission or an authorized committee of the Commission may direct revisions to a  
15 previously adopted rule or amendment for purposes of correcting typographical errors, errors in  
16 format, errors in consistency, or grammatical errors. Public notice of any revisions shall be posted  
17 on the website of the commission. The revision shall be subject to challenge by any person for a  
18 period of thirty days after posting. The revision may be challenged only on grounds that the  
19 revision results in a material change to a rule. A challenge shall be made in writing and delivered  
20 to the chair of the commission prior to the end of the notice period. If no challenge is made, the  
21 revision will take effect without further action. If the revision is challenged, the revision may not  
22 take effect without the approval of the commission.

23 **23-4.2-14– Oversight, dispute resolution, and enforcement.**

24 **(a) Oversight**

25 (1) The executive, legislative, and judicial branches of state government in each member state  
26 shall enforce this compact and take all actions necessary and appropriate to effectuate the  
27 compact’s purposes and intent. The provisions of this compact and the rules promulgated  
28 hereunder shall have standing as statutory law.

29 (2) All courts shall take judicial notice of the compact and the rules in any judicial or  
30 administrative proceeding in a member state pertaining to the subject matter of this compact  
31 which may affect the powers, responsibilities or actions of the commission.

32 (b) The Commission shall be entitled to receive service of process in any such proceeding and  
33 shall have standing to intervene in such a proceeding for all purposes. Failure to provide service

1 of process to the commission shall render a judgment or order void as to the commission, this  
2 compact, or promulgated rules.

3 (c) Default, technical assistance, and termination

4 (1) If the commission determines that a member state has defaulted in the performance of its  
5 obligations or responsibilities under this compact or the promulgated rules, the commission shall:

6 (i) Provide written notice to the defaulting state and other member states of the nature of the  
7 default, the proposed means of curing the default and/or any other action to be taken by the  
8 commission; and

9 (ii) Provide remedial training and specific technical assistance regarding the default.

10 (iii) If a state in default fails to cure the default, the defaulting state may be terminated from  
11 the compact upon an affirmative vote of a majority of the member states, and all rights, privileges  
12 and benefits conferred by this compact may be terminated on the effective date of termination. A  
13 cure of the default does not relieve the offending state of obligations or liabilities incurred during  
14 the period of default.

15 (iv) Termination of membership in the compact shall be imposed only after all other means of  
16 securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given  
17 by the commission to the governor, the majority and minority leaders of the defaulting state's  
18 legislature, and each of the member states.

19 (2) A state that has been terminated is responsible for all assessments, obligations, and  
20 liabilities incurred through the effective date of termination, including obligations that extend  
21 beyond the effective date of termination.

22 (3) The commission shall not bear any costs related to a state that is found to be in default or  
23 that has been terminated from the compact, unless agreed upon in writing between the  
24 commission and the defaulting state.

25 (4) The defaulting state may appeal the action of the commission by petitioning the U.S.  
26 district court for the District of Columbia or the federal district where the commission has its  
27 principal offices. The prevailing member shall be awarded all costs of such litigation, including  
28 reasonable attorney's fees.

29 (d) Dispute resolution

30 (1) Upon request by a member state, the commission shall attempt to resolve disputes related  
31 to the compact that arise among member states and between member and non-member states.

32 (2) The commission shall promulgate a rule providing for both mediation and binding dispute  
33 resolution for disputes as appropriate.

34 (e) Enforcement

1       (1) The commission, in the reasonable exercise of its discretion, shall enforce the provisions  
2 and rules of this compact.

3       (2) By majority vote, the commission may initiate legal action in the United States district  
4 court for the District of Columbia or the federal district where the commission has its principal  
5 offices against a member state in default to enforce compliance with the provisions of the  
6 compact and its promulgated rules and bylaws. The relief sought may include both injunctive  
7 relief and damages. In the event judicial enforcement is necessary, the prevailing member shall be  
8 awarded all costs of such litigation, including reasonable attorney's fees.

9       (3) The remedies herein shall not be the exclusive remedies of the commission. The  
10 commission may pursue any other remedies available under federal or state law.

11       **23-4.2-15– Date of implementation of the interstate compact commission for emergency**  
12 **medical personnel practice and associated rules, withdrawal, and amendment.**

13       The compact shall come into effect on the date on which the compact statute is enacted into law  
14 in the tenth member state. The provisions, which become effective at that time, shall be limited  
15 to the powers granted to the commission relating to assembly and the promulgation of rules.  
16 Thereafter, the commission shall meet and exercise rulemaking powers necessary to the  
17 implementation and administration of the compact.

18       (b) Any state that joins the compact subsequent to the commission's initial adoption of the  
19 rules shall be subject to the rules as they exist on the date on which the compact becomes law in  
20 that state. Any rule that has been previously adopted by the commission shall have the full force  
21 and effect of law on the day the compact becomes law in that state.

22       (c) Any member state may withdraw from this compact by enacting a statute repealing the  
23 same.

24       (1) A member state's withdrawal shall not take effect until six (6) months after enactment of  
25 the repealing statute.

26       (2) Withdrawal shall not affect the continuing requirement of the withdrawing state's EMS  
27 authority to comply with the investigative and adverse action reporting requirements of this act  
28 prior to the effective date of withdrawal.

29       (d) Nothing contained in this compact shall be construed to invalidate or prevent any EMS  
30 personnel licensure agreement or other cooperative arrangement between a member state and a  
31 non-member state that does not conflict with the provisions of this compact.

32       (e) This compact may be amended by the member states. No amendment to this compact  
33 shall become effective and binding upon any member state until it is enacted into the laws of all  
34 member states.

1 23-4.2-16– Construction and severability.

2 This compact shall be liberally construed so as to effectuate the purposes thereof. If this compact  
3 shall be held contrary to the constitution of any state member thereto, the compact shall remain in  
4 full force and effect as to the remaining member states. Nothing in this compact supersedes state  
5 law or rules related to licensure of EMS agencies.

6 SECTION 8: Sections 27-18.5-3, 27-18.5-4, 27-18.5-5, 27-18.5-6 and 27-18.5-10 of the  
7 General Laws in Chapter 27-18.5 entitled "Individual Health Insurance Coverage" are hereby  
8 amended to read as follows:

9 **27-18.5-3. Guaranteed availability to certain individuals.**

10 (a) ~~Notwithstanding any of the provisions of this title to the contrary~~ Subject to subsections  
11 (b) through (i) of this section, all health insurance carriers that offer health insurance coverage in  
12 the individual market in this state shall provide for the guaranteed availability of coverage to any  
13 eligible applicant. ~~to an eligible individual or an individual who has had health insurance~~  
14 ~~coverage, including coverage in the individual market, or coverage under a group health plan or~~  
15 ~~coverage under 5 U.S.C. § 8901 et seq. and had that coverage continuously for at least twelve~~  
16 ~~(12) consecutive months and who applies for coverage in the individual market no later than~~  
17 ~~sixty three (63) days following termination of the coverage, desiring to enroll in individual health~~  
18 ~~insurance coverage, and who is not eligible for coverage under a group health plan, part A or part~~  
19 ~~B or title XVIII of the Social Security Act, 42 U.S.C. § 1395e et seq. or 42 U.S.C. § 1395j et seq.,~~  
20 ~~or any state plan under title XIX of the Social Security Act, 42 U.S.C. § 1396 et seq. (or any~~  
21 ~~successor program) and does not have other health insurance coverage (provided, that eligibility~~  
22 ~~for the other coverage shall not disqualify an individual with twelve (12) months of consecutive~~  
23 ~~coverage if that individual applies for coverage in the individual market for the primary purpose~~  
24 ~~of obtaining coverage for a specific pre-existing condition, and the other available coverage~~  
25 ~~excludes coverage for that pre-existing condition) and For the purposes of this section, an~~  
26 “eligible applicant” means any individual resident of this state. A carrier offering health insurance  
27 coverage in the individual market must offer to any eligible applicant in the state all health  
28 insurance coverage plans of that carrier that are approved for sale in the individual market and  
29 must accept any eligible applicant that applies for coverage under those plans. A carrier may not:

- 30 (1) Decline to offer the coverage to, or deny enrollment of, the individual; or  
31 (2) Impose any preexisting condition exclusion with respect to the coverage.

32 (b)~~(1)~~ All health insurance carriers that offer health insurance coverage in the individual  
33 market in this state shall offer all policy forms of health insurance coverage to all eligible  
34 applicants. Provided, a carrier may offer plans with reduced cost sharing for qualifying eligible

1 applicants, based on available federal funds including those described by 42 U.S.C. § 18071, or  
2 based on a program established with state funds. ~~Provided, the carrier may elect to limit the~~  
3 ~~coverage offered so long as it offers at least two (2) different policy forms of health insurance~~  
4 ~~coverage (policy forms which have different cost-sharing arrangements or different riders shall be~~  
5 ~~considered to be different policy forms) both of which:~~

6 ~~(i) Are designed for, made generally available to, and actively market to, and enroll both~~  
7 ~~eligible and other individuals by the carrier; and~~

8 ~~(ii) Meet the requirements of subparagraph (A) or (B) of this paragraph as elected by the~~  
9 ~~carrier:~~

10 ~~(A) If the carrier offers the policy forms with the largest, and next to the largest, premium volume~~  
11 ~~of all the policy forms offered by the carrier in this state; or~~

12 ~~(B) If the carrier offers a choice of two (2) policy forms with representative coverage,~~  
13 ~~consisting of a lower level coverage policy form and a higher level coverage policy form each of~~  
14 ~~which includes benefits substantially similar to other individual health insurance coverage offered~~  
15 ~~by the carrier in this state and each of which is covered under a method that provides for risk~~  
16 ~~adjustment, risk spreading, or financial subsidization.~~

17 ~~(2) For the purposes of this subsection, "lower level coverage" means a policy form for which~~  
18 ~~the actuarial value of the benefits under the coverage is at least eighty five percent (85%) but not~~  
19 ~~greater than one hundred percent (100%) of the policy form weighted average.~~

20 ~~(3) For the purposes of this subsection, "higher level coverage" means a policy form for~~  
21 ~~which the actuarial value of the benefits under the coverage is at least fifteen percent (15%)~~  
22 ~~greater than the actuarial value of lower level coverage offered by the carrier in this state, and the~~  
23 ~~actuarial value of the benefits under the coverage is at least one hundred percent (100%) but not~~  
24 ~~greater than one hundred twenty percent (120%) of the policy form weighted average.~~

25 ~~(4) For the purposes of this subsection, "policy form weighted average" means the~~  
26 ~~average actuarial value of the benefits provided by all the health insurance coverage issued (as~~  
27 ~~elected by the carrier) either by that carrier or, if the data are available, by all carriers in this state~~  
28 ~~in the individual market during the previous year (not including coverage issued under this~~  
29 ~~subsection), weighted by enrollment for the different coverage. The actuarial value of benefits~~  
30 ~~shall be calculated based on a standardized population and a set of standardized utilization and~~  
31 ~~cost factors.~~

32 ~~(5) The carrier elections under this subsection shall apply uniformly to all eligible~~  
33 ~~individuals in this state for that carrier. The election shall be effective for policies offered during a~~  
34 ~~period of not shorter than two years.~~

1 (c)(1) A carrier may deny health insurance coverage in the individual market to an eligible  
2 ~~individual applicant~~ if the carrier has demonstrated to the ~~director~~ commissioner that:

3 (i) It does not have the financial reserves necessary to underwrite additional coverage; and

4 (ii) It is applying this subsection uniformly to all individuals in the individual market in this  
5 state consistent with applicable state law and without regard to any health status-related factor of  
6 the individuals. ~~without regard to whether the individuals are eligible individuals.~~

7 (2) A carrier upon denying individual health insurance coverage in this state in accordance  
8 with this subsection may not offer that coverage in the individual market in this state for a period  
9 of one hundred eighty (180) days after the date the coverage is denied or until the carrier has  
10 demonstrated to the ~~director~~ commissioner that the carrier has sufficient financial reserves to  
11 underwrite additional coverage, whichever is later.

12 (d) Nothing in this section shall be construed to require that a carrier offering health insurance  
13 coverage only in connection with group health plans or through one or more bona fide  
14 associations, or both, offer health insurance coverage in the individual market.

15 (e) A carrier offering health insurance coverage in connection with group health plans under  
16 this title shall not be deemed to be a health insurance carrier offering individual health insurance  
17 coverage solely because the carrier offers a conversion policy.

18 (f) Except for any high risk pool rating rules to be established by the Office of the Health  
19 Insurance Commissioner (OHIC) as described in this section, nothing in this section shall be  
20 construed to create additional restrictions on the amount of premium rates that a carrier may  
21 charge an individual for health insurance coverage provided in the individual market; or to  
22 prevent a health insurance carrier offering health insurance coverage in the individual market  
23 from establishing premium rates or modifying applicable copayments or deductibles in return for  
24 adherence to programs of health promotion and disease prevention.

25 (g) OHIC may pursue federal funding in support of the development of a high-risk pool for  
26 the individual market, as defined in § 27-18.5-2, contingent upon a thorough assessment of any  
27 financial obligation of the state related to the receipt of said federal funding being presented to,  
28 and approved by, the general assembly by passage of concurrent general assembly resolution. The  
29 components of the high-risk pool program, including, but not limited to, rating rules, eligibility  
30 requirements and administrative processes, shall be designed in accordance with § 2745 of the  
31 Public Health Service Act (42 U.S.C. § 300gg-45) also known as the State High Risk Pool  
32 Funding Extension Act of 2006 and defined in regulations promulgated by the office of the health  
33 insurance commissioner on or before October 1, 2007.

34 (h)(1) In the case of a health insurance carrier that offers health insurance coverage in the

1 individual market through a network plan, the carrier may limit the individuals who may be  
2 enrolled under that coverage to those who live, reside, or work within the service areas for the  
3 network plan; and within the service areas of the plan, deny coverage to individuals if the carrier  
4 has demonstrated to the commissioner that:

5 (i) It will not have the capacity to deliver services adequately to additional individual  
6 enrollees because of its obligations to existing group contract holders and enrollees and individual  
7 enrollees; and

8 (ii) It is applying this subsection uniformly to individuals without regard to any health status-  
9 related factor of the individuals. ~~and without regard to whether the individuals are eligible~~  
10 ~~individuals.~~

11 (2) Upon denying health insurance coverage in any service area in accordance with the terms  
12 of this subsection, a carrier may not offer coverage in the individual market within the service  
13 area for a period of one hundred eighty (180) days after the coverage is denied.

14 (i) A carrier may restrict the period during which an eligible applicant may enroll for  
15 coverage under (x) an open enrollment period to be established by the commissioner and held  
16 annually for a period of between thirty (30) and sixty (60) days, and (y) special enrollment periods  
17 as established in accordance with the version of 45 C.F.R. § 147.104 in effect on January 1, 2020.

18 **27-18.5-4. Continuation of coverage – Renewability.**

19 (a) A health insurance carrier that provides individual health insurance coverage to an  
20 individual in this state shall renew or continue in force that coverage at the option of the  
21 individual.

22 (b) A health insurance carrier may ~~nonrenew~~ non-renew or discontinue health insurance  
23 coverage of an individual in the individual market based only on one or more of the following:

24 (1) The individual has failed to pay premiums or contributions in accordance with the terms  
25 of the health insurance coverage, ~~or the carrier has not received~~ including terms relating to timely  
26 premium payments;

27 (2) The individual has performed an act or practice that constitutes fraud or made an  
28 intentional misrepresentation of material fact under the terms of the coverage;

29 (3) The carrier is ceasing to offer coverage in accordance with subsections (c) and (d) of this  
30 section;

31 (4) In the case of a carrier that offers health insurance coverage in the market through a  
32 network plan, the individual no longer resides, lives, or works in the service area (or in an area for  
33 which the carrier is authorized to do business) but only if the coverage is terminated uniformly  
34 without regard to any health status-related factor of covered individuals; or



1 (5) In the case of health insurance coverage that is made available in the individual  
2 market only through one or more bona fide associations, the membership of the individual in the  
3 association (on the basis of which the coverage is provided) ceases but only if the coverage is  
4 terminated uniformly and without regard to any health status-related factor of covered individuals.

5 (c) In any case in which a carrier decides to discontinue offering a particular type of  
6 health insurance coverage offered in the individual market, coverage of that type may be  
7 discontinued only if:

8 (1) The carrier provides notice, to each covered individual provided coverage of this type  
9 in the market, of the discontinuation at least ninety (90) days prior to the date of discontinuation  
10 of the coverage;

11 (2) The carrier offers to each individual in the individual market provided coverage of  
12 this type, the opportunity to purchase any other individual health insurance coverage currently  
13 being offered by the carrier for individuals in the market; and

14 (3) In exercising this option to discontinue coverage of this type and in offering the  
15 option of coverage under subdivision (2) of this subsection, the carrier acts uniformly without  
16 regard to any health status- related factor of enrolled individuals or individuals who may become  
17 eligible for the coverage.

18 (d) In any case in which a carrier elects to discontinue offering all health insurance  
19 coverage in the individual market in this state, health insurance coverage may be discontinued  
20 only if:

21 (1) The carrier provides notice to the ~~director~~ commissioner and to each individual of the  
22 discontinuation at least one hundred eighty (180) days prior to the date of the expiration of the  
23 coverage; and

24 (2) All health insurance issued or delivered in this state in the market is discontinued and  
25 coverage under this health insurance coverage in the market is not renewed.

26 (e) In the case of a discontinuation under subsection (d) of this section, the carrier may not  
27 provide for the issuance of any health insurance coverage in the individual market in this state  
28 during the five (5) year period beginning on the date the carrier filed its notice with the  
29 department to withdraw from the individual health insurance market in this state. This five (5)  
30 year period may be reduced to a minimum of three (3) years at the discretion of the ~~health~~  
31 ~~insurance~~ commissioner, based on his ~~or~~ or her analysis of market conditions and other related  
32 factors.

33 (f) The provisions of subsections (d) and (e) of this section do not apply if, at the time of  
34 coverage renewal, a health insurance carrier modifies the health insurance coverage for a policy

1 form offered to individuals in the individual market so long as the modification is consistent with  
2 this chapter and other applicable law and effective on a uniform basis among all individuals with  
3 that policy form.

4 (g) In applying this section in the case of health insurance coverage made available by a  
5 carrier in the individual market to individuals only through one or more associations, a reference  
6 to an "individual" includes a reference to the association (of which the individual is a member).

7 **27-18.5-5. Enforcement – Limitation on actions.**

8 The ~~director~~commissioner has the power to enforce the provisions of this chapter in  
9 accordance with § 42-14-16 and all other applicable laws.

10 **27-18.5-6. Rules and regulations.**

11 The ~~director~~commissioner may promulgate rules and regulations necessary to effectuate the  
12 purposes of this chapter.

13 **27-18.5-10. Prohibition on preexisting condition exclusions.**

14 (a) A health insurance policy, subscriber contract, or health plan offered, issued, issued for  
15 delivery, or issued to cover a resident of this state by a health insurance company licensed  
16 pursuant to this title and/or chapter; shall not limit or exclude coverage for any individual by  
17 imposing a preexisting condition exclusion on that individual.

18 ~~Shall not limit or exclude coverage for an individual under the age of nineteen (19) by imposing a~~  
19 ~~preexisting condition exclusion on that individual.~~

20 ~~For plan or policy years beginning on or after January 1, 2014, shall not limit or exclude coverage~~  
21 ~~for any individual by imposing a preexisting condition exclusion on that individual.~~

22 (b) As used in this section, "preexisting condition exclusion" ~~(1) "Preexisting condition~~  
23 ~~exclusion" means a limitation or exclusion of benefits, including a denial of coverage, based on~~  
24 ~~the fact that the condition (whether physical or mental) was present before the effective date of~~  
25 ~~coverage, or if the coverage is denied, the date of denial, under a health benefit plan whether or~~  
26 ~~not any medical advice, diagnosis, care or treatment was recommended or received before the~~  
27 ~~effective date of coverage.~~

28 ~~(2) "Preexisting condition exclusion"~~ means any limitation or exclusion of benefits,  
29 including a denial of coverage, applicable to an individual as a result of information relating to an  
30 individual's health status before the individual's effective date of coverage, or if the coverage is  
31 denied, the date of denial, under the health benefit plan, such as a condition (whether physical or  
32 mental) identified as a result of a pre- enrollment questionnaire or physical examination given to  
33 the individual, or review of medical records relating to the pre-enrollment period.

34 (c) This section shall not apply to grandfathered health plans providing individual health

1 insurance coverage.

2 (d) This section shall not apply to insurance coverage providing benefits for: (1) Hospital  
3 confinement indemnity; (2) Disability income; (3) Accident only; (4) Long-term care; (5)  
4 Medicare supplement; (6) Limited benefit health; (7) Specified disease indemnity; (8) Sickness or  
5 bodily injury or death by accident or both; and (9) Other limited benefit policies.

6 SECTION 9. Chapter 27-18.5 of the General Laws entitled "Individual Health Insurance  
7 Coverage" is hereby amended by adding thereto the following section:

8 **27-18.5-11 Essential Health Benefits – Individual**

9 (a) The following words and phrases as used in this section have the following meanings  
10 consistent with federal law and regulations adopted thereunder, so long as they remain in effect. If  
11 such authorities are no longer in effect, the laws and regulations in effect on January 1, 2020 as  
12 identified by the commissioner shall govern, unless a different meaning is required by the  
13 context:

14 (1) “Essential health benefits” means the following general categories, and the services  
15 covered within those categories:

16 (i) Ambulatory patient services;

17 (ii) Emergency services;

18 (iii) Hospitalization;

19 (iv) Maternity and newborn care;

20 (v) Mental health and substance use disorder services, including behavioral health treatment;

21 (vi) Prescription drugs;

22 (vii) Rehabilitative and habilitative services and devices;

23 (viii) Laboratory services;

24 (ix) Preventive services, wellness services, and chronic disease management; and

25 (x) Pediatric services, including oral and vision care.

26 (2) “Preventive services” means those services described in 42 U.S.C. § 300gg-13 and  
27 implementing regulations and guidance. If such authorities are determined by the commissioner  
28 to no longer be in effect, and to the extent that federal recommendations change after January 1,  
29 2020, the commissioner shall rely on the recommendations as described in the version of 42  
30 U.S.C. § 300gg-13 in effect on January 1, 2020 to determine which services qualify as preventive  
31 services under this section.

32 (b) A health insurance policy, subscriber contract, or health plan offered, issued, issued for  
33 delivery, or issued to cover a resident of this state, by a health insurance company licensed  
34 pursuant to this title and/or chapter, shall provide coverage of at least the essential health benefits

1 categories set forth in this section, and shall further provide coverage of preventive services from  
2 in-network providers without applying any copayments, deductibles, coinsurance, or other cost  
3 sharing, as set forth in this section.

4 (c) This provision shall not be construed as authority to expand the scope of preventive  
5 services beyond those in effect on January 1, 2020. However, to the extent that the U.S.  
6 Preventive Services Taskforce revises its recommendations with respect to grade “A” or “B”  
7 preventive services, OHIC shall have the authority to issue guidance clarifying the services that  
8 shall qualify as preventive services under this section, consistent with said recommendations.

9 SECTION 10. Chapter 27-18.6 of the General Laws entitled "Large Group Health Insurance  
10 Coverage" is hereby amended by adding thereto the following section:

11 **27-18.6-13 Preventive Services**

12 (a) As used in this section, “preventive services” means those services described in 42 U.S.C.  
13 § 300gg-13 and implementing regulations and guidance. If such authorities are determined by the  
14 commissioner to no longer be in effect, and to the extent that federal recommendations change  
15 after January 1, 2020, the commissioner shall rely on the recommendations as described in the  
16 version of 42 U.S.C. § 300gg-13 in effect on January 1, 2020 to determine which federally-  
17 recommended evidence-based preventive services qualify as preventive care.

18 (b) A health insurance policy, subscriber contract, or health plan offered, issued, issued for  
19 delivery, or issued to cover a resident of this state, by a health insurance company licensed  
20 pursuant to this title and/or chapter, shall provide coverage of preventive services from in-  
21 network providers without applying any copayments, deductibles, coinsurance, or other cost  
22 sharing, as set forth in this section.

23 (c) This provision shall not be construed as authority to expand the scope of preventive  
24 services beyond those in effect on January 1, 2020. However, to the extent that the U.S.  
25 Preventive Services Taskforce revises its recommendations with respect to grade “A” or “B”  
26 preventive services, OHIC shall have the authority to issue guidance clarifying the services that  
27 shall qualify as preventive services under this section, consistent with said recommendations.

28 SECTION 11. Section 27-50-11 of the General Laws in Chapter 27-50 entitled "Small  
29 Employer Health Insurance Availability Act" is hereby amended to read as follows:

30 **27-50-11. Administrative procedures.**

31 (a) The ~~director shall~~ commissioner may ~~issue~~ promulgate rules and regulations necessary to  
32 effectuate the purposes of this chapter, ~~in accordance with chapter 35 of this title for the~~  
33 ~~implementation and administration of the Small Employer Health Insurance Availability Act.~~

34 SECTION 12. Chapter 27-50 of the General Laws entitled "Small Employer Health Insurance

1 Availability Act" is hereby amended by adding thereto the following section:

2 **27-50-18 Essential Health Benefits**

3 (a) The following words and phrases as used in this section have the following meanings  
4 consistent with federal law and regulations adopted thereunder, so long as they remain in effect. If  
5 such authorities are no longer in effect, the laws and regulations in effect on January 1, 2020 as  
6 identified by the commissioner shall govern, unless a different meaning is required by the  
7 context:

8 (1) "Essential health benefits" means the following general categories, and the services  
9 covered within those categories:

10 (i) Ambulatory patient services;

11 (ii) Emergency services;

12 (iii) Hospitalization;

13 (iv) Maternity and newborn care;

14 (v) Mental health and substance use disorder services, including behavioral health treatment;

15 (vi) Prescription drugs;

16 (vii) Rehabilitative and habilitative services and devices;

17 (viii) Laboratory services;

18 (ix) Preventive services, wellness services, and chronic disease management; and

19 (x) Pediatric services, including oral and vision care.

20 (2) "Preventive services" means those services described in 42 U.S.C. § 300gg-13 and  
21 implementing regulations and guidance. If such authorities are determined by the commissioner  
22 to no longer be in effect, and to the extent that federal recommendations change after January 1,  
23 2020, the commissioner shall rely on the recommendations as described in the version of 42  
24 U.S.C. § 300gg-13 in effect on January 1, 2020 to determine which services qualify as preventive  
25 services under this section.

26 (b) A health insurance policy, subscriber contract, or health plan offered, issued, issued for  
27 delivery, or issued to cover a resident of this state, by a health insurance company licensed  
28 pursuant to this title and/or chapter shall provide coverage of at least the essential health benefits  
29 categories set forth in this section, and shall further provide coverage of preventive services from  
30 in-network providers without applying any copayments, deductibles, coinsurance, or other cost  
31 sharing, as set forth in this section.

32 (c) This provision shall not be construed as authority to expand the scope of preventive  
33 services beyond those in effect on January 1, 2020. However, to the extent that the U.S.  
34 Preventive Services Taskforce revises its recommendations with respect to grade "A" or "B"

1 [preventive services, OHIC shall have the authority to issue guidance clarifying the services that](#)  
2 [shall qualify as preventive services under this section, consistent with said recommendations.](#)

3 SECTION 13. Section 40-8.4-12 of the General Laws in Chapter 40-8.1 entitled "Small  
4 Employer Health Insurance Availability Act" and 44-1-2 of the General Laws in Chapter 44-1  
5 entitled "State Tax Officials" are hereby amended to read as follows:

6 **40-8.4-12. RIte Share Health Insurance Premium Assistance Program.**

7 (a) *Basic RIte Share health insurance premium assistance program.* Under the terms of  
8 Section 1906 of Title XIX of the U.S. Social Security Act, 42 U.S.C. § 1396e, states are permitted  
9 to pay a Medicaid-eligible person's share of the costs for enrolling in employer-sponsored health  
10 insurance (ESI) coverage if it is cost effective to do so. Pursuant to the general assembly's  
11 direction in the Rhode Island health reform act of 2000, the Medicaid agency requested and  
12 obtained federal approval under § 1916, 42 U.S.C. § 1396o, to establish the RIte Share premium-  
13 assistance program to subsidize the costs of enrolling Medicaid-eligible persons and families in  
14 employer-sponsored health insurance plans that have been approved as meeting certain cost and  
15 coverage requirements. The Medicaid agency also obtained, at the general assembly's direction,  
16 federal authority to require any such persons with access to ~~ESI~~ [Employer-sponsored health](#)  
17 [insurance \(ESI\)](#) coverage to enroll as a condition of retaining eligibility providing that doing so  
18 meets the criteria established in Title XIX for obtaining federal matching funds.

19 (b) *Definitions.* For the purposes of this section, the following definitions apply:

20 (1) "Cost-effective" means that the portion of the [employer-sponsored health insurance \(ESI\)](#)  
21 that the state would subsidize, as well as [the cost of wrap-around costs services and cost sharing,](#)  
22 would on average cost less to the state than enrolling that same person/family in a managed-care  
23 delivery system.

24 (2) "Cost sharing" means any co-payments, deductibles, or co-insurance associated with ESI.

25 (3) "Employee premium" means the monthly premium share a person or family is required to  
26 pay to the employer to obtain and maintain ESI coverage.

27 [\(4\) "Employer" means any individual, partnership, association, corporation, estate, trust,](#)  
28 [fiduciary, limited liability company, limited liability partnership, or any other legal entity that](#)  
29 [employed at least fifty \(50\) employees during the preceding fiscal year. Excluded from this](#)  
30 [definition are all charitable, not for profit organizations specifically formed for purposes other](#)  
31 [than operating a profit-seeking business and all state or municipal governmental entities.](#)

32 ~~(4)~~ (5) "Employer-sponsored [health](#) insurance or ESI" means health insurance or a group health  
33 plan offered to employees by an employer. This includes plans purchased by small employers  
34 through the state health insurance marketplace, healthsource RI (HSRI).

1 (56) "Policy holder" means the person in the household with access to ESI, typically the  
2 employee.

3 (67) "RItE Share-approved employer-sponsored health insurance (ESI)" means an employer-  
4 sponsored health insurance plan that meets the coverage and cost-effectiveness criteria for RItE  
5 Share.

6 (78) "RItE Share buy-in" means the monthly amount an Medicaid-ineligible policy holder  
7 must pay toward RItE Share-approved ESI that covers the Medicaid-eligible children, young  
8 adults, or spouses with access to the ESI. The buy-in only applies in instances when household  
9 income is above one hundred fifty percent (150%) of the FPL.

10 (89) "RItE Share premium assistance program" (referred to hereafter as "RItE Share") means  
11 the Rhode Island Medicaid premium assistance program in which the State pays the eligible  
12 Medicaid member's share of the cost of enrolling in a RItE Share-approved ESI plan, as well as  
13 coverage of wrap-around services, or those that are covered under Medicaid, but not the ESI plan.  
14 This allows the state to share the cost of the health insurance coverage with the employer.

15 (910) "RItE Share Unit" means the entity within the executive office of health and human  
16 services (~~EOHHS~~) responsible for assessing the cost-effectiveness of ESI, contacting employers  
17 about ESI as appropriate, initiating the RItE Share enrollment and disenrollment process, handling  
18 member communications, and managing the overall operations of the RItE Share program.

19 (101) "Third-Party Liability (TPL)" means other health insurance coverage. This insurance is  
20 in addition to Medicaid and is usually provided through an employer. Since Medicaid is always  
21 the payer of last resort, the TPL is always the primary coverage.

22 (142) "Wrap-around services or coverage" means any health care services not included in the  
23 ESI plan that would have been covered had the Medicaid member been enrolled in a RItE Care or  
24 Rhody Health Partners plan. Coverage of deductibles and co-insurance is included in the wrap-  
25 around services or coverage. Co-payments to providers are not covered as part of the wrap-  
26 around coverage.

27 (c) *RItE Share populations.* Medicaid beneficiaries subject to RItE Share include: children,  
28 families, parent and caretakers eligible for Medicaid or the children's health insurance program  
29 (CHIP) under this chapter or chapter 12.3 of title 42; and adults between the ages of nineteen (19)  
30 and sixty-four (64) who are eligible under chapter 8.12 of this title, not receiving or eligible to  
31 receive Medicare, and are enrolled in managed care delivery systems. The following additional  
32 conditions apply:

33 (1) The income of Medicaid beneficiaries shall affect whether and in what manner they must  
34 participate in RItE Share as follows:

1 (i) Income at or below one hundred fifty percent (150%) of FPL – Persons and families  
2 determined to have household income at or below one hundred fifty percent (150%) of the  
3 Federal Poverty Level (FPL) guidelines based on the modified adjusted gross income (MAGI)  
4 standard or other standard approved by the secretary are required to participate in RItE Share if a  
5 Medicaid-eligible adult or parent/caretaker has access to cost-effective ESI. Enrolling in ESI  
6 through RItE Share shall be a condition of maintaining Medicaid health coverage for any eligible  
7 adult with access to such coverage.

8 (ii) Income above one hundred fifty percent (150%) of FPL and policy holder is not  
9 Medicaid-eligible – Premium assistance is available when the household includes Medicaid-  
10 eligible members, but the ESI policy holder (typically a parent/caretaker, or spouse) is not eligible  
11 for Medicaid. Premium assistance for parents/caretakers and other household members who are  
12 not Medicaid-eligible may be provided in circumstances when enrollment of the Medicaid-  
13 eligible family members in the approved ESI plan is contingent upon enrollment of the ineligible  
14 policy holder and the executive office of health and human services (executive office) determines,  
15 based on a methodology adopted for such purposes, that it is cost-effective to provide premium  
16 assistance for family or spousal coverage.

17 (d) *RItE Share enrollment as a condition of eligibility.* For Medicaid beneficiaries over the  
18 age of nineteen (19) enrollment in RItE Share shall be a condition of eligibility except as  
19 exempted below and by regulations promulgated by the executive office.

20 (1) Medicaid-eligible children and young adults up to age nineteen (19) shall not be required  
21 to enroll in a parent/caretaker relative's ESI as a condition of maintaining Medicaid eligibility if  
22 the person with access to RItE Share-approved ESI does not enroll as required. These Medicaid-  
23 eligible children and young adults shall remain eligible for Medicaid and shall be enrolled in a  
24 RItE Care plan.

25 (2) There shall be a limited six-month (6) exemption from the mandatory enrollment  
26 requirement for persons participating in the RI works program pursuant to chapter 5.2 of this title.

27 (e) *Approval of health insurance plans for premium assistance.*

28 ~~(1) The executive office of health and human services shall adopt regulations providing for~~  
29 ~~the approval of employer-based health insurance plans for premium assistance and shall approve~~  
30 ~~employer-based health insurance plans based on these regulations.~~ In order for an employer-based  
31 health insurance plan to gain approval, the executive office must determine that the benefits  
32 offered by the employer-based health insurance plan are substantially similar in amount, scope,  
33 and duration to the benefits provided to Medicaid-eligible persons enrolled in a Medicaid  
34 managed-care plan, when the plan is evaluated in conjunction with available supplemental



1 benefits provided by the executive office of health and human services. The executive office of  
2 health and human services shall obtain and make available to persons otherwise eligible for  
3 Medicaid, identified in this section as supplemental benefits, those benefits not reasonably  
4 available under employer-based health insurance plans that are required for Medicaid  
5 beneficiaries by state law or federal law or regulation. Once it has been determined by the  
6 ~~Medicaid agency~~ executive office of health and human services that the ESI offered by a  
7 particular employer is RIt Share-approved, all Medicaid members with access to that employer's  
8 plan are required to participate in RIt Share. Failure to meet the mandatory enrollment  
9 requirement shall result in the termination of the Medicaid eligibility of the policy holder and  
10 other Medicaid members nineteen (19) or older in the household who could be covered under the  
11 ESI until the policy holder complies with the RIt Share enrollment procedures established by the  
12 executive office.

13 (2) Any employer defined in 40-8.4-12(b)(5) shall be required to:

14 (i) annually provide the executive office of health and human services and the Division of  
15 Taxation with sufficient and necessary information, for the Medicaid agency to determine  
16 employee eligibility for RIt Share in accordance with section 40-8.4-12(e)(1).

17 (ii) on a quarterly basis notify the executive office of health and human services of any  
18 employee(s) no longer employed and/or who otherwise loses their ESI.

19 (iii) on a quarterly basis submit ESI data and enrollment reports to the executive office of  
20 health and human services indicating which employees are currently enrolled or are not enrolled  
21 in ESI.

22 (iv) to include instructions provided by EOHHS for RIt Share determination and enrollment  
23 as a part of ESI enrollment materials whenever a new employee is offered ESI and/or during the  
24 employer's annual open enrollment period for health insurance coverage.

25 (v) participate in the executive office of health and human services' employer education and  
26 outreach campaign concerning the RIt Share program and all ESI options.

27 (vi) not offer financial incentives for employees to turn down ESI and remain on Medicaid.

28 (3) Any employer defined in 40-8.4-12(b)(5), that does not timely comply with the  
29 requirements of section 40-8.4-12(e)(2), shall in accordance with section 44-1-2(9) be assessed a  
30 penalty by the Division of Taxation in the amount of twenty-five hundred dollars (\$2500).

31 (4) Any employer defined in 40-8.4-12(b)(5), that fails to comply with the requirements of  
32 section 40-8.4-12(e)(2)(i) or who falsifies any data or reports required to be submitted to the  
33 executive office of health and human services pursuant to section 40-8.4-12(e)(2)(i), shall in

1 [accordance with the requirements of section 44-1-2 \(9\) be assessed a penalty by the Division of](#)  
2 [Taxation in amount of five thousand dollars \(\\$5000\).](#)

3 [\(5\) The executive office of health and human services shall adopt regulations providing for](#)  
4 [the approval of employer-based health insurance plans for premium assistance, the mandatory](#)  
5 [data and reporting requirements for any employer defined in 40-8.4-12\(b\)\(5\), and shall approve](#)  
6 [employer-based health insurance plans based on these regulations.](#)

7 (f) *Premium Assistance.* The executive office shall provide premium assistance by paying all  
8 or a portion of the employee's cost for covering the eligible person and/or his or her family under  
9 such a RItE Share-approved ESI plan subject to the buy-in provisions in this section.

10 (g) *Buy-in.* Persons who can afford it shall share in the cost. – The executive office is  
11 authorized and directed to apply for and obtain any necessary state plan and/or waiver  
12 amendments from the secretary of the U.S. Department of Health and Human Services (DHHS)  
13 to require that persons enrolled in a RItE Share-approved employer-based health plan who have  
14 income equal to or greater than one hundred fifty percent (150%) of the FPL to buy-in to pay a  
15 share of the costs based on the ability to pay, provided that the buy-in cost shall not exceed five  
16 percent (5%) of the person's annual income. The executive office shall implement the buy-in by  
17 regulation, and shall consider co-payments, premium shares, or other reasonable means to do so.

18 (h) *Maximization of federal contribution.* The executive office of health and human services  
19 is authorized and directed to apply for and obtain federal approvals and waivers necessary to  
20 maximize the federal contribution for provision of medical assistance coverage under this section,  
21 including the authorization to amend the Title XXI state plan and to obtain any waivers necessary  
22 to reduce barriers to provide premium assistance to recipients as provided for in Title XXI of the  
23 Social Security Act, 42 U.S.C. § 1397 et seq.

24 (i) *Implementation by regulation.* The executive office of health and human services is  
25 authorized and directed to adopt regulations to ensure the establishment and implementation of  
26 the premium assistance program in accordance with the intent and purpose of this section, the  
27 requirements of Title XIX, Title XXI and any approved federal waivers.

28 (j) *Outreach and reporting.* The executive office of health and human services shall develop a  
29 plan to identify Medicaid eligible individuals who have access to employer sponsored insurance  
30 and increase the use of RItE Share benefits. Beginning October 1, 2019, the executive office shall  
31 submit the plan to be included as part of the reporting requirements under § 35-17-1. Starting  
32 January 1, 2020, the executive office of health and human services shall include the number of  
33 Medicaid recipients with access to employer sponsored insurance, the number of plans that did

1 not meet the cost effectiveness criteria for RIte Share, and enrollment in the premium assistance  
2 program as part of the reporting requirements under § 35-17-1.

3 **§ 44-1-2. Powers and duties of tax administrator.**

4 The tax administrator is required:

5 (1) To assess and collect all taxes previously assessed by the division of state taxation in the  
6 department of revenue and regulation, including the franchise tax on domestic corporations,  
7 corporate excess tax, tax upon gross earnings of public service corporations, tax upon interest  
8 bearing deposits in national banks, the inheritance tax, tax on gasoline and motor fuels, and tax on  
9 the manufacture of alcoholic beverages;

10 (2) To assess and collect the taxes upon banks and insurance companies previously  
11 administered by the division of banking and insurance in the department of revenue and  
12 regulation, including the tax on foreign and domestic insurance companies, tax on foreign  
13 building and loan associations, deposit tax on savings banks, and deposit tax on trust companies;

14 (3) To assess and collect the tax on pari-mutuel or auction mutuel betting, previously  
15 administered by the division of horse racing in the department of revenue and regulation;

16 (4) [Deleted by P.L. 2006, ch. 246, art. 38, § 10];

17 (5) To assess and collect the monthly surcharges that are collected by telecommunication  
18 services providers pursuant to § 39-21.1-14 and are remitted to the division of taxation;

19 (6) To audit, assess, and collect all unclaimed intangible and tangible property pursuant to  
20 chapter 21.1 of title 33;

21 (7) To provide to the department of labor and training any state tax information, state records,  
22 or state documents they or the requesting agency certify as necessary to assist the agency in  
23 efforts to investigate suspected misclassification of employee status, wage and hour violations, or  
24 prevailing wage violations subject to the agency's jurisdiction, even if deemed confidential under  
25 applicable law, provided that the confidentiality of such materials shall be maintained, to the  
26 extent required of the releasing department by any federal or state law or regulation, by all state  
27 departments to which the materials are released and no such information shall be publicly  
28 disclosed, except to the extent necessary for the requesting department or agency to adjudicate a  
29 violation of applicable law. The certification must include a representation that there is probable  
30 cause to believe that a violation has occurred. State departments sharing this information or  
31 materials may enter into written agreements via memorandums of understanding to ensure the  
32 safeguarding of such released information or materials; and

33 (8) To preserve the Rhode Island tax base under Rhode Island law prior to the December 22,  
34 2017, Congressional enactment of Public Law 115-97, The Tax Cuts and Jobs Act, the tax

1 administrator, upon prior written notice to the speaker of the house, senate president, and  
2 chairpersons of the house and senate finance committees, is specifically authorized to amend tax  
3 forms and related instructions in response to any changes the Internal Revenue Service makes to  
4 its forms, regulations, and/or processing which will materially impact state revenues, to the extent  
5 that impact is measurable. Any Internal Revenue Service changes to forms, regulations, and/or  
6 processing which go into effect during the current tax year or within six (6) months of the  
7 beginning of the next tax year and which will materially impact state revenue will be deemed  
8 grounds for the promulgation of emergency rules and regulations under § 42-35-2.10. The  
9 provisions of this subsection (8) shall sunset on December 31, 2021.

10 (9) To collect the penalties from all Rhode Island employers, defined as any individual,  
11 partnership, association, corporation, estate, trust, fiduciary, limited liability company, limited  
12 liability partnership, or any other legal entity that employed at least fifty (50) employees, but not  
13 including any charitable, not for profit organizations specifically formed for purposes other than  
14 operating a profit-seeking business and all state or municipal governmental entities, during the  
15 preceding fiscal year, who fail to file the forms required by the executive office of health and  
16 human services pursuant to section 40-8.4-12 of the Rhode Island General Laws and associated  
17 rules and regulations. An employer is required to file said forms if it had fifty (50) or more  
18 employees during the previous fiscal year (July 1<sup>st</sup> through June 30<sup>th</sup>). The first submissions under  
19 this program will be required from employers who had fifty (50) or more employees at any time  
20 between July 1, 2019 and June 30, 2020. The forms must be filed with the division of taxation  
21 between November 15<sup>th</sup> and December 15<sup>th</sup> during the year in which they are due. The first forms  
22 under this program will be due between November 15, 2020 and December 15, 2020. The  
23 penalties are set forth in section 40-8.4-12, as amended, and may be assessed on forms provided  
24 by the tax administrator, who, in consultation with the executive office of health and human  
25 services, may clarify the collection of said penalties with rules or regulations consistent with this  
26 chapter as well as chapter 8.4 of title 40. The tax administrator may from time to time transmit to  
27 the executive office of health and human services a list of Rhode Island employers and/or the  
28 forms and related documentation or information required by Section 40-8.4-12 for the purpose of  
29 complying with this chapter as well as chapter 8.4 of title 40. The provisions of this subsection  
30 (9) shall be effective upon passage.

31 SECTION 14: Title 42 of the General Laws entitled “State Affairs and Government” is  
32 amended by adding thereto the following chapter:

33 CHAPTER 42-7.5

34 THE HEALTH SPENDING TRANSPARENCY AND CONTAINMENT ACT

1       **42-7.5-1. Short title.**

2       This chapter shall be known and may be cited as “The Health Spending Transparency and  
3 Containment Act.”

4       **42-7.5-2. Purpose**

5       (a) WHEREAS, in August of 2018, the RI Cost Trend Steering Committee, composed of  
6 stakeholders including business and consumer advocates and health industry leaders, was created  
7 to advise the RI Health Care Cost Trend Project in partnership with the Office of the Health  
8 Insurance Commissioner and the Executive Office on Health and Human Services.

9       (b) WHEREAS, the vision of the Cost Trend Steering Committee is to provide every Rhode  
10 Islander with access to high-quality, affordable healthcare through greater transparency of  
11 healthcare performance and increased accountability by key stakeholders to ensure healthcare  
12 spending does not increase at a rate that significantly outpaces the consumer price index.

13       (c) WHEREAS, the goal of the cost trend work is to use actionable data insights, analytic  
14 tools, State authority, and stakeholder engagement to drive meaningful changes in healthcare  
15 spending in Rhode Island.

16       (d) WHEREAS, since August 2018, Rhode Island has: (1) convened a diverse group of  
17 stakeholders to consider the establishment of a cost growth target; (2) achieved unanimous  
18 consensus on the establishment of such a target; and (3) issued an Executive Order to formalize  
19 the cost target.

20       (e) WHEREAS, the Cost Trend Steering Committee also convened national experts with RI  
21 government, advocates, business leaders, and healthcare leaders to share best practices on claims-  
22 based analyses, leading to the development of a strategy to track overall healthcare spending,  
23 report at several levels, and produce information that will inform and enhance provider decision  
24 making.

25       (f) WHEREAS, the values that guide Rhode Island’s Cost Trend efforts include commitments  
26 to (1) broad based stakeholder engagement that ensures consensus and support, (2) transparency  
27 and actionability of data and reports, and (3) collaboration between experts in state government,  
28 the private sector, and academia that results in key decision makers using data in smarter ways to  
29 reduce costs while ensuring high quality care.

30       (g) WHEREAS, in the final year of Peterson Center RI Health Care Cost Trend Project  
31 funding (ending March 1, 2021), the Steering Committee has committed to work on sustainability  
32 planning to codify the practice of cost trend analytics and convenings in the annual practices of  
33 the state. This will require reporting in 2020 on the state’s performance against the cost growth  
34 target, demonstrating that healthcare cost analytics can catalyze policy and behavior change, and

1 coordinating the cost trend work with the other on-going healthcare reform and data use work in  
2 Rhode Island.

3 (h) WHEREAS, the mission of the Executive Office of Health and Human Services is to  
4 assure access to high quality and cost-effective services that foster the health, safety, and  
5 independence of all Rhode Islanders. The complementary responsibility of the RI Office of the  
6 Health Insurance Commissioner includes addressing the affordability of healthcare and viewing  
7 the healthcare system as a whole., combining consumer protection and commercial insurer  
8 regulation with system reform policy-making.

9 **42-7.5-3 Definitions**

10 The following words and phrases as used in this chapter shall have the following meaning:

11 (1)(i) "Contribution enrollee" means an individual residing in this state, with respect to whom  
12 an insurer administers, provides, pays for, insures, or covers healthcare services, unless excepted  
13 by this section.

14 (ii) "Contribution enrollee" shall not include an individual whose healthcare services are paid  
15 or reimbursed by Part A or Part B of the Medicare program, a Medicare supplemental policy as  
16 defined in section 1882(g)(1) of the Social Security Act, 42 U.S.C. § 1395ss(g)(1), or Medicare  
17 managed care policy, the federal employees' health benefit program, the Veterans' healthcare  
18 program, the Indian health service program, or any local governmental corporation, district, or  
19 agency providing health benefits coverage on a self-insured basis;

20 (2) "Healthcare services funding contribution" means per capita amount each contributing  
21 insurer must contribute to support the Health Spending Transparency and Containment Program  
22 funded by the method established under this section, with respect to each contribution enrollee;

23 (3)(i) "Insurer" means all persons offering, administering, and/or insuring healthcare services,  
24 including, but not limited to:

25 (A) Policies of accident and sickness insurance, as defined by chapter 18 of title 27;

26 (B) Nonprofit hospital or medical-service plans, as defined by chapters 19 and 20 of title 27;

27 (C) Any person whose primary function is to provide diagnostic, therapeutic, or preventive  
28 services to a defined population on the basis of a periodic premium;

29 (D) All domestic, foreign, or alien insurance companies, mutual associations, and  
30 organizations;

31 (E) Health maintenance organizations, as defined by chapter 41 of title 27;

32 (F) All persons providing health benefits coverage on a self-insurance basis;

33 (G) All third-party administrators described in chapter 20.7 of title 27; and

1 (H) All persons providing health benefit coverage under Title XIX of the Social Security Act  
2 (Medicaid) as a Medicaid managed care organization offering managed Medicaid.

3 (ii) "Insurer" shall not include any nonprofit dental service corporation as defined in § 27-  
4 20.1-2, nor any insurer offering only those coverages described in § 42-7.5-7.

5 (4) "Person" means any individual, corporation, company, association, partnership, limited  
6 liability company, firm, state governmental corporations, districts, and agencies, joint stock  
7 associations, trusts, and the legal successor thereof.

8 (5) "Secretary" means the secretary of health and human services.

9 **42-7.5-4. Imposition of health spending transparency and containment funding**  
10 **contribution.**

11 (a) Each insurer is required to pay the health spending transparency and containment funding  
12 contribution for each contribution enrollee of the insurer at the time the contribution is calculated  
13 and paid, at the rate set forth in this section.

14 (1) Beginning October 1, 2020, the secretary shall set the health spending transparency and  
15 containment funding contribution each fiscal year in an amount not to exceed one (1) dollar per  
16 contribution enrollee of all insurers.

17 (2) The contribution set forth herein shall be in addition to any other fees or assessments upon  
18 the insurer allowable by law.

19 (b) The contribution shall be paid by the insurer; provided, however, a person providing  
20 health benefits coverage on a self-insurance basis that uses the services of a third-party  
21 administrator shall not be required to make a contribution for a contribution enrollee where the  
22 contribution on that enrollee has been or will be made by the third-party administrator.

23 **42-7.5-5. Returns and payment.**

24 (a) Every insurer required to make a contribution shall, on or before the last day of January of  
25 each year, beginning January of 2021, make a return to the secretary together with payment of the  
26 annual health spending transparency and containment funding contribution.

27 (b) All returns shall be signed by the insurer required to make the contribution, or by its  
28 authorized representative, subject to the pains and penalties of perjury.

29 (c) If a return shows an overpayment of the contribution due, the secretary shall refund or  
30 credit the overpayment to the insurer required to make the contribution.

31 **42-7.5-6. Method of payment and deposit of contribution.**

32 (a) The payments required by this chapter may be made by electronic transfer of monies to  
33 the general treasurer.

1 (b) The general treasurer shall take all steps necessary to facilitate the transfer of monies to  
2 the health spending transparency and containment funding account established in § 42-7.5-8 in  
3 the amount described in § 42-7.5-3.

4 (c) The general treasurer shall provide the secretary with a record of any monies transferred  
5 and deposited.

6 **42-7.5-7. Rules and regulations.**

7 The secretary is authorized to make and promulgate rules, regulations, and procedures not  
8 inconsistent with state law and fiscal procedures as he or she deems necessary for the proper  
9 administration of this chapter.

10 **42-7.5-8. Excluded coverage from the health spending transparency and containment**  
11 **funding act.**

12 (a) In addition to any exclusion and exemption contained elsewhere in this chapter, this  
13 chapter shall not apply to insurance coverage providing benefits for, nor shall an individual be  
14 deemed a contribution enrollee solely by virtue of receiving benefits for the following:

15 (1) Hospital confinement indemnity;

16 (2) Disability income;

17 (3) Accident only;

18 (4) Long-term care;

19 (5) Medicare supplement;

20 (6) Limited benefit health;

21 (7) Specified disease indemnity;

22 (8) Sickness or bodily injury or death by accident or both; or

23 (9) Other limited benefit policies.

24 **42-7.5-9. Health Spending Transparency and Containment Account.**

25 There is created a restricted receipt account to be known as the “Health Spending  
26 Transparency and Containment Account.” All money in the account shall be utilized by the  
27 executive office of health and human services, with the advice of and in coordination with the  
28 Office of the Health Insurance Commissioner, to effectuate the requirements described in § 42-  
29 7.5-9.

30 (a) All money received pursuant to this section shall be deposited in the Health Spending  
31 Transparency and Containment account. The general treasurer is authorized and directed to draw  
32 his or her orders on the account upon receipt of properly authenticated vouchers from the  
33 executive office of health and human services.



1        (b) The Health Spending Transparency and Containment Account shall be exempt from the  
2 indirect cost recovery provisions of § 35-4-27.

3        **42-7.5-10. Health Spending Transparency and Containment Program Requirements.**

4        (a) The Health Spending Transparency and Containment Program (“Program”) is hereby  
5 created to utilize health care claims data to help reduce health care costs.

6        (b) The Program shall include the maintenance of an annual Health Care Cost Growth Target  
7 that will be used as a voluntary benchmark to measure Rhode Island health care spending  
8 performance relative to the target, which performance shall be publicly reported annually.

9        (c) The Program will use data to determine what factors are causing increased health  
10 spending in the state, and to create actionable analysis to drive changes in practice and policy and  
11 develop cost reduction strategies.

12        (d) Annual reports shall be made public and recommendations shall be issued to the Governor  
13 and the General Assembly.

14        SECTION 15: This article shall take effect upon passage.

15

1 **ARTICLE 21**

2 **RELATING TO HEALTH AND SAFETY**

3 SECTION 1. Effective July 1, 2020, sections 11-9-13, 11-9-13.2, 11-9-13.4, 11-9-13.5,  
4 11-9-13.6, 11-9-13.7, 11-9-13.8, 11-9-13.8.1, 11-9-13.10, 11-9-13.11, 11-9-13.13, 11-9-13.15,  
5 11-9-13.20 and 11-9-14 of the General Laws in Chapter 11-9 entitled "Children" are hereby  
6 amended to read as follows:

7 **11-9-13. Purchase, sale or delivery of tobacco products and electronic nicotine**  
8 **delivery systems to persons under ~~eighteen~~ twenty-one – Posting notice of law.**

9 No person under ~~eighteen~~ twenty-one (~~18~~21) years of age shall purchase, nor shall any  
10 person sell, give, or deliver to any person under ~~eighteen~~ twenty-one (~~18~~21) years of age, any  
11 tobacco in the form of cigarettes, bidi cigarettes, cigars, little cigars, flavored cigars known as  
12 "blunts," unflavored "blunts," flavored and unflavored blunt wraps, cigarette rolling papers of any  
13 size or composition, cigarillos and tiparillos, pipe tobacco, chewing tobacco, electronic nicotine-  
14 delivery systems, or snuff. Any person, firm, or corporation that owns, manages, or operates a  
15 place of business in which tobacco products are sold, including sales through cigarette vending  
16 machines, shall post notice of this law conspicuously in the place of business in letters at least  
17 three-eighths of an inch (3/8") high.

18 **11-9-13.2. Short title.**

19 Sections 11-9-13.2 – 11-9-13.19 shall be cited as "An Act to Stop the Illegal Sale of  
20 Tobacco Products to ~~Children~~ Persons Under Twenty-One (21) Years of Age".

21 **11-9-13.4. Definitions.**

22 As used in this chapter:

23 (1) "Bidi cigarette" means any product that (i) contains tobacco that is wrapped in  
24 temburni or tender leaf, or that is wrapped in any other material identified by rules of the  
25 Department of Health that is similar in appearance or characteristics to the temburni or tender  
26 leaf, and (ii) does not contain a smoke filtering device.

27 (2) "Court" means any appropriate district court of the state of Rhode Island.

28 (3) "Dealer" is synonymous with the term "retail tobacco products dealer".

29 (4) "Department of behavioral healthcare, developmental disabilities and hospitals "  
30 means the state of Rhode Island behavioral healthcare, developmental disabilities and hospitals  
31 department, its employees, agents or assigns.

32 (5) "Department of taxation" means the state of Rhode Island taxation division, its  
33 employees, agents, or assigns.

1 (6) "License" is synonymous with the term "retail tobacco products dealer license" or  
2 "electronic nicotine-delivery system license" [or any license issued under Title 44 of Chapter 20.](#)

3 (7) "License holder" is synonymous with the term "retail tobacco products dealer" or  
4 "electronic nicotine-delivery system license."

5 (8) "Person" means any individual person, firm, association, or corporation licensed as a  
6 retail dealer to sell tobacco products within the state.

7 (9) "Retail tobacco products dealer" means the holder of a license to sell tobacco products  
8 at retail [and shall include holders of all other licenses issued under title 44 of chapter 20.](#)

9 (10) "Retail tobacco products dealer license" means a license to sell tobacco products [and](#)  
10 [ENDS Products as defined in section 44-20-1](#) at retail as issued by the department of taxation.

11 (11) "Spitting tobacco" also means snuff, powdered tobacco, chewing tobacco, dipping  
12 tobacco, pouch tobacco, or smokeless tobacco.

13 (12) "Tobacco product(s)" means any product containing tobacco, including bidi  
14 cigarettes, as defined in subdivision (1) of this section, that can be used for, but whose use is not  
15 limited to, smoking, sniffing, chewing, or spitting of the product.

16 (13) "Underage individual" or "underage individuals" means any ~~child~~ [person](#) under the  
17 age of ~~eighteen~~ [twenty-one \(18-21\)](#) years of age.

18 (14) "Little cigars" means and includes any roll, made wholly or in part of tobacco,  
19 irrespective of size or shape, and irrespective of whether the tobacco is flavored, adulterated, or  
20 mixed with any other ingredient, where such roll has a wrapper or cover made of tobacco  
21 wrapped in leaf tobacco or any substance containing tobacco paper or any other material, except  
22 where such wrapper is wholly or in greater part made of tobacco and such roll weighs over three  
23 (3) pounds per thousand (1,000).

24 (15) "Electronic nicotine-delivery system" means an electronic device that may be used  
25 to simulate smoking in the delivery of nicotine or other substance to a person inhaling from the  
26 device, and includes, but is not limited to, an electronic cigarette, electronic cigar, electronic  
27 cigarillo, electronic pipe, or electronic hookah and any related device and any cartridge or other  
28 component of such device.

29 **11-9-13.5. Responsibility for tobacco or health issues.**

30 The Rhode Island department of behavioral healthcare, developmental disabilities and  
31 hospitals shall develop, monitor and aggressively enforce health rules and regulations pertaining  
32 to stopping the illegal sale of tobacco products [and electronic nicotine delivery systems, or any](#)  
33 [separate electronic nicotine-delivery system product as defined in § 44-20-1 \(7\) that is being](#)  
34 [offered for sale separately from a system, to ~~children~~ persons under twenty-one \(21\) years of age.](#)

1            11-9-13.6. Duties of the department of behavioral healthcare, developmental  
2 disabilities and hospitals.

3            The department of behavioral healthcare, developmental disabilities and hospitals shall:

4            (1) Coordinate and promote the enforcement of the provisions of this chapter and serve as  
5 the primary liaison from this department to other state or local agencies, departments, or divisions  
6 on issues pertaining to stopping ~~children's~~ access to tobacco and electronic nicotine-delivery  
7 system dealers to persons under twenty-one (21) years of age.

8            (2) Provide retail tobacco products dealers and electronic nicotine-delivery system  
9 dealers signs concerning the prohibition of sales to ~~children~~ persons under ~~eighteen~~ twenty-one  
10 ~~(18-21)~~ years of age. The signs, conforming to the requirements of this chapter, shall be sold at  
11 cost. This sign, or an exact duplicate of it made privately, shall be displayed in all locations where  
12 tobacco products and/or electronic nicotine-delivery systems are sold.

13            (3) Investigate concurrently with other state and local officials violations of this chapter.

14            (4)(i) Utilize unannounced statewide compliance checks of tobacco product sales and/or  
15 electronic nicotine-delivery system sales including retail tobacco and/or electronic nicotine-  
16 delivery system over-the-counter sales, mail-order sales initiated via mail, facsimile, telephone or  
17 internet ordering or other types of electronic communications, and tobacco and/or electronic  
18 nicotine-delivery systems vending machine sales as part of investigating compliance with the  
19 provisions of this chapter. Persons under the age of twenty-one (21) ~~Underage individuals~~, acting  
20 as agents for the department of behavioral healthcare, developmental disabilities and hospitals  
21 ~~and with the written permission of a parent or guardian~~, may purchase, with impunity from  
22 prosecution, tobacco products and electronic nicotine-delivery systems s for the purposes of law  
23 enforcement or government research involving monitoring compliance with this chapter,  
24 provided that the underage individuals are supervised by an adult law enforcement official and  
25 that persons under the age of eighteen (18) have the written permission of a parent or guardian.  
26 Any individual participating in an unannounced compliance check of over-the-counter or vending  
27 machine sales, must state his or her accurate age if asked by the sales representative of the retail  
28 establishment being checked.

29            (ii) In fulfilling the requirement of unannounced statewide compliance checks, the  
30 department of behavioral healthcare, developmental disabilities and hospitals shall maintain  
31 complete records of the unannounced compliance checks, detailing, at least, the date of the  
32 compliance check; the name and address of the retail establishment checked or the mail order  
33 company; the results of the compliance check (sale/no sale); whether the sale was made as an  
34 over-the-counter sale, a mail-order purchase or a tobacco and/or or electronic nicotine-delivery

1 systems vending machine sale; and if a citation was issued for any violation found. The records  
2 shall be subject to public disclosure. Further, the department of behavioral healthcare,  
3 developmental disabilities and hospitals shall report to the owner of each retail establishment  
4 checked or mail-order company the results of any compliance check (sale/no sale) whether the  
5 sale was made as an over-the-counter sale, a mail-order purchase, or a tobacco and/or electronic  
6 nicotine-delivery systems vending machine sale, and if a citation was issued for any violation  
7 found.

8 (5) Seek enforcement, concurrently with other state and local officials, of the penalties as  
9 detailed in this chapter.

10 (6) Develop and disseminate community health education information and materials  
11 relating to this chapter.

12 **11-9-13.7. Signs concerning sales to individuals under age ~~eighteen~~ twenty-one (18**  
13 **21).**

14 Signs provided by the department of behavioral healthcare, developmental disabilities  
15 and hospitals, or an exact duplicate of it made privately, shall:

16 (1) Contain in red bold lettering a minimum of three-eighths (3/8") inch high on a white  
17 background the following wording in both English and Spanish:

18 THE SALE OF CIGARETTES, TOBACCO AND ELECTRONIC NICOTINE-  
19 DELIVERY SYSTEM PRODUCTS TO PERSONS UNDER THE AGE OF ~~18~~21 IS AGAINST  
20 RHODE ISLAND LAW (§ 11-9-13.8(1), Rhode Island Statutes) PHOTO ID FOR PROOF OF  
21 AGE IS REQUIRED FOR PURCHASE.

22 (2) Contain the phone number at the department of behavioral healthcare, developmental  
23 disabilities and hospitals, where violations of §§ 11-9-13.2 – 11-9-13.~~19~~ 20 can be reported, in  
24 addition to any other information required by the department of behavioral healthcare,  
25 developmental disabilities and hospitals.

26 (3) Be displayed prominently for public view, wherever tobacco products and/or  
27 electronic nicotine delivery systems are sold at each cash register, each tobacco and/or electronic  
28 nicotine-delivery systems vending machine, or any other place from which tobacco products  
29 and/or electronic nicotine delivery systems are sold. The signs shall be electronically available in  
30 both English and Spanish online at the department of behavioral healthcare, developmental  
31 disabilities and hospitals' website.

32 **11-9-13.8. Prohibitions applicable to license holders and their employees and agents.**

1 A person holding a license issued under chapter 20 of title 44 ~~and/or § 23-1-56~~, or an  
2 employee or agent of that person, is prohibited from selling, distributing, or delivering a tobacco  
3 and/or electronic nicotine-delivery system product:

4 (1) To any individual who is under ~~eighteen~~twenty-one (~~18~~21) years of age; or

5 (2) In any form other than an original, factory-wrapped package as sealed and certified by  
6 the manufacturer; or

7 (3) As a single-cigarette sale (§ 44-20-31) or as a sale of cigarettes by the individual piece  
8 known as "loosies."

9 **11-9-13.8.1. Signs concerning the health effects of tobacco and electronic nicotine**  
10 **delivery systems.**

11 Signs provided by the department of behavioral healthcare, developmental disabilities  
12 and hospitals, or an exact duplicate of it made privately, shall:

13 (1) Contain red bold lettering a minimum of one-quarters of an inch (1/4") high on a  
14 white background the following wording, in both English and Spanish: WARNING: SMOKING  
15 CIGARETTES CONTRIBUTES TO LUNG DISEASE, CANCER, HEART DISEASE,  
16 STROKE AND RESPIRATORY ILLNESS AND DURING PREGNANCY MAY RESULT IN  
17 LOW BIRTH WEIGHT AND PREMATURE BIRTH.

18 (2) The signs shall also include information regarding resources available to Rhode Island  
19 residents who would like to quit smoking.

20 (3) The signs shall be displayed prominently for public view wherever tobacco products  
21 are sold at each cash register, each tobacco vending machine, or any other place from which  
22 tobacco products are sold. The signs shall be electronically available in both English and Spanish  
23 online at the department of behavioral healthcare, developmental disabilities and hospitals'  
24 website.

25 (4) The department of behavioral healthcare, developmental disabilities and hospitals  
26 shall have the power and authority to develop and disseminate signs pursuant to the requirements  
27 of this section for other tobacco products and electronic nicotine delivery systems, in addition to  
28 cigarettes. The messaging included in the signs shall be based on the most current scientific  
29 evidence.

30 **11-9-13.10. Prohibition on the distribution and redemption of free and discounted**  
31 **tobacco products and electronic nicotine delivery systems.**

32 The distribution and/or redemption of free tobacco products, and electronic nicotine-  
33 delivery systems or coupons or vouchers redeemable for free or discounted cigarettes, other  
34 tobacco products, or electronic nicotine-delivery system products to any person ~~under eighteen~~

1 ~~(18) years of age~~ shall be prohibited. Further, the distribution and/or redemption of free tobacco  
2 products or electronic nicotine-delivery systems or coupons or vouchers redeemable for free  
3 tobacco or electronic nicotine-delivery systems products shall be prohibited, regardless of the age  
4 of the person to whom the products, coupons, or vouchers are distributed, within five hundred  
5 feet (500') of any school. The attorney general, or any local or state of Rhode Island police  
6 department, or their officers or agents, shall bring an action for any violation of this section.  
7 Every separate, free or discounted tobacco product or electronic nicotine-delivery system or  
8 coupon or voucher redeemable for a free or discounted tobacco or electronic nicotine-delivery  
9 system or product in violation of this section shall constitute a separate offense subject to a fine of  
10 five hundred dollars (\$500). The penalty shall be assessed against the business or individual  
11 responsible for initiating the Rhode Island distribution and/or redemption of the free or  
12 discounted tobacco products or electronic nicotine-delivery systems or coupons or vouchers  
13 redeemable for free or discounted tobacco products or electronic nicotine-delivery systems.

14 **11-9-13.11. Prohibition on the sale or distribution of tobacco products through the**  
15 **mail conveyance of tobacco products and electronic nicotine delivery system through the**  
16 **mail to ~~children~~ persons under ~~eighteen~~ twenty-one (~~18-21~~) – Proof of age of purchaser**  
17 **required – General rule.**

18 (a) The distribution, or sale or conveyance of tobacco products and/or electronic nicotine  
19 delivery systems products as defined in chapter 20 of Title 44 to ~~children~~ persons under the age of  
20 ~~eighteen~~ twenty-one (~~18-21~~) via the United States Postal Service, or by any other public or private  
21 postal or package delivery service, shall be prohibited.

22 (b) Any person, including but not limited to online retailers, selling or distributing  
23 tobacco products in the form of cigars, pipe tobacco, chewing tobacco, ~~or~~ snuff, or electronic  
24 nicotine delivery systems directly to a consumer via the United States Postal Service, or by any  
25 other public or private postal or package delivery service, including orders placed by mail,  
26 telephone, facsimile, or internet, shall: (1) before distributing or selling the tobacco product  
27 through any of these means, receive both a copy of a valid form of government identification  
28 showing date of birth to verify the purchaser is age ~~eighteen~~ twenty-one (~~18~~21) years or over and  
29 an attestation from the purchaser certifying that the information on the government identification  
30 truly and correctly identifies the purchaser and the purchaser's current address, and (2) deliver the  
31 tobacco product to the address of the purchaser given on the valid form of government  
32 identification and by a postal or package delivery service method that either limits delivery to that  
33 purchaser and requires the purchaser to sign personally to receive the delivery or requires a  
34 signature of an adult at the purchaser's address to deliver the package.

1 (c) The attorney general shall bring an action for any violation of this chapter. Any  
2 distribution, ~~or sale,~~ or conveyance of a tobacco product or [electronic nicotine delivery system](#) to  
3 a ~~child-person~~ under ~~eighteen-twenty-one~~ (~~18-21~~) years of age via the United States Postal  
4 Service, or by any other public or private postal or package delivery service, shall be subject to an  
5 action against the distributor, ~~or seller,~~ or conveyor by the attorney general of the state of Rhode  
6 Island. A minimum fine of one thousand dollars (\$1,000) shall be assessed against any  
7 distributor, or seller or conveyor convicted of distributing, or selling or conveying tobacco  
8 products via the United States postal service, or by any other public or private postal or package  
9 delivery service, for each delivery, ~~or sale~~ or conveyance of a tobacco product to a ~~child-person~~  
10 under ~~eighteen-twenty-one~~ (~~18-21~~) years of age.

11 (d) For the purpose of this section, "distribution," "distributing," "selling" and "sale" do  
12 not include the acts of the United States Postal Service or other common carrier when engaged in  
13 the business of transporting and delivering packages for others or the acts of a person, whether  
14 compensated or not, who transports or delivers a package for another person without any reason  
15 to know of the package's contents.

16 (e) Any delivery sale of cigarettes shall be made pursuant to the provisions of chapter  
17 20.1 of title 44. The provisions of this section shall apply to each tobacco product listed in  
18 subsection (b) herein, but shall not apply to any delivery sale of cigarettes.

19 **11-9-13.13. Nature and size of penalties.**

20 (a) Any person or individual who violates a requirement of § 11-9-13.6(2), display of  
21 specific signage, shall be subject to a fine in court of not less than ~~thirty-five-one hundred~~  
22 (~~\$35.00-100.00~~), nor more than five hundred dollars (\$500), per civil violation.

23 (b) The license holder is responsible for all violations of this section that occur at the  
24 location for which the license is issued. Any license holder who or that violates the prohibition of  
25 § 11-9-13.8(1) and/or (2) or § 11-9-13.20 shall be subject to civil fines as follows:

26 (1) A fine of ~~two hundred fifty-five hundred~~ dollars (~~\$250-500~~) for the first violation  
27 within any thirty-six-month (36) period;

28 (2) A fine of ~~five hundred-one thousand~~ dollars (~~\$500-1,000~~) for the second violation  
29 within any thirty-six-month (36) period;

30 (3) A fine of ~~one-two~~ thousand dollars (~~\$1,000-2,000~~) and a fourteen-day (14) suspension  
31 of the license to sell tobacco products or electronic nicotine-delivery systems for the third  
32 violation within any thirty-six-month (36) period;



1 (4) A fine of ~~one thousand five hundred~~ three thousand dollars (~~\$1,500~~ 3,000) and a  
2 ninety-day (90) suspension of the license to sell tobacco products or electronic nicotine-delivery  
3 systems for each violation in excess of three (3).

4  
5  
6 (c) Any person who or that violates a prohibition of § 11-9-13.8(3), sale of single  
7 cigarettes; or § 11-9-13.8(2), regarding factory-wrapped packs as sealed and certified by the  
8 manufacturer; shall be subject to a penalty of ~~five hundred~~ one thousand dollars (~~\$500~~ 1,000) for  
9 each violation.

10 (d) The department of taxation ~~and/or the department of health~~ shall not issue a license to  
11 any individual, business, firm, association, or corporation, the license of which has been revoked  
12 or suspended; to any corporation, an officer of which has had his or her license revoked or  
13 suspended; or to any individual who is, or has been, an officer of a corporation the license of  
14 which has been revoked or suspended so long as such revocations or suspensions are in effect.

15 (e) The court shall suspend the imposition of a license suspension of the license secured  
16 from the Rhode Island tax administrator for violation of subsections (b)(3) and (b)(4) of this  
17 section if the court finds that the license holder has taken measures to prevent the sale of tobacco  
18 and/or electronic nicotine-delivery systems to ~~minors~~ persons under the age of twenty-one (21)  
19 and the license holder can demonstrate to the court that those measures have been taken and that  
20 employees have received training. No person shall sell tobacco products and/or electronic  
21 nicotine-delivery system products at retail without first being trained in the legal sale of tobacco  
22 and/or electronic nicotine-delivery system products. Training shall teach employees what  
23 constitutes a tobacco and/or electronic nicotine-delivery system product; legal age of purchase;  
24 acceptable identification; how to refuse a direct sale to a person under twenty-one (21) years of  
25 age ~~minor~~ or secondary sale to an adult; and all applicable laws on tobacco sales and distribution.  
26 Dealers shall maintain records indicating that the provisions of this section were reviewed with all  
27 employees who conduct, or will conduct, tobacco and/or electronic nicotine-delivery systems  
28 sales. Each employee who sells or will sell tobacco and/or electronic nicotine-delivery system  
29 products shall sign an acknowledgement form attesting that the provisions of this section were  
30 reviewed with him or her. Each form shall be maintained by the retailer for as long as the  
31 employee is so employed and for no less than one year after termination of employment. The  
32 measures to prevent the sale of tobacco and/or electronic nicotine-delivery systems to persons  
33 under twenty-one (21) years of age ~~minors~~ shall be defined by the department of behavioral  
34 healthcare, developmental disabilities and hospitals in rules and regulations.

1           **11-9-13.15. Penalty for operating without a dealer license.**

2           (a) Any individual or business who or that violates this chapter by selling or conveying a  
3 tobacco product or electronic nicotine delivery systems product without a ~~retail tobacco products~~  
4 dealer license shall be cited for that violation and shall be required to appear in court for a hearing  
5 on the citation.

6           (b) Any individual or business cited for a violation under this section of this chapter shall:

7           (1) Either post a two-thousand-five-hundred-dollar (\$2,500) bond with the court within  
8 ten (10) days of the citation; or

9           (2) Sign and accept the citation indicating a promise to appear in court.

10          (c) An individual or business who or that has accepted the citation may:

11          (1) Pay a ten-thousand-dollar (\$10,000) fine, either by mail or in person, within ten (10)  
12 days after receiving the citation; or

13          (2) If that individual or business has posted a bond, forfeit the bond by not appearing at  
14 the scheduled hearing. If the individual or business cited pays the ten-thousand-dollar (\$10,000)  
15 fine or forfeits the bond, that individual or business is deemed to have admitted the cited violation  
16 and to have waived the right to a hearing on the issue of commission on the violation.

17          (d) The court after a hearing on a citation shall make a determination as to whether a  
18 violation has been committed. If it is established that the violation did occur, the court shall  
19 impose a ten-thousand-dollar (\$10,000) fine, in addition to any court costs or other court fees.

20           **11-9-13.20. Packaging of electronic nicotine-delivery system liquid.**

21          (a) No liquid, whether or not such liquid contains nicotine, that is intended for human  
22 consumption and used in an electronic nicotine-delivery system, as defined in § 11-9-13.4, shall  
23 be sold unless the liquid is contained in child-resistant packaging.

24          (b) Any liquid nicotine container that is sold at retail in this state must satisfy the child-  
25 resistant effectiveness standards set forth in 16 C.F.R. § 1700.15(b), when tested in accordance  
26 with the method described in 16 C.F.R. § 1700.20. All licensees under ~~§ 23-1-56~~ § 44-20-2 shall  
27 ensure that any liquid sold by the licensee intended for human consumption and used in an  
28 electronic-nicotine delivery system, as defined in § 11-9-13.4, is sold in a liquid nicotine  
29 container that meets the requirements described and referenced in this subsection.

30          (c) For the purposes of this section, "liquid nicotine container" means a bottle or other  
31 container of a liquid or other substance where the liquid or substance is sold, marketed, or  
32 intended for use in a vapor product. A "liquid nicotine container" does not include a liquid or  
33 other substance in a cartridge that is sold, marketed, or intended for use in a vapor product,

1 provided that such cartridge is prefilled and sealed by the manufacturer and not intended to be  
2 opened by the consumer.

3 (d) Any licensee or any person required to be licensed under ~~§ 23-1-56~~ [§ 44-20-2](#) who or  
4 that fails to comply with this section shall be subject to the penalties provided in § 11-9-13.13.

5 (e) The licensee is responsible for all violations of this section that occur at the location  
6 for which the license is issued.

7 (f) No licensee or person shall be found in violation of this section if the licensee or  
8 person relied in good faith on documentation provided by or attributed to the manufacturer of the  
9 packaging of the aforementioned liquid that such packaging meets the requirements of this  
10 section.

11 [\(g\) Any product found to be in violation of this chapter shall be considered contraband  
12 and subject to the confiscation provisions outlined in § 44-20-15.](#)

13 **11-9-14. Use of tobacco by ~~minors~~[persons under the age of twenty-one](#).**

14 No person under ~~eighteen~~[twenty-one](#) (~~18~~[21](#)) years of age shall use or possess, when such  
15 possession is clearly visible, tobacco in any public street, place, or resort, any tobacco and/or  
16 electronic nicotine delivery system in any form whatsoever. Any person under ~~eighteen~~[twenty-](#)  
17 [one](#) (~~18~~[21](#)) years of age violating the provisions of this section shall be required to perform up to  
18 thirty (30) hours of community service or shall be required to enter into a tobacco treatment  
19 program, approved by any local substance abuse prevention task force, at the option of a ~~minor~~  
20 [person](#) charged with a violation of this section.

21 SECTION 2. Sections 23-1-55, 23-1-56, 23-1-57, and 23-1-58 of the General Laws in  
22 Chapter 23-1 entitled "Department of Health" are hereby repealed.

23 ~~§ 23-1-55. Electronic nicotine delivery system distributor, and dealer licenses~~  
24 ~~required~~

25 ~~Definitions.~~

26 ~~Definitions. Whenever used in §§ 23-1-56 to 23-1-58, unless the context requires otherwise:~~

27 ~~(1) "Dealer" means any person, whether located within or outside of this state, who sells~~  
28 ~~or distributes electronic nicotine delivery system products to a consumer in this state;~~

29 ~~(2) "Distributor" means any person:~~

30 ~~(i) Whether located within or outside of this state, other than a dealer, who sells or~~  
31 ~~distributes electronic nicotine delivery system products within or into this state. Such term shall~~  
32 ~~not include any electronic nicotine delivery system products manufacturer, export warehouse~~  
33 ~~proprietor, or importer with a valid permit, if such person sells or distributes electronic nicotine-~~

1 ~~delivery system products in this state only to licensed distributors or to an export warehouse~~  
2 ~~proprietor or another manufacturer with a valid permit;~~

3 ~~(ii) Selling electronic nicotine delivery system products directly to consumers in this state~~  
4 ~~by means of at least twenty five (25) electronic nicotine delivery system product vending~~  
5 ~~machines;~~

6 ~~(iii) Engaged in this state in the business of manufacturing electronic nicotine delivery~~  
7 ~~system products or any person engaged in the business of selling electronic nicotine delivery~~  
8 ~~system products to dealers, or to other persons, for the purpose of resale only; provided that~~  
9 ~~seventy five percent (75%) of all electronic nicotine delivery system products sold by that person~~  
10 ~~in this state are sold to dealers or other persons for resale and selling electronic nicotine delivery~~  
11 ~~system products directly to at least forty (40) dealers or other persons for resale; or~~

12 ~~(iv) Maintaining one or more regular places of business in this state for that purpose;~~  
13 ~~provided, that seventy five percent (75%) of the sold electronic nicotine delivery system products~~  
14 ~~are purchased directly from the manufacturer and selling electronic nicotine delivery system~~  
15 ~~products directly to at least forty (40) dealers or other persons for resale;~~

16 ~~(3) "Electronic nicotine delivery system" means the products as defined in § 11-9-~~  
17 ~~13.4(15).~~

18 **§ 23-1-56. License.**

19 ~~(a) Each person engaging in the business of selling electronic nicotine delivery system~~  
20 ~~products in the state, including any distributor or dealer, shall secure a license annually from the~~  
21 ~~department before engaging in that business or continuing to engage in it. A separate application~~  
22 ~~and license is required for each place of business operated by a distributor or dealer. If the~~  
23 ~~applicant for a license does not have a place of business in this state, the license shall be issued~~  
24 ~~for such applicant's principal place of business, wherever located. A licensee shall notify the~~  
25 ~~department within thirty (30) days in the event that it changes its principal place of business. A~~  
26 ~~separate license is required for each class of business if the applicant is engaged in more than one~~  
27 ~~of the activities required to be licensed by this section. No person shall maintain or operate, or~~  
28 ~~cause to be operated, a vending machine for electronic nicotine delivery systems without~~  
29 ~~procuring a dealer's license for each machine.~~

30 ~~(b) The director shall have authority to set a reasonable fee not to exceed twenty five~~  
31 ~~dollars (\$25.00) for the issuance of the license.~~

32 ~~(c) Each issued license shall be prominently displayed on the premises, if any, covered by~~  
33 ~~the license.~~

1 ~~(d) The director shall create and maintain a website setting forth the identity of all~~  
2 ~~licensed persons under this section, itemized by type of license possessed, and shall update the~~  
3 ~~site no less frequently than six (6) times per year.~~

4 ~~(e) A manufacturer or importer may sell or distribute electronic nicotine delivery systems~~  
5 ~~to a person located or doing business within the state only if such person is a licensed distributor.~~  
6 ~~An importer may obtain electronic nicotine delivery systems only from a licensed manufacturer.~~  
7 ~~A distributor may sell or distribute electronic nicotine delivery systems to a person located or~~  
8 ~~doing business within this state only if such person is a licensed distributor or dealer. A~~  
9 ~~distributor may obtain electronic nicotine delivery systems only from a licensed manufacturer,~~  
10 ~~importer, or distributor. A dealer may obtain electronic nicotine delivery systems only from a~~  
11 ~~licensed distributor.~~

12 ~~(f)(1) No license under this chapter may be granted, maintained, or renewed if the~~  
13 ~~applicant, or any combination of persons owning directly or indirectly any interests in the~~  
14 ~~applicant:~~

15 ~~(i) Is delinquent in any tax filings for one month or more; or~~

16 ~~(ii) Had a license under this chapter revoked within the past two (2) years.~~

17 ~~(2) No person shall apply for a new license, or renewal of a license and no license shall~~  
18 ~~be issued or renewed for any person, unless all outstanding fines, fees, or other charges relating to~~  
19 ~~any license held by that person have been paid.~~

20 ~~(3) No license shall be issued relating to a business at any specific location until all prior~~  
21 ~~licenses relating to that location have been officially terminated and all fines, fees, or charges~~  
22 ~~relating to the prior licenses have been paid or otherwise resolved or if the director has found that~~  
23 ~~the person applying for the new license is not acting as an agent for the prior licensee who is~~  
24 ~~subject to any such related fines, fees, or charges that are still due. Evidence of such agency status~~  
25 ~~includes, but is not limited to, a direct familial relationship and/or employment, contractual, or~~  
26 ~~other formal financial or business relationship with the prior licensee.~~

27 ~~(4) No person shall apply for a new license pertaining to a specific location in order to~~  
28 ~~evade payment of any fines, fees, or other charges relating to a prior license for that location.~~

29 ~~(5) No new license shall be issued for a business at a specific location for which a license~~  
30 ~~has already issued unless there is a bona fide, good faith change in ownership of the business at~~  
31 ~~that location.~~

32 ~~(6) No license or permit shall be issued, renewed or maintained for any person, including~~  
33 ~~the owners of the business being licensed, who has been convicted of violating any criminal law~~  
34 ~~relating to tobacco products and/or electronic nicotine delivery system products, the payment of~~

1 ~~taxes, or fraud, or has been ordered to pay civil fines of more than twenty five thousand dollars~~  
2 ~~(\$25,000) for violations of any civil law relating to tobacco products and/or electronic nicotine-~~  
3 ~~delivery system products, the payment of taxes, or fraud.~~

4 **~~§ 23-1-57. Penalties for unlicensed business.~~**

5 ~~Any distributor or dealer who sells, offers for sale, or possesses with intent to sell,~~  
6 ~~electronic nicotine delivery system products without a license as provided in § 23-1-56, shall be~~  
7 ~~fined in accordance with the provisions of, and the penalties contained in, § 23-1-58.~~

8 **~~§ 23-1-58. Penalty for operating without a dealer license.~~**

9 ~~(a) Any individual or business who violates this chapter by selling or conveying an~~  
10 ~~electronic nicotine delivery system product without a retail license shall be cited for that violation~~  
11 ~~and shall be required to appear in district court for a hearing on the citation.~~

12 ~~(b) Any individual or business cited for a violation hereunder shall:~~

13 ~~(1) Either post a five hundred dollar (\$500) bond with the district court within ten (10)~~  
14 ~~days of the citation; or~~

15 ~~(2) Sign and accept the citation indicating a promise to appear in court.~~

16 ~~(c) An individual or business who or that has accepted the citation may:~~

17 ~~(1) Pay the five hundred dollar (\$500) fine, either by mail or in person, within ten (10)~~  
18 ~~days after receiving the citation; or~~

19 ~~(2) If that individual or business has posted a bond, forfeit the bond by not appearing at~~  
20 ~~the scheduled hearing. If the individual or business cited pays the five hundred dollar (\$500) fine~~  
21 ~~or forfeits the bond, that individual or business is deemed to have admitted the cited violation and~~  
22 ~~to have waived the right to a hearing on the issue of commission on the violation.~~

23 ~~(d) The court, after a hearing on a citation, shall make a determination as to whether a~~  
24 ~~violation has been committed. If it is established that the violation did occur, the court shall~~  
25 ~~impose a five hundred dollar (\$500) fine in addition to any court costs or fees.~~

26 SECTION 3. Chapter 23-1 of the General Laws entitled "Department of Health" is hereby  
27 amended by adding thereto the following sections:

28 **23-1-55 Product restrictions on Electronic Nicotine Delivery Systems – Definitions**

29 (1) "Characterizing flavor" means a distinguishable taste or aroma imparted either prior  
30 to, or during, consumption of an electronic nicotine delivery system product or component part  
31 thereof, including, but not limited to, tastes or aromas relating to any fruit, mint, menthol,  
32 wintergreen, chocolate, vanilla, honey, candy, cocoa, dessert, alcoholic beverage, herb or spice.  
33 The determination of whether an electronic nicotine delivery system product has a characterizing  
34 flavor shall not be based solely on the use of additives, flavorings, or particular ingredients, but

1 shall instead consider all aspects of a final product including, but not limited to, taste, flavor and  
2 aroma, product labeling, and advertising statements. A flavor shall be presumed to be a  
3 characterizing flavor if a dealer or distributor has made a statement or claim directed to  
4 consumers or the public about such flavor, whether expressed or implied, that it has a  
5 distinguishable taste or aroma (other than the taste or aroma of tobacco).

6 (2) “Contraband” means any electronic nicotine delivery system product found to be in  
7 violation of any provision of this chapter and/or as defined title 44 chapter 20 of the general laws.

8 (3) “Electronic nicotine delivery system” means as defined § 11-9-13.4.

9 (4) “Flavored electronic nicotine delivery system” means any electronic nicotine delivery  
10 system that imparts a characterizing flavor.

### 11 **23-1-56 Product restrictions on Electronic Nicotine Delivery Systems**

12 (a) *Prohibition on flavored electronic nicotine delivery systems.* The sale, or offer for sale  
13 of, or the possession with intent to sell or to offer for sale, flavored electronic nicotine delivery  
14 systems to consumers within the State of Rhode Island is hereby prohibited. Compassion centers  
15 and licensed cultivators registered with the State of Rhode Island Department of Business  
16 Regulations shall be exempt from this provision.

17 (b) *Testing and labeling requirements.* The department, in consultation with the division  
18 of taxation, may promulgate regulations that specify how nicotine and other ingredients in  
19 electronic nicotine delivery systems and liquids shall be labeled and tested, including, but not  
20 limited to, labeling such products and liquids with nicotine content. The department shall have the  
21 authority to require that each of the following be performed by a laboratory that meets its  
22 approval: (1) demonstration of nicotine content through testing; and (2) confirmation that the  
23 ingredient content through testing and the product labeling are accurate.

24 (c) *Restrictions on ingredients.* The department, in consultation with the division of  
25 taxation, may impose restrictions on the ingredients used in electronic nicotine-delivery systems  
26 as set forth in rules and regulations, not inconsistent with law, that carry into effect the provisions  
27 of this chapter.

28 (d) *Restriction on nicotine content.* No person shall sell, distribute, cause to be sold or  
29 distributed, or offer for sale to a customer located in the state an electronic nicotine-delivery  
30 system product with nicotine content greater than 35 milligrams per milliliter.

31 (e) *Exemptions.* The provisions of this chapter shall not apply to any product used for  
32 research purposes by a bona fide educational or governmental organization. The director may  
33 recommend to the general assembly that any electronic nicotine delivery systems proven to be

1 [effective for tobacco cessation by the U.S. Food and Drug Association be exempt from the](#)  
2 [provisions of § 44-20-13.2 and this chapter.](#)

3 [\(f\) Any product found to be in violation of this chapter shall be considered contraband](#)  
4 [and subject to the confiscation provisions outlined in § 44-20-15.](#)

5 [\(g\) Any person found to be selling a product found to be in violation of this chapter shall](#)  
6 [be subject to the penalties outlined in § 44-20-35 and/or 44-20-51 and/or 44-20-51.1.](#)

7 SECTION 4. The title of the General Laws in Chapter 44-20 entitled “Cigarette and  
8 Other Tobacco Products Tax” is hereby amended to read as follows:

9 CHAPTER 20

10 CIGARETTE, OTHER TOBACCO PRODUCTS, [AND E-LIQUID PRODUCTS TAX](#)

11 SECTION 5. Sections 44-20-1 44-20-2, 44-20-3, 44-20-4, 44-20-5, and 44-20-8.2 of the  
12 General Laws in Chapter 44-20 entitled “Cigarette and Other Tobacco Products Tax” are hereby  
13 amended to read as follows:

14 [44-20-1. Definitions](#)

15 Whenever used in this chapter, unless the context requires otherwise:

16 (1) "Administrator" means the tax administrator;

17 (2) "Cigarettes" means and includes any cigarettes suitable for smoking in cigarette form,  
18 and each sheet of cigarette rolling paper, including but not limited to, paper made into a hollow  
19 cylinder or cone, made with paper or any other material, with or without a filter suitable for use in  
20 making cigarettes;

21 (3) "Dealer" means any person whether located within or outside of this state, who sells  
22 or distributes cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system](#)  
23 [products](#) to a consumer in this state;

24 (4) "Distributor" means any person:

25 (A) Whether located within or outside of this state, other than a dealer, who sells or  
26 distributes cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system](#)  
27 [products](#) within or into this state. Such term shall not include any cigarette or other tobacco  
28 product manufacturer, export warehouse proprietor, or importer with a valid permit under 26  
29 U.S.C. § 5712, if such person sells or distributes cigarettes and/or other tobacco products [and/or](#)  
30 [electronic nicotine-delivery system products](#) in this state only to licensed distributors, or to an  
31 export warehouse proprietor or another manufacturer with a valid permit under 26 U.S.C. § 5712;

32 (B) Selling cigarettes and/or other tobacco products [and/or electronic nicotine-delivery](#)  
33 [system products](#) directly to consumers in this state by means of at least twenty-five (25) vending  
34 machines;



1 (C) Engaged in this state in the business of manufacturing cigarettes and/or other tobacco  
2 products and/or electronic nicotine-delivery system products and/or any person engaged in the  
3 business of selling cigarettes and/or other tobacco products and/or electronic nicotine-delivery  
4 system products to dealers, or to other persons, for the purpose of resale only; provided, that  
5 seventy-five percent (75%) of all cigarettes and/or other tobacco products and/or electronic  
6 nicotine-delivery system products sold by that person in this state are sold to dealers or other  
7 persons for resale and selling cigarettes and/or other tobacco products and/or electronic nicotine-  
8 delivery system products directly to at least forty (40) dealers or other persons for resale; or

9 (D) Maintaining one or more regular places of business in this state for that purpose;  
10 provided, that seventy-five percent (75%) of the sold cigarettes and/or other tobacco products  
11 and/or electronic nicotine-delivery system products are purchased directly from the manufacturer  
12 and selling cigarettes and/or other tobacco products and/or electronic nicotine-delivery system  
13 products directly to at least forty (40) dealers or other persons for resale;

14 (5) "E-liquid" and "e-liquid products" mean any liquid or substance placed in or sold for  
15 use in an electronic nicotine-delivery system which generally utilizes a heating element that  
16 vaporizes or combusts a liquid or other substance containing nicotine or nicotine derivative:

17 (a) whether the liquid or substance contains nicotine or a nicotine derivative; or,

18 (b) whether sold separately or sold in combination with a personal vaporizer, electronic  
19 nicotine delivery system or an electronic inhaler.

20 (6) "Electronic nicotine-delivery system" means an electronic device that may be used to  
21 simulate smoking in the delivery of nicotine or other substance to a person inhaling from the  
22 device, and includes, but is not limited to, an electronic cigarette, electronic cigar, electronic  
23 cigarillo, electronic pipe, electronic hookah, or any related device or any cartridge or other  
24 component of such device.

25 (7) "Electronic nicotine-delivery system products" means any combination of electronic  
26 nicotine-delivery system and/or e-liquid and/or any derivative thereof, that is not a flavored  
27 electronic nicotine delivery system product as defined in § 23-1-56 or an electronic nicotine-  
28 delivery system product with nicotine content greater than 35 milligrams per milliliter. Electronic  
29 nicotine-delivery system products shall not include Hemp-derived consumable CBD products as  
30 defined in § 2-26-3.

31 (58) "Importer" means any person who imports into the United States, either directly or  
32 indirectly, a finished cigarette or other tobacco product and/or electronic nicotine-delivery system  
33 product for sale or distribution;

1           (69) "Licensed", when used with reference to a manufacturer, importer, distributor or  
2 dealer, means only those persons who hold a valid and current license issued under § 44-20-2 for  
3 the type of business being engaged in. When the term "licensed" is used before a list of entities,  
4 such as "licensed manufacturer, importer, wholesale dealer, or retailer dealer," such term shall be  
5 deemed to apply to each entity in such list;

6           (710) "Manufacturer" means any person who manufactures, fabricates, assembles,  
7 processes, or labels a finished cigarette and/or other tobacco products [and/or electronic nicotine-](#)  
8 [delivery system products](#);

9           (811) "Other tobacco products" (OTP) means any cigars (excluding Little Cigars, as  
10 defined in § 44-20.2-1, which are subject to cigarette tax), cheroots, stogies, smoking tobacco  
11 (including granulated, plug cut, crimp cut, ready rubbed and any other kinds and forms of tobacco  
12 suitable for smoking in a pipe or otherwise), chewing tobacco (including Cavendish, twist, plug,  
13 scrap and any other kinds and forms of tobacco suitable for chewing), any and all forms of  
14 hookah, shisha and "mu'assel" tobacco, snuff, and shall include any other articles or products  
15 made of or containing tobacco, in whole or in part, or any tobacco substitute, except cigarettes;

16           (912) "Person" means any individual, including an employee or agent, firm, fiduciary,  
17 partnership, corporation, trust, or association, however formed;

18           (1013) "Pipe" means an apparatus made of any material used to burn or vaporize products  
19 so that the smoke or vapors can be inhaled or ingested by the user;

20           (1114) "Place of business" means any location where cigarettes and/or other tobacco  
21 products [and/or electronic nicotine-delivery system products](#) are sold, stored, or kept, including,  
22 but not limited to; any storage room, attic, basement, garage or other facility immediately  
23 adjacent to the location. It also includes any receptacle, hide, vessel, vehicle, airplane, train, or  
24 vending machine;

25           (1215) "Sale" or "sell" means gifts, exchanges, and barter of cigarettes and/or other  
26 tobacco products [and/or electronic nicotine-delivery system products](#). The act of holding, storing,  
27 or keeping cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system](#)  
28 [products](#) at a place of business for any purpose shall be presumed to be holding the cigarettes  
29 and/or other tobacco products [and/or electronic nicotine-delivery system products](#) for sale.  
30 Furthermore, any sale of cigarettes and/or other tobacco products [and/or electronic nicotine-](#)  
31 [delivery system products](#) by the servants, employees, or agents of the licensed dealer during  
32 business hours at the place of business shall be presumed to be a sale by the licensee;

33           (1316) "Stamp" means the impression, device, stamp, label, or print manufactured,  
34 printed, or made as prescribed by the administrator to be affixed to packages of cigarettes, as

1 evidence of the payment of the tax provided by this chapter or to indicate that the cigarettes are  
2 intended for a sale or distribution in this state that is exempt from state tax under the provisions of  
3 state law; and also includes impressions made by metering machines authorized to be used under  
4 the provisions of this chapter.

5 **44-20-2. Manufacturer, importer, distributor, dealer, and licenses required-**  
6 **Licenses required.**

7 (a) Each manufacturer engaging in the business of selling any electronic nicotine-  
8 delivery system products in this state, to the extent not prohibited by federal law, shall secure a  
9 license, unless otherwise prohibited by federal law, from the administrator before engaging in  
10 that business, or continuing to engage in it.

11 (b) Each person engaging in the business of selling cigarette and/or any tobacco products  
12 and/or any electronic nicotine-delivery system products in this state, including any distributor or  
13 dealer, shall secure a license from the administrator before engaging in that business, or  
14 continuing to engage in it. A separate application and license is required for each place of  
15 business operated by a distributor or dealer; provided, that an operator of vending machines for  
16 cigarette products is not required to obtain a distributor's license for each machine. If the  
17 applicant for a license does not have a place of business in this state, the license shall be issued  
18 for such applicant's principal place of business, wherever located. A licensee shall notify the  
19 administrator within thirty (30) days in the event that it changes its principal place of business. A  
20 separate license is required for each class of business if the applicant is engaged in more than one  
21 of the activities required to be licensed by this section. No person shall maintain or operate or  
22 cause to be operated a vending machine for cigarette products without procuring a dealer's license  
23 for each machine.

24 **44-20-3. Penalties for unlicensed business.**

25 Any distributor or dealer who sells, offers for sale, or possesses with intent to sell,  
26 cigarettes and/or any other tobacco products and/or any electronic nicotine-delivery system  
27 products, or manufacturer who sells, offers for sale, or possesses with intent to sell, electronic  
28 nicotine-delivery system products, without a license as provided in § 44-20-2, shall be guilty of a  
29 misdemeanor, and shall be fined not more than ten thousand dollars (\$10,000) for each offense, or  
30 be imprisoned for a term not to exceed one (1) year, or be punished by both a fine and  
31 imprisonment. Immediately following the enactment of this chapter, any electronic nicotine-  
32 delivery system products distributor or dealer, licensed by the department of health pursuant to  
33 chapter 1 of title 23 of the Rhode Island general laws, shall be considered licensed for purposes of  
34 compliance with this chapter until the renewal date for such distributor or dealer license pursuant

1 [to chapter 1 of title 23 of the Rhode Island general laws occurs; thereafter, such distributors and](#)  
2 [dealers shall be required to comply with the license requirements in this chapter.](#)

3 **44-20-4. Application for license – Display.**

4 All licenses are issued by the tax administrator upon approval of application, stating, on  
5 forms prescribed by the tax administrator, the information he or she may require for the proper  
6 administration of this chapter. Each application for a ~~an~~ [manufacturer](#), importer's, or distributor's  
7 license shall be accompanied by a fee of one thousand dollars (\$1,000); provided, that for a  
8 distributor who does not affix stamps, the fee shall be ~~one-four~~ hundred dollars (~~\$100~~[400](#)); each  
9 application for a dealer's license shall be accompanied by an [application](#) fee of ~~twenty-seventy-~~  
10 ~~five-~~dollars (~~\$275.00~~) [and a license fee of four-hundred dollars \(\\$400.00\)](#). Each issued license  
11 shall be prominently displayed on the premises within this state, if any, covered by the license. In  
12 the instance of an application for a distributor's license, the administrator shall require, in addition  
13 to other information as may be deemed necessary, the filing of affidavits from three (3) cigarette  
14 manufacturers with national distribution stating that the manufacturer will supply the distributor if  
15 the applicant is granted a license.

16 **44-20-5. Duration of [manufacturer's](#), [importer's](#), [distributor's](#) ~~and~~ dealer's licenses**  
17 **– Renewal.**

18 (a) Any [manufacturer](#), importer, [or distributor](#) license and any license issued by the tax  
19 administrator authorizing a dealer to sell cigarettes [and/or other tobacco products and/or](#)  
20 [electronic nicotine-delivery system products or a manufacturer to sell electronic nicotine-delivery](#)  
21 [system products](#) in this state shall expire at midnight on June 30 next succeeding the date of  
22 issuance unless (1) suspended or revoked by the tax administrator, (2) the business with respect to  
23 which the license was issued changes ownership, (3) the [manufacturer](#), importer, [distributor](#) or  
24 dealer ceases to transact the business for which the license was issued, or (4) after a period of  
25 time set by the administrator; provided such period of time shall not be longer than three (3)  
26 years, in any of which cases the license shall expire and terminate and the holder shall  
27 immediately return the license to the tax administrator.

28 (b) Every holder of a dealer's license shall annually, on or before February 1 of each year,  
29 renew its license by filing an application for renewal along with a ~~twenty-five-four hundred~~ dollar  
30 ~~(\$25.00)~~ [\(\\$400\)](#) renewal fee. The renewal license is valid for the period July 1 of that calendar  
31 year through June 30 of the subsequent calendar year.

32 **44-20-8.2. Transactions only with licensed manufacturers, importers, distributors,**  
33 **and dealers.**

1 A manufacturer or importer may sell or distribute cigarettes and/or other tobacco  
2 products to a person located or doing business within this state, only if such person is a licensed  
3 importer or distributor. A manufacturer may sell or distribute electronic nicotine-delivery system  
4 products to a person located or doing business within this state only if such person is a licensed  
5 manufacturer. An importer may obtain cigarettes and/or other tobacco products and/or e-liquid  
6 products only from a licensed manufacturer. A distributor may sell or distribute cigarettes and/or  
7 other tobacco products and/or e-liquid products to a person located or doing business within this  
8 state, only if such person is a licensed distributor or dealer. A distributor may obtain cigarettes  
9 and/or other tobacco products and/or e-liquid products only from a licensed manufacturer,  
10 importer, or distributor. A dealer may obtain cigarettes and/or other tobacco products and/or e-  
11 liquid products only from a licensed distributor.

12 SECTION 6. Effective August 1, 2020 unless otherwise specified herein, sections 44-20-  
13 12 44-20-12.7, 4-20-13, 44-20-13.2, 44-20-15, 44-20-33, 44-20-35, 44-20-40, 44-20-40.1, 44-  
14 20-43, 44-20-45, 44-20-47, and 44-20-51.1 of the General Laws in Chapter 44-20 entitled  
15 “Cigarette and Other Tobacco Products Tax” are hereby amended to read as follows:

16 **44-20-12. Tax imposed on cigarettes sold.**

17 A tax is imposed on all cigarettes sold or held for sale in the state. The payment of the tax  
18 to be evidenced by stamps, which may be affixed only by licensed distributors to the packages  
19 containing such cigarettes. Any cigarettes on which the proper amount of tax provided for in this  
20 chapter has been paid, payment being evidenced by the stamp, is not subject to a further tax under  
21 this chapter. The tax is at the rate of ~~two hundred twelve and one half (212.5)~~ two hundred thirty  
22 (230) mills for each cigarette.

23 **44-20-12.7. Floor stock tax on cigarettes and stamps**

24 (a) Each person engaging in the business of selling cigarettes at retail in this state shall  
25 pay a tax or excise to the state for the privilege of engaging in that business during any part of the  
26 calendar year 2020. In calendar year 2020, the tax shall be measured by the number of cigarettes  
27 held by the person in this state at 12:01 a.m. on August 1, 2020 and is computed at the rate of  
28 seventeen and one-half (17.5) mills for each cigarette on August 1, 2020.

29 (b) Each distributor licensed to do business in this state pursuant to this chapter shall pay  
30 a tax or excise to the state for the privilege of engaging in that business during any part of the  
31 calendar year 2020. The tax is measured by the number of stamps, whether affixed or to be  
32 affixed to packages of cigarettes, as required by § 44-20-28. In calendar year 2020 the tax is  
33 measured by the number of stamps, whether affixed or to be affixed, held by the distributor at

1 12:01 a.m. on August 1, 2020, and is computed at the rate of seventeen and one-half (17.5) mills  
2 per cigarette in the package to which the stamps are affixed or to be affixed.

3 (c) Each person subject to the payment of the tax imposed by this section shall, on or  
4 before August 15, 2020, file a return, under oath or certified under the penalties of perjury, with  
5 the tax administrator on forms furnished by him or her, showing the amount of cigarettes and the  
6 number of stamps in that person's possession in this state at 12:01 a.m. on August 1, 2020, as  
7 described in this section above, and the amount of tax due, and shall at the time of filing the  
8 return pay the tax to the tax administrator. Failure to obtain forms shall not be an excuse for the  
9 failure to make a return containing the information required by the tax administrator.

10 (d) The tax administrator may prescribe rules and regulations, not inconsistent with law  
11 regarding the assessment and collection of the tax imposed by this section.

12 **44-20-13. Tax imposed on unstamped cigarettes.**

13 A tax is imposed at the rate of ~~two hundred twelve and one half (212.5)~~ two hundred  
14 thirty (230) mills for each cigarette upon the storage or use within this state of any cigarettes not  
15 stamped in accordance with the provisions of this chapter in the possession of any consumer  
16 within this state.

17 **44-20-13.2. Tax imposed on other tobacco products, smokeless tobacco, cigars, ~~and~~**  
18 **pipe tobacco products, and e-liquid products.**

19 (a) A tax is imposed on all other tobacco products, smokeless tobacco, cigars, ~~and~~ pipe  
20 tobacco products, and e-liquid products sold, or held for sale in the state by any person, the  
21 payment of the tax to be accomplished according to a mechanism established by the  
22 administrator, division of taxation, department of revenue. The tax imposed by this section shall  
23 be as follows:

24 (1) At the rate of eighty percent (80%) of the wholesale cost of other tobacco products,  
25 cigars, pipe tobacco products, and smokeless tobacco other than snuff.

26 (2) Notwithstanding the eighty percent (80%) rate in subsection (a) above, in the case of  
27 cigars, the tax shall not exceed ~~fifty-eighty~~ cents (\$.580) for each cigar.

28 (3) At the rate of one dollar (\$1.00) per ounce of snuff, and a proportionate tax at the like  
29 rate on all fractional parts of an ounce thereof. Such tax shall be computed based on the net  
30 weight as listed by the manufacturer; provided, however, that any product listed by the  
31 manufacturer as having a net weight of less than 1.2 ounces shall be taxed as if the product has a  
32 net weight of 1.2 ounces.

33 (4) Effective September 1, 2020, at the rate of eighty percent (80%) of the wholesale cost  
34 of e-liquid products as defined herein.

1 (b) Any dealer having in his or her possession any other tobacco products with respect to  
2 the storage or use of which a tax is imposed by this section shall, within five (5) days after  
3 coming into possession of the other tobacco products in this state, file a return with the tax  
4 administrator in a form prescribed by the tax administrator. The return shall be accompanied by a  
5 payment of the amount of the tax shown on the form to be due.

6 (c) Records required under this section shall be preserved on the premises described in  
7 the relevant license in such a manner as to ensure permanency and accessibility for inspection at  
8 reasonable hours by authorized personnel of the administrator.

9 (d) The proceeds collected are paid into the general fund.

10 **44-20-15. Confiscation of contraband cigarettes, other tobacco products, e-liquid**  
11 **products, and other property.**

12 (a) All cigarettes, ~~and~~ other tobacco products, and/or e-liquid products that are held for  
13 sale or distribution within the borders of this state in violation of the requirements of this chapter  
14 are declared to be contraband goods and may be seized by the tax administrator or his or her  
15 agents, or employees, or by any sheriff, or his or her deputy, or any police officer when directed  
16 by the tax administrator to do so, without a warrant. All contraband goods seized by the state  
17 under this chapter shall be destroyed.

18 (b) All fixtures, equipment, and all other materials and personal property on the premises  
19 of any distributor or dealer who, with the intent to defraud the state, fails to keep or make any  
20 record, return, report, or inventory; keeps or makes any false or fraudulent record, return, report,  
21 or inventory required by this chapter; refuses to pay any tax imposed by this chapter; or attempts  
22 in any manner to evade or defeat the requirements of this chapter shall be forfeited to the state.

23 **44-20-33. Sale of contraband cigarettes, ~~or~~ contraband other tobacco products or**  
24 **contraband e-liquid products prohibited.**

25 No distributor shall sell, and no other person shall sell, offer for sale, display for sale, or  
26 possess with intent to sell any contraband other tobacco products without written record of the  
27 payment of tax imposed by this chapter, or contraband e-liquid products without written record of  
28 the payment of tax imposed by this chapter or contraband cigarettes, the packages or boxes of  
29 which do not bear stamps evidencing the payment of the tax imposed by this chapter.

30 **44-20-35. Penalties for violations as to unstamped contraband cigarettes, ~~or~~**  
31 **contraband other tobacco products, or contraband e-liquid products.**

32 (a) Any person who violates any provision of §§ 44-20-33, ~~and~~ 44-20-34 and/or 23-1-56  
33 shall be fined or imprisoned, or both fined and imprisoned, as follows:

1 (1) For a first offense in a twenty-four-month (24) period, fined not more than ten (10)  
2 times the retail value of the contraband cigarettes, [contraband e-liquid products](#), and/or  
3 contraband other tobacco products, or be imprisoned not more than one (1) year, or be both fined  
4 and imprisoned;

5 (2) For a second or subsequent offense in a twenty-four-month (24) period, fined not  
6 more than twenty-five (25) times the retail value of the contraband cigarettes, [contraband e-liquid](#)  
7 [products](#) and/or contraband other tobacco products, or be imprisoned not more than three (3)  
8 years, or be both fined and imprisoned.

9 (b) When determining the amount of a fine sought or imposed under this section,  
10 evidence of mitigating factors, including history, severity, and intent shall be considered.

11 **44-20-40. Records – Investigation and inspection of books, premises and stock.**

12 (a) Each manufacturer, importer, distributor, and dealer shall maintain copies of invoices  
13 or equivalent documentation for, or itemized for, each of its facilities for each transaction (other  
14 than a retail transaction with a consumer) involving the sale, purchase, transfer, consignment, or  
15 receipt of cigarettes, [other tobacco products and e-liquid products](#). The invoices or documentation  
16 shall show the name and address of the other party and the quantity by brand style of the  
17 cigarettes, [other tobacco products and e-liquid products](#) involved in the transaction. All records  
18 and invoices required under this section must be safely preserved for three (3) years in a manner  
19 to insure permanency and accessibility for inspection by the administrator or his or her authorized  
20 agents.

21 (b) Records required under this section shall be preserved on the premises described in  
22 the relevant license in such a manner as to ensure permanency and accessibility for inspection at  
23 reasonable hours by authorized personnel of the administrator. With the administrator's  
24 permission, persons with multiple places of business may retain centralized records but shall  
25 transmit duplicates of the invoices  
26  
27 or the equivalent documentation to each place of business within twenty-four (24) hours upon the  
28 request of the administrator or his or her designee.

29 (c) The administrator or his or her authorized agents may examine the books, papers,  
30 reports and records of any manufacturer, importer, distributor or dealer in this state for the  
31 purpose of determining whether taxes imposed by this chapter have been fully paid, and may  
32 investigate the stock of cigarettes, [other tobacco products and/or electronic nicotine-delivery](#)  
33 [system products](#) in or upon any premises for the purpose of determining whether the provisions of  
34 this chapter are being obeyed. The administrator in his or her sole discretion may share the



1 records and reports required by such sections with law enforcement officials of the federal  
2 government or other states.

3 **44-20-40.1. Inspections.**

4 (a) The administrator or his or her duly authorized agent shall have authority to enter and  
5 inspect, without a warrant during normal business hours, and with a warrant during nonbusiness  
6 hours, the facilities and records of any manufacturer, importer, distributor or dealer.

7 (b) In any case where the administrator or his or her duly authorized agent, or any police  
8 officer of this state, has knowledge or reasonable grounds to believe that any vehicle is  
9 transporting cigarettes, ~~or~~ other tobacco products or contraband e-liquid products in violation of  
10 this chapter, the administrator, such agent, or such police officer, is authorized to stop such  
11 vehicle and to inspect the same for contraband cigarettes, ~~or~~ contraband other tobacco products or  
12 contraband e-liquid products.

13 **44-20-43. Violations as to reports and records.**

14 Any person who fails to submit the reports required in this chapter or by the tax  
15 administrator under this chapter, or who makes any incomplete, false, or fraudulent report, or who  
16 refuses to permit the tax administrator or his or her authorized agent to examine any books,  
17 records, papers, or stocks of cigarettes, ~~or~~ other tobacco products or electronic nicotine-delivery  
18 system products as provided in this chapter, or who refuses to supply the tax administrator with  
19 any other information which the tax administrator requests for the reasonable and proper  
20 enforcement of the provisions of this chapter, shall be guilty of a misdemeanor punishable by  
21 imprisonment up to one (1) year, or a fine of not more than five thousand dollars (\$5,000), or  
22 both, for the first offense, and for each subsequent offense, shall be fined not more than ten  
23 thousand dollars (\$10,000), or be imprisoned not more than five (5) years, or both.

24 **44-20-45. Importation of cigarettes, ~~and/or~~ other tobacco products, and/or e-liquid**  
25 **products with intent to evade tax.**

26 Any person, firm, corporation, club, or association of persons who or that orders any  
27 cigarettes, ~~and/or~~ other tobacco products, and/or electronic nicotine-delivery system products for  
28 another; or pools orders for cigarettes, ~~and/or~~ other tobacco products, and/or electronic nicotine-  
29 delivery system products from any persons; or conspires with others for pooling orders; or  
30 receives in this state any shipment of contraband cigarettes, ~~and/or~~ contraband other tobacco  
31 products, and/or contraband e-liquid products on which the tax imposed by this chapter has not  
32 been paid, for the purpose and intention of violating the provisions of this chapter or to avoid  
33 payment of the tax imposed in this chapter, is guilty of a felony and shall be fined one hundred  
34 thousand dollars (\$100,000) or five (5) times the retail value of the cigarettes, other tobacco

1 [products, and/or e-liquid products](#) involved, whichever is greater, or imprisoned not more than  
2 fifteen (15) years, or both.

3 **44-20-47. Hearings by tax administrator.**

4 Any person aggrieved by any action under this chapter of the tax administrator or his or  
5 her authorized agent for which a hearing is not elsewhere provided may apply to the tax  
6 administrator, in writing, within thirty (30) days of the action for a hearing, stating the reasons  
7 why the hearing should be granted and the manner of relief sought. The tax administrator shall  
8 notify the applicant of the time and place fixed for the hearing. After the hearing, the tax  
9 administrator may make the order in the premises as may appear to the tax administrator just and  
10 lawful and shall furnish a copy of the order to the applicant. The tax administrator may, by notice  
11 in writing, at any time, order a hearing on his or her own initiative and require the taxpayer or any  
12 other individual whom the tax administrator believes to be in possession of information  
13 concerning any manufacture, importation, or sale of: cigarettes, [other tobacco products, and/or e-](#)  
14 [liquid products](#) to appear before the tax administrator or his or her authorized agent with any  
15 specific books of account, papers, or other documents, for examination relative to the hearing.

16 **44-20-51.1. Civil penalties.**

17 (a) Whoever omits, neglects, or refuses to comply with any duty imposed upon him/her  
18 by this chapter, or to do, or cause to be done, any of the things required by this chapter, or does  
19 anything prohibited by this chapter, shall, in addition to any other penalty provided in this  
20 chapter, be liable as follows:

21 (1) For a first offense in a twenty-four-month (24) period, a penalty of not more than ten  
22 (10) times the retail value of the cigarettes, ~~and/or~~ other tobacco products [and/or e-liquid products](#)  
23 involved; and

24 (2) For a second or subsequent offense in a twenty-four-month (24) period, a penalty of  
25 not more than twenty-five (25) times the retail value of the cigarettes, ~~and/or~~ other tobacco  
26 products [and/or contraband e-liquid products](#) involved.

27 (b) Whoever fails to pay any tax imposed by this chapter at the time prescribed by law or  
28 regulations, shall, in addition to any other penalty provided in this chapter, be liable for a penalty  
29 of one thousand dollars (\$1,000) or not more than five (5) times the tax due but unpaid,  
30 whichever is greater.

31 (c) When determining the amount of a penalty sought or imposed under this section,  
32 evidence of mitigating or aggravating factors, including history, severity, and intent, shall be  
33 considered.

1 SECTION 7. Effective July 1, 2020, section 44-20.1-3 of the General Laws in Chapter  
2 44-20.1 entitled "Delivery Sales of Cigarettes" is hereby amended to read as follows:

3 **44-20.1-3. Age Verification requirements.**

4 (a) No person, including but not limited to online retailers, shall mail, ship, or otherwise  
5 deliver cigarettes, other tobacco products, or electronic nicotine delivery systems in connection  
6 with a delivery sale unless such person prior to the first delivery sale to such consumer:

7 (1) Obtains from the prospective consumer a certification that includes:

8 (i) A reliable confirmation that the consumer is at least the legal minimum purchase age;  
9 and

10 (ii) A statement signed by the prospective consumer in writing that certifies the  
11 prospective consumer's address and that the consumer is at least ~~eighteen~~twenty-one (1821) years  
12 of age. Such statement shall also confirm:

13 (A) That the prospective consumer understands that signing another person's name to  
14 such certification is illegal;

15 (B) That the sale of cigarettes to individuals under the legal minimum purchase age is  
16 illegal;

17 (C) That the purchase of cigarettes by individuals under the legal minimum purchase age  
18 is illegal under the laws of the state; and

19 (D) That the prospective consumer wants to receive mailings from a tobacco company;

20 (2) Makes a good faith effort to verify the information contained in the certification  
21 provided by the prospective consumer pursuant to subsection (1) against a commercially available  
22 database, or obtains a photocopy or other image of the valid, government-issued identification  
23 stating the date of birth or age of the individual placing the order;

24 (3) Provides to the prospective consumer, via e-mail or other means, a notice that meets  
25 the requirements of § 44-20.1-4; and

26 (4) In the case of an order for cigarettes pursuant to an advertisement on the Internet,  
27 receives payment for the delivery sale from the prospective consumer by a credit or debit card  
28 that has been issued in such consumer's name or by check.

29 (b) Persons accepting purchase orders for delivery sales may request that the prospective  
30 consumers provide their e-mail addresses.

31 (c) The division of taxation, in consultation with the department of health, may  
32 promulgate rules and regulations pertaining to this section.

33 SECTION 8. Section 45-6-1 of the General Laws in Chapter 45-6 entitled "Ordinances" is  
34 hereby amended to read as follows:

1           **45-6-1. Scope of ordinances permissible.**

2           (a) Town and city councils may, from time to time, make and ordain all ordinances and  
3 regulations for their respective towns and cities, not repugnant to law, which they deem necessary  
4 for the safety of their inhabitants from fire, firearms, and fireworks; to regulate the use and sale of  
5 cigarettes, other tobacco products, and electronic nicotine delivery systems; to prevent persons  
6 standing on any footwalk, sidewalk, doorstep, or in any doorway, or riding, driving, fastening, or  
7 leaving any horse or other animal or any carriage, team, or other vehicle on any footwalk,  
8 sidewalk, doorstep, or doorway within the town or city, to the obstruction, hindrance, delay,  
9 disturbance, or annoyance of passersby or of persons residing or doing business in this vicinity; to  
10 regulate the putting up and maintenance of telegraph and other wires and their appurtenances; to  
11 prevent the indecent exposure of any one bathing in any of the waters within their respective  
12 towns and cities; against breakers of the Sabbath; against habitual drunkenness; respecting the  
13 purchase and sale of merchandise or commodities within their respective towns and cities; to  
14 protect burial grounds and the graves in these burial grounds from trespassers; and, generally, all  
15 other ordinances, regulations and bylaws for the well ordering, managing, and directing of the  
16 prudential affairs and police of their respective towns and cities, not repugnant to the constitution  
17 and laws of this state, or of the United States.

18           (b) Town and city councils shall furnish to their senators and representatives, upon  
19 request and at no charge, copies and updates of all ordinances and regulations.

20           (c) In lieu of newspaper publication, advance notice of proposed adoption, amendment,  
21 or repeal of any ordinance or regulation by a municipality may be provided via electronic media  
22 on a website maintained by the office of the secretary of state.

23           SECTION 9. SECTIONS 1 and 7 shall be effective July 1, 2020. SECTION 6 shall be  
24 effective August 1, 2020. All other sections of this article shall take effect upon passage.

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**ARTICLE 22**

**RELATING TO EFFECTIVE DATE**

SECTION 1. This act shall take effect as of July 1, 2020, except as otherwise provided herein.

SECTION 2. This article shall take effect upon passage.

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LC003746  
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