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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

A N A C T

MAKING APPROPRIATIONS FOR THE SUPPORT OF THE STATE FOR THE FISCAL
YEAR ENDING JUNE 30, 2022

Introduced By: Representative Marvin L. Abney

Date Introduced: March 11, 2021

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 2022
- 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 BORROWING IN ANTICIPATION OF RECIEPTS FROM
- 6 TAXES
- 7 ARTICLE 6 RELATING TO FEES
- 8 ARTICLE 7 RELATING TO THE ENVIRONMENT
- 9 ARTICLE 8 RELATING TO PUBLIC UTILITIES AND CARRIERS
- 10 ARTICLE 9 RELATING TO ECONOMIC DEVELOPMENT
- 11 ARTICLE 10 RELATING TO FISHING INDUSTRY MODERNIZATION
- 12 ARTICLE 11 RELATING TO ADULT USE MARIJUANA
- 13 ARTICLE 12 RELATING TO MEDICAL ASSISTANCE
- 14 ARTICLE 13 RELATING TO HUMAN SERVICES
- 15 ARTICLE 14 RELATING TO HOSPITAL UNCOMPENSATED CARE
- 16 ARTICLE 15 RELATING TO HEALTHCARE REFORM
- 17 ARTICLE 16 RELATING TO HOUSING
- 18 ARTICLE 17 RELATING TO EFFECTIVE DATE

1 **ARTICLE 1**

2 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2022

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, 2022.
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 and
8 functions hereinafter mentioned, the state controller is hereby authorized and directed to draw his
9 or her orders upon the general treasurer for the payment of such sums or such portions thereof as
10 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	2,569,679
14	Federal Funds	126,594,669
15	Total – Central Management	129,164,348

16 *Legal Services*

17	General Revenues	2,262,149
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18 *Accounts and Control*

19	General Revenues	4,358,896
20	Restricted Receipts – OPEB Board Administration	137,697
21	Restricted Receipts – Grants Management System Administration	330,912
22	Total – Accounts and Control	4,827,505

23 *Office of Management and Budget*

24	General Revenues	8,076,487
25	Federal Funds	224,755
26	Restricted Receipts	300,000
27	Other Funds	1,117,615
28	Total – Office of Management and Budget	9,718,857

29 *Purchasing*

30	General Revenues	3,350,393
31	Restricted Receipts	298,059
32	Other Funds	497,386
33	Total – Purchasing	4,145,838

34 *Human Resources*

1	General Revenues	1,099,549
2	<i>Personnel Appeal Board</i>	
3	General Revenues	120,050
4	<i>Information Technology</i>	
5	General Revenues	721,340
6	Federal Funds	327,707
7	Restricted Receipts	2,625,165
8	Total – Information Technology	3,674,212
9	<i>Library and Information Services</i>	
10	General Revenues	1,640,558
11	Federal Funds	1,566,583
12	Restricted Receipts	6,990
13	Total – Library and Information Services	3,214,131
14	<i>Planning</i>	
15	General Revenues	671,329
16	Federal Funds	22,700
17	Other Funds	
18	Air Quality Modeling	24,000
19	Federal Highway – PL Systems Planning	3,483,469
20	State Transportation Planning Match	485,673
21	FTA – Metro Planning Grant	1,241,337
22	Total – Planning	5,928,508
23	<i>General</i>	
24	General Revenues	
25	Miscellaneous Grants/Payments	130,000
26	Provided that this amount be allocated to City Year for the Whole School Whole Child	
27	Program, which provides individualized support to at-risk students.	
28	Torts – Courts/Awards	900,000
29	Resource Sharing and State Library Aid	9,562,072
30	Library Construction Aid	2,102,866
31	Transfer to RICAP Fund	42,500,000
32	Restricted Receipts	700,000
33	Other Funds	
34	Rhode Island Capital Plan Funds	

1	Security Measures State Buildings	500,000
2	Energy Efficiency Improvements	1,250,000
3	Cranston Street Armory	325,000
4	State House Renovations	1,478,000
5	Zambarano Utilities & Infrastructure	350,000
6	Replacement of Fueling Tanks	800,000
7	Environmental Compliance	400,000
8	Big River Management Area	250,000
9	Shepard Building	1,500,000
10	Pastore Center Water Tanks & Pipes	100,000
11	RI Convention Center Authority	2,000,000
12	Pastore Center Power Plant Rehabilitation	734,000
13	Accessibility – Facility Renovations	1,000,000
14	DoIT Enterprise Operations Center	800,000
15	BHDDH MH & Community Facilities – Asset Protection	300,000
16	BHDDH DD & Community Homes – Fire Code	325,000
17	BHDDH DD Regional Facilities – Asset Protection	450,000
18	BHDDH Substance Abuse Asset Protection	375,000
19	BHDDH Group Homes	750,000
20	Statewide Facility Master Plan	116,467
21	Cannon Building	800,000
22	Old State House	100,000
23	State Office Building	100,000
24	State Office Reorganization & Relocation	500,000
25	William Powers Building	1,800,000
26	Pastore Center Utilities Upgrade	175,000
27	Pastore Center Non-Medical Buildings Asset Protection	3,170,000
28	Washington County Government Center	500,000
29	Chapin Health Laboratory	500,000
30	Medical Examiner New Facility	4,500,000
31	560 Jefferson Blvd Asset Protection	150,000
32	Arrigan Center	197,500
33	Dunkin Donuts Center	2,300,000
34	Pastore Center Building Demolition	1,000,000

1	Veterans Auditorium	285,000
2	Total – General	85,775,905
3	<i>Debt Service Payments</i>	
4	General Revenues	145,424,890
5	Out of the general revenue appropriations for debt service, the General Treasurer is	
6	authorized to make payments for the I-195 Redevelopment District Commission loan up to the	
7	maximum debt service due in accordance with the loan agreement.	
8	Other Funds	
9	Transportation Debt Service	39,205,402
10	Investment Receipts – Bond Funds	100,000
11	Total - Debt Service Payments	184,730,292
12	<i>Energy Resources</i>	
13	Federal Funds	761,478
14	Restricted Receipts	8,791,172
15	Total – Energy Resources	9,552,650
16	<i>Rhode Island Health Benefits Exchange</i>	
17	General Revenues	2,820,336
18	Federal Funds	5,239,671
19	Restricted Receipts	16,842,483
20	Total – Rhode Island Health Benefits Exchange	24,902,490
21	<i>Office of Diversity, Equity & Opportunity</i>	
22	General Revenues	1,117,169
23	Other Funds	112,623
24	Total – Office of Diversity, Equity & Opportunity	1,229,792
25	<i>Capital Asset Management and Maintenance</i>	
26	General Revenues	10,513,389
27	Federal Funds	14,843,184
28	Total – Capital Asset Management and Maintenance	25,356,573
29	<i>Statewide</i>	
30	General Revenues	
31	ISF Agency Charges for Redistribution	7,105,574
32	LIUNA Settlement Liability	4,297,916
33	Savings for Voluntary Retirement Incentive	(8,158,221)
34	Total – Statewide	3,245,269

1	Grand Total – Administration	498,948,118
2	Business Regulation	
3	<i>Central Management</i>	
4	General Revenues	3,015,637
5	Federal Funds	1,646,467
6	Total – Central Management	4,662,104
7	<i>Banking Regulation</i>	
8	General Revenues	1,620,824
9	Restricted Receipts	75,000
10	Total – Banking Regulation	1,695,824
11	<i>Securities Regulation</i>	
12	General Revenues	817,118
13	Restricted Receipts	15,000
14	Total – Securities Regulation	832,118
15	<i>Insurance Regulation</i>	
16	General Revenues	4,314,683
17	Restricted Receipts	2,146,652
18	Total – Insurance Regulation	6,461,335
19	<i>Office of the Health Insurance Commissioner</i>	
20	General Revenues	1,728,734
21	Federal Funds	140,000
22	Restricted Receipts	622,959
23	Total – Office of the Health Insurance Commissioner	2,491,693
24	<i>Board of Accountancy</i>	
25	General Revenues	5,883
26	<i>Commercial Licensing and Gaming and Athletics Licensing</i>	
27	General Revenues	1,053,039
28	Restricted Receipts	890,069
29	Total – Commercial Licensing and Gaming and Athletics Licensing	1,943,108
30	<i>Building, Design and Fire Professionals</i>	
31	General Revenues	7,054,755
32	Federal Funds	671,000
33	Restricted Receipts	1,833,166
34	Other Funds	

1	Quonset Development Corporation	67,928
2	Rhode Island Capital Plan Funds	
3	Fire Academy Asset Protection	100,000
4	Total – Building, Design and Fire Professionals	9,726,849
5	<i>Office of Cannabis Regulation</i>	
6	Restricted Receipts	4,963,904
7	Grand Total – Business Regulation	32,782,818
8	Executive Office of Commerce	
9	<i>Central Management</i>	
10	General Revenues	2,202,211
11	Federal Funds	161,250
12	Total – Central Management	2,363,461
13	<i>Housing and Community Development</i>	
14	General Revenues	934,119
15	Federal Funds	11,924,436
16	Restricted Receipts	7,339,557
17	Total – Housing and Community Development	20,198,112
18	<i>Quasi-Public Appropriations</i>	
19	General Revenues	
20	Rhode Island Commerce Corporation	7,659,565
21	Airport Impact Aid	1,010,036
22	Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be	
23	distributed to each airport serving more than 1,000,000 passengers based upon its percentage of the	
24	total passengers served by all airports serving more than 1,000,000 passengers. Forty percent (40%)	
25	of the first \$1,000,000 shall be distributed based on the share of landings during calendar year 2020	
26	at North Central Airport, Newport-Middletown Airport, Block Island Airport, Quonset Airport,	
27	T.F. Green Airport and Westerly Airport, respectively. The Rhode Island Commerce Corporation	
28	shall make an impact payment to the towns or cities in which the airport is located based on this	
29	calculation. Each community upon which any part of the above airports is located shall receive at	
30	least \$25,000.	
31	STAC Research Alliance	900,000
32	Innovative Matching Grants/Internships	1,000,000
33	I-195 Redevelopment District Commission	761,000
34	Polaris Manufacturing Grant	350,000

1	East Providence Waterfront Commission	50,000
2	Minority Entrepreneurship	140,000
3	Chafee Center at Bryant	476,200
4	Other Funds	
5	Rhode Island Capital Plan Funds	
6	Quonset Point Infrastructure	3,100,000
7	I-195 Redevelopment District Commission	578,000
8	Total – Quasi–Public Appropriations	16,024,801
9	<i>Economic Development Initiatives Fund</i>	
10	General Revenues	
11	Innovation Initiative	1,000,000
12	Rebuild RI Tax Credit Fund	22,500,000
13	Competitive Cluster Grants	100,000
14	Small Business Promotion	300,000
15	Small Business Assistance	1,000,000
16	Total – Economic Development Initiatives Fund	24,900,000
17	<i>Commerce Programs</i>	
18	General Revenues	
19	Wavemaker Fellowship	1,600,000
20	Grand Total – Executive Office of Commerce	65,086,374
21	Labor and Training	
22	<i>Central Management</i>	
23	General Revenues	676,350
24	Restricted Receipts	126,519
25	Total – Central Management	802,869
26	<i>Workforce Development Services</i>	
27	General Revenues	804,517
28	Federal Funds	18,817,837
29	Other Funds	82,525
30	Total – Workforce Development Services	19,704,879
31	<i>Workforce Regulation and Safety</i>	
32	General Revenues	3,536,925
33	<i>Income Support</i>	
34	General Revenues	3,801,667

1	Federal Funds	94,643,058
2	Restricted Receipts	3,906,859
3	Other Funds	
4	Temporary Disability Insurance Fund	204,354,917
5	Employment Security Fund	283,025,000
6	Total – Income Support	589,731,501
7	<i>Injured Workers Services</i>	
8	Restricted Receipts	11,172,336
9	<i>Labor Relations Board</i>	
10	General Revenues	473,658
11	<i>Governor’s Workforce Board</i>	
12	General Revenues	8,450,000
13	Restricted Receipts	13,849,054
14	Total – Governor’s Workforce Board	22,299,054
15	Grand Total – Labor and Training	647,721,222
16	Department of Revenue	
17	<i>Director of Revenue</i>	
18	General Revenues	1,817,273
19	<i>Office of Revenue Analysis</i>	
20	General Revenues	889,151
21	<i>Lottery Division</i>	
22	Other Funds	434,386,053
23	<i>Municipal Finance</i>	
24	General Revenues	1,718,168
25	<i>Taxation</i>	
26	General Revenues	32,549,151
27	Restricted Receipts	1,451,238
28	Other Funds	
29	Motor Fuel Tax Evasion	155,000
30	Total – Taxation	34,155,389
31	<i>Registry of Motor Vehicles</i>	
32	General Revenues	29,804,342
33	Federal Funds	462,404
34	Restricted Receipts	1,692,587

1	Total – Registry of Motor Vehicles	31,959,333
2	<i>State Aid</i>	
3	General Revenues	
4	Distressed Communities Relief Fund	12,384,458
5	Payment in Lieu of Tax Exempt Properties	46,089,504
6	Motor Vehicle Excise Tax Payments	139,656,362
7	Property Revaluation Program	1,503,677
8	Provided that notwithstanding any other provision of law, the appropriations for Distressed	
9	Communities Relief Fund, Payment in Lieu of Tax Exempt Properties, and Motor Vehicle Excise	
10	Tax Payments shall not exceed the amounts set forth above and shall be allocated to municipalities	
11	in the amounts already distributed as of the date of budget enactment, except for fire districts and	
12	the Town of Exeter which shall receive an allocation pursuant to chapter 44-34.1.	
13	Restricted Receipts	995,120
14	Total – State Aid	200,629,121
15	<i>Collections</i>	
16	General Revenues	828,769
17	Grand Total – Revenue	706,383,257
18	Legislature	
19	General Revenues	45,617,236
20	Restricted Receipts	1,782,425
21	Grand Total – Legislature	47,399,661
22	Lieutenant Governor	
23	General Revenues	1,186,120
24	Secretary of State	
25	<i>Administration</i>	
26	General Revenues	3,605,403
27	<i>Corporations</i>	
28	General Revenues	2,539,285
29	<i>State Archives</i>	
30	General Revenues	158,405
31	Restricted Receipts	532,697
32	Total – State Archives	691,102
33	<i>Elections and Civics</i>	
34	General Revenues	2,067,371

1	Federal Funds	1,810,000
2	Total – Elections and Civics	3,877,371
3	<i>State Library</i>	
4	General Revenues	768,685
5	Provided that \$125,000 be allocated to support the Rhode Island Historical Society	
6	pursuant to Rhode Island General Law, Section 29-2-1 and \$18,000 be allocated to support the	
7	Newport Historical Society, pursuant to Rhode Island General Law, Section 29-2-2.	
8	<i>Office of Public Information</i>	
9	General Revenues	421,918
10	Receipted Receipts	25,000
11	Total – Office of Public Information	446,918
12	Grand Total – Secretary of State	11,928,764
13	General Treasurer	
14	<i>Treasury</i>	
15	General Revenues	2,672,511
16	Federal Funds	308,416
17	Other Funds	
18	Temporary Disability Insurance Fund	263,421
19	Tuition Savings Program – Administration	382,476
20	Total –Treasury	3,626,824
21	<i>State Retirement System</i>	
22	Restricted Receipts	
23	Admin Expenses – State Retirement System	11,427,273
24	Retirement – Treasury Investment Operations	1,871,467
25	Defined Contribution – Administration	300,234
26	Total – State Retirement System	13,598,974
27	<i>Unclaimed Property</i>	
28	Restricted Receipts	25,202,766
29	<i>Crime Victim Compensation Program</i>	
30	General Revenues	646,179
31	Federal Funds	422,493
32	Restricted Receipts	713,007
33	Total – Crime Victim Compensation Program	1,781,679
34	Grand Total – General Treasurer	44,210,243

1	Board of Elections	
2	General Revenues	2,619,337
3	Rhode Island Ethics Commission	
4	General Revenues	1,928,833
5	Office of Governor	
6	General Revenues	
7	General Revenues	6,579,552
8	Contingency Fund	150,000
9	Grand Total – Office of Governor	6,729,552
10	Commission for Human Rights	
11	General Revenues	1,523,272
12	Federal Funds	422,418
13	Grand Total – Commission for Human Rights	1,945,690
14	Public Utilities Commission	
15	Federal Funds	540,253
16	Restricted Receipts	11,926,093
17	Grand Total – Public Utilities Commission	12,466,346
18	Office of Health and Human Services	
19	<i>Central Management</i>	
20	General Revenues	38,779,906
21	Federal Funds	124,063,358
22	Restricted Receipts	23,333,736
23	Total – Central Management	186,177,000
24	<i>Medical Assistance</i>	
25	General Revenues	
26	Managed Care	333,664,740
27	Hospitals	83,064,823
28	Nursing Facilities	149,433,710
29	Home and Community Based Services	39,080,249
30	Other Services	119,713,608
31	Pharmacy	70,242,191
32	Rhody Health	189,857,196
33	Federal Funds	
34	Managed Care	487,287,214

1	Hospitals	101,487,876
2	Nursing Facilities	204,521,897
3	Home and Community Based Services	53,481,605
4	Other Services	703,960,671
5	Pharmacy	(475,215)
6	Rhody Health	259,813,002
7	Other Programs	36,288,580
8	Restricted Receipts	18,265,000
9	Total – Medical Assistance	2,849,687,147
10	Grand Total – Office of Health and Human Services	3,035,864,147
11	Children, Youth, and Families	
12	<i>Central Management</i>	
13	General Revenues	11,863,775
14	Federal Funds	3,596,426
15	Total – Central Management	15,460,201
16	<i>Children's Behavioral Health Services</i>	
17	General Revenues	6,358,192
18	Federal Funds	6,718,331
19	Total – Children's Behavioral Health Services	13,076,523
20	<i>Juvenile Correctional Services</i>	
21	General Revenues	21,346,021
22	Federal Funds	274,541
23	Other Funds	
24	Rhode Island Capital Plan Funds	
25	Training School Asset Protection	250,000
26	Total – Juvenile Correctional Services	21,870,562
27	<i>Child Welfare</i>	
28	General Revenues	143,660,017
29	Federal Funds	68,770,417
30	Restricted Receipts	1,487,111
31	Total – Child Welfare	213,917,545
32	<i>Higher Education Incentive Grants</i>	
33	General Revenues	200,000
34	Grand Total – Children, Youth, and Families	264,524,831

1	Health	
2	<i>Central Management</i>	
3	General Revenues	3,639,905
4	Federal Funds	4,631,858
5	Restricted Receipts	10,667,820
6	Provided that the disbursement of any indirect cost recoveries on federal grants budgeted	
7	in this line item that are derived from grants authorized under The Coronavirus Preparedness and	
8	Response Supplemental Appropriations Act (P.L. 116-123); The Families First Coronavirus	
9	Response Act (P.L. 116-127); The Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-	
10	136); The Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139); and the	
11	Consolidated Appropriations Act, 2021 (P.L. 116-260), are hereby subject to the review and prior	
12	approval of the Director of Management and Budget. No obligation or expenditure of these funds	
13	shall take place without such approval.	
14	Total – Central Management	18,939,583
15	<i>Community Health and Equity</i>	
16	General Revenues	1,349,812
17	Federal Funds	70,929,222
18	Restricted Receipts	39,122,956
19	Total – Community Health and Equity	111,401,990
20	<i>Environmental Health</i>	
21	General Revenues	5,821,112
22	Federal Funds	7,382,886
23	Restricted Receipts	738,436
24	Total – Environmental Health	13,942,434
25	<i>Health Laboratories and Medical Examiner</i>	
26	General Revenues	8,732,571
27	Federal Funds	2,878,489
28	Other Funds	
29	Rhode Island Capital Plan Funds	
30	Health Laboratories & Medical Examiner Equipment	600,000
31	Total – Health Laboratories and Medical Examiner	12,211,060
32	<i>Customer Services</i>	
33	General Revenues	7,938,355
34	Federal Funds	5,158,613

1	Restricted Receipts	3,918,969
2	Total – Customer Services	17,015,937
3	<i>Policy, Information and Communications</i>	
4	General Revenues	1,148,479
5	Federal Funds	2,934,574
6	Restricted Receipts	1,103,113
7	Total – Policy, Information and Communications	5,186,166
8	<i>Preparedness, Response, Infectious Disease & Emergency Services</i>	
9	General Revenues	1,952,521
10	Federal Funds	
11	Federal Funds	22,016,363
12	Total – Preparedness, Response, Infectious Disease &	
13	Emergency Services	23,968,884
14	<i>COVID-19</i>	
15	Federal Funds	161,721,718
16	Grand Total - Health	364,387,772
17	Human Services	
18	<i>Central Management</i>	
19	General Revenues	4,812,620
20	Of this amount, \$300,000 is to support the Domestic Violence Prevention Fund to provide	
21	direct services through the Coalition Against Domestic Violence, \$250,000 to support Project	
22	Reach activities provided by the RI Alliance of Boys and Girls Clubs, \$217,000 is for outreach and	
23	supportive services through Day One, \$350,000 is for food collection and distribution through the	
24	Rhode Island Community Food Bank, \$500,000 for services provided to the homeless at Crossroads	
25	Rhode Island, \$600,000 for the Community Action Fund and \$200,000 is for the Institute for the	
26	Study and Practice of Nonviolence’s Reduction Strategy.	
27	Federal Funds	6,702,756
28	Restricted Receipts	150,000
29	Total – Central Management	11,665,376
30	<i>Child Support Enforcement</i>	
31	General Revenues	3,139,814
32	Federal Funds	8,889,388
33	Restricted Receipts	4,100,000
34	Total – Child Support Enforcement	16,129,202

1	<i>Individual and Family Support</i>	
2	General Revenues	39,321,694
3	Federal Funds	115,832,374
4	Restricted Receipts	255,255
5	Other Funds	
6	Rhode Island Capital Plan Funds	
7	Blind Vending Facilities	165,000
8	Total – Individual and Family Support	155,574,323
9	<i>Office of Veterans Services</i>	
10	General Revenues	29,371,663
11	Of this amount, \$200,000 is to provide support services through Veterans’ organizations.	
12	Federal Funds	11,625,281
13	Restricted Receipts	1,571,061
14	Other Funds	
15	Rhode Island Capital Plan Funds	
16	Veterans Home Asset Protection	350,000
17	Veterans Memorial Cemetery	380,000
18	Total – Office of Veterans Services	43,298,005
19	<i>Health Care Eligibility</i>	
20	General Revenues	8,165,760
21	Federal Funds	13,277,285
22	Total – Health Care Eligibility	21,443,045
23	<i>Supplemental Security Income Program</i>	
24	General Revenues	18,487,253
25	<i>Rhode Island Works</i>	
26	General Revenues	8,876,786
27	Federal Funds	82,199,093
28	Total – Rhode Island Works	91,075,879
29	<i>Other Programs</i>	
30	General Revenues	882,000
31	Of this appropriation, \$90,000 shall be used for hardship contingency payments.	
32	Federal Funds	254,157,901
33	Restricted Receipts	8,000
34	Total – Other Programs	255,047,901

1	<i>Office of Healthy Aging</i>	
2	General Revenues	11,684,726
3	Of this amount, \$325,000 is to provide elder services, including respite, through the	
4	Diocese of Providence, \$40,000 for ombudsman services provided by the Alliance for Long Term	
5	Care in accordance with Rhode Island General Laws, Chapter 42-66.7, \$85,000 for security for	
6	housing for the elderly in accordance with Rhode Island General Law, Section 42-66.1-3, \$800,000	
7	for Senior Services Support and \$580,000 for elderly nutrition, of which \$530,000 is for Meals on	
8	Wheels.	
9	Federal Funds	16,913,728
10	Restricted Receipts	106,161
11	Other Funds	
12	Intermodal Surface Transportation Fund	4,428,478
13	Total – Office of Healthy Aging	33,133,093
14	Grand Total – Human Services	645,854,077
15	Behavioral Healthcare, Developmental Disabilities, and Hospitals	
16	<i>Central Management</i>	
17	General Revenues	5,449,516
18	Federal Funds	1,688,290
19	Total – Central Management	7,137,806
20	<i>Hospital and Community System Support</i>	
21	General Revenues	3,436,958
22	Federal Funds	9,899
23	Restricted Receipts	(280,409)
24	Total – Hospital and Community System Support	3,166,448
25	<i>Services for the Developmentally Disabled</i>	
26	General Revenues	131,509,888
27	Of this general revenue funding, \$10.0 million shall be expended to improve the quality of,	
28	and access to, integrated community day and employment support programs for individuals with	
29	intellectual and developmental disabilities. Funds shall be dedicated to a transformation and	
30	transition fund to help providers strengthen their operating and service delivery models and/or to	
31	give providers access to tools and technology that support consumers’ needs for living meaningful	
32	lives of their choosing in the community; allow providers the opportunity to participate in an	
33	outcome-based payment methodology that will link payments to quality benchmarks and	
34	performance standards; reducing administrative burdens for providers; and investments in state	

1 infrastructure to implement and manage these initiatives, support substantial compliance with the
 2 consent decree, and prepare for inclusion of the I/DD population in the caseload estimating
 3 conference. All disbursements from this investment must be approved by the Office of Management
 4 and Budget and the Executive Office of Health and Human Services; approval will be based upon
 5 a review of final program details and evidence of a clear connection between spending and long-
 6 term system transformation goals to be provided by Behavioral Healthcare, Developmental
 7 Disabilities and Hospitals. All unexpended or unencumbered balances of this fund, at the end of
 8 any fiscal year, shall be reappropriated to the ensuing fiscal year and made immediately available
 9 for the same purposes.

10 Federal Funds 162,482,756

11 Of this federal funding, \$5.0 million shall be expended to improve the quality of, and access
 12 to, integrated community day and employment support programs for individuals with intellectual
 13 and developmental disabilities. Funds shall be dedicated to a transformation and transition fund to
 14 help providers strengthen their operating and service delivery models and/or to give providers
 15 access to tools and technology that support consumers' needs for living meaningful lives of their
 16 choosing in the community; allow providers the opportunity to participate in an outcome-based
 17 payment methodology that will link payments to quality benchmarks and performance standards;
 18 reducing administrative burdens for providers; and investments in state infrastructure to implement
 19 and manage these initiatives, support substantial compliance with the consent decree, and prepare
 20 for inclusion of the I/DD population in the caseload estimating conference. All disbursements from
 21 this investment must be approved by the Office of Management and Budget and the Executive
 22 Office of Health and Human Services; approval will be based upon a review of final program details
 23 and evidence of a clear connection between spending and long-term system transformation goals
 24 to be provided by Behavioral Healthcare, Developmental Disabilities and Hospitals. All
 25 unexpended or unencumbered balances of this fund, at the end of any fiscal year, shall be
 26 reappropriated to the ensuing fiscal year and made immediately available for the same purposes.

27 Restricted Receipts 336,275

28 Other Funds

29 Rhode Island Capital Plan Funds

30 DD Residential Development 100,000

31 Total – Services for the Developmentally Disabled 294,428,919

32 *Behavioral Healthcare Services*

33 General Revenues 2,245,753

34 Federal Funds 28,711,299

1	Restricted Receipts	2,183,334
2	Total – Behavioral Healthcare Services	33,140,386
3	<i>Hospital and Community Rehabilitative Services</i>	
4	General Revenues	77,704,398
5	Of this appropriation, funds may be used to support patient centered care provided in an	
6	appropriate setting.	
7	Restricted Receipts	9,750
8	Other Funds	
9	Rhode Island Capital Plan Funds	
10	Hospital Equipment	300,000
11	Total - Hospital and Community Rehabilitative Services	78,014,148
12	Grand Total – Behavioral Healthcare, Developmental	
13	Disabilities, and Hospitals	415,887,707
14	Office of the Child Advocate	
15	General Revenues	1,044,909
16	Federal Funds	134,759
17	Grand Total – Office of the Child Advocate	1,179,668
18	Commission on the Deaf and Hard of Hearing	
19	General Revenues	612,440
20	Restricted Receipts	162,802
21	Grand Total – Comm. On Deaf and Hard of Hearing	775,242
22	Governor’s Commission on Disabilities	
23	General Revenues	
24	General Revenues	576,411
25	Livable Home Modification Grant Program	507,850
26	Provided that this will be used for home modification and accessibility enhancements to	
27	construct, retrofit, and/or renovate residences to allow individuals to remain in community settings.	
28	This will be in consultation with the Executive Office of Health and Human Services.	
29	Federal Funds	380,316
30	Restricted Receipts	59,455
31	Total – Governor’s Commission on Disabilities	1,524,032
32	Office of the Mental Health Advocate	
33	General Revenues	646,303

1	Elementary and Secondary Education	
2	<i>Administration of the Comprehensive Education Strategy</i>	
3	General Revenues	23,407,506
4	Provided that \$90,000 be allocated to support the hospital school at Hasbro Children’s	
5	Hospital pursuant to Rhode Island General Law, Section 16-7-20 and that \$395,000 be allocated to	
6	support child opportunity zones through agreements with the Department of Elementary and	
7	Secondary Education to strengthen education, health and social services for students and their	
8	families as a strategy to accelerate student achievement.	
9	Federal Funds	233,440,010
10	Restricted Receipts	
11	Restricted Receipts	2,266,808
12	HRIC Adult Education Grants	3,500,000
13	Total – Admin. of the Comprehensive Ed. Strategy	262,614,324
14	<i>Davies Career and Technical School</i>	
15	General Revenues	14,437,904
16	Federal Funds	742,528
17	Restricted Receipts	4,819,592
18	Other Funds	
19	Rhode Island Capital Plan Funds	
20	Davies School HVAC	900,000
21	Davies School Asset Protection	665,000
22	Davies School Healthcare Classroom Renovations	500,000
23	Total – Davies Career and Technical School	22,065,024
24	<i>RI School for the Deaf</i>	
25	General Revenues	7,242,627
26	Federal Funds	210,648
27	Restricted Receipts	469,779
28	Other Funds	
29	School for the Deaf Transformation Grants	59,000
30	Rhode Island Capital Plan Funds	
31	School for the Deaf Asset Protection	250,000
32	Total – RI School for the Deaf	8,232,054
33	<i>Metropolitan Career and Technical School</i>	
34	General Revenues	9,342,007

1	Other Funds	
2	Rhode Island Capital Plan Funds	
3	MET School Asset Protection	250,000
4	Total – Metropolitan Career and Technical School	9,592,007
5	<i>Education Aid</i>	
6	General Revenues	1,022,047,297
7	Provided that the criteria for the allocation of early childhood funds shall prioritize	
8	prekindergarten seats and classrooms for four-year-olds whose family income is at or below one	
9	hundred eighty-five percent (185%) of federal poverty guidelines and who reside in communities	
10	with higher concentrations of low performing schools.	
11	Restricted Receipts	36,146,758
12	Other Funds	
13	Permanent School Fund	300,000
14	Total – Education Aid	1,058,494,055
15	<i>Central Falls School District</i>	
16	General Revenues	47,702,746
17	<i>School Construction Aid</i>	
18	General Revenues	
19	School Housing Aid	79,409,186
20	School Building Authority Capital Fund	590,814
21	Total – School Construction Aid	80,000,000
22	<i>Teachers' Retirement</i>	
23	General Revenues	123,916,166
24	Grand Total – Elementary and Secondary Education	1,612,616,376
25	Public Higher Education	
26	<i>Office of Postsecondary Commissioner</i>	
27	General Revenues	17,339,410
28	Provided that \$355,000 shall be allocated to the Rhode Island College Crusade pursuant to	
29	the Rhode Island General Law, Section 16-70-5 and that \$75,000 shall be allocated to Best Buddies	
30	Rhode Island to support its programs for children with developmental and intellectual disabilities.	
31	It is also provided that \$7,680,838 shall be allocated to the Rhode Island Promise Scholarship	
32	program and \$147,000 shall be used to support Rhode Island's membership in the New England	
33	Board of Higher Education.	
34	Federal Funds	

1	Federal Funds	6,780,470
2	Guaranty Agency Administration	400,000
3	Provided that an amount equivalent to not more than ten (10) percent of the guaranty	
4	agency operating fund appropriated for direct scholarship and grants in fiscal year 2022 shall be	
5	appropriated for guaranty agency administration in fiscal year 2022. This limitation	
6	notwithstanding, final appropriations for fiscal year 2022 for guaranty agency administration may	
7	also include any residual monies collected during fiscal year 2022 that relate to guaranty agency	
8	operations, in excess of the foregoing limitation.	
9	Guaranty Agency Operating Fund – Scholarships & Grants	4,000,000
10	Restricted Receipts	3,485,642
11	Other Funds	
12	Tuition Savings Program – Dual Enrollment	2,300,000
13	Tuition Savings Program – Scholarships and Grants	5,595,000
14	Nursing Education Center – Operating	2,589,674
15	Rhode Island Capital Plan Funds	
16	Higher Education Centers	1,932,500
17	Provided that the state fund no more than 50.0 percent of the total project cost.	
18	Total – Office of Postsecondary Commissioner	44,422,696
19	<i>University of Rhode Island</i>	
20	General Revenues	
21	General Revenues	83,827,615
22	Provided that in order to leverage federal funding and support economic development,	
23	\$350,000 shall be allocated to the Small Business Development Center and that \$50,000 shall be	
24	allocated to Special Olympics Rhode Island to support its mission of opportunities for individuals	
25	with intellectual and developmental disabilities, providing athletic opportunities for individuals	
26	with intellectual and developmental disabilities.	
27	Debt Service	29,837,239
28	RI State Forensics Laboratory	1,317,901
29	Other Funds	
30	University and College Funds	685,449,813
31	Debt – Dining Services	979,827
32	Debt – Education and General	4,833,788
33	Debt – Health Services	119,246
34	Debt – Housing Loan Funds	12,771,303

1	Debt – Memorial Union	322,507
2	Debt – Ryan Center	2,734,158
3	Debt – Parking Authority	1,311,087
4	Debt – Restricted Energy Conservation	530,994
5	Debt – URI Energy Conservation	2,039,606
6	Rhode Island Capital Plan Funds	
7	Asset Protection	9,900,000
8	Total – University of Rhode Island	835,975,084

9 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
10 unencumbered balances as of June 30, 2022 relating to the University of Rhode Island are hereby
11 reappropriated to fiscal year 2023.

12 *Rhode Island College*

13	General Revenues	
14	General Revenues	52,208,155
15	Debt Service	6,024,998
16	Other Funds	
17	University and College Funds	113,860,455
18	Debt – Education and General	881,355
19	Debt – Housing	366,667
20	Debt – Student Center and Dining	155,000
21	Debt – Student Union	208,800
22	Debt – G.O. Debt Service	1,642,434
23	Debt – Energy Conservation	674,475
24	Rhode Island Capital Plan Funds	
25	Asset Protection	4,733,000
26	Infrastructure Modernization	4,550,000
27	Total – Rhode Island College	185,305,339

28 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
29 unencumbered balances as of June 30, 2022 relating to Rhode Island College are hereby
30 reappropriated to fiscal year 2023.

31 *Community College of Rhode Island*

32	General Revenues	
33	General Revenues	52,427,080
34	Debt Service	1,095,685

1	Federal Funds	5,252,278
2	Restricted Receipts	660,191
3	Other Funds	
4	University and College Funds	99,556,679
5	Rhode Island Capital Plan Funds	
6	Asset Protection	3,037,615
7	Knight Campus Renewal	2,750,000
8	Knight Campus Lab Renovation	887,902
9	Data, Cabling, and Power Infrastructure	1,500,000
10	Flanagan Campus Renovation and Modernization	2,000,000
11	Total – Community College of RI	169,167,430
12	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or	
13	unencumbered balances as of June 30, 2022 relating to the Community College of Rhode Island	
14	are hereby reappropriated to fiscal year 2023.	
15	Grand Total – Public Higher Education	1,234,870,549
16	RI State Council on the Arts	
17	General Revenues	
18	Operating Support	873,105
19	Grants	1,215,000
20	Provided that \$375,000 be provided to support the operational costs of WaterFire	
21	Providence art installations.	
22	Federal Funds	1,164,562
23	Restricted Receipts	70,000
24	Other Funds	
25	Art for Public Facilities	495,000
26	Grand Total – RI State Council on the Arts	3,817,667
27	RI Atomic Energy Commission	
28	General Revenues	1,068,650
29	Restricted Receipts	25,036
30	Other Funds	
31	URI Sponsored Research	331,367
32	Rhode Island Capital Plan Funds	
33	RINSC Asset Protection	50,000
34	Grand Total – RI Atomic Energy Commission	1,475,053

1	RI Historical Preservation and Heritage Commission	
2	General Revenues	1,562,034
3	Provided that \$30,000 support the operational costs of the Fort Adams Trust's restoration	
4	activities.	
5	Federal Funds	715,112
6	Restricted Receipts	424,100
7	Other Funds	
8	RIDOT Project Review	150,379
9	Grand Total – RI Historical Preservation and Heritage Comm.	2,851,625
10	Attorney General	
11	<i>Criminal</i>	
12	General Revenues	17,785,954
13	Federal Funds	2,524,560
14	Restricted Receipts	204,734
15	Total – Criminal	20,515,248
16	<i>Civil</i>	
17	General Revenues	6,100,480
18	Restricted Receipts	766,603
19	Total – Civil	6,867,083
20	<i>Bureau of Criminal Identification</i>	
21	General Revenues	1,836,927
22	Restricted Receipts	1,005,774
23	Total – Bureau of Criminal Identification	2,842,701
24	<i>General</i>	
25	General Revenues	4,161,573
26	Other Funds	
27	Rhode Island Capital Plan Funds	
28	Building Renovations and Repairs	150,000
29	Total – General	4,311,573
30	Grand Total – Attorney General	34,536,605
31	Corrections	
32	<i>Central Management</i>	
33	General Revenues	15,762,495
34	<i>Parole Board</i>	

1	General Revenues	1,402,115
2	Federal Funds	77,534
3	Total – Parole Board	1,479,649
4	<i>Custody and Security</i>	
5	General Revenues	138,715,578
6	Federal Funds	1,044,858
7	Total – Custody and Security	139,760,436
8	<i>Institutional Support</i>	
9	General Revenues	21,580,243
10	Other Funds	
11	Rhode Island Capital Plan Funds	
12	Asset Protection	5,125,000
13	Total – Institutional Support	26,705,243
14	<i>Institutional Based Rehab./Population Management</i>	
15	General Revenues	11,163,869
16	Provided that \$1,050,000 be allocated to Crossroads Rhode Island for sex offender	
17	discharge planning.	
18	Federal Funds	832,927
19	Restricted Receipts	49,600
20	Total – Institutional Based Rehab/Population Mgt.	12,046,396
21	<i>Healthcare Services</i>	
22	General Revenues	25,847,217
23	Of this general revenue funding, \$750,000 shall be expended to expand access to behavioral	
24	healthcare for individuals with severe and persistent mental illnesses incarcerated at the Adult	
25	Correctional Institutions. Funds shall be dedicated to planning for and, as practicable, creation of a	
26	Transitional Care Unit to provide robust behavioral healthcare to individuals in this population	
27	whose needs do not rise to the level of requiring care at the existing Residential Treatment Unit at	
28	the High Security facility but who nonetheless would require or benefit from a level of care beyond	
29	that which is delivered to the general population. All disbursements from this fund must occur in	
30	pursuit of collaborative development by the Department of Corrections, the Office of the Governor,	
31	and the Office of management and Budget of a final approved long-term strategy for meeting the	
32	needs of the severely and persistently mentally ill population, or in furtherance of the needs and	
33	goals identified in the final approved long-term strategy, potentially including but not limited to	
34	creation of a Transitional Care Unit and expansion of programming. All unexpended or	

1 unencumbered balances of this fund, at the end of any fiscal year, shall be reappropriated to the
 2 ensuing fiscal year and made immediately available for the same purposes.

3	Federal Funds	193,103
4	Restricted Receipts	2,274,537
5	Total – Healthcare Services	28,314,857
6	<i>Community Corrections</i>	
7	General Revenues	18,643,969
8	Federal Funds	97,867
9	Restricted Receipts	14,883
10	Total – Community Corrections	18,756,719
11	Grand Total – Corrections	242,825,795

12 **Judiciary**

13 *Supreme Court*

14	General Revenues	
15	General Revenues	30,307,546

16 Provided however, that no more than \$1,435,110 in combined total shall be offset to the
 17 Public Defender’s Office, the Attorney General’s Office, the Department of Corrections, the
 18 Department of Children, Youth, and Families, and the Department of Public Safety for square-
 19 footage occupancy costs in public courthouses and further provided that \$230,000 be allocated to
 20 the Rhode Island Coalition Against Domestic Violence for the domestic abuse court advocacy
 21 project pursuant to Rhode Island General Law, Section 12-29-7 and that \$90,000 be allocated to
 22 Rhode Island Legal Services, Inc. to provide housing and eviction defense to indigent individuals.

23	Defense of Indigents	5,075,432
24	Federal Funds	137,603
25	Restricted Receipts	3,860,637
26	Other Funds	
27	Rhode Island Capital Plan Funds	
28	Garrahy Courtroom Restoration	250,000
29	Murray Courtroom Restoration	700,000
30	Judicial Complexes – HVAC	1,000,000
31	Judicial Complexes Asset Protection	1,500,000
32	Judicial Complexes Fan Coil Unit Replacements	750,000
33	Licht Judicial Complex Restoration	750,000
34	Total - Supreme Court	44,331,218

1	<i>Judicial Tenure and Discipline</i>	
2	General Revenues	155,863
3	<i>Superior Court</i>	
4	General Revenues	25,094,424
5	Federal Funds	111,542
6	Restricted Receipts	407,207
7	Total – Superior Court	25,613,173
8	<i>Family Court</i>	
9	General Revenues	23,831,402
10	Federal Funds	3,106,857
11	Total – Family Court	26,938,259
12	<i>District Court</i>	
13	General Revenues	14,537,079
14	Federal Funds	185,875
15	Restricted Receipts	60,000
16	Total - District Court	14,782,954
17	<i>Traffic Tribunal</i>	
18	General Revenues	9,786,908
19	<i>Workers' Compensation Court</i>	
20	Restricted Receipts	9,309,410
21	Grand Total – Judiciary	130,917,785
22	Military Staff	
23	General Revenues	2,608,853
24	Federal Funds	36,614,294
25	Restricted Receipts	
26	RI Military Family Relief Fund	55,000
27	Other Funds	
28	Rhode Island Capital Plan Funds	
29	Aviation Readiness Center	535,263
30	AMC Roof Replacement	366,500
31	Asset Protection	930,000
32	Grand Total – Military Staff	41,109,910
33	Public Safety	
34	<i>Central Management</i>	

1	General Revenues	916,952
2	Federal Funds	10,901,167
3	Restricted Receipts	189,556
4	Total – Central Management	12,007,675
5	<i>E-911 Emergency Telephone System</i>	
6	Restricted Receipts	7,439,128
7	<i>Security Services</i>	
8	General Revenues	27,319,253
9	<i>Municipal Police Training Academy</i>	
10	General Revenues	313,703
11	Federal Funds	451,295
12	Total – Municipal Police Training Academy	764,998
13	<i>State Police</i>	
14	General Revenues	77,205,503
15	Federal Funds	6,110,321
16	Restricted Receipts	1,705,997
17	Other Funds	
18	Airport Corporation Assistance	150,000
19	Road Construction Reimbursement	2,500,000
20	Weight and Measurement Reimbursement	400,000
21	Rhode Island Capital Plan Funds	
22	DPS Asset Protection	791,000
23	Training Academy Upgrades	750,000
24	Administrative Support Bldg Renovation	200,000
25	Statewide Communications System Network	237,370
26	Total–State Police	90,050,191
27	Grand Total – Public Safety	137,581,245
28	Office of Public Defender	
29	General Revenues	13,508,789
30	Federal Funds	75,665
31	Grand Total – Office of Public Defender	13,584,454
32	Emergency Management Agency	
33	General Revenues	2,655,619
34	Federal Funds	16,472,597

1	Restricted Receipts	527,472
2	Other Funds	
3	Rhode Island Capital Plan Funds	
4	RI Statewide Communications Network	1,494,400
5	Emergency Management Building	250,000
6	Grand Total – Emergency Management Agency	21,400,088
7	Environmental Management	
8	Office of the Director	
9	General Revenues	7,492,463
10	Of this general revenue amount, \$50,000 is appropriated to the Conservation Districts.	
11	Restricted Receipts	4,189,798
12	Total – Office of the Director	11,682,261
13	<i>Natural Resources</i>	
14	General Revenues	25,656,995
15	Federal Funds	21,970,240
16	Restricted Receipts	5,454,434
17	Other Funds	
18	DOT Recreational Projects	762,000
19	Blackstone Bike Path Design	1,000,000
20	Transportation MOU	10,286
21	Rhode Island Capital Plan Funds	
22	Blackstone Valley Bike Path	500,000
23	Dam Repair	90,000
24	Fort Adams Rehabilitation	300,000
25	Galilee Pier Upgrades	1,420,000
26	Newport Pier Upgrades	150,000
27	Recreation Facility Asset Protection	750,000
28	Recreational Facilities Improvement	3,200,000
29	Total – Natural Resources	61,263,955
30	<i>Environmental Protection</i>	
31	General Revenues	13,487,916
32	Federal Funds	10,753,650
33	Restricted Receipts	7,457,559
34	Other Funds	

1	Transportation MOU	63,565
2	Total – Environmental Protection	31,762,690
3	Grand Total – Environmental Management	104,708,906
4	Coastal Resources Management Council	
5	General Revenues	2,852,347
6	Federal Funds	1,850,628
7	Restricted Receipts	250,000
8	Other Funds	
9	Rhode Island Capital Plan Funds	
10	Narragansett Bay SAMP	75,115
11	RI Coastal Storm Risk Study	475,000
12	Grand Total – Coastal Resources Mgmt. Council	5,503,090
13	Transportation	
14	<i>Central Management</i>	
15	Federal Funds	16,066,910
16	Other Funds	
17	Gasoline Tax	8,916,854
18	Total – Central Management	24,983,764
19	<i>Management and Budget</i>	
20	Other Funds	
21	Gasoline Tax	5,380,347
22	<i>Infrastructure Engineering</i>	
23	Federal Funds	417,135,144
24	Restricted Receipts	2,589,202
25	Other Funds	
26	Gasoline Tax	71,600,226
27	Toll Revenue	35,089,593
28	Land Sale Revenue	5,979,719
29	Rhode Island Capital Plan Funds	
30	Highway Improvement Program	63,451,346
31	Bike Path Facilities Maintenance	400,000
32	RIPTA - Land and Buildings	1,330,000
33	RIPTA - Warwick Bus Hub	260,000
34	RIPTA – URI Mobility Hub	600,000

1	Total - Infrastructure Engineering	598,435,230
2	<i>Infrastructure Maintenance</i>	
3	Federal Funds	18,077,170
4	Other Funds	
5	Gasoline Tax	31,166,851
6	Non-Land Surplus Property	50,000
7	Rhode Island Highway Maintenance Account	87,096,275
8	Rhode Island Capital Plan Funds	
9	Maintenance Capital Equipment Replacement	1,499,462
10	Maintenance Facilities Improvements	900,000
11	Welcome Center	150,000
12	Salt Storage Facilities	2,500,000
13	Train Station Maintenance and Repairs	450,000
14	Total – Infrastructure Maintenance	141,889,758
15	Grand Total – Transportation	770,689,099
16	Statewide Totals	
17	General Revenues	4,371,272,821
18	Federal Funds	4,129,495,745
19	Restricted Receipts	341,871,722
20	Other Funds	2,327,828,073
21	Statewide Grand Total	11,170,468,361

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

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

32 SECTION 4. From the appropriation for contingency shall be paid such sums as may be
33 required at the discretion of the Governor to fund expenditures for which appropriations may not
34 exist. Such contingency funds may also be used for expenditures in the several departments and

1 agencies where appropriations are insufficient, or where such requirements are due to unforeseen
 2 conditions or are non-recurring items of an unusual nature. Said appropriations may also be used
 3 for the payment of bills incurred due to emergencies or to any offense against public peace and
 4 property, in accordance with the provisions of Titles 11 and 45 of the General Laws of 1956, as
 5 amended. All expenditures and transfers from this account shall be approved by the Governor.

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

16 Account	Expenditure Limit
17 State Assessed Fringe Benefit Internal Service Fund	37,626,944
18 Administration Central Utilities Internal Service Fund	27,345,573
19 State Central Mail Internal Service Fund	6,736,424
20 State Telecommunications Internal Service Fund	3,100,546
21 State Automotive Fleet Internal Service Fund	12,664,678
22 Surplus Property Internal Service Fund	3,000
23 Health Insurance Internal Service Fund	272,604,683
24 Other Post-Employment Benefits Fund	63,858,483
25 Capitol Police Internal Service Fund	1,731,553
26 Corrections Central Distribution Center Internal Service Fund	7,410,210
27 Correctional Industries Internal Service Fund	8,590,417
28 Secretary of State Record Center Internal Service Fund	1,060,059
29 Human Resources Internal Service Fund	13,962,865
30 DCAMM Facilities Internal Service Fund	43,562,371
31 Information Technology Internal Service Fund	48,951,700

32 SECTION 6. Legislative Intent - The General Assembly may provide a written "statement
 33 of legislative intent" signed by the chairperson of the House Finance Committee and by the
 34 chairperson of the Senate Finance Committee to show the intended purpose of the appropriations

1 contained in Section 1 of this Article. The statement of legislative intent shall be kept on file in the
2 House Finance Committee and in the Senate Finance Committee.

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

8 SECTION 7. Appropriation of Temporary Disability Insurance Funds -- There is hereby
9 appropriated pursuant to sections 28-39-5 and 28-39-8 of the Rhode Island General Laws all funds
10 required to be disbursed for the benefit payments from the Temporary Disability Insurance Fund
11 and Temporary Disability Insurance Reserve Fund for the fiscal year ending June 30, 2022.

12 SECTION 8. Appropriation of Employment Security Funds -- There is hereby appropriated
13 pursuant to section 28-42-19 of the Rhode Island General Laws all funds required to be disbursed
14 for benefit payments from the Employment Security Fund for the fiscal year ending June 30, 2022.

15 SECTION 9. Appropriation of Lottery Division Funds -- There is hereby appropriated to
16 the Lottery Division any funds required to be disbursed by the Lottery Division for the purposes of
17 paying commissions or transfers to the prize fund for the fiscal year ending June 30, 2022.

18 SECTION 10. Appropriation of CollegeBoundSaver Funds -- There is hereby appropriated
19 to the Office of the General Treasurer designated funds received under the CollegeBoundSaver
20 program for transfer to the Division of Higher Education Assistance within the Office of the
21 Postsecondary Commissioner to support student financial aid for the fiscal year ending June 30,
22 2022.

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

1 chairman of the House Finance Committee, Senate Finance Committee, the House Fiscal Advisor
2 and the Senate Fiscal Advisor.

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

6 FY 2022 FTE POSITION AUTHORIZATION

7	Departments and Agencies	Full-Time Equivalent
8	Administration	649.7
9	Provided that no more than 421.5 of the total authorization would be limited to positions	
10	that support internal service fund programs.	
11	Business Regulation	176.0
12	Executive Office of Commerce	16.0
13	Labor and Training	462.7
14	Revenue	574.5
15	Legislature	298.5
16	Office of the Lieutenant Governor	8.0
17	Office of the Secretary of State	59.0
18	Office of the General Treasurer	89.0
19	Board of Elections	13.0
20	Rhode Island Ethics Commission	12.0
21	Office of the Governor	45.0
22	Commission for Human Rights	14.0
23	Public Utilities Commission	54.0
24	Office of Health and Human Services	190.0
25	Children, Youth, and Families	627.5
26	Health	517.6
27	Human Services	753.0
28	Office of Veterans Services	263.1
29	Office of Healthy Aging	31.0
30	Behavioral Healthcare, Developmental Disabilities, and Hospitals	1,042.4
31	Office of the Child Advocate	10.0
32	Commission on the Deaf and Hard of Hearing	4.0
33	Governor's Commission on Disabilities	4.0
34	Office of the Mental Health Advocate	4.0

1	Elementary and Secondary Education	142.1
2	School for the Deaf	60.0
3	Davies Career and Technical School	123.0
4	Office of Postsecondary Commissioner	33.0
5	Provided that 1.0 of the total authorization would be available only for positions that are	
6	supported by third-party funds, 10.0 would be available only for positions at the State's Higher	
7	Education Centers located in Woonsocket and Westerly, and 10.0 would be available only for	
8	positions at the Nursing Education Center.	
9	University of Rhode Island	2,555.0
10	Provided that 357.8 of the total authorization would be available only for positions that are	
11	supported by third-party funds.	
12	Rhode Island College	949.2
13	Provided that 76.0 of the total authorization would be available only for positions that are	
14	supported by third-party funds.	
15	Community College of Rhode Island	849.1
16	Provided that 89.0 of the total authorization would be available only for positions that are	
17	supported by third-party funds.	
18	Rhode Island State Council on the Arts	9.6
19	RI Atomic Energy Commission	8.6
20	Historical Preservation and Heritage Commission	15.6
21	Office of the Attorney General	243.1
22	Corrections	1,424.0
23	Judicial	726.3
24	Military Staff	92.0
25	Emergency Management Agency	33.0
26	Public Safety	622.6
27	Office of the Public Defender	99.0
28	Environmental Management	401.0
29	Coastal Resources Management Council	30.0
30	Transportation	755.0
31	Total	15,089.2

32 SECTION 12. The amounts reflected in this Article include the appropriation of Rhode
33 Island Capital Plan funds for fiscal year 2022 and supersede appropriations provided for FY 2022
34 within Section 12 of Article 1 of Chapter 080 of the P.L. of 2020.

1 The following amounts are hereby appropriated out of any money in the State’s Rhode
 2 Island Capital Plan Fund not otherwise appropriated to be expended during the fiscal years ending
 3 June 30, 2023, June 30, 2024, June 30, 2025, and June 30, 2026. These amounts supersede
 4 appropriations provided within Section 12 of Article 1 of Chapter 080 of the P.L. of 2020.

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

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

	FY Ending	FY Ending	FY Ending	FY Ending
<u>Project</u>	<u>06/30/2023</u>	<u>06/30/2024</u>	<u>06/30/2025</u>	<u>06/30/2026</u>
DOA – 560 Jefferson Boulevard	150,000	150,000	1,550,000	1,050,000
DOA – Accessibility	1,000,000	1,000,000	1,000,000	1,000,000
DOA – Arrigan Center	825,000	125,000	50,000	200,000
DOA – Substance Abuse Facilities	375,000	375,000	375,000	375,000
DOA – Big River Management	180,000	130,000	130,000	130,000
DOA – Cannon Building	1,350,000	3,725,000	4,125,000	4,025,000
DOA – Chapin Health Lab	500,000	425,000	350,000	0
DOA – Convention Center Authority	4,250,000	5,250,000	3,500,000	3,500,000
DOA – Cranston Street Armory	750,000	2,250,000	3,250,000	100,000
DOA – BHDDH MH Facilities	300,000	300,000	300,000	300,000
DOA – BHDDH Group Homes Fire Protection	325,000	325,000	0	0
DOA – BHDDH DD Facilities	450,000	450,000	450,000	450,000
DOA – BHDDH Group Homes	750,000	750,000	750,000	750,000
DOA – Zambarano Utilities & Infrastructure	300,000	500,000	0	0
DOA – DoIT Enterprise Operations Center	2,300,000	2,050,000	1,150,000	1,050,000
DOA – Dunkin Donuts Center	2,300,000	2,300,000	2,775,000	2,775,000
DOA – Environmental				

1	Compliance	400,000	200,000	200,000	200,000
2	DOA – Energy Efficiency	1,250,000	1,000,000	1,000,000	1,000,000
3	DOA – Old State House	100,000	100,000	100,000	100,000
4	DOA – Statewide Facilities				
5	Master Plan	200,000	500,000	250,000	0
6	DOA – Pastore Building				
7	Demolition	1,000,000	1,000,000	0	0
8	DOA – Pastore Center				
9	Medical Buildings				
10	Asset Protection	500,000	500,000	500,000	500,000
11	DOA – Pastore Center				
12	Non-Medical Buildings				
13	Asset Protection	6,250,000	5,500,000	4,500,000	4,000,000
14	DOA – Pastore Electrical Utilities	450,000	450,000	450,000	450,000
15	DOA – Pastore Utilities Water	280,000	280,000	280,000	280,000
16	DOA – Security Measures				
17	/State Buildings	500,000	500,000	500,000	500,000
18	DOA – Shepard Building	1,500,000	1,500,000	1,500,000	1,600,000
19	DOA – State House Renovations	2,100,000	2,450,000	1,200,000	1,200,000
20	DOA – State Office Building	100,000	100,000	100,000	100,000
21	DOA – State Office				
22	Reorganization & Relocation	250,000	250,000	0	0
23	DOA – Replacement of				
24	Fuel Tanks	730,000	430,000	330,000	330,000
25	DOA – Veterans Auditorium	765,000	100,000	75,000	100,000
26	DOA – Washington County				
27	Gov. Center	650,000	650,000	650,000	350,000
28	DOA – William Powers Building	2,500,000	2,500,000	3,000,000	2,500,000
29	DBR – State Fire Marshal				
30	Asset Protection	100,000	100,000	100,000	100,000
31	EOC – I-195 Commission	650,00	0	0	0
32	Sec. of State – Election Equipment	170,000	0	0	0
33	DCYF – Training School				
34	Asset Protection	250,000	250,000	250,000	250,000

1	DOH – Laboratory Equipment	400,000	400,000	400,000	400,000
2	DHS – Blind Vending Facilities	165,000	165,000	165,000	165,000
3	DHS – Veterans Home				
4	Asset Protection	400,000	500,000	500,000	500,000
5	DHS – Veterans Memorial Cemetery	200,000	1,000,000	250,000	0
6	BHDDH – Residential Support	100,000	100,000	100,000	100,000
7	BHDDH – Hospital Equipment	300,000	0	0	0
8	EL SEC – Davies School HVAC	900,000	0	0	0
9	EL SEC – Davies School				
10	Asset Protection	500,000	500,000	500,000	500,000
11	EL SEC – Davies School				
12	Healthcare Classroom				
13	Renovations	4,500,000	0	0	0
14	EL SEC – Met School				
15	Asset Protection	250,000	250,000	250,000	250,000
16	EL SEC – Met School				
17	Roof Replacement	550,000	1,750,000	1,750,000	0
18	EL SEC – School for the Deaf				
19	Asset Protection	75,000	75,000	75,000	75,000
20	URI – Asset Protection	11,350,000	11,494,395	9,276,000	9,554,280
21	URI – Fire Protection	0	0	0	3,148,695
22	URI – Stormwater Management	0	0	0	2,127,461
23	RIC – Asset Protection	5,518,000	5,431,657	4,538,000	4,674,140
24	RIC – Infrastructure				
25	Modernization	4,900,000	4,900,000	4,500,000	4,635,000
26	CCRI – Asset Protection	3,246,000	2,653,124	2,719,452	2,719,452
27	CCRI – Data, Cabling and				
28	Power Infrastructure	3,300,000	3,700,000	4,650,000	0
29	CCRI – Flanagan Campus				
30	Renewal	2,000,000	6,000,000	2,500,000	0
31	CCRI – Knight Campus Renewal	750,000	0	0	0
32	CCRI – Renovation				
33	and Modernization	5,000,000	9,000,000	14,000,000	0
34	Atomic Energy –				

1	Asset Protection	50,000	50,000	50,000	50,000
2	Attorney General –				
3	Asset Protection	150,000	150,000	150,000	150,000
4	DOC – Asset Protection	5,125,000	4,100,000	4,100,000	4,100,000
5	DOC – Training School Redesign	1,750,000	1,750,000	0	0
6	Judiciary – Garrahy Courthouse	0	2,250,000	2,250,000	0
7	Judiciary – Asset Protection	1,500,000	1,500,000	1,200,000	1,200,000
8	Judiciary – Complex HVAC	1,000,000	1,000,000	500,000	500,000
9	Judiciary – Licht Judicial Complex				
10	Restoration	750,000	750,000	750,000	0
11	Judiciary – McGrath HVAC	225,000	0	0	0
12	Judiciary – Fan Coils	750,000	500,000	500,000	500,000
13	Judiciary – Garrahy Courtroom				
14	Restoration	750,000	750,000	0	0
15	Military Staff – Aviation Readiness	535,263	126,166	574,183	1,092,311
16	Military Staff – Asset Protection	750,000	600,000	600,000	600,000
17	Military Staff – Quonset Airway				
18	Runway Construction	95,700	1,842,912	926,505	0
19	EMA – RI Statewide				
20	Communications Network	1,494,400	1,494,400	1,494,400	0
21	DPS – Asset Protection	750,000	750,000	750,000	750,000
22	DPS – Vehicle Replacement	600,000	1,200,000	1,800,000	1,800,000
23	DPS – Training Academy Asset				
24	Protection	225,000	180,000	150,000	505,000
25	DPS – Administrative Support Building				
26	Renovation	500,000	500,000	0	0
27	DPS – RISCOON Microwave				
28	Replacement	187,370	187,370	187,370	187,370
29	DEM – Dam Repair	1,800,000	2,250,000	2,360,000	2,000,000
30	DEM – Facilities Asset				
31	Protection	500,000	500,000	500,000	500,000
32	DEM – Recreational Facilities				
33	Improvements	3,700,000	2,560,000	2,400,000	1,930,000
34	DEM – Fort Adams Trust	300,000	300,000	300,000	300,000

1	DEM – Galilee Piers/Bulkhead	2,000,000	2,000,000	2,000,000	2,000,000
2	DEM – Natural Resources				
3	Office & Visitor’s Center	250,000	250,000	2,500,000	2,000,000
4	DOT – Maintenance Facility				
5	Improvement	500,000	500,000	500,000	500,000
6	DOT – Highway Improvement				
7	Program	52,700,000	27,200,000	27,200,000	27,200,000
8	DOT – Bike Path Facilities				
9	Maintenance	400,000	400,000	400,000	400,000
10	DOT – Salt Storage Facilities				
11	Improvement	1,000,000	1,000,000	0	0
12	DOT – Train Station				
13	Maintenance	350,000	350,000	350,000	350,000
14	DOT – Maintenance –				
15	Capital Equipment Replacement	1,500,000	1,800,000	1,800,000	1,800,000
16	DOT – Welcome Center	200,000	200,000	150,000	150,000
17	DOT – RIPTA –				
18	Land and Building Enhancements	500,000	500,000	500,000	500,000
19	DOT – RIPTA – URI Mobility	250,000	0	0	0

20 SECTION 13. Reappropriation of Funding for Rhode Island Capital Plan Fund Projects. –
21 Any unexpended and unencumbered funds from Rhode Island Capital Plan Fund project
22 appropriations shall be reappropriated in the ensuing fiscal year and made available for the same
23 purpose. However, any such reappropriations are subject to final approval by the General Assembly
24 as part of the supplemental appropriations act. Any unexpended funds of less than five hundred
25 dollars (\$500) shall be reappropriated at the discretion of the State Budget Officer.

26 SECTION 14. For the Fiscal Year ending June 30, 2022, the Rhode Island Housing and
27 Mortgage Finance Corporation shall provide from its resources such sums as appropriate in support
28 of the Neighborhood Opportunities Program. The Corporation shall provide a report detailing the
29 amount of funding provided to this program, as well as information on the number of units of
30 housing provided as a result to the Director of Administration, the Chair of the Housing Resources
31 Commission, the Chair of the House Finance Committee, the Chair of the Senate Finance
32 Committee and the State Budget Officer.

33 SECTION 15. Sections 16-107-3 and 16-107-6 of the General Laws in Chapter 16-107
34 entitled "Rhode Island Promise Scholarship" are hereby amended as follows:

1 **16-107-3. Establishment of scholarship program.**

2 Beginning with the high school graduating class of 2017, it is hereby established the Rhode
3 Island promise scholarship programs ~~that will end with the high school graduating class of 2021.~~
4 The general assembly shall annually appropriate the funds necessary to implement the purposes of
5 this chapter. Additional funds beyond the scholarships may be appropriated to support and advance
6 the Rhode Island promise scholarship program. In addition to appropriation by the general
7 assembly, charitable donations may be accepted into the scholarship program.

8 **16-107-6. Eligibility for scholarship.**

9 (a) Beginning with the students who enroll at the community college of Rhode Island in
10 the fall of 2017 ~~and ending with students who enroll at the community college of Rhode Island in~~
11 ~~the fall of 2021~~, to be considered for the scholarship, a student:

12 (1) Must qualify for in-state tuition and fees pursuant to the residency policy adopted by
13 the council on postsecondary education, as amended, supplemented, restated, or otherwise modified
14 from time to time ("residency policy"); provided, that, the student must have satisfied the high
15 school graduation/equivalency diploma condition prior to reaching nineteen (19) years of age;
16 provided, further, that in addition to the option of meeting the requirement by receiving a high
17 school equivalency diploma as described in the residency policy, the student can satisfy the
18 condition by receiving other certificates or documents of equivalent nature from the state or its
19 municipalities as recognized by applicable regulations promulgated by the council on elementary
20 and secondary education;

21 (2) Must be admitted to, and must enroll and attend the community college of Rhode Island
22 on a full-time basis by the semester immediately following high school graduation or the semester
23 immediately following receipt of a high school equivalency diploma;

24 (3) Must complete the FAFSA and any required FAFSA verification by the deadline
25 prescribed by the community college of Rhode Island for each year in which the student seeks to
26 receive funding under the scholarship program;

27 (4) Must continue to be enrolled on a full-time basis;

28 (5) Must maintain an average annual cumulative grade point average (GPA) of 2.5 or
29 greater, as determined by the community college of Rhode Island;

30 (6) Must remain on track to graduate on time as determined by the community college of
31 Rhode Island;

32 (7) Must not have already received an award under this scholarship program; and

33 (8) Must commit to live, work, or continue their education in Rhode Island after graduation.

1 The community college of Rhode Island shall develop a policy that will secure this
2 commitment from recipient students.

3 (b) Notwithstanding the eligibility requirements under subsection (a) of this section
4 ("specified conditions"):

5 (i) In the case of a recipient student who has an approved medical or personal leave of
6 absence or is unable to satisfy one or more specified conditions because of the student's medical or
7 personal circumstances, the student may continue to receive an award under the scholarship
8 program upon resuming the student's education so long as the student continues to meet all other
9 applicable eligibility requirements; and

10 (ii) In the case of a recipient student who is a member of the national guard or a member
11 of a reserve unit of a branch of the United States military and is unable to satisfy one or more
12 specified conditions because the student is or will be in basic or special military training, or is or
13 will be participating in a deployment of the student's guard or reserve unit, the student may continue
14 to receive an award under the scholarship program upon completion of the student's basic or special
15 military training or deployment.

16 SECTION 16. *Appropriation of Economic Activity Taxes in accordance with the city of*
17 *Pawtucket downtown redevelopment statute* -- There is hereby appropriated for the fiscal year
18 ending June 30, 2022, all State Economic Activity Taxes to be collected pursuant to § 45-33.4-4 of
19 the Rhode Island General Laws, as amended (including, but not limited to, the amount of tax
20 revenues certified by the Commerce Corporation in accordance with § 45-33.4-1(13) of the Rhode
21 Island General Laws), for the purposes of paying debt service on bonds, funding debt service
22 reserves, paying costs of infrastructure improvements in and around the ballpark district, arts
23 district, and the growth center district, funding future debt service on bonds, and funding a
24 redevelopment revolving fund established in accordance with § 45-33-1 of the Rhode Island
25 General Laws.

26 SECTION 17. Reappropriation of Funding for the Intermodal Surface Transportation Fund
27 Projects. – Any unexpended and unencumbered funds from Intermodal Surface Transportation
28 Fund project appropriations shall be reappropriated in the ensuing fiscal year and made available
29 for the same purpose subject to available cash resources in the fund. However, any such
30 reappropriations are subject to final approval by the General Assembly as part of the supplemental
31 appropriations act.

32 SECTION 18. Extension of previous bond authorizations. – The general assembly,
33 pursuant to the provisions of section 35-8-25 of the general laws, hereby extends to the termination
34 dates contained herein, the authority to issue the following general obligation bond authorizations

1 in the amounts stated. The original authorizations enacted by public law and approved by the
2 people, that remain unissued as of March 1, 2021, are as follows:

3	Unissued			
4	Amount to be			
5	<u>Purpose</u>	<u>Statutory Reference</u>	<u>Extended</u>	<u>Termination Date</u>
6	Mass Transit Hub	Ch. 145-P.L. of 2014	\$20,000,000	June 30, 2023
7	Infrastructure Bonds			

8 SECTION 19. This article shall take effect as of July 1, 2021, except as otherwise provided
9 herein.

1 **ARTICLE 2**

2 **RELATING TO STATE FUNDS**

3 SECTION 1. Sections 21-28.10-8 and 21-28.10-10 of the General Laws in Chapter 21-
4 28.10 entitled "Opioid Stewardship Act" are hereby amended to read as follows:

5 **21-28.10-8. Departmental annual reporting.**

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

14 **21-28.10-10. Creation of opioid stewardship fund.**

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

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

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

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

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

31 SECTION 2. Sections 27-13.1-2 and 27-13.1-7 of the General Laws in Chapter 27-13.1
32 entitled "Examinations" are hereby amended to read as follows:

33 **27-13.1-2. Definitions.**

1 The following terms, as used in this chapter, shall have the respective meanings hereinafter
2 set forth:

3 (1) "Company" means a person engaging in or proposing or attempting to engage in any
4 transaction or kind of insurance or surety business and any person or group of persons who may
5 otherwise be subject to the administrative, regulatory or taxing authority of the director;

6 (2) "Department" means the department of business regulation;

7 (3) "Director" means the director of the department of business regulation of this state or
8 his or her designee;

9 (4) "Examiner" means an individual or firm having been authorized by the director to
10 conduct an examination or financial analysis under this chapter;

11 (5) "Insurer" means any insurance company doing business in this state; ~~and~~

12 (6) "Person" means an individual, aggregation of individuals, trust, association, partnership
13 or corporation, or any affiliate thereof; ~~and~~

14 (7) "Pre-examination analysis," as used in this chapter, means a process whereby the
15 department collects and analyzes information, including form complaints, filed forms, surveys,
16 reports and other sources in order to identify policies of or practices by or on behalf of a company
17 or a person subject to the jurisdiction of the office of the health insurance commissioner which may
18 pose a potential direct or indirect harm to consumers or that may be in violation of state or federal
19 laws or regulations.

20 **27-13.1-7. Cost of examinations.**

21 (a) The total cost of the pre-examination analyses and the examinations shall be borne by
22 the examined companies and shall include the following expenses:

23 (1) One hundred fifty percent (150%) of the total salaries and benefits paid to the examining
24 personnel of the banking and insurance division engaged in pre-examination analyses and those
25 examinations less any salary reimbursements;

26 (2) All reasonable technology costs related to the examination process. Technology costs
27 shall include the actual cost of software and hardware utilized in the examination process and the
28 cost of training examination personnel in the proper use of the software or hardware;

29 (3) All necessary and reasonable education and training costs incurred by the state to
30 maintain the proficiency and competence of the examining personnel. All these costs shall be
31 incurred in accordance with appropriate state of Rhode Island regulations, guidelines and
32 procedures.

33 (b) Expenses incurred pursuant to subsections (a)(2) and (a)(3) of this section shall be
34 allocated equally to each company domiciled in Rhode Island no more frequently than annually

1 and shall not exceed an annual average assessment of three thousand five hundred dollars (\$3,500)
2 per company for any given three (3) calendar year period. Except as provided in R.I. Gen. Laws §
3 27-13.1-9(b), ~~All~~ revenues collected pursuant to this section shall be deposited as general
4 revenues. That assessment shall be in addition to any taxes and fees payable to the state.

5 SECTION 3. Chapter 27-13.1 of the General Laws entitled "Examinations" is hereby
6 amended by adding thereto the following section:

7 **27-13.1-9. Health Insurance Examination Costs and Health Insurance Examination**
8 **Cost Recovery Account.**

9 (a) There is hereby created in the general fund of the state and housed within the budget of
10 the department of business regulation a restricted receipt account entitled "Health Insurance
11 Regulation and System Planning Cost Recovery." All funds in the account shall be utilized by the
12 office of the health insurance commissioner to support the purposes of this chapter.

13 (b) Notwithstanding the provision in R.I. Gen. Law § 27-13.1-7(b), all revenues collected
14 by the office of the health insurance commissioner or at the direction of the health insurance
15 commissioner pursuant to R.I. Gen. Law § 27-13.1-7(a)(1) in connection with pre- examination
16 analyses and examinations shall be deposited in the restricted receipt account created by subsection
17 (a).

18 SECTION 4. Section 35-1.1-5 of the General Laws in Chapter 35-1.1 entitled, "Office of
19 Management and Budget" is hereby amended to read as follows:

20 **35-1.1-5. Federal grants management.**

21 (a) The controller shall be responsible for managing federal grant applications; providing
22 administrative assistance to agencies regarding reporting requirements; providing technical
23 assistance; and approving agreements with federal agencies pursuant to § 35-1-1. The controller
24 shall:

25 (1) Establish state goals and objectives for maximizing the utilization of federal aid
26 programs;

27 (2) Ensure that the state establishes and maintains statewide federally mandated grants
28 management processes and procedures as mandated by the federal Office of Management and
29 Budget;

30 (3) Promulgate procedures and guidelines for all state departments, agencies, advisory
31 councils, instrumentalities of the state, and public higher education institutions covering
32 applications for federal grants;

33 (4) Require, upon request, any state department, agency, advisory council, instrumentality
34 of the state, or public higher education institution receiving a grant of money from the federal

1 government to submit a report to the controller of expenditures and program measures for the fiscal
2 period in question;

3 (5) Ensure state departments and agencies adhere to the requirements of § 42-41-5
4 regarding legislative appropriation authority and delegation thereof;

5 (6) Manage and oversee the disbursements of federal funds in accordance with § 35-6-42;

6 (7) Prepare the statewide cost allocation plan and serve as the monitoring agency to ensure
7 that state departments and agencies are working within the guidelines contained in the plan; and

8 (8) Provide technical assistance to agencies to ensure resolution and closure of all single
9 state audit findings and recommendations made by the auditor general related to federal funding.

10 (b) The division of accounts and control shall serve as the state clearinghouse for purposes
11 of coordinating federal grants, aid, and assistance applied for and/or received by any state
12 department, agency, advisory council, or instrumentality of the state. Any state department, agency,
13 advisory council, or instrumentality of the state applying for federal funds, aids, loans, or grants
14 shall file a summary notification of the intended application with the controller.

15 (1) When as a condition to receiving federal funds, the state is required to match the federal
16 funds, a statement shall be filed with the notice of intent or summary of the application stating:

17 (i) The amount and source of state funds needed for matching purposes;

18 (ii) The length of time the matching funds shall be required;

19 (iii) The growth of the program;

20 (iv) How the program will be evaluated;

21 (v) What action will be necessary should the federal funds be canceled, curtailed, or
22 restricted; and

23 (vi) Any other financial and program management data required by the office or by law.

24 (2) Except as otherwise required, any application submitted by an executive agency for
25 federal funds, aids, loans, or grants which will require state matching or replacement funds at the
26 time of application or at any time in the future, must be approved by the director of the office of
27 management and budget, or his or her designated agents, prior to its filing with the appropriate
28 federal agency. Any application submitted by an executive agency for federal funds, aids, loans, or
29 grants which will require state matching or replacement funds at the time of application or at any
30 time in the future, when funds have not been appropriated for that express purpose, must be
31 approved by the general assembly in accordance with § 42-41-5. When the general assembly is not
32 in session, the application shall be reported to and reviewed by the director pursuant to rules and
33 regulations promulgated by the director.

1 (3) When any federal funds, aids, loans, or grants are received by any state department,
2 agency, advisory council, or instrumentality of the state, a report of the amount of funds received
3 shall be filed with the office; and this report shall specify the amount of funds that would reimburse
4 an agency for indirect costs, as provided for under federal requirements.

5 (4) The controller may refuse to issue approval for the disbursement of any state or federal
6 funds from the state treasury as the result of any application that is not approved as provided by
7 this section, or in regard to which the statement or reports required by this section were not filed.

8 (5) The controller shall be responsible for the orderly administration of this section and for
9 issuing the appropriate guidelines and regulations from each source of funds used.

10 (c) There is hereby created in the general fund of the state and housed within the budget of
11 the department of administration a restricted receipt account entitled "Grants Management System
12 Administration." This account shall be used to fund centralized services relating to managing
13 federal grant applications; providing administrative assistance to agencies regarding reporting
14 requirements; providing technical assistance; and approving agreements with federal agencies
15 pursuant to § 35-1-1. Every state department and agency, as defined in R.I. General Laws § 35-1-
16 4, which receives federal assistance funds shall set aside an amount of the funds received equal to
17 a percentage as determined annually by the state controller multiplied by federal funds received.
18 All funds set aside and designated to be used for grants management shall be deposited into the
19 restricted receipt account established in this subsection.

20 SECTION 5. Section 35-3-24 of the General Laws in Chapter 35-3 entitled "State Budget"
21 is hereby amended to read as follows:

22 **35-3-24. Control of state spending.**

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

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

28 (c) In the event of an obligation, encumbrance, or expenditure in excess of general revenue
29 amounts appropriated, the department or agency head with oversight responsibility shall make a
30 written determination of the amount and the cause of the overobligation or overexpenditure, the
31 person(s) responsible, and corrective actions taken to prevent reoccurrence. The plan of corrective
32 actions contained within the report shall detail an appropriate plan to include, but not limited to,
33 such issues as the implementation of waiting lists, pro-rata reduction in payments and changes in
34 eligibility criteria as methods to address the shortfall. The report will be filed within thirty (30)

1 days of the discovery of the overobligation or overexpenditure with the budget officer, the
2 controller, the auditor general, and the chairpersons of the house and senate finance committees.

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

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

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

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

25 (h) Upon receipt of any budgetary information indicating an obligation, encumbrance, or
26 expenditure in excess of the amounts appropriated, the chairperson of the house or senate finance
27 committee may request a written report to be submitted by the director of administration within ten
28 (10) calendar days. The report shall indicate if the obligation, encumbrance, or expenditure in
29 excess of the amounts appropriated resulted in any disciplinary action or other penalty in
30 accordance with subsection (f) or (g) of this section. If not, the report shall explain why no
31 disciplinary action or other penalty was imposed in accordance with subsection (f) or (g).

32 SECTION 6. Sections 35-4-22.1, 35-4-22.2 and 35-4-27 of the General Laws in Chapter
33 35-4 entitled "State Funds" are hereby amended to read as follows:

34 [35-4-22.1. Legislative appropriation authority.](#)

1 (a) An appropriation is a statutory enactment by the general assembly authorizing the
2 withdrawal of money from the State treasury. An enactment by the general assembly which only
3 authorizes, specifies, or otherwise provides that funds may be used for a particular purpose is not
4 an appropriation.

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

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

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

13 (i) Comply with a court order,

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

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

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

20 (2) If there is less revenue availability than the additional caseload need, Medical
21 Assistance and federally mandated programs are prioritized for additional appropriations and the
22 remainder of the additional availability is proportionally assigned to the remaining caseload
23 programs.

24 (e) If the general assembly enacts changes to the current year appropriations act, those
25 changes shall override subdivision (iii) of subsection (d) of this section.

26 **35-4-22.2. Use of restricted or special revenue funds.**

27 (a) Any restricted or special revenue funds which are received by a state agency which is
28 not otherwise appropriated to that state agency by the annual appropriation acts of the regular
29 session of the general assembly are hereby appropriated for that state agency for the purpose set
30 forth, except that no expenditure shall be made from and no obligation shall be incurred against
31 any restricted receipts or special revenue fund which has not been previously appropriated or
32 reappropriated or approved by the governor, the speaker of the house, and the president of the
33 senate, until that authorization has been transmitted to the state agency to make expenditure
34 therefrom.

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

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

14 (d) Upon the directive of the controller, with the consent of the auditor general, the budget
15 officer is hereby authorized to convert any escrow liability account to a restricted receipt account
16 whenever such conversion has been deemed prudent and appropriate by both the auditor general
17 and the controller according to generally accepted governmental accounting principles and/or
18 specific pronouncements of the governmental accounting standards board (GASB).

19 **35-4-27. Indirect cost recoveries on restricted receipt accounts.**

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

28 Executive Office of Health and Human Services

29 Organ Transplant Fund

30 HIV Care Grant Drug Rebates

31 Health System Transformation Project

32 Health Spending Transparency and Containment Account

33 Adult Use Marijuana Program Licensing

34 Department of Human Services

1 Veterans' home – Restricted account
2 Veterans' home – Resident benefits
3 Pharmaceutical Rebates Account
4 Demand Side Management Grants
5 Veteran's Cemetery Memorial Fund
6 Donations – New Veterans' Home Construction
7 Department of Health
8 Pandemic medications and equipment account
9 Miscellaneous Donations/Grants from Non-Profits
10 State Loan Repayment Match
11 Healthcare Information Technology
12 [Adult Use Marijuana Program](#)
13 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
14 Eleanor Slater non-Medicaid third-party payor account
15 Hospital Medicare Part D Receipts
16 RICLAS Group Home Operations
17 [Adult Use Marijuana Program](#)
18 Commission on the Deaf and Hard of Hearing
19 Emergency and public communication access account
20 Department of Environmental Management
21 National heritage revolving fund
22 Environmental response fund II
23 Underground storage tanks registration fees
24 De Coppet Estate Fund
25 Rhode Island Historical Preservation and Heritage Commission
26 Historic preservation revolving loan fund
27 Historic Preservation loan fund – Interest revenue
28 Department of Public Safety
29 E-911 Uniform Emergency Telephone System
30 Forfeited property – Retained
31 Forfeitures – Federal
32 Forfeited property – Gambling
33 Donation – Polygraph and Law Enforcement Training
34 Rhode Island State Firefighter's League Training Account

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

1 Admin. Expenses – State Retirement System
2 Retirement – Treasury Investment Options
3 Defined Contribution – Administration - RR
4 Violent Crimes Compensation – Refunds
5 Treasury Research Fellowship
6 Business Regulation
7 Banking Division Reimbursement Account
8 Office of the Health Insurance Commissioner Reimbursement Account
9 [Health Insurance Regulation and System Planning Cost Recovery](#)
10 Securities Division Reimbursement Account
11 Commercial Licensing and Racing and Athletics Division Reimbursement Account
12 Insurance Division Reimbursement Account
13 [Adult Use Marijuana Program](#)
14 Historic Preservation Tax Credit Account
15 Judiciary
16 Arbitration Fund Restricted Receipt Account
17 Third-Party Grants
18 RI Judiciary Technology Surcharge Account
19 Department of Elementary and Secondary Education
20 Statewide Student Transportation Services Account
21 School for the Deaf Fee-for-Service Account
22 School for the Deaf – School Breakfast and Lunch Program
23 Davies Career and Technical School Local Education Aid Account
24 Davies – National School Breakfast & Lunch Program
25 School Construction Services
26 Office of the Postsecondary Commissioner
27 Higher Education and Industry Center
28 Department of Labor and Training
29 Job Development Fund
30 [Rhode Island Council on the Arts](#)
31 [Governors’ Portrait Donation Fund](#)
32 SECTION 7. Section 39-18.1-5 of the General Laws in Chapter 39-18.1 entitled
33 “Transportation Investment and Debt Reduction Act of 2011” is hereby amended to read as follows:
34 [39-18.1-5. Allocation of funds.](#)

1 (a) The monies in the highway maintenance fund to be directed to the department of
2 transportation pursuant to § 39-18.1-4(b)(1) – (b)(3) shall be allocated through the transportation
3 improvement program process to provide the state match for federal transportation funds, in place
4 of borrowing, as approved by the state planning council. The expenditure of moneys in the highway
5 maintenance fund shall only be authorized for projects that appear in the state's transportation
6 improvement program.

7 (b) Provided, however, that beginning with fiscal year 2015 and annually thereafter, the
8 department of transportation will allocate necessary funding to programs that are designed to
9 eliminate structural deficiencies of the state's bridge, road, and maintenance systems and
10 infrastructure.

11 (c) Provided, further, that beginning July 1, 2015, five percent (5%) of available proceeds
12 in the Rhode Island highway maintenance account shall be allocated annually to the Rhode Island
13 public transit authority for operating expenditures.

14 (d) Provided, further, that from July 1, 2017, and annually thereafter, in addition to the
15 amount above, the Rhode Island public transit authority shall receive an amount of not less than
16 five million dollars (\$5,000,000) each fiscal year, [except for the period July 1, 2019 through June](#)
17 [30, 2022 during which such amount or a portion thereof may come from federal coronavirus relief](#)
18 [funds](#).

19 (e) Provided, further, that the Rhode Island public transit authority shall convene a
20 coordinating council consisting of those state agencies responsible for meeting the needs of low-
21 income seniors and persons with disabilities, along with those stakeholders that the authority deems
22 appropriate and are necessary to inform, develop, and implement the federally required coordinated
23 public transit human services transportation plan.

24 The council shall develop, as part of the state's federally required plan, recommendations
25 for the appropriate and sustainable funding of the free-fare program for low-income seniors and
26 persons with disabilities, while maximizing the use of federal funds available to support the
27 transportation needs of this population.

28 The council shall report these recommendations to the governor, the speaker of the house
29 of representatives, and the president of the senate no later than November 1, 2018.

30 SECTION 8. Section 42-75-13 of the General Laws in Chapter 42-75 entitled “Council on
31 the Arts” is hereby amended to read as follows:

32 **42-75-13. Appropriation.**

33 (a) During the fiscal year ending June 30, 2008, the state lottery division within the
34 department of revenue shall conduct, pursuant to chapter 61 of title 42, an instant game to be known

1 as the "Arts Lottery Game." The net revenue from the first three (3) months of the running of the
2 "Arts Lottery Game" shall be deposited in a restricted-revenue account to be used by the Rhode
3 Island Council on the Arts for the support and improvement of the arts in this state. The provisions
4 of this section shall prevail over any inconsistent provisions of chapter 61 of title 42.

5 (b) The Rhode Island Council on the Arts shall deposit any funds received from the Rhode
6 Island Foundation in a restricted-receipt account to be used for the support and improvement of the
7 arts in this state. All such funds deposited shall be exempt from the indirect cost-recovery
8 provisions of § 35-24-27.

9 (c) Notwithstanding any law to the contrary, there is hereby created in the general fund of
10 the state and housed within the budget of the Rhode Island Council on the Arts a restricted receipt
11 account entitled "Governors' Portrait Donation Fund." This account shall be used to record all
12 receipts and expenditures of donations made for the purpose of supplementing the state
13 appropriation for the purchase of a governor's portrait as set forth in R.I. Gen. Laws 37-8-9, and
14 for other related expenses as deemed appropriate by the Rhode Island Council on the Arts.

15 SECTION 9. This article shall take effect upon passage.

16

1 **ARTICLE 3**

2 **RELATING TO GOVERNMENT REFORM AND REORGANIZATION**

3 **SECTION 1.** *Transferring certain revenue collection functions of the Department of*
4 *Revenue, Division of Taxation, to the Department of Labor and Training.*

5 In any General or Special Law of the State of Rhode Island, and specifically in Title 28,
6 Chapters 39, 40, 42 and 43 of the General Laws of Rhode Island, 1956, as amended, reference to
7 the collection of temporary disability insurance, employment security taxes or job development
8 fund by the division of taxation within the department of administration, now within the department
9 of revenue, shall be construed to refer to the department of labor and training. Any reference to the
10 tax administrator within the department of administration, now within the department of revenue,
11 with reference to the collection of temporary disability insurance, employment security taxes or job
12 development fund revenues shall be construed to refer to the director of the department of labor
13 and training. Any revenue collection duties conferred upon the division of taxation or the tax
14 administrator by said Title 28, Chapters 39, 40, 42 and 43 shall be construed to refer to the
15 department of labor and training or the director of the department of labor and training.

16 The law revision director of the joint committee on legislative services is authorized and
17 empowered to make appropriate changes in said Title 28, Chapters 39, 40, 42 and 43 and any other
18 section of the laws to carry out the intent of this act.

19 **SECTION 2.** Section 27-4.6-3 of the General Laws in Chapter 27-4.6 entitled "Risk-Based
20 Capital (RBC) for Insurers Act" is hereby amended to read as follows:

21 **27-4.6-3. Company action level event.**

22 (a) "Company action level event" means any of the following events:

23 (1) The filing of an RBC report by an insurer that indicates that:

24 (i) The insurer's total adjusted capital is greater than or equal to its regulatory action level
25 RBC but less than its company action level RBC;

26 (ii) If a life and/or health insurer, the insurer has total adjusted capital that is greater than
27 or equal to its company action level RBC but less than the product of its authorized control level
28 RBC and ~~2.5~~ 3.0 and has a negative trend; or

29 (iii) If a property and casualty insurer, the insurer has total adjusted capital which is greater
30 than or equal to its company action level RBC but less than the product of its authorized control
31 level RBC and 3.0 and triggers the trend test determined in accordance with the trend test
32 calculation included in the property and casualty RBC instructions.

1 (2) The notification by the commissioner to the insurer of an adjusted RBC report that
2 indicates an event in subdivision (a)(1), provided the insurer does not challenge the adjusted RBC
3 report under § 27-4.6-7; or

4 (3) If, pursuant to § 27-4.6-7, an insurer challenges an adjusted RBC report that indicates
5 the event in subdivision (a)(1), the notification by the commissioner to the insurer that the
6 commissioner has, after a hearing, rejected the insurer's challenge.

7 (b) In the event of a company action level event, the insurer shall prepare and submit to the
8 commissioner an RBC plan which shall:

9 (1) Identify the conditions that contribute to the company action level event;

10 (2) Contain proposals of corrective actions that the insurer intends to take and would be
11 expected to result in the elimination of the company action level event;

12 (3) Provide projections of the insurer's financial results in the current year and at least the
13 four (4) succeeding years, both in the absence of proposed corrective actions and giving effect to
14 the proposed corrective actions, including projections of statutory operating income, net income,
15 capital and/or surplus. (The projections for both new and renewal business might include separate
16 projections for each major line of business and separately identify each significant income, expense
17 and benefit component);

18 (4) Identify the key assumptions impacting the insurer's projections and the sensitivity of
19 the projections to the assumptions; and

20 (5) Identify the quality of, and problems associated with, the insurer's business, including,
21 but not limited to, its assets, anticipated business growth and associated surplus strain,
22 extraordinary exposure to risk, mix of business and use of reinsurance, if any, in each case.

23 (c) The RBC plan shall be submitted:

24 (1) Within forty-five (45) days of the company action level event; or

25 (2) If the insurer challenges an adjusted RBC report pursuant to § 27-4.6-7, within forty-
26 five (45) days after notification to the insurer that the commissioner has, after a hearing, rejected
27 the insurer's challenge.

28 (d) Within sixty (60) days after the submission by an insurer of an RBC plan to the
29 commissioner, the commissioner shall notify the insurer whether the RBC plan shall be
30 implemented or is, in the judgment of the commissioner, unsatisfactory. If the commissioner
31 determines that the RBC plan is unsatisfactory, the notification to the insurer shall set forth the
32 reasons for the determination, and may set forth proposed revisions which will render the RBC plan
33 satisfactory in the judgment of the commissioner. Upon notification from the commissioner, the

1 insurer shall prepare a revised RBC plan, which may incorporate by reference any revisions
2 proposed by the commissioner, and shall submit the revised RBC plan to the commissioner:

3 (1) Within forty-five (45) days after the notification from the commissioner; or

4 (2) If the insurer challenges the notification from the commissioner under § 27-4.6-7,
5 within forty-five (45) days after a notification to the insurer that the commissioner has, after a
6 hearing, rejected the insurer's challenge.

7 (e) In the event of a notification by the commissioner to an insurer that the insurer's RBC
8 plan or revised RBC plan is unsatisfactory, the commissioner may at the commissioner's discretion,
9 subject to the insurer's right to a hearing under § 27-4.6-7, specify in the notification that the
10 notification constitutes a regulatory action level event.

11 (f) Every domestic insurer that files an RBC plan or revised RBC plan with the
12 commissioner shall file a copy of the RBC plan or revised RBC plan with the insurance
13 commissioner in any state in which the insurer is authorized to do business if:

14 (1) That state has an RBC provision substantially similar to § 27-4.6-8(a); and

15 (2) The insurance commissioner of that state has notified the insurer of its request for the
16 filing in writing, in which case the insurer shall file a copy of the RBC plan or revised RBC plan
17 in that state no later than the later of:

18 (i) Fifteen (15) days after the receipt of notice to file a copy of its RBC plan or revised
19 RBC plan with the state; or

20 (ii) The date on which the RBC plan or revised RBC plan is filed under subsections (c) and
21 (d) of this section.

22 SECTION 3. Section 31-3-33 of the General Laws in Chapter 31-3 entitled "Registration
23 of Vehicles" is hereby amended to read as follows:

24 **31-3-33. Renewal of registration.**

25 (a) Application for renewal of a vehicle registration shall be made by the owner on a proper
26 application form and by payment of the registration fee for the vehicle as provided by law.

27 (b) The division of motor vehicles may receive applications for renewal of registration, and
28 may grant the renewal and issue new registration cards and plates at any time prior to expiration of
29 registration.

30 (c) Upon renewal, owners will be issued a renewal sticker for each registration plate that
31 shall be placed at the bottom, right-hand corner of the plate. Owners shall be issued a new, fully
32 reflective plate beginning ~~June 1, 2020~~ July 1, 2022, at the time of initial registration or at the
33 renewal of an existing registration and reissuance will be conducted no less than every ten (10)
34 years.

1 (d) No later than August 15, 2019, and every fifteenth day of the month through August
2 15, 2020, the division of motor vehicles shall submit a report outlining the previous month's activity
3 and progress towards the implementation of the license plate reissuance to the chairpersons of the
4 house finance and senate finance committee, the house fiscal advisor, and the senate fiscal advisor.
5 The report shall include, but not be limited to, information on the status of project plans, obstacles
6 to implementation, and actions taken toward implementation.

7 SECTION 4. Effective January 1, 2022, section 31-10.3-20 of the General Laws in Chapter
8 31-10.3 entitled "Rhode Island Uniform Commercial Driver's License Act" is hereby amended to
9 read as follows:

10 **31-10.3-20. Fees.**

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

- 13 (1) For every commercial operator's first license, thirty dollars (\$30.00);
14 (2) For every renewal of a commercial license, fifty dollars (\$50.00);
15 (3) For every duplicate commercial license, ten dollars (\$10.00);
16 (4) For every duplicate commercial learner's permit, ten dollars (\$10.00);
17 (5) For any change of:
18 (i) Classification(s), ten dollars (\$10.00);
19 (ii) Endorsement(s), ten dollars (\$10.00);
20 (iii) Restriction(s), ten dollars (\$10.00);
21 (6) For every written and/or oral examination, ten dollars (\$10.00);
22 (7) ~~The Rhode Island board of education shall establish fees that are deemed necessary for~~
23 ~~the Community College of Rhode Island~~ For the division of motor vehicles to administer the skill
24 test, ~~not to exceed~~ one hundred dollars (\$100);
25 (8) For every commercial learner's permit, sixty dollars (\$60.00).
26 (9) [Deleted by P.L. 2019, ch. 49, § 1 and P.L. 2019, ch. 75, § 1].

27 SECTION 5. Section 35-17-1 and 35-17-3 of the General Laws in Chapter 35-17 entitled
28 "Medical Assistance and Public Assistance Caseload Estimating Conference" are hereby
29 amended to read as follows:

30 **35-17-1. Purpose and membership.**

31 (a) In order to provide for a more stable and accurate method of financial planning and
32 budgeting, it is hereby declared the intention of the legislature that there be a procedure for the
33 determination of official estimates of anticipated medical assistance expenditures and public

1 assistance caseloads, upon which the executive budget shall be based and for which appropriations
2 by the general assembly shall be made.

3 (b) The state budget officer, the house fiscal advisor, and the senate fiscal advisor shall
4 meet in regularly scheduled caseload estimating conferences (C.E.C.). These conferences shall be
5 open public meetings.

6 (c) The chairpersonship of each regularly scheduled C.E.C. will rotate among the state
7 budget officer, the house fiscal advisor, and the senate fiscal advisor, hereinafter referred to as
8 principals. The schedule shall be arranged so that no chairperson shall preside over two (2)
9 successive regularly scheduled conferences on the same subject.

10 (d) Representatives of all state agencies are to participate in all conferences for which their
11 input is germane.

12 (e) The department of human services shall provide monthly data to the members of the
13 caseload estimating conference by the fifteenth day of the following month. Monthly data shall
14 include, but is not limited to, actual caseloads and expenditures for the following case assistance
15 programs: Rhode Island Works, SSI state program, general public assistance, and child care. For
16 individuals eligible to receive the payment under § 40-6-27(a)(1)(vi), the report shall include the
17 number of individuals enrolled in a managed care plan receiving long-term care services and
18 supports and the number receiving fee-for-service benefits. The executive office of health and
19 human services shall report relevant caseload information and expenditures for the following
20 medical assistance categories: hospitals, long-term care, managed care, pharmacy, and other
21 medical services. In the category of managed care, caseload information and expenditures for the
22 following populations shall be separately identified and reported: children with disabilities,
23 children in foster care, and children receiving adoption assistance and RItE Share enrollees under §
24 40-8.4-12(j). The information shall include the number of Medicaid recipients whose estate may
25 be subject to a recovery and the anticipated amount to be collected from those subject to recovery,
26 the total recoveries collected each month and number of estates attached to the collections and each
27 month, the number of open cases and the number of cases that have been open longer than three
28 months.

29 (f) Beginning July 1, 2022, behavioral healthcare, developmental disabilities and hospitals
30 shall provide monthly data to the members of the caseload estimating conference by the fifteenth
31 day of the following month. Monthly data shall include, but is not limited to, actual caseloads and
32 expenditures for the private community developmental disabilities services program. Information
33 shall include, but not be limited to the number of cases and expenditures from the beginning of the
34 fiscal year at the beginning of the prior month; cases added and denied during the prior month;

1 expenditures made; and the number of cases and expenditures at the end of the month. The
2 information concerning cases added and denied shall include summary information and profiles of
3 the service-demand request for eligible adults meeting the state statutory definition for services
4 from the division of developmental disabilities as determined by the division, including age,
5 Medicaid eligibility and agency selection placement with a list of the services provided, and the
6 reasons for the determinations of ineligibility for those cases denied. The department shall also
7 provide, monthly, the number of individuals in a shared-living arrangement and how many may
8 have returned to a 24-hour residential placement in that month. The department shall also report,
9 monthly, any and all information for the consent decree that has been submitted to the federal court
10 as well as the number of unduplicated individuals employed; the place of employment; and the
11 number of hours working. The department shall also provide the amount of funding allocated to
12 individuals above the assigned resource levels; the number of individuals and the assigned resource
13 level; and the reasons for the approved additional resources. The department will also collect and
14 forward to the house fiscal advisor, the senate fiscal advisor, and the state budget officer, by
15 November 1 of each year, the annual cost reports for each community-based provider for the prior
16 fiscal year. The department shall also provide the amount of patient liability to be collected and the
17 amount collected as well as the number of individuals who have a financial obligation. The
18 department will also provide a list of community-based providers awarded an advanced payment
19 for residential and community-based day programs; the address for each property; and the value of
20 the advancement. If the property is sold, the department must report the final sale, including the
21 purchaser, the value of the sale, and the name of the agency that operated the facility. If residential
22 property, the department must provide the number of individuals residing in the home at the time
23 of sale and identify the type of residential placement that the individual(s) will be moving to. The
24 department must report if the property will continue to be licensed as a residential facility. The
25 department will also report any newly licensed twenty-four hour (24) group home; the provider
26 operating the facility; and the number of individuals residing in the facility. Prior to December 1,
27 2017, the department will provide the authorizations for community-based and day programs,
28 including the unique number of individuals eligible to receive the services and at the end of each
29 month the unique number of individuals who participated in the programs and claims processed.

30 **35-17-3. Additional meetings.**

31 (a) Any time during a fiscal year that any principal feels that the recommendations of the
32 caseload estimating conference are no longer valid, then that principal, with the appropriate notice,
33 may convene a caseload estimating conference. The principal requesting the additional conference
34 shall be the chairperson for that conference.

1 (b) If at any time during a fiscal year any participant feels that the recommendations of the
2 caseload estimating conference are no longer valid with the respect to their caseload sources then
3 that participant has a duty to and shall notify each of the principals. The ~~director of the department~~
4 ~~of human services~~ secretary of the executive office of health and human services shall review the
5 concerns of each participant and determine whether the problems are sufficient to request an
6 additional conference.

7 SECTION 6. Section 40.1-22-39 of the General Laws in Chapter 40.1-22 entitled
8 “Developmental Disabilities” is hereby is hereby repealed.

9 ~~**40.1-22-39. Monthly reports to the general assembly.**~~

10 ~~On or before the fifteenth (15th) day of each month, the department shall provide a~~
11 ~~monthly report of monthly caseload and expenditure data, pertaining to eligible, developmentally~~
12 ~~disabled adults, to the chairperson of the house finance committee; the chairperson of the senate~~
13 ~~finance committee; the house fiscal advisor; the senate fiscal advisor; and the state budget officer.~~
14 ~~The monthly report shall be in such form, and in such number of copies, and with such explanation~~
15 ~~as the house and senate fiscal advisors may require. It shall include, but is not limited to, the number~~
16 ~~of cases and expenditures from the beginning of the fiscal year at the beginning of the prior month;~~
17 ~~cases added and denied during the prior month; expenditures made; and the number of cases and~~
18 ~~expenditures at the end of the month. The information concerning cases added and denied shall~~
19 ~~include summary information and profiles of the service demand request for eligible adults meeting~~
20 ~~the state statutory definition for services from the division of developmental disabilities as~~
21 ~~determined by the division, including age, Medicaid eligibility and agency selection placement with~~
22 ~~a list of the services provided, and the reasons for the determinations of ineligibility for those cases~~
23 ~~denied.~~

24 ~~The department shall also provide, monthly, the number of individuals in a shared living~~
25 ~~arrangement and how many may have returned to a 24-hour residential placement in that month.~~
26 ~~The department shall also report, monthly, any and all information for the consent decree that has~~
27 ~~been submitted to the federal court as well as the number of unduplicated individuals employed;~~
28 ~~the place of employment; and the number of hours working.~~

29 ~~The department shall also provide the amount of funding allocated to individuals above the~~
30 ~~assigned resource levels; the number of individuals and the assigned resource level; and the reasons~~
31 ~~for the approved additional resources. The department will also collect and forward to the house~~
32 ~~fiscal advisor, the senate fiscal advisor, and the state budget officer, by November 1 of each year,~~
33 ~~the annual cost reports for each community-based provider for the prior fiscal year.~~

1 ~~The department shall also provide the amount of patient liability to be collected and the~~
2 ~~amount collected as well as the number of individuals who have a financial obligation.~~

3 ~~The department will also provide a list of community based providers awarded an~~
4 ~~advanced payment for residential and community based day programs; the address for each~~
5 ~~property; and the value of the advancement. If the property is sold, the department must report the~~
6 ~~final sale, including the purchaser, the value of the sale, and the name of the agency that operated~~
7 ~~the facility. If residential property, the department must provide the number of individuals residing~~
8 ~~in the home at the time of sale and identify the type of residential placement that the individual(s)~~
9 ~~will be moving to. The department must report if the property will continue to be licensed as a~~
10 ~~residential facility. The department will also report any newly licensed twenty four hour (24) group~~
11 ~~home; the provider operating the facility; and the number of individuals residing in the facility.~~

12 ~~Prior to December 1, 2017, the department will provide the authorizations for community-~~
13 ~~based and day programs, including the unique number of individuals eligible to receive the services~~
14 ~~and at the end of each month the unique number of individuals who participated in the programs~~
15 ~~and claims processed.~~

16 SECTION 7. Section 42-142-8 of the General Laws in Chapter 42-14 entitled "Department
17 of Revenue" is hereby amended to read as follows:

18 **42-142-8. Collection unit**

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

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

25 (c) The agency(ies) participating in the pilot program shall refer to the collection unit
26 within the department of revenue, debts owed by delinquent debtors where the nature and amount
27 of the debt owed has been determined and reconciled by the agency and the debt is: (i) The subject
28 of a written settlement agreement and/or written waiver agreement and the delinquent debtor has
29 failed to timely make payments under the agreement and/or waiver and is therefore in violation of
30 the terms of the agreement and/or waiver; (ii) The subject of a final administrative order or decision
31 and the debtor has not timely appealed the order or decision; (iii) The subject of final order,
32 judgment, or decision of a court of competent jurisdiction and the debtor has not timely appealed
33 the order, judgment, or decision. The collection unit shall not accept a referral of any delinquent
34 debt unless it satisfies subsection (c)(i), (ii) or (iii) of this section.

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

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

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

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

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

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

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

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

29 (j) Upon receipt of a referral of a delinquent debt from an agency(ies), the director of the
30 department of revenue shall have the authority to institute, in its name, any action(s) that are
31 available under state law for collection of the delinquent debt and interest, penalties, and/or fees
32 thereon and to, with or without suit, settle the delinquent debt.

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

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

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

5 (2) The balance of the amount collected to the referring agency.

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

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

13 (o) The department of revenue is authorized to promulgate rules and regulations as it deems
14 appropriate with respect to the collection unit.

15 (p) By September 1, 2020, and each year thereafter, the department of revenue shall
16 specifically assess the performance, effectiveness, and revenue impact of the collections associated
17 with this section, including, but not limited to, the total amounts referred and collected by each
18 referring agency during the previous state fiscal year to the governor, the speaker of the house of
19 representatives, the president of the senate, the chairpersons of the house and senate finance
20 committees, and the house and senate fiscal advisors. The report shall include the net revenue
21 impact to the state of the collection unit.

22 ~~(q) No operations of a collection unit pursuant to this chapter shall be authorized after June~~
23 ~~30, 2021.~~

24 SECTION 8. This article shall take effect upon passage, except for section 4, which shall
25 take effect on January 1, 2022.

26

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. Section 2, Article 6 of Chapter 88 of the 2019 Public Laws is hereby amended
6 to read as follows:

7 Section 2. *University of Rhode Island – Memorial Union – Auxiliary Enterprise*

8 WHEREAS, The Council on Postsecondary Education and the University have a long-
9 standing commitment to the overall development of their students; and

10 WHEREAS, The University believes that the Memorial Union celebrates life at URI and
11 acts as the nexus for campus community, student engagement, and leadership. It is an intersection
12 connecting the academic core of campus and the campus’s socially active residential community.
13 The student union at the University is an integral part of the educational ecosystem that shapes the
14 student experience; and

15 WHEREAS, The Council on Postsecondary Education and the University of Rhode Island
16 are proposing a project which involves the renovation and expansion of the Memorial Union to
17 meet the ongoing and growing needs of their students; and

18 WHEREAS, The University engaged a qualified architectural firm, which has completed
19 an advanced planning study for this renovation; and

20 WHEREAS, The Rhode Island Public Corporation Debt Management Act requires the
21 General Assembly to provide its consent to the issuance or incurring by the State of Rhode Island
22 and other public agencies of certain obligations including financing guarantees or other agreements;
23 and

24 WHEREAS, The design and construction associated with this work of an Auxiliary
25 Enterprise building will be financed through the Rhode Island Health and Educational Building
26 Corporation (RIHEBC) revenue bonds, with an expected term of thirty (30) years; and

27 WHEREAS, The total project costs associated with completion of the project through the
28 proposed financing method is ~~fifty-one million five hundred thousand dollars (\$51,500,000)~~ fifty-
29 seven million six hundred thousand dollars (\$57,600,000), including cost of issuance. Debt service
30 payments would be supported by revenues derived from student fees and retail lease payments
31 associated with the respective Auxiliary Enterprises of the University of Rhode Island occupying
32 said facility. Total debt service on the bonds is not expected to exceed ~~one hundred twelve million~~
33 ~~three hundred thousand dollars (\$112,300,000)~~ one hundred twenty-five million six hundred

1 thousand dollars (\$125,600,000) in the aggregate based on an average interest rate of six (6%)
2 percent; now, therefore be it

3 RESOLVED, That this General Assembly hereby approves financing in an amount not to
4 exceed ~~fifty-one million five hundred thousand dollars (\$51,500,000)~~ fifty-seven million six
5 hundred thousand dollars (\$57,600,000) for the Memorial Union project for the auxiliary enterprise
6 building on the University of Rhode Island campus; and be it further

7 RESOLVED, That this Joint Resolution shall take effect upon passage.

8 SECTION 3. Section 4, Article 6 of Chapter 88 of the 2019 Public Laws is hereby amended
9 to read as follows:

10 Section 4. *University of Rhode Island – Combined Health & Counseling Center – Auxiliary*
11 *Enterprise*

12 WHEREAS, The Council on Postsecondary Education and the University have a long-
13 standing commitment to the health and wellness of their students; and

14 WHEREAS, The University has a desire to create a one-stop center to address the physical,
15 emotional, and mental health of its students; and

16 WHEREAS, The Council on Postsecondary Education and the University of Rhode Island
17 are proposing a project which involves the construction of a new Combined Health & Counseling
18 Center to meet the ongoing and growing health needs of their students; and

19 WHEREAS, The University engaged a qualified architectural firm, which has completed
20 an advanced planning study for this new building; and

21 WHEREAS, The Rhode Island Public Corporation Debt Management Act requires the
22 General Assembly to provide its consent to the issuance or incurring by the State of Rhode Island
23 and other public agencies of certain obligations including financing guarantees or other agreements;
24 and

25 WHEREAS, The design and construction associated with this work of an Auxiliary
26 Enterprise building will be financed through the Rhode Island Health and Educational Building
27 Corporation (RIHEBC) revenue bonds, with an expected term of thirty (30) years; and

28 WHEREAS, The total project costs associated with completion of the project through the
29 proposed financing method is ~~twenty-six nine hundred thousand dollars (\$26,900,000)~~ twenty-nine
30 million dollars (\$29,000,000), including cost of issuance. Debt service payments would be
31 supported by revenues derived from student fees associated with the respective Auxiliary
32 Enterprises of the University of Rhode Island occupying said facility. Total debt service on the
33 bonds is not expected to exceed ~~fifty-eight million seven hundred thousand dollars (\$58,700,000)~~

1 sixty-three million three hundred thousand dollars (\$63,300,000) in the aggregate based on an
2 average interest rate of six (6%) percent; now, therefore be it

3 RESOLVED, That this General Assembly hereby approves financing in an amount not to
4 exceed ~~twenty six million nine hundred thousand dollars (\$26,900,000)~~ twenty-nine million dollars
5 (\$29,000,000) for the Combined Health & Counseling Center project for the auxiliary enterprise
6 building on the University of Rhode Island campus; and be it further

7 RESOLVED, That, this Joint Resolution shall take effect upon passage.

8 SECTION 4. Section 5, Article 16 of Chapter 47 of the 2018 Public Laws is hereby
9 amended to read as follows:

10 Section 5. *Eleanor Slater Hospital Project-Regan Building Renovation*

11 WHEREAS, The Eleanor Slater Hospital (the "Hospital") provides long-term acute care
12 and post-acute care for approximately two hundred twenty (220) individuals with complex
13 psychiatric and medical needs on two campuses - Pastore and Zambarano; and

14 WHEREAS, The Hospital is licensed by the Rhode Island Department of Health
15 ("RIDOH") and accredited triennially by the Joint Commission for the Accreditation of Health Care
16 Organizations ("JCAHO") that enables it to bill Medicare, Medicaid, and commercial insurances
17 for the care it provides; and

18 ~~WHEREAS, The revenue the Hospital can bill Medicare, Medicaid, and other insurers~~
19 ~~approximates \$55.0 million annually; and~~

20 WHEREAS, On the Pastore campus the patients who have psychiatric needs are currently
21 in three buildings (Pinel, Regan and Adolph Meyer) that are older buildings that have not been
22 updated in many years; and

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

27 WHEREAS, In September 2017, JCAHO performed its triennial survey, identified
28 significant ligature risks at the Pinel and the Adolph Meyer Buildings and as a result, gave the
29 Hospital a rating of Immediate Threat to Life, requiring it to submit a long-term plan to address the
30 ligature risks in both buildings; and

31 ~~WHEREAS, The Pinel and the Adolph Meyer Buildings currently do not meet JCAHO~~
32 ~~and CMS requirements and a loss of accreditation for not meeting the submitted plan could lead to~~
33 ~~the loss of approximately \$55.0 million in federal Medicaid match; and~~

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

4 WHEREAS, A renovation of the existing Pinel and Adolph Meyer Buildings would not be
5 financially beneficial due to the magnitude of renovations that would need to be performed on these
6 buildings to allow the Hospital to achieve full accreditation; and

7 WHEREAS, The renovation of the Benton Center will be completed in June 2018, utilizing
8 Rhode Island Capital Plan Fund financing, enabling the Hospital to close the Pinel Building and 2
9 units in the Adolph Meyer Building and relocate approximately forty-five (45) psychiatric patients
10 to Benton; and

11 WHEREAS, This will leave approximately fifty (50) to fifty-five (55) psychiatric patients
12 remaining in the Adolph Meyer Building; and

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

17 WHEREAS, Closing inefficient units in the Adolph Meyer Building will enable the
18 Hospital to reduce operating costs and address the deficiencies cited by the JCAHO; and

19 WHEREAS, There are currently three (3) floors in the Regan Building that can house
20 patients, one that is vacant, one currently with twenty-eight (28) psychiatric patients, and another
21 with currently seventeen (17) medical patients; and whereas a fourth floor can be renovated into an
22 inpatient unit; and

23 WHEREAS, To accommodate the remaining psychiatric patients in the Adolph Meyer
24 Building, three (3) floors would require extensive renovations to meet the current building
25 standards for psychiatric inpatient units, including requirements for ligature resistant features,
26 program areas, step down areas, quiet rooms, restraint rooms and private rooms that currently do
27 not exist in the Regan or the Adolph Meyer Buildings; and

28 WHEREAS, The renovated facility would have ~~a total of one hundred five (105) beds with~~
29 larger inpatient units and program space within the units, thus enabling the Hospital to reduce
30 operating costs and develop programs to assist patients in their recovery and ultimate discharge;
31 and

32 WHEREAS, ~~Due to its age, the Regan Building requires significant infrastructure upgrades~~
33 ~~including: elevator replacement, masonry and window leak repair, and a partial roof replacement~~
34 ~~with an estimated total cost of nine million dollars (\$9,000,000)~~In order to accommodate patients

1 [relocating from Adolph Meyer to the 6th floor of Regan, significant ligature risk remediation work](#)
2 [needs to be performed with an estimated total cost of seven million and nine hundred thousand](#)
3 [dollars \(\\$7,900,000\); and](#)

4 WHEREAS, The capital costs associated with this project are estimated to be forty-nine
5 million, eight hundred fifty thousand dollars (\$49,850,000). This includes \$27,850,000 from the
6 Rhode Island Capital Plan Fund for the renovation of the Benton and Regan Buildings and
7 \$22,000,000 from the issuance of Certificates of Participation to finance the Regan Building
8 renovations [and other improvements to Eleanor Slater Hospital facilities](#). The total issuance would
9 be \$22,000,000, with total lease payments over fifteen (15) years on the \$22,000,000 issuance
10 projected to be \$32,900,000, assuming an average coupon of five percent (5.0%). The lease
11 payments would be financed within the Department of Administration from general revenue
12 appropriations; now, therefore be it

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

16 RESOLVED, This General Assembly hereby approves the issuance of certificates of
17 participation in an amount not to exceed \$22,000,000 for the renovation ~~of the Regan Building,~~
18 ~~part of the Eleanor Slater Hospital~~ [and new construction of various facilities of the Eleanor Slater](#)
19 [Hospital system, including Regan, Benton, Mathias and Adolph Meyer Buildings on the Pastore](#)
20 [Campus, Beazley Building on the Zambarano campus, and newly constructed facilities as may be](#)
21 [determined to best address present and future public healthcare service needs](#); and be it further

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

24 RESOLVED, That this joint resolution shall take effect upon passage by this General
25 Assembly.

26 SECTION 5. *Eleanor Slater Hospital Zambarano Campus Transformation*

27 WHEREAS, The Zambarano facility (“Zambarano”) of Eleanor Slater Hospital provides
28 mental and physical healthcare services to people with varied care and treatment needs on its
29 Zambarano campus (“Zambarano”) located in Burrillville; and

30 WHEREAS, The healthcare services provided at Zambarano are unique in Rhode Island;
31 and

32 WHEREAS, The healthcare services provided at Zambarano include services that are
33 critical to the health, safety, and wellness of Rhode Islanders; and

1 WHEREAS, The Department of Behavioral Healthcare, Developmental Disabilities, and
2 Hospitals (“Department”) projects that there will be a sustained need in Rhode Island’s healthcare
3 system for services that will not be easily accommodated by private healthcare providers; and

4 WHEREAS, The State has an obligation to ensure that all Rhode Islanders can receive
5 healthcare that is appropriate to their needs at the exact time they require it; and

6 WHEREAS, Support of individual freedom and integration within the community is a core
7 principle of healthcare delivery today and has guided the Department’s strategy for ensuring that
8 all Rhode Islanders will receive care in the least-restrictive setting appropriate for their needs; and

9 WHEREAS, Hospital-based settings are considered restrictive, in that they do not afford
10 their patients independence over their affairs to the maximum extent appropriate even though
11 hospital settings are a critical piece of Rhode Island’s healthcare system; and

12 WHEREAS, Healthcare settings that are less restrictive should be preferred over more
13 restrictive settings in all cases when clinically appropriate; and

14 WHEREAS, The least-restrictive setting appropriate for present and future patients of
15 Zambarano is assessed by the Department to be a facility that allows for the delivery of skilled
16 nursing facility services, custodial care nursing facility services, intensive care facility services,
17 traumatic brain injury facility services, and other services that may enable the Department to
18 provide healthcare in the least-restrictive and most therapeutically appropriate possible setting for
19 individuals who otherwise cannot access healthcare at their level of need; and

20 WHEREAS, Healthcare facilities are required by their accrediting bodies to adhere to
21 certain standards regarding patient and staff safety, cleanliness, ventilation, efficiency, and other
22 factors essential to the delivery of healthcare; and

23 WHEREAS, A modern healthcare facility is necessary to provide present and future
24 patients at Zambarano with the highest quality healthcare; and

25 WHEREAS, Facilities on the Zambarano campus include 307,000 square feet of space
26 across 32 buildings; and

27 WHEREAS, Of the buildings on the Zambarano campus, only the Beazley Building,
28 formerly called the Wallum Lake Administration Building, is occupied by patients receiving care
29 at the Hospital; and

30 WHEREAS, Construction of the Beazley Building was completed in 1938; and

31 WHEREAS, The condition of the Beazley Building has deteriorated despite renovations
32 undertaken over the course of its use as a state healthcare facility; and

33 WHEREAS, The Beazley Building has aged past the point at which renovation of the
34 building is considered practical; and

1 WHEREAS, Constructing a new healthcare facility on the Zambarano campus has been
2 deemed more practical than renovating the Beazley Building according to the assessment
3 undertaken by the Division of Capital Asset Management and Maintenance; and

4 WHEREAS, Construction of a new facility on the Zambarano campus will allow patients
5 receiving healthcare at Zambarano today to continue to receive healthcare at Zambarano with
6 minimal interruption to their care; and

7 WHEREAS, The Beazley Building was not designed to provide the services that the
8 Department has deemed are most critical for a state healthcare facility at Zambarano to provide,
9 namely skilled nursing facility services, custodial care nursing facility services, intensive care
10 facility services, and other services that may enable the Department to provide healthcare in the
11 least restrictive and most therapeutically appropriate possible setting for individuals who otherwise
12 cannot access healthcare at their level of need; and

13 WHEREAS, Construction of a new facility allows the state to build a facility that more
14 closely reflects present and future assessed healthcare service needs; and

15 WHEREAS, The capital costs associated with this project are estimated to be fifty-three
16 million, six hundred thousand dollars (\$53,600,000), all of which will be dedicated to the
17 construction of a new facility at Zambarano. The total issuance would be fifty-three million six
18 hundred thousand dollars (\$53,600,000), with total lease payments over fifteen (15) years on the
19 \$53,600,000 issuance projected to be sixty-six million five hundred thousand dollars (\$66,500,000)
20 assuming an estimated average interest rate of two and seventy-five hundredths percent (2.75%).
21 The payments would be financed within the department of administration from general revenue
22 appropriations; and

23 RESOLVED, That construction of a new facility at Zambarano is necessary to provide
24 patients at Eleanor Slater Hospital with the highest quality treatment in the least restrictive setting
25 appropriate for their care; and be it further

26 RESOLVED, This General Assembly hereby approves the issuance of certificates of
27 participation in an amount not to exceed fifty-three million six hundred thousand dollars
28 (\$53,600,000) for the construction of the new facility at Zambarano; and be it further

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

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

33 SECTION 6. *DCYF Child Welfare Information System Replacement*

1 WHEREAS, The Rhode Island department of children, youth, and families is a department
2 of the State of Rhode Island, exercising public and essential governmental functions of the State,
3 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 of
7 all children and families served by Rhode Island's Title IV-E. Such modern systems allow child
8 welfare agencies to respond more adeptly to changes in standards and practices, as well as provide
9 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 difficult
13 to maintain. This technology, as set up today, impedes current child welfare practice through its
14 lack of configurability, lack of mobile access for workers in the field, and lack of access to real-
15 time information when making decisions impacting child placement and services. The system is
16 currently on premise supported by a vendor. This dated technology also makes it difficult to acquire
17 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 state's
22 share of seventeen million dollars (\$17,000,000) issuance are projected to be nineteen million seven
23 hundred thousand dollars (\$19,700,000), assuming an estimated average interest rate of two and
24 seventy-five hundredths percent (2.75%). The payments would be financed within the department
25 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 during
28 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 7. This article shall take effect upon passage.

2

1 **ARTICLE 5**

2 **RELATING TO BORROWING IN ANTICIPATION OF RECEIPTS FROM TAXES**

3 SECTION 1. (a) The State of Rhode Island is hereby authorized to borrow during its fiscal
4 year ending June 30, 2022, in anticipation of receipts from taxes and other sources of such sum or
5 sums, at such time or times and upon such terms and conditions not inconsistent with the provisions
6 and limitations of Section 17 of Article VI of the constitution of Rhode Island, as the general
7 treasurer, with the advice of the Governor, shall deem for the best interests of the state, provided
8 that the amounts so borrowed shall not exceed three hundred million dollars (\$300,000,000), at any
9 time outstanding. The state is hereby further authorized to give its promissory note or notes or
10 other evidences of indebtedness signed by the general treasurer and counter-signed by the secretary
11 of state for the payment of any sum so borrowed. Any such proceeds shall be invested by the
12 general treasurer until such time as they are needed. The interest income earned from such
13 investments shall be used to pay the interest on the promissory note or notes, or other evidences of
14 indebtedness, and any expense of issuing the promissory note or notes, or other evidences of
15 indebtedness, with the balance remaining at the end of said fiscal year, if any, shall be used toward
16 the payment of long-term debt service of the state, unless prohibited by federal law or regulation.

17 (b) Notwithstanding any other authority to the contrary, duly authorized borrowing in
18 anticipation of receipts of taxes and other sources during the fiscal year ending June 30, 2022 may
19 be issued in the form of notes or other evidences of indebtedness of the state. In connection
20 therewith, the state, acting through the general treasurer, may enter into agreements with banks,
21 trust companies or other financial institutions within or outside the state or with the United States
22 government and agencies of the United States government, whether in the form of letters or lines
23 of credit, liquidity facilities, insurance or other support arrangements. Any notes or other evidences
24 of indebtedness shall be issued in such amounts and bear such terms as the general treasurer, with
25 the advice of the governor, shall determine, which may include provisions for prepayment at any
26 time with or without premium or other prepayment fee at the option of the state. Such notes may
27 be sold on a competitive or negotiated basis at a premium or discount, and may bear interest or not
28 and, if interest bearing, may bear interest at one or more fixed rates or at such rate or rates variable
29 from time to time as determined by such index, banking loan rate or other method specified in any
30 agreement relating to the notes or other evidences of indebtedness. Any such agreement may also
31 include such other covenants and provisions for protecting the rights, security and remedies of the
32 noteholders or lenders as may, in the discretion of the general treasurer, be reasonable, legal and
33 proper. The general treasurer may also enter into agreements with firms to facilitate the issuance
34 of the notes or other evidences of indebtedness, including but not limited to trustees, paying agents,

1 underwriters, broker-dealers or placement agents for the underwriting, placement, marketing or
2 remarketing of any such notes or evidences of indebtedness of the state.

3 SECTION 2. This article shall take effect upon passage.

4

1 **ARTICLE 6**

2 **RELATING TO FEES**

3 SECTION 1. Section 5-65-8 and 5-65-9 of the General Laws in Chapter 5-65 entitled
4 “Contractors’ Registration and Licensing Board” are hereby amended to read as follows:

5 **5-65-8. Term of registration – Renewal – Registration identification card.**

6 (a) A certificate of registration shall be valid for ~~two~~ one ~~(2)~~ (1) years from the date of
7 issuance unless the registration is revoked or suspended as described in § 5-65-10. It may be renewed
8 by the same procedure provided for an original registration upon application and furnishing of any
9 additional supplemental information that the board may require by rule.

10 (b) The board shall issue a pocket-card certificate of registration to a contractor registered
11 under this chapter including a picture of the registrant as prescribed by the board in the rules and
12 regulations. The Rhode Island department of administration, division of motor vehicles, shall, upon
13 the board's request, provide electronic copies of the digital photos of any registrant under this
14 chapter on record to be incorporated into the contractors' registration data bank to match the drivers'
15 licenses or IDs provided by registrants or applicants unless the applicant provides written
16 notification to the board to the contrary.

17 (c) The board may vary the dates of registration renewal by giving to the registrant written
18 notice of the renewal date assigned and by making appropriate adjustments in the renewal fee.

19 (d) The presentation of the registration or license identification card shall be mandatory at
20 the time of permit application.

21 (e) If a registrant files in bankruptcy court, the board must be notified in writing by the
22 registrant and kept informed of the status of the case until dismissed, discharged, or resolved in
23 court.

24 **5-65-9. Registration fee.**

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

26 (1) For original registration or renewal of registration, a fee of ~~two hundred dollars~~
27 ~~(\$200)~~ one hundred and fifty dollars (\$150).

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

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

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

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

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

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

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

10 (d) Each year, the department of business regulation shall prepare a proposed budget to
11 support the programs approved by the board. The proposed budget shall be submitted to the board
12 for its review. A final budget request shall be submitted to the legislature as part of the department
13 of business regulation's annual request.

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

16 SECTION 2. Sections 73-4 of Chapter 5 of the General Laws entitled "Roofing
17 Contractors" is hereby amended to read as follows:

18 **5-73-4. Registration fee.**

19 All roofing contractors shall submit a payment in the amount of four hundred dollars
20 (\$400), which shall support the licensing program, representing a license fee along with the
21 application referenced in § 5-73-3, and be required to comply with the provisions of chapter 65 of
22 this title and those provisions shall be interpreted to include commercial roofers as defined in this
23 chapter. Beginning July 1, 2008, all fines and fees collected pursuant to this chapter shall be
24 deposited into a restricted-receipt account for the exclusive use of supporting programs established
25 by the board. The license shall expire every two (2) years on the anniversary date of the license's
26 issuance and may be renewed upon payment of a two hundred dollar (\$200) fee.

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

29 **7-11-206. Licensing and notice fees; and filing requirements for federal covered**
30 **advisers.**

31 (a) A federal covered adviser or an applicant for licensing shall pay an annual fee as
32 follows:

33 (1) Broker-dealer three hundred dollars (\$300) and for each branch office one hundred
34 dollars (\$100);

1 (2) Sales representative ~~seventy five dollars (\$75.00)~~ one hundred dollars (\$100.00);

2 (3) Investment adviser three hundred dollars (\$300);

3 (4) Investment adviser representative sixty dollars (\$60.00); and

4 (5) Federal covered adviser three hundred dollars (\$300).

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

10 (c) A notice filing under this section is effective from receipt until the end of the calendar
11 year. A notice filing may be renewed by filing any documents that have been filed with the U.S.
12 Securities and Exchange Commission as required by the director along with a renewal fee of three
13 hundred dollars (\$300).

14 (d) A federal covered adviser may terminate a notice filing upon providing the director
15 notice of the termination, which is effective upon receipt by the director.

16 (e) Notwithstanding the provisions of this section, until October 11, 1999, the director may
17 require the registration as an investment adviser of any federal covered adviser who has failed to
18 promptly pay the fees required by this section after written notification from the director of the
19 nonpayment or underpayment of the fees. A federal covered adviser is considered to have promptly
20 paid the fees if they are remitted to the director within fifteen (15) days following the federal
21 covered adviser's receipt of written notice from the director.

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

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

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

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

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

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

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

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

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

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

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

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

13 (3) Any location, other than a primary residence, that is used for securities business for less
14 than thirty (30) business days in any one calendar year, provided the broker-dealer complies with
15 the provisions of subsections (f)(2)(i) through (ix) above;

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

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

23 (6) The floor of a registered national securities exchange where a broker-dealer conducts a
24 direct access business with public customers;

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

27 (g) Notwithstanding the exclusions in subsection (f), any location that is responsible for
28 supervising the activities of persons associated with the broker-dealer at one or more non-branch
29 locations of the broker-dealer is considered to be a branch office.

30 (h) The term "business day" as used in subsection (f) shall not include any partial business
31 day provided that the associated person spends at least four (4) hours on such business day at his
32 or her designated branch office during the hours that such office is normally open for business.

33 (i) Where such office of convenience is located on bank premises, signage necessary to
34 comply with applicable federal and state laws, rules and regulations and applicable rules and

1 regulations of the New York Stock Exchange, other self-regulatory organizations, and securities
2 and banking regulators may be displayed and shall not be deemed "holding out" for purposes of
3 subsection (f)(4).

4 (j) If an application is denied or withdrawn or the license is revoked, suspended, or
5 withdrawn, the director is not required to refund the fee paid.

6 (k) The director may issue a stop order suspending the activities of a federal covered
7 adviser in this state if the director reasonably believes there has been a violation of the provisions
8 of this section.

9 SECTION 4. Section 23-1-34 of the General Laws in Chapter 23-1 entitled "Department
10 of Health" is hereby amended to read as follows:

11 **23-1-34. Health promotion income.**

12 (a) The director shall maintain an accurate and timely accounting of money received from
13 the sale of health promotional products, services, or data created by the department of health. This
14 money shall be deposited as general revenue.

15 (b) The director is authorized to establish reasonable fees for processing special data
16 analysis of health data. "Special data analysis" shall mean compiling and/or analyzing health-
17 related data in a manner not ordinarily kept in the course of business by the department of health
18 and not otherwise subject to the state's access to public records act (APRA) in chapter 2, title 38 of
19 the general laws. Special data requests are subject to the following requirements:

20 (1) Special data analysis requests shall include requests that require data analysis,
21 calculation, and interpretation. Requesters shall be notified in advance of costs for special data
22 analysis and shall be given an opportunity to not proceed.

23 (2) In its sole discretion, nothing herein shall require the department of health to process a
24 request for special data analysis.

25 (3) The fees collected for special data analysis shall be non-refundable, regardless of the
26 outcome of the special data analysis.

27 (4) The director shall have the authority to waive fees at his or her sole discretion.

28 (5) The final special data analysis shall be deemed to be public records in accordance with
29 APRA.

30 (c) The process for requesting special data analysis and fees shall be established through
31 the promulgation of rules and regulations, which also shall prohibit charging Rhode Island state
32 agencies fees for special data analysis. All fees collected for special data analysis shall be deposited
33 as general revenues, with approximately 50% of such fees collected appropriated to the department

1 [of health on an annual basis to be used to sustain its capacity to manage and sustain data systems](#)
2 [necessary to meet data requester needs in a timely manner.](#)

3 SECTION 5. Section 23-17-38.1 of the General Laws in Chapter 23-17 entitled “Licensing
4 of Health Care Facilities” is hereby amended to read as follows:

5 **23-17-38.1. Hospitals – Licensing fee.**

6 ~~(a) There is also imposed a hospital licensing fee at the rate of six percent (6%) upon the~~
7 ~~net patient services revenue of every hospital for the hospital's first fiscal year ending on or after~~
8 ~~January 1, 2017, except that the license fee for all hospitals located in Washington County, Rhode~~
9 ~~Island shall be discounted by thirty seven percent (37%). The discount for Washington County~~
10 ~~hospitals is subject to approval by the Secretary of the U.S. Department of Health and Human~~
11 ~~Services of a state plan amendment submitted by the executive office of health and human services~~
12 ~~for the purpose of pursuing a waiver of the uniformity requirement for the hospital license fee. This~~
13 ~~licensing fee shall be administered and collected by the tax administrator, division of taxation~~
14 ~~within the department of revenue, and all the administration, collection, and other provisions of~~
15 ~~chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator~~
16 ~~on or before July 10, 2019, and payments shall be made by electronic transfer of monies to the~~
17 ~~general treasurer and deposited to the general fund. Every hospital shall, on or before June 14,~~
18 ~~2019, make a return to the tax administrator containing the correct computation of net patient~~
19 ~~services revenue for the hospital fiscal year ending September 30, 2017, and the licensing fee due~~
20 ~~upon that amount. All returns shall be signed by the hospital's authorized representative, subject to~~
21 ~~the pains and penalties of perjury.~~

22 (b) (a) There is ~~also~~ imposed a hospital licensing fee at the rate of six percent (6%) upon
23 the net patient-services revenue of every hospital for the hospital's first fiscal year ending on or
24 after January 1, 2018, except that the license fee for all hospitals located in Washington County,
25 Rhode Island shall be discounted by thirty-seven percent (37%). The discount for Washington
26 County hospitals is subject to approval by the Secretary of the U.S. Department of Health and
27 Human 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 license
29 fee. This licensing fee shall be administered and collected by the tax administrator, division of
30 taxation within the department of revenue, and all the administration, collection, and other
31 provisions of Chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the tax
32 administrator on or before July 13, 2020, and payments shall be made by electronic transfer of
33 monies to the general treasurer and deposited to the general fund. Every hospital shall, on or before
34 June 15, 2020, make a return to the tax administrator containing the correct computation of net

1 patient- services revenue for the hospital fiscal year ending September 30, 2018, and the licensing
2 fee due upon that amount. All returns shall be signed by the hospital's authorized representative,
3 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 net
6 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 services
11 for the purpose of pursuing a waiver of the uniformity requirement for the hospital license fee. This
12 licensing fee shall be administered and collected by the tax administrator, division of taxation
13 within the department of revenue, and all the administration, collection, and other provisions of
14 Chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator
15 on or before July 13, 2021, and payments shall be made by electronic transfer of monies to the
16 general treasurer and deposited to the general fund. Every hospital shall, on or before June 15,
17 2020, make a return to the tax administrator containing the correct computation of net patient-
18 services revenue for the hospital fiscal year ending September 30, 2018, and the licensing fee due
19 upon that amount. All returns shall be signed by the hospital's authorized representative, subject to
20 the pains and penalties of perjury.

21 ~~(e)~~ (c) There is also imposed a hospital licensing fee for state fiscal year 2022 against each
22 hospital in the state. The hospital licensing fee is equal to six percent (6.0%) of the net patient-
23 services revenue of every hospital for the hospital's first fiscal year ending on or after January 1,
24 2020, except that the license fee for all hospitals located in Washington County, Rhode Island shall
25 be discounted by thirty-seven percent (37%). The discount for Washington County hospitals is
26 subject to approval by the Secretary of the U.S. Department of Health and Human Services of a
27 state plan amendment submitted by the executive office of health and human services for the
28 purpose of pursuing a waiver of the uniformity requirement for the hospital license fee. This
29 licensing fee shall be administered and collected by the tax administrator, division of taxation
30 within the department of revenue, and all the administration, collection, and other provisions of
31 Chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator
32 on or before July 13, 2022, and payments shall be made by electronic transfer of monies to the
33 general treasurer and deposited to the general fund. Every hospital shall, on or before June 15,
34 2022, make a return to the tax administrator containing the correct computation of net patient-

1 [services revenue for the hospital fiscal year ending September 30, 2020, and the licensing fee due](#)
2 [upon that amount. All returns shall be signed by the hospital's authorized representative, subject to](#)
3 [the pains and penalties of perjury.](#)

4 (d) For purposes of this section the following words and phrases have the following
5 meanings:

6 (1) "Hospital" means the actual facilities and buildings in existence in Rhode Island,
7 licensed pursuant to § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on
8 that license, regardless of changes in licensure status pursuant to chapter 17.14 of title 23 (hospital
9 conversions) and § 23-17-6(b) (change in effective control), that provides short-term acute inpatient
10 and/or outpatient care to persons who require definitive diagnosis and treatment for injury, illness,
11 disabilities, or pregnancy. Notwithstanding the preceding language, the negotiated Medicaid
12 managed care payment rates for a court-approved purchaser that acquires a hospital through
13 receivership, special mastership, or other similar state insolvency proceedings (which court-
14 approved purchaser is issued a hospital license after January 1, 2013) shall be based upon the newly
15 negotiated rates between the court-approved purchaser and the health plan, and such rates shall be
16 effective as of the date that the court-approved purchaser and the health plan execute the initial
17 agreement containing the newly negotiated rate. The rate-setting methodology for inpatient hospital
18 payments and outpatient hospital payments set forth in §§ 40-8-13.4(b) and 40-8-13.4(b)(2),
19 respectively, shall thereafter apply to negotiated increases for each annual twelve-month (12)
20 period as of July 1 following the completion of the first full year of the court-approved purchaser's
21 initial Medicaid managed care contract.

22 (2) "Gross patient-services revenue" means the gross revenue related to patient care
23 services.

24 (3) "Net patient-services revenue" means the charges related to patient care services less
25 (i) charges attributable to charity care; (ii) bad debt expenses; and (iii) contractual allowances.

26 (e) The tax administrator shall make and promulgate any rules, regulations, and procedures
27 not inconsistent with state law and fiscal procedures that he or she deems necessary for the proper
28 administration of this section and to carry out the provisions, policy, and purposes of this section.

29 (f) The licensing fee imposed by subsection ~~(b)~~ (a) shall apply to hospitals as defined herein
30 that are duly licensed on July 1, ~~2019-2020~~, and shall be in addition to the inspection fee imposed
31 by § 23-17-38 and to any licensing fees previously imposed in accordance with this section.

32 (g) The licensing fee imposed by subsection ~~(e)~~ (b) shall apply to hospitals as defined
33 herein that are duly licensed on July 1, ~~2020~~ 2021, and shall be in addition to the inspection fee

1 imposed by § 23-17-38 and to any licensing fees previously imposed in accordance with this
2 section.

3 SECTION 6. Section 42-17.1-9.1 of the General Laws in Chapter 42-17.1 entitled "User
4 fees at state beaches, parks, and recreation areas" is hereby amended to read as follows:

5 **42-17.1-9.1. User fees at state beaches, parks, and recreation areas.**

6 (a) The department of environmental management in pursuance of its administrative duties
7 and responsibilities may charge a user fee for any state beach, or recreational area under its
8 jurisdiction, and fees for the use of its services or facilities.

9 (b) The fee may be on a daily or annual basis, or both, and may be based on vehicle parking
10 or other appropriate means. The fees may recognize the contribution of Rhode Island taxpayers to
11 support the facilities in relation to other users of the state's facilities. The fee structure may
12 acknowledge the need to provide for all people, regardless of circumstances.

13 (c) An additional fee for camping and other special uses may be charged where appropriate.
14 Rates so charged should be comparable to equivalent commercial facilities.

15 (d) All such fees shall be established after a public hearing.

16 (e) All daily fees from beach parking, which shall also include fees charged and collected
17 at Ninigret conservation area and Charlestown breachway, shall be shared with the municipality in
18 which the facility is located on the basis of seventy-three percent (73%) retained by the state and
19 twenty-seven percent (27%) remitted to the municipality; provided, further, from July 1, 2016, until
20 October 1, 2021, the beach fees charged and collected under this subsection shall be equal to those
21 in effect on June 30, 2011.

22 **(1) Notwithstanding subsection (e), effective July 1, 2021, the fees charged and collected**
23 **for facilities located in the town of Westerly may exceed those in effect on June 30, 2011, in an**
24 **amount to be reasonably determined by the department of environmental management.**

25 (f) Fifty percent (50%) of all user and concession fees received by the state shall be
26 deposited as general revenues. For the year beginning July 1, 1979, the proportion of user and
27 concession fees to be received by the state shall be sixty-five percent (65%); for the year beginning
28 July 1, 1980, eighty-five percent (85%); and for the year beginning July 1, 1981, and all years
29 thereafter, one hundred percent (100%). The general revenue monies appropriated are hereby
30 specifically dedicated to meeting the costs of development, renovation of, and acquisition of state-
31 owned recreation areas and for regular maintenance, repair and operation of state owned recreation
32 areas. Purchases of vehicles and equipment and repairs to facilities shall not exceed four hundred
33 thousand dollars (\$400,000) annually. Notwithstanding the provisions of § 37-1-1 or any other
34 provision of the general laws, the director of the department of environmental management is

1 hereby authorized to accept any grant, devise, bequest, donation, gift, or assignment of money,
2 bonds, or other valuable securities for deposit in the same manner as provided above for user and
3 concession fees retained by the state.

4 (g) No fee shall be charged to any school or other nonprofit organization provided that a
5 representative of the school or other organization gives written notice of the date and time of their
6 arrival to the facility.

7 SECTION 7. Sections 44-19-1 and 44-19-2 of the General Laws in Chapter 44-19 entitled
8 “Sales and Use Taxes – Enforcement and Collection” are hereby amended to read as follows:

9 **44-19-1. Annual permit required – Retail business subject to sales tax – Promotion of**
10 **shows – Revocation of show permit.**

11 (a)(1) Every person desiring to engage in or conduct within this state a business of making
12 sales at retail, or engage in a business of renting living quarters in any hotel, rooming house, or
13 tourist camp, the gross receipts from which sales or rental charges are required to be included in
14 the measure of the tax imposed under chapter 18 of this title, shall file with the tax administrator
15 an application for a permit for each place of business. The application shall be in a form, include
16 information, and bear any signatures that the tax administrator may require. ~~At the time of making~~
17 ~~an application, the applicant shall pay to the tax administrator a permit fee of ten dollars (\$10.00)~~
18 ~~for each permit.~~ There shall be no fee for this permit. Every permit issued under this chapter expires
19 ~~on June 30 of each year~~ at the times prescribed by the tax administrator.

20 (2) Every permit holder shall annually, ~~on or before February 1~~ on forms prescribed and at
21 the times prescribed by the tax administrator ~~of each year~~, renew its permit by filing an application
22 ~~for renewal along with a ten dollars (\$10.00) renewal fee.~~ The renewal permit is valid for the period
23 July 1 of that calendar year through June 30 of the subsequent calendar year unless otherwise
24 canceled, suspended or revoked. All fees received under this section are allocated to the tax
25 administrator for enforcement and collection of all taxes.

26 (b)(1) Every promoter of a show shall, at least ten (10) days prior to the opening of each
27 show, file with the tax administrator a notice stating the location and dates of the show, in a form
28 prescribed by the tax administrator.

29 (2) The tax administrator shall, within five (5) days after the receipt of that notice, issue to
30 the promoter, without charge, a permit to operate the show, unless the provisions of subdivision (5)
31 of this subsection have been applied to the promoter. No promoter may operate a show without
32 obtaining the permit. The permit shall be prominently displayed at the main entrance of the show.

1 (3) Any promoter who is a retailer shall comply with all of the provisions of this chapter
2 and chapter 18 relating to retailers, in addition to all of the provisions of this chapter relating to
3 promoters.

4 (4) A promoter may not permit any person to display or sell tangible personal property,
5 services, or food and drink at a show unless that person is registered under subsection (a) of this
6 section and displays his or her permit in accordance with the provisions of subsection (a) of this
7 section.

8 (5) Any promoter who permits any person to display or sell tangible personal property,
9 services, or food and drink at a show who is not registered, or does not display a permit, or fails to
10 keep a record or file a monthly report of the name, address and permit number of every person
11 whom the promoter permitted to sell or display tangible personal property, services, or food and
12 drink at a show, is subject to revocation of all existing permits issued pursuant to this section to
13 operate a show, and to the denial of a permit to operate any show for a period of not more than two
14 (2) years, in addition to the provisions of § 44-19-31.

15 **44-19-2. Issuance of permit – Assignment prohibited – Display – Fee for renewal after**
16 **suspension or revocation.**

17 Upon receipt of the required application and permit fee, the tax administrator shall issue to
18 the applicant a separate permit for each place of business within the state. If the applicant, at the
19 time of making the application, owes any tax, penalty, or interest imposed under ~~chapters 18 and~~
20 ~~19 of~~ this title, then before a permit is issued the applicant shall pay the amount owed. A permit is
21 not assignable and is valid only for the person in whose name it is issued and for the transaction of
22 business at the place designated in the permit. The permit shall at all times be conspicuously
23 displayed at the place for which issued. ~~A retailer whose permit has been previously suspended or~~
24 ~~revoked shall pay to the tax administrator a fee of ten dollars (\$10.00) for the renewal or issuance~~
25 ~~of a permit.~~

26 SECTION 8. Sections 46-23-7.1, 46-23-7.3, and 46-23-7.4 of the General Laws in
27 Chapter 46-23 of entitled “Coastal Resources Management Council” are hereby amended to read
28 as follows:

29 **46-23-7.1 Administrative penalties.**

30 Any person who violates, or refuses or fails to obey, any notice or order issued pursuant to
31 § 46-23-7(a); or any assent, order, or decision of the council, may be assessed an administrative
32 penalty by the chairperson or executive director in accordance with the following:

33 (1) The chairperson or executive director is authorized to assess an administrative penalty
34 of not more than ~~two thousand five hundred dollars (\$2,500)~~ ten thousand dollars (\$10,000) for

1 each violation of this section, and is authorized to assess additional penalties of not more than ~~five~~
2 ~~hundred dollars (\$500)~~ one thousand (\$1,000) for each day during which this violation continues
3 after receipt of a cease and desist order from the council pursuant to § 46-23-7(a), but in no event
4 shall the penalties in ~~an~~ aggregate ~~equal or~~ exceed ~~ten thousand dollars (\$10,000)~~ fifty thousand
5 dollars (\$50,000). Prior to the assessment of a penalty under this subdivision, the property owner
6 or person committing the violation shall be notified by certified mail or personal service that a
7 penalty is being assessed. The notice shall include a reference to the section of the law, rule,
8 regulation, assent, order, or permit condition violated; a concise statement of the facts alleged to
9 constitute the violation; a statement of the amount of the administrative penalty assessed; and a
10 statement of the party's right to an administrative hearing.

11 (2) The party shall have twenty-one (21) days from receipt of the notice within which to
12 deliver to the council a written request for a hearing. This request shall specify in detail the
13 statements contested by the party. The executive director shall designate a person to act as hearing
14 officer. If no hearing is requested, then after the expiration of the twenty-one (21) day period, the
15 council shall issue a final order assessing the penalty specified in the notice. The penalty is due
16 when the final order is issued. If the party shall request a hearing, any additional daily penalty shall
17 not commence to accrue until the council issues a final order.

18 (3) If a violation is found to have occurred, the council may issue a final order assessing
19 not more than the amount of the penalty specified in the notice. The penalty is due when the final
20 order is issued.

21 (4) The party may within thirty (30) days appeal the final order, of fine assessed by the
22 council to the superior court ~~which shall hear the assessment of the fine de novo~~.

23 46-23-7.3 Criminal penalties.

24 Any person who knowingly violates any provision of this chapter, the coastal resources
25 management program, or any rule, regulation, assent, or order shall be guilty of a misdemeanor,
26 and, upon conviction thereof shall be fined not more than ~~five hundred dollars (\$500)~~ one thousand
27 dollars (\$1,000) or by imprisonment of not more than three (3) months or both; and each day the
28 violation is continued or repeated shall be deemed a separate offense.

29 46-23-7.4 Penalty for blocking or posting of rights-of-way.

30 Any person who shall post or block any tidal water, public right-of-way, as designated by
31 the council, shall be punished by a fine not exceeding ~~five hundred dollars (\$500)~~ one thousand
32 dollars (\$1,000) or by imprisonment for not more than three (3) months or both; and each day the
33 posting or blocking continues or is repeated shall be deemed a separate offense. The chairperson
34 of the council, through council's legal counsel or the attorney general, may apply to any court of

1 competent jurisdiction for an injunction to prevent the unlawful posting or blocking of any tidal
2 water, public right-of-way.

3 SECTION 9. This article shall take effect July 1, 2021.

4

1 **ARTICLE 7**

2 **RELATING TO THE ENVIRONMENT**

3 SECTION 1. Section 2-7-4 of the General Laws in Chapter 2-7 entitled "Commercial
4 Fertilizer" is hereby amended to read as follows:

5 **2-7-4. Registration.**

6 (a) Each brand and grade of commercial fertilizer shall be registered by the manufacturer
7 or by that person whose name appears upon the label before being distributed in this state. The
8 application for registration shall be submitted to the director on a form furnished by the director,
9 and shall be accompanied by a fee of ~~seventy-two dollars (\$72.00)~~ one hundred dollars (\$100) per
10 brand or grade registered.

11 (1) All revenues received from registration fees shall be deposited as general revenues.

12 (2) All applications for registration shall be accompanied by a label or true copy of the
13 label.

14 (3) Upon approval by the director, a copy of the registration shall be furnished to the
15 applicant.

16 (4) All registrations expire on December 31st of each year.

17 (5) The application includes the following information:

18 (i) The brand and grade;

19 (ii) The guaranteed analysis;

20 (iii) The name and address of the registrant.

21 (b) A distributor is not required to register any commercial fertilizer which is already
22 registered under this chapter by another person, providing the label does not differ in any respect.

23 (c) A distributor is not required to register each grade of commercial fertilizer formulated
24 according to specifications which are furnished by a consumer prior to mixing.

25 (d) The plant nutrient content of each and every brand and grade of commercial fertilizer
26 must remain uniform for the period of registration.

27 SECTION 2. Section 4-2-4 of the General Laws in Chapter 4-2 entitled "Commercial
28 Feeds" is hereby amended to read as follows:

29 **4-2-4. Registration.**

30 (a) No person shall manufacture a commercial feed in this state, unless he or she has filed
31 with the director on forms provided by the director, his or her name, place of business and location
32 of each manufacturing facility in this state.

33 (b) No person shall distribute in this state a commercial feed except a customer formula
34 feed, which has not been registered pursuant to this section. The application for registration,

1 accompanied by a ~~sixty dollar (\$60.00)~~ one hundred dollars (\$100) per brand registration fee, shall
2 be submitted in the manner prescribed by the director, on forms furnished by the director. A tag,
3 label, or facsimile for each brand to be registered must accompany the application. Upon approval
4 by the director, the registration shall be issued to the applicant. All registrations expire on the 31st
5 day of December of each year.

6 (c) The director is empowered to refuse registration of any commercial feed not in
7 compliance with this chapter and to cancel any registration subsequently found not to be in
8 compliance with any provisions of this chapter provided, that no registration shall be refused or
9 canceled unless the registrant has been given an opportunity to be heard before the director and to
10 amend his or her application in order to comply with the requirements of this chapter.

11 (d) Changes of either chemical or ingredient composition of a registered commercial feed
12 may be permitted with no new registration required provided there is satisfactory evidence that
13 those changes would not result in a lowering of the guaranteed analysis of the product for the
14 purpose for which designed, and provided a new label is submitted to the director notifying the
15 director of the change.

16 (e) All moneys received by the director under this chapter shall be deposited as general
17 revenues and shall consist of all fertilizer registration and tonnage fees paid pursuant to §§ 2-7-4
18 and 2-7-6 and fees paid pursuant to § 4-2-4.

19 (f) All moneys appropriated for the feed and fertilizer quality testing program shall be made
20 available for the following purposes:

21 (1) To support the feed and fertilizer testing laboratory for the testing and analysis of
22 commercial feeds distributed within this state for the expressed purpose of detection of deficiency.

23 (2) For payment of ancillary services, personnel and equipment incurred in order to carry
24 out the purposes of quality assurance defined by this chapter.

25 SECTION 3. Section 20-1-13 of the General Laws in Chapter 20-1 entitled "General
26 Provisions" is hereby amended to read as follows:

27 **20-1-13. Publication and effective date of seasons and bag limits.**

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

32 SECTION 4. Sections 20-2-15, 20-2-16, 20-2-17, 20-2-18, 20-2-18.1, 20-2-18.3, 20-2-30,
33 20-2-37 and 20-2-42 of the General Laws in Chapter 20-2 entitled "Licensing" are hereby amended
34 to read as follows:

1 **20-2-15. Freshwater fishing license.**

2 (a)(1) *Resident*: ~~eighteen dollars (\$18.00)~~; twenty-one dollars (\$21.00); commencing July
3 1, 2025, twenty-four dollars (\$24.00); commencing July 1, 2028, twenty-seven dollars (\$27.00).

4 (2) *Nonresident*: ~~thirty-five dollars (\$35.00)~~; thirty-eight dollars (\$38.00); commencing
5 July 1, 2025, forty-one dollars (\$41.00); commencing July 1, 2028, forty-four dollars (\$44.00).

6 (3) *Nonresident tourist*: ~~sixteen dollars (\$16.00)~~; eighteen dollars (\$18.00); commencing
7 July 1, 2025, twenty dollars (\$20.00); commencing July 1, 2028, twenty-two dollars (\$22.00). This
8 license shall entitle the licensee to fish in Rhode Island for three (3) consecutive days including the
9 day of issue.

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

11 **20-2-16. Hunting License.**

12 (a)(1) *Resident*: ~~eighteen dollars (\$18.00)~~; twenty-one dollars (\$21.00); commencing July
13 1, 2025, twenty-four dollars (\$24.00); commencing July 1, 2028, twenty-seven dollars (\$27.00).

14 (2) *Nonresident*: ~~forty-five dollars (\$45.00)~~; fifty-five dollars (\$55.00); commencing July
15 1, 2025, sixty-five dollars (\$65.00); commencing July 1, 2028, seventy-five dollars (\$75.00).

16 (3) *Nonresident landowner*: a nonresident citizen of the United States and owner of real
17 estate in Rhode Island assessed for taxation at a valuation of not less than thirty thousand dollars
18 (\$30,000) may obtain a resident's hunting license.

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

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

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

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

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

26 **20-2-17. Combination fishing and hunting license.**

27 The director may grant to any eligible resident applying for a combination hunting and
28 fishing license a license that shall entitle the licensee to the privileges of both hunting and fishing
29 licenses, for a fee of ~~thirty-three dollars (\$33.00)~~; thirty-eight dollars (\$38.00); commencing July 1,
30 2025, forty-three dollars (\$43.00); commencing July 1, 2028, forty-eight dollars (\$48.00). The
31 license shall expire on the last day of February of each year.

32 **20-2-18. Deer Permits**

33 (a)(1) *Resident*: ~~twelve dollars and fifty cents (\$12.50)~~; thirteen dollars (\$13.00);
34 commencing July 1, 2025, fourteen dollars (\$14.00); commencing July 1, 2028, fifteen dollars

1 [\(\\$15.00\).](#)

2 (2) Nonresident: ~~twenty-five~~ [twenty-six](#) dollars and fifty cents (~~(\$25.50)~~[\\$26.50](#));
3 [commencing July 1, 2025, twenty-seven dollars and fifty cents \(\\$27.50\); commencing July 1, 2028,](#)
4 [twenty-eight dollars and fifty cents \(\\$28.50\).](#)

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

6 **[20-2-18.1. Wild turkey permits.](#)**

7 (a) No person shall attempt to take any wild turkey without first obtaining a regular hunting
8 license and a turkey permit for the current year. Permits shall be sold at the direction of the director
9 for a fee of ~~seven dollars and fifty cents~~ [eight dollars](#) (~~(\$7.50)~~[\\$8.00](#)) for residents and ~~twenty-one~~
10 ~~dollars and fifty cents~~ (~~(\$20.00)~~[\\$21.50](#)) for nonresidents. [Commencing July 1, 2025, permits shall](#)
11 [be sold for a fee of nine dollars \(\\$9.00\) for residents and twenty-three dollars \(\\$23.00\) for](#)
12 [nonresidents. Commencing July 1, 2028, permits shall be sold for a fee of ten dollars and fifty cents](#)
13 [\(\\$10.50\) for residents and twenty-four dollars and fifty cents \(\\$24.50\) for nonresidents.](#) The issuing
14 agent may retain a fee of fifty cents (\$.50) for each permit and shall remit ~~seven dollars (\$7.00) for~~
15 ~~resident permits and nineteen dollars and fifty cents (\$19.50) for nonresident permits~~ [the remainder](#)
16 to the department.

17 (b) A wild turkey permit shall be good only for the season in which it is issued.

18 (c) All monies derived [by the department](#) from the sale of wild turkey permits shall be
19 expended for turkey habitat acquisition in Rhode Island and wild turkey restoration management
20 and research.

21 **[20-2-18.3. Stocked game bird permit fees and bag limits.](#)**

22 Permits shall be sold at the direction of the director for a fee of ~~fifteen~~ [seventeen](#) dollars
23 ~~and fifty cents~~ (~~(\$15.50)~~[\\$17.00](#)). [Commencing July 1, 2025, the fee for a permit shall be eighteen](#)
24 [dollars and fifty cents \(\\$18.50\). Commencing July 1, 2028, the fee for a permit shall be twenty-one](#)
25 [dollars \(\\$21.00\).](#) The issuing agent will retain a fee of fifty cents (\$0.50) for each permit and shall
26 remit ~~fifteen dollars (\$15.00)~~ [the remainder](#) to the department. The permit will allow the person to
27 harvest a daily bag and season limit as described in regulations promulgated by the director. All
28 monies derived [by the department](#) from the sale of stocked game bird permits shall be expended
29 for stocking game birds and wildlife habitat acquisition in Rhode Island.

30 **[20-2-30. Fur trapping and licenses.](#)**

31 (a)(1) Fur trapper – Resident: ~~ten~~ [fifteen](#) dollars (~~(\$10.00)~~[\\$15.00](#)); [commencing July 1, 2025,](#)
32 [twenty dollars \(\\$20.00\); commencing July 1, 2028, twenty-five dollars \(\\$25.00\).](#)

33 (2) Fur trapper – Nonresident: ~~thirty~~ [fifty](#) dollars (~~(\$30.00)~~[\\$50.00](#)); [commencing July 1,](#)
34 [2025, seventy-five dollars \(\\$75.00\); commencing July 1, 2028, one hundred dollars \(\\$100.00\).](#)

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

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

3 (a) Stamps shall be sold at the direction of the director for a fee of ~~seven~~ eight dollars ~~and~~
4 ~~fifty cents~~ ~~(\$7.50)~~\$8.00. Commencing July 1, 2025, the fee for a stamp shall be nine dollars (\$9.00).
5 Commencing July 1, 2028, the fee for a stamp shall be ten dollars (\$10.00). The issuing agent may
6 retain a fee of fifty cents (\$.50) for each stamp and shall remit ~~seven dollars (\$7.00)~~ the remainder
7 of each fee to the department. The director shall establish a uniform sale price for all categories of
8 by-products.

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

10 **20-2-42. Trout conservation stamp fee.**

11 Stamps shall be sold at the direction of the director for a fee of five dollars and fifty cents
12 (\$5.50). Commencing July 1, 2025, the fee for a stamp shall be six dollars (\$6.00). Commencing
13 July 1, 2028, the fee for a stamp shall be six dollars and fifty cents (\$6.50). The issuing agent may
14 retain a fee of fifty cents (\$.50) for each stamp sold and shall remit ~~five dollars (\$5.00)~~ the
15 remainder of each fee to the department. The director shall establish uniform sale prices for all
16 categories of by-products.

17 SECTION 5. Section 23-25-6.1 of the General Laws in Chapter 23-25 entitled "Pesticide
18 Control" is hereby amended to read as follows:

19 **23-25-6.1. Registration fee - Surcharge.**

20 In addition to the annual registration fee of fifty dollars (\$50.00) as required by § 23-25-6,
21 an additional ~~one hundred fifty dollar (\$150)~~ two hundred fifty dollars (\$250) registration surcharge
22 fee shall be imposed upon each pesticide to be sold or used within the state, unless the director has
23 determined the subject product is a "statewide minor use" product pursuant to § 23-25-6(b)(3). The
24 registration surcharge fee shall be deposited as general revenues.

25 SECTION 6. This article shall take effect on July 1, 2021.

26

1 distribution or natural gas distribution company shall provide each community liaison with the
2 necessary feeder map or maps outlining municipal substations and distribution networks and up-
3 to-date customer outage reports at the time of designation as a community liaison. An investor-
4 owned electric distribution or natural gas distribution company shall, at a minimum, provide each
5 community liaison with three (3) customer outage report updates for each twenty-four (24) hour
6 period, to the liaison's respective city or town. The community liaison shall utilize the maps and
7 outage reports to respond to inquiries from state and local officials and relevant regulatory agencies.

8 (f) On or before October 1 of each year, every city or town shall notify each investor-owned
9 electric distribution or natural gas distribution company and the Rhode Island emergency
10 management agency of the name of the emergency management official or designee responsible
11 for coordinating the emergency response during storm restoration. If a municipality does not have
12 a designated emergency management official, the chief municipal officer shall designate one public
13 safety official responsible for said emergency response.

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

22 (h) Notwithstanding any general or special law or rule or regulation to the contrary, upon
23 request by the commission, division and any emergency management agency each electric
24 distribution or natural gas distribution company conducting business in the state shall provide
25 periodic reports regarding emergency conditions and restoration performance during an emergency
26 event consistent with orders of the commission and/or division.

27 **39-2-27. Standards of acceptable performance for emergency preparation and**
28 **restoration of service.**

29 The division shall open a docket and establish standards of acceptable performance for
30 emergency preparation and restoration of service for each investor-owned electric and gas
31 distribution company doing business in the state. The division shall levy a penalty not to exceed
32 one hundred thousand dollars (\$100,000) for each violation for each day that the violation of the
33 division's standards persists; provided, however, that the maximum penalty shall not exceed seven
34 million five hundred thousand dollars (\$7,500,000) for any related series of violations. The division

1 shall open a full investigation, upon its own initiative. Nothing herein shall prohibit any affected
2 city or town from filing a complaint with the division regarding a violation of the division's
3 standards of acceptable performance by an investor-owned electric distribution or natural gas
4 distribution company; provided, however, that said petition shall be filed with the division no later
5 than ninety (90) days after the violation has been remedied. After an initial review of the complaint,
6 the division shall make a determination as to whether to open a full investigation.

7 **39-2-28. Levied penalties to be credited back to customers.**

8 Any penalty levied by the division against an investor-owned electric distribution or natural
9 gas distribution company for any violation of the division's standards of acceptable performance
10 for emergency preparation and restoration of service for electric and gas distribution companies
11 shall be credited back to the company's customers in a manner determined by the commission.

12 SECTION 2. This article shall take effect upon passage.

13

1 **ARTICLE 9**

2 **RELATING TO ECONOMIC DEVELOPMENT**

3 SECTION 1. Sections 5-8-2, 5-8-10, 5-8-11, 5-8-12 and 5-8-15 of Chapter 5-8 of the
4 General Laws entitled "Engineers" are hereby amended as follows:

5 **5-8-2. Definitions.**

6 As used or within the intent of this chapter:

7 (a) "Accredited program" means specific engineering curricula within established
8 institutions of higher learning that have both met the criteria of, and have been designated by, the
9 ~~Engineering Accreditation Commission of the~~ following commissions of the Accreditation Board
10 for Engineering and Technology, Inc. ~~(ABET-EAC)~~ ("ABET"); the Engineering Accreditation
11 Commission ("ABET-EAC") and the Engineering Technology Accreditation Commission
12 ("ABET-ETAC").

13 (b) "Board" means the state board of registration for professional engineers subsequently
14 provided by this chapter.

15 (c) "Department" means the department of business regulation.

16 (d) "Director" means the director of the department of business regulation or his or her
17 designee.

18 (e) "Engineer" means a person who, by reason of his or her special knowledge and use of
19 the mathematical, physical, and engineering sciences and the principles and methods of engineering
20 analysis and design, acquired by engineering education and engineering experience, is qualified to
21 practice engineering, as subsequently defined, and as attested by his or her registration as an
22 engineer.

23 (f) "Engineer-in-training" means a person who complies with the requirements for
24 education, experience, and character, and has passed an examination in the fundamental
25 engineering subjects, as provided in §§ 5-8-11 and 5-8-13.

26 (g) "National Council of Examiners for Engineering and Surveying (NCEES)" is a
27 nationally recognized organization that assists state boards and territorial boards to better discharge
28 their duties and responsibilities in regulating the practice of engineering and land surveying.

29 (h)(1) "Practice of engineering" means any service or creative work, the adequate
30 performance of which requires engineering education, training, and experience in the application
31 of special knowledge of the mathematical, physical, and engineering sciences to services or creative
32 work, such as consultation, investigation, evaluation surveys, planning and design of engineering
33 systems, and the supervision of construction for the purpose of assuring compliance with
34 specifications; and embracing those services or work in connection with any public or private

1 utilities, structures, buildings, machines, equipment, processes, work, or projects in which the
2 public welfare or the safeguarding of life, health, or property is concerned.

3 (2) Any person shall be construed to practice or offer to practice engineering, within the
4 meaning and intent of this chapter, who:

5 (i) Practices any branch of the profession of engineering;

6 (ii) By verbal claim, sign, advertisement, letterhead, card, or in any other way represents
7 himself or herself to be an engineer, or through the use of some other title implies that he or she is
8 an engineer or that he or she is registered under this chapter; or

9 (iii) Holds himself or herself out as able to perform, or who does perform any engineering
10 service or work or any other service designated by the practitioner or recognized as engineering.

11 (i) "Professional engineer" means a person who has been registered and licensed by the
12 state board of registration for professional engineers.

13 (j) "Responsible charge" means direct control and personal supervision of engineering
14 work.

15 (k) "Rules and regulations" means that document of the same title, as amended from time
16 to time, subject to the director's approval, that has been adopted by the board and filed with the
17 secretary of state in accordance with §§ 42-35-3(a), 42-35-4(b), and 5-8-8.

18 **5-8-10. Roster of registered engineers.**

19 A complete roster showing the names ~~and last known addresses~~ of all registered engineers
20 is available on the Department's website or through an Access to Public Records Request. ~~will be~~
21 ~~published by the board once each year. Copies of this roster may be mailed to each person so~~
22 ~~registered, placed on file with the secretary of state, county, and city officials and may be distributed~~
23 ~~to the public~~

24 **5-8-11. General requirements for registration or certification.**

25 ~~(a) Engineer or engineer in training. To be eligible for registration as a professional~~
26 ~~engineer or certification as an engineer in training, an applicant must be of good character and~~
27 ~~reputation and shall submit five (5) references with his or her application for registration, three (3)~~
28 ~~of which references shall be registered engineers having personal knowledge of his or her~~
29 ~~engineering experience, or in the case of an application for certification as an engineer in training,~~
30 ~~by three (3) character references.~~

31 ~~(b)~~(a) Professional Engineer. The following shall be considered minimum evidence
32 satisfactory to the board that the applicant is qualified for registration as a professional engineer ~~or~~
33 ~~for certification as an engineer in training, respectively:~~

34 (1) Eligibility. To be eligible for registration as a professional engineer, an applicant shall

1 meet the following requirements:

2 (i) Be of good character and reputation;

3 (ii) Submit five (5) references with his or her application for registration, three (3) of which
4 references shall be from registered professional engineers having personal knowledge of the
5 applicant's engineering experience;

6 (iii) Satisfy the education criteria set forth in this section;

7 (iv) Satisfy the experience criteria set forth in this section; and

8 (v) Pass the applicable examinations as required in this section.

9 ~~(1) As a professional engineer: (i) (2) Registration by endorsement comity.~~

10 ~~(A)(i)~~ (i) A person holding a current certificate of registration to engage in the practice of
11 engineering, on the basis of comparable written NCEES examinations, issued to him or her by
12 either a proper authority of a state, territory, or possession of the United States, the District of
13 Columbia, or of any foreign country, and whose qualifications meets the requirements of this
14 chapter, based on verified evidence may, upon application, be registered without further
15 examination.

16 ~~(B)(ii)~~ (ii) A person holding a ~~certificate of qualification issued by the National Council of~~
17 ~~Examiners for Engineering and Surveying-NCEES Record~~, whose qualifications as evidenced by
18 the NCEES Record meet the requirements of this chapter, may, upon application, be registered
19 without further examination, provided he or she is qualified.

20 ~~(ii)(3)~~ (3) Graduation from an accredited program, experience and examination.

21 (i) A graduate of ~~or senior enrolled in~~ an ABET-EAC accredited engineering curriculum
22 of four (4) years or more approved by the board as being of satisfactory standing, ~~shall be admitted~~
23 ~~to an~~ who has passed a NCEES examination in the fundamentals of engineering. ~~Upon passing this~~
24 ~~examination and obtaining~~ and obtained a specific record of a minimum of four (4) years of
25 experience in engineering work of a grade and character which indicates to the board that the
26 applicant may be competent to practice engineering, ~~the applicant~~ may be admitted, upon
27 application, to ~~an~~ a NCEES examination in the principles and practice of engineering. ~~The graduate~~
28 ~~having a specific record of twelve (12) years or more of experience in engineering work of a grade~~
29 ~~and character which indicates to the board that the applicant may be competent to practice~~
30 ~~engineering, shall be admitted to an examination in the principles and practice of engineering. Upon~~
31 ~~passing that examination, the applicant shall be granted a certificate of registration to practice~~
32 ~~engineering in this state, provided he or she is qualified.~~

33 (ii) A graduate of an ABET-ETAC accredited engineering technology curriculum of four
34 (4) years or more approved by the board as being of satisfactory standing, who has passed a NCEES

1 examination in the fundamentals of engineering and obtained a specific record of a minimum of
2 eight (8) years of experience in engineering work of a grade and character which indicates to the
3 board that the applicant may be competent to practice engineering, may be admitted, upon
4 application, to a NCEES examination in the principles and practice of engineering.

5 (4) Waiver of Requirement for NCEES Examination in Fundamentals of Engineering.

6 (i) A graduate of an ABET-EAC accredited engineering curriculum having a specific
7 record of twelve (12) years or more of experience in engineering work of a grade and character
8 which indicates to the board that the applicant may be competent to practice engineering, shall be
9 admitted to a NCEES examination in the principles and practice of engineering. Upon passing that
10 examination, the applicant shall be granted a certificate of registration to practice engineering in
11 this state, provided he or she is qualified.

12 (ii) A graduate of an engineering technology curriculum, whether accredited by ABET-
13 ETAC or unaccredited, applying for initial or comity registration as a professional engineer in
14 Rhode Island shall not be eligible for waiver of this requirement.

15 ~~(iii)~~ (5) Graduation from a non-accredited program, experience, and examination.

16 (i) A graduate of ~~or senior-enrolled in~~ an engineering curriculum of four (4) years or more
17 ~~other than those approved by the board as being of satisfactory standing shall be admitted to an~~ that
18 is not accredited by ABET-EAC, who has passed a NCEES examination in the fundamentals of
19 engineering. ~~Upon passing this examination and obtaining~~ and obtained a specific record of a
20 minimum of ~~four (4)~~ six (6) years of experience in engineering work of a grade and character which
21 indicates to the board that the applicant may be competent to practice engineering, ~~the applicant~~
22 may be admitted, upon application, to ~~an~~ a NCEES examination in the principles and practice of
23 engineering. Upon passing these examinations, the applicant shall be granted a certificate of
24 registration to practice engineering in this state, provided he or she is qualified.

25 (ii) A graduate of an engineering technology curriculum of four (4) years or more that is
26 not accredited by ABET-ETAC is not eligible for registration as a professional engineer in this
27 state unless they obtain an advanced engineering degree from an ABET-EAC accredited program.

28 ~~(iv)~~ (6) Teaching. Engineering teaching in a college or university offering an ABET- EAC
29 accredited engineering curriculum of four (4) years or more may be considered as engineering
30 experience.

31 ~~(v)~~ (7) Engineers previously registered. Each engineer holding a certificate of registration
32 ~~and each engineer in training~~ under the laws of this state as previously in effect shall be deemed
33 registered as an engineer ~~or engineer in training~~ as appropriate under this chapter in accordance
34 with the laws in effect at the time of their initial registration.

1 ~~(2)(b) As an engineer~~ Engineer-in-training: ~~the~~ The following ~~is~~ shall be considered as
2 minimum evidence satisfactory to the board that the applicant is qualified for certification as an
3 engineer-in-training:

4 (1) Eligibility. To be eligible for registration as an engineer-in-training, an applicant shall
5 meet the following requirements:

6 (i) Be of good character and reputation;

7 (ii) Submit three (3) character references, one (1) of which must be from a registered
8 professional engineer;

9 (iii) Satisfy the education requirements set forth in this section; and

10 (iv) Satisfy the examination requirements set forth in this section.

11 ~~(i)(2)~~ (2) Graduation and examination. A graduate of an ABET-EAC or an ABET-ETAC
12 accredited ~~engineering curriculum~~ program of four (4) years or more who has passed ~~the board's a~~
13 NCEES examination in the fundamentals of engineering shall be certified or enrolled as an
14 engineer-in-training, if he or she is qualified.

15 ~~(ii)(3)~~ (3) Graduation from a non-accredited program and examination. A graduate of a non-
16 accredited engineering curriculum of four (4) years or more who has passed ~~the board's a~~ NCEES
17 examination in the fundamentals of engineering and has obtained two (2) years of engineering
18 experience of a grade and character approved by the board shall be certified and enrolled as an
19 engineer in training, if he or she is qualified. Graduates of a non-accredited engineering technology
20 curriculum are not eligible for certification as an engineer in training.

21 ~~(iii)(4)~~ (4) Duration of engineer in training certification. The certification or enrollment of an
22 engineer in training shall ~~be valid for a minimum period of twelve (12) years~~ not expire and does
23 not need to be renewed.

24 **5-8-12 Form of application for registration or certification – Registration,**
25 **certification, and enrollment fees.**

26 (a) Application for registration as a professional engineer ~~or land surveyor~~ or certification
27 as an engineer-in-training shall:

28 (1) Be on a form prescribed and furnished by the board;

29 (2) Establish compliance with the licensing requirements pursuant to § 5-8-11; and

30 (3) Contain references as prescribed in § 5-8-11, none of whom may be members of the
31 board.

32 (b) The application ~~and reexamination~~ fees for professional engineers shall be set by the
33 board in an amount to cover the ~~charges and~~ expenses of ~~examination and scoring~~ reviewing
34 applications and shall accompany the application.

1 (c) The fee for engineer-in-training certification or enrollment shall be set by the board in
2 an amount to cover the ~~charges and~~ expenses of ~~examination and scoring~~ reviewing applications
3 and shall accompany the application.

4 (d) ~~Should the board deny the issuance of a certificate to any applicant, the fee paid shall~~
5 ~~be retained as an application fee~~ All application fees are non-refundable, even if an application is
6 denied.

7 **5-8-15. Expiration and renewal of certificates of registration for professional**
8 **engineers.**

9 (a) Certificates of registration shall expire on the last day of the month of June following
10 their issuance and become invalid after that date unless renewed. It is the duty of the board to notify
11 every person registered under this chapter of the date of the expiration of his or her certificate and
12 the amount of the fee required for its renewal. The notice shall be delivered, electronically or
13 otherwise, to the registrant, at his or her last-known e-mail address, at least one month in advance
14 of the date of the expiration of the certificate.

15 (b) ~~Renewal may be effected at any time~~ Certificates of registration must be renewed prior
16 to, or during the month of, June by the payment of a fee set by the board in an amount not less than
17 one hundred fifty dollars (\$150), but not to exceed one hundred eighty dollars (\$180). ~~Renewal of~~
18 ~~an expired certificate may be effected~~ Expired certificates may be renewed within a period of three
19 (3) years, provided evidence is submitted to the board attesting to the continued competence and
20 good character of the applicant. In the event renewal is not made before the end of the third year,
21 the board may require any reexamination that it deems appropriate. The amount to be paid for that
22 renewal is the annual fee set by the board in an amount not to exceed one hundred eighty dollars
23 (\$180) times the number of years the applicant has been delinquent, plus a penalty of sixty dollars
24 (\$60.00) per delinquent year.

25 SECTION 2. Sections 42-64.20-5 and 42-64.20-10 of the General Laws in Chapter 42-
26 64.20 entitled "Rebuild Rhode Island Tax Credit" are hereby amended to read as follows:

27 **42-64.20-5. Tax credits.**

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

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

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

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

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

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

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

19 (iii) Involves a total project cost of not less than \$5,000,000, except for a qualified
20 development project located in a hope community or redevelopment area designated under § 45-
21 32-4 in which event the commerce corporation shall have the discretion to modify the minimum
22 project cost requirement.

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

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

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

1 (e) Applicants (1) Who have received the notice referenced in subsection (d) above and
2 who may be eligible for a tax credit pursuant to chapter 33.6 of title 44, (2) Whose application
3 involves a certified historic structure or recognized historical structure, or (3) Whose project is
4 occupied by at least one manufacturer shall be exempt from the requirements of subsections
5 (b)(3)(ii) and (b)(3)(iii). The following procedure shall apply to such applicants:

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

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

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

13 (f) *Maximum project credit.*

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

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

33 (3) The credit allowed pursuant to this chapter, inclusive of any sales and use tax
34 exemptions allowed pursuant to this chapter, shall not exceed twenty-five million dollars

1 (\$25,000,000) for the project for which the I-195 redevelopment district was authorized to enter
2 into a purchase and sale agreement for parcels 42 and P4 on December 19, 2018, provided that
3 project is approved for credits pursuant to this chapter by the commerce corporation.

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

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

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

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

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

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

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

19 (h) *Maximum aggregate credits.* The aggregate sum authorized pursuant to this chapter,
20 inclusive of any sales and use tax exemptions allowed pursuant to this chapter, shall not exceed
21 ~~two hundred ten million dollars (\$210,000,000)~~ two hundred forty million dollars (\$240,000,000),
22 excluding any tax credits allowed pursuant to subsection (f)(3) of this section.

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

25 (j) The amount of a tax credit allowed under this chapter shall be allowable to the taxpayer
26 in up to five, annual increments; no more than thirty percent (30%) and no less than fifteen percent
27 (15%) of the total credits allowed to a taxpayer under this chapter may be allowable for any taxable
28 year.

29 (k) If the portion of the tax credit allowed under this chapter exceeds the taxpayer's total
30 tax liability for the year in which the relevant portion of the credit is allowed, the amount that
31 exceeds the taxpayer's tax liability may be carried forward for credit against the taxes imposed for
32 the succeeding four (4) years, or until the full credit is used, whichever occurs first. Credits allowed
33 to a partnership, a limited-liability company taxed as a partnership, or multiple owners of property
34 shall be passed through to the persons designated as partners, members, or owners respectively pro

1 rata or pursuant to an executed agreement among persons designated as partners, members, or
2 owners documenting an alternate distribution method without regard to their sharing of other tax
3 or economic attributes of such entity.

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

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

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

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

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

25 (q) Projects eligible to receive a tax credit under this chapter may, at the discretion of the
26 commerce corporation, be exempt from sales and use taxes imposed on the purchase of the
27 following classes of personal property only to the extent utilized directly and exclusively in the
28 project: (1) Furniture, fixtures, and equipment, except automobiles, trucks, or other motor vehicles;
29 or (2) Other materials, including construction materials and supplies, that are depreciable and have
30 a useful life of one year or more and are essential to the project.

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

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

3 **42-64.20-10. Sunset.**

4 No credits shall be authorized to be reserved pursuant to this chapter after ~~June 30,~~
5 ~~2021~~December 31, 2022.

6 SECTION 3. Section 42-64.21-9 of the General Laws in Chapter 42-64.21 entitled “Rhode
7 Island Tax Increment Financing” is hereby amended to read as follows:

8 **42-64.21-9. Sunset.**

9 The commerce corporation shall enter into no agreement under this chapter after ~~June 30,~~
10 ~~2021~~December 31, 2022.

11 SECTION 4. Section 42-64.22-15 of the General Laws in Chapter 42-64.22 entitled “Tax
12 Stabilization Incentive” is hereby amended to read as follows:

13 **42-64.22-15. Sunset.**

14 The commerce corporation shall enter into no agreement under this chapter after ~~June 30,~~
15 ~~2021~~December 31, 2022.

16 SECTION 5. Section 42-64.23-8 of the General Laws in Chapter 42-64.23 entitled “First
17 Wave Closing Fund Act” is hereby amended to read as follows:

18 **42-64.23-8. Sunset.**

19 No financing shall be authorized to be reserved pursuant to this chapter after ~~June 30,~~
20 ~~2021~~December 31, 2022.

21 SECTION 6. Section 42-64.24-8 of the General Laws in Chapter 42-64.24 entitled “I-195
22 Redevelopment Project Fund Act” is hereby amended as follows:

23 **42-64.24-8. Sunset.**

24 No funding, credits, or incentives shall be authorized or authorized to be reserved pursuant
25 to this chapter after ~~June 30, 2021~~December 31, 2022.

26 SECTION 7. Section 42-64.25-14 of the General Laws in Chapter 42-64.25 entitled
27 “Rhode Island Small Business Assistance Program” is amended to read as follows:

28 **§ 42-64.25-14. Sunset.**

29 No grants, funding, or incentives shall be authorized pursuant to this chapter after ~~June 30,~~
30 ~~2021~~December 31, 2022.

31 SECTION 8. Sections 42-64.26-3, 42-64.26-5, 42-64.26-8 and 42-64.26-12 of the General
32 Laws in Chapter 42-64.26 entitled “Stay Invested in RI Wavemaker Fellowship” are hereby
33 amended to read as follows:

34 **42-64.26-3. Definitions.**

1 As used in this chapter:

2 (1) “Eligible graduate” means an individual who meets the eligibility requirements under
3 this chapter.

4 (2) “Applicant” means an eligible graduate who applies for a tax credit for education loan
5 repayment expenses under this chapter.

6 (3) “Award” means a tax credit awarded by the commerce corporation to an applicant as
7 provided under this chapter.

8 (4) “Business” means any corporation, state bank, federal savings bank, trust company,
9 national banking association, bank holding company, loan and investment company, mutual
10 savings bank, credit union, building and loan association, insurance company, investment
11 company, broker-dealer company or surety company, limited liability company, partnership, sole
12 proprietorship, or federal agency or subsidiaries thereof.

13 ~~(4)~~(5) “Taxpayer” means an applicant who receives a tax credit under this chapter.

14 ~~(5)~~(6) “Commerce corporation” means the Rhode Island commerce corporation established
15 pursuant to chapter 64 of title 42.

16 ~~(6)~~(7) “Eligible expenses” or “education loan repayment expenses” means annual higher
17 education loan repayment expenses, including, without limitation, principal, interest and fees, as
18 may be applicable, incurred and paid by an eligible graduate ~~and which the eligible graduate is~~
19 ~~obligated to repay~~ for attendance at a post-secondary institution of higher learning.

20 ~~(7)~~(8) “Eligibility period” means a term of up to four (4) consecutive service periods
21 beginning with the date that an eligible graduate receives initial notice of award under this chapter
22 and expiring at the conclusion of the fourth service period after such date specified.

23 ~~(8)~~(9) “Eligibility requirements” means the following qualifications or criteria required for
24 an applicant to claim an award under this chapter:

25 (i) That the applicant shall have graduated from an accredited two (2) year, four (4) year
26 or graduate post-secondary institution of higher learning with an associate’s, bachelor’s, graduate,
27 or post-graduate degree and at which the applicant incurred education loan repayment expenses;

28 (ii) That the applicant shall be a full-time employee with a Rhode Island-based employer
29 located in this state throughout the eligibility period, whose employment is for work in one or more
30 of the following covered fields: life, natural or environmental sciences; computer, information or
31 software technology; advanced mathematics or finance; engineering; industrial design or other
32 commercially related design field; or medicine or medical device technology.

33 ~~(9)~~(10) “Full-time employee” means a person who is employed by a business for
34 consideration for a minimum of at least thirty-five (35) hours per week, or who renders any other

1 standard of service generally accepted by custom or practice as full-time employment, or who is
2 employed by a professional employer organization pursuant to an employee leasing agreement
3 between the business and the professional employer organization for a minimum of thirty-five (35)
4 hours per week, or who renders any other standard of service generally accepted by custom or
5 practice as full-time employment, ~~and whose wages are subject to withholding~~ and whose earnings
6 are subject to Rhode Island income tax.

7 ~~(10)~~(11) “Service period” means a twelve (12) month period beginning on the date that an
8 ~~eligible graduate~~ applicant receives initial notice of award under this chapter.

9 ~~(11)~~(12) “Student loan” means a loan to an individual by a public authority or private lender
10 to assist the individual to pay for tuition, books, and living expenses in order to attend a post-
11 secondary institution of higher learning.

12 ~~(12)~~(13) “Rhode Island-based employer” means (i) an employer having a principal place
13 of business or at least fifty-one percent (51%) of its employees located in this state; or (ii) an
14 employer registered to conduct business in this state that reported Rhode Island tax liability in the
15 previous tax year.

16 ~~(13)~~(14) “Fund” refers to the “Stay Invested in RI Wavemaker Fellowship Fund”
17 established pursuant to § 42-64.26-4.

18 **42-64.26-5. Administration.**

19 (a) *Application.* An eligible graduate claiming an award under this chapter shall submit to
20 the commerce corporation an application in the manner that the commerce corporation shall
21 prescribe.

22 (b) Upon receipt of a proper application from an applicant who meets all of the eligibility
23 requirements, the commerce corporation shall select applicants on a competitive basis to receive
24 credits for up to a maximum amount for each service period of one thousand dollars (\$1,000) for
25 an associate’s degree holder, four thousand dollars (\$4,000) for a bachelor’s degree holder, and six
26 thousand dollars (\$6,000) for a graduate or post-graduate degree holder, but not to exceed the
27 education loan repayment expenses incurred by such taxpayer during each service period
28 completed, for up to four (4) consecutive service periods provided that the taxpayer continues to
29 meet the eligibility requirements throughout the eligibility period. The commerce corporation shall
30 delegate the selection of the applicants that are to receive awards to ~~a~~ one or more fellowship
31 committees to be convened by the commerce corporation and promulgate the selection procedures
32 the fellowship committee or committees will use, which procedures shall require that the
33 ~~committee’s~~ consideration of applications be conducted on a name-blind and employer-blind basis
34 and that the applications and other supporting documents received or reviewed by the fellowship

1 committee [or committees](#) shall be redacted of the applicant's name, street address, and other
2 personally-identifying information as well as the applicant's employer's name, street address, and
3 other employer-identifying information. The commerce corporation shall determine the
4 composition of the fellowship committee [or committees](#) and the selection procedures it will use in
5 consultation with the state's chambers of commerce.

6 (c) The credits awarded under this chapter shall not exceed one hundred percent (100%)
7 of the education loan repayment expenses ~~incurred~~-[paid](#) by such taxpayer during each service
8 period completed for up to four (4) consecutive service periods. Tax credits shall be issued annually
9 to the taxpayer upon proof that (i) the taxpayer has actually incurred and paid such education loan
10 repayment expenses; (ii) the taxpayer continues to meet the eligibility requirements throughout the
11 service period; (iii) The award shall not exceed the original loan amount plus any capitalized
12 interest less award previously claimed under this section; and (iv) that the taxpayer claiming an
13 award is current on his or her student loan repayment obligations.

14 (d) The commerce corporation shall not commit to overall awards in excess of the amount
15 contained in the fund.

16 (e) The commerce corporation shall reserve seventy percent (70%) of the awards issued in
17 a calendar year to applicants who are permanent residents of the state of Rhode Island or who
18 attended an institution of higher education located in Rhode Island when they incurred the
19 education loan expenses to be repaid.

20 (f) In administering awards, the commerce corporation shall:

21 (1) Require suitable proof that an applicant meets the eligibility requirements for award
22 under this chapter;

23 (2) Determine the contents of applications and other materials to be submitted in support
24 of an application for award under this chapter; and

25 (3) Collect reports and other information during the eligibility period for each award to
26 verify that a taxpayer continues to meet the eligibility requirements for an award.

27 **42-64.26-8. Carry forward and redemption of tax credits.**

28 (a) If the amount of the tax credit allowed under this chapter exceeds the taxpayer's total
29 tax liability for the year in which the credit is allowed, the amount of such credit that exceeds the
30 taxpayer's tax liability may be carried forward and applied against the taxes imposed for the
31 succeeding four (4) years, or until the full credit is used, whichever occurs first.

32 (b) The tax credit allowed under this chapter may be used as a credit against personal
33 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 whole
2 or in part for one hundred percent (100%) of the value of the tax credit.

3 (d) Any ~~amounts paid to a taxpayer for the redemption of tax credits allowed~~ award issued
4 pursuant to this chapter after January 1, 2021 ~~pursuant to this section~~ shall be exempt from taxation
5 under title 44 of the General Laws.

6 **42-64.26-12. Sunset.**

7 No incentives or credits shall be authorized pursuant to this chapter after ~~June 30,~~
8 ~~2021~~ December 31, 2022.

9 SECTION 9. Section 42-64.27-6 of the General Laws in Chapter 42-64.27 entitled “Main
10 Street Rhode Island Streetscape Improvement Fund” is hereby amended as follows:

11 **§ 42-64.27-6. Sunset.**

12 No incentives shall be authorized pursuant to this chapter after ~~June 30, 2021~~ December 31,
13 2022.

14 SECTION 10. Section 42-64.28-10 of the General Laws in Chapter 42-64.28 entitled
15 “Innovation Initiative” is hereby amended as follows:

16 **42-64.28-10. Sunset.**

17 No vouchers, grants, or incentives shall be authorized pursuant to this chapter after ~~June~~
18 ~~30, 2021~~ December 31, 2022.

19 SECTION 11. Section 42-64.29-8 of the General Laws in Chapter 42-64.29 entitled
20 “Industry Cluster Grants” is hereby amended as follows:

21 **42-64.29-8. Sunset.**

22 No grants or incentives shall be authorized to be reserved pursuant to this chapter after
23 ~~June 30, 2021~~ December 31, 2022.

24 SECTION 12. Section 42-64.31-4 of the General Laws in Chapter 42-64.31 entitled “High
25 School, College, and Employer Partnerships” is hereby amended as follows:

26 **42-64.31-4. Sunset.**

27 No grants shall be authorized pursuant to this chapter after ~~June 30, 2021~~ December 31,
28 2022.

29 SECTION 13. Section 42-64.32-6 of the General Laws in Chapter 42-64.32 entitled “Air
30 Service Development Fund” is hereby amended as follows:

31 **42-64.32-6. Sunset.**

32 No grants, credits, or incentives shall be authorized or authorized to be reserved pursuant
33 to this chapter after ~~June 30, 2021~~ December 31, 2022.

1 SECTION 14. Sections 42-64.33-2, 42-64.33-3, 42-64.33-4, 42-64.33-5 and 42-64.33-9
2 of the General Laws in Chapter 42-64.33 entitled "Small Business Development Loan Fund" are
3 hereby amended to read as follows:

4 **42-64.33-2. Definitions.**

5 (a) As used in this chapter:

6 (1) "Affiliate" means an entity that directly, or indirectly, through one or more
7 intermediaries, controls, or is controlled by, or is under common control with another entity. For
8 the purposes of this chapter, an entity is "controlled by" another entity if the controlling entity holds,
9 directly or indirectly, the majority voting or ownership interest in the controlled entity or has control
10 over the day-to-day operations of the controlled entity by contract or by law.

11 (2) "Applicable percentage" means zero percent (0%) for the first three (3) credit allowance
12 dates, and up to twenty-one and one-half percent (21.5%) for the fourth, fifth, and sixth credit
13 allowance dates.

14 (3) "Capital investment" means any equity or debt investment in a small business
15 development fund by a small business fund investor that:

16 (i) Is acquired after July 5, 2019, at its original issuance solely in exchange for cash;

17 (ii) Has one hundred percent (100%) of its cash purchase price used by the small business
18 development fund to make qualified investments in eligible businesses located in this state within
19 three (3) years of the initial credit allowance date; and

20 (iii) Is designated by the small business development fund as a capital investment under
21 this chapter and is certified by the corporation pursuant to § 42-64.33-4. This term shall include
22 any capital investment that does not meet the provisions of § 42-64.33-4(a) if the investment was
23 a capital investment in the hands of a prior holder.

24 (4) "Corporation" means the Rhode Island commerce corporation.

25 (5) "Credit allowance date" means the date on which a capital investment is made and each
26 of the five (5) anniversary dates of the date thereafter.

27 (6) "Eligible business" means a business that, at the time of the initial qualified investment
28 in the company:

29 (i) Has less than two hundred fifty (250) employees;

30 (ii) Has not more than fifteen million dollars (\$15,000,000) in net income from the
31 preceding tax year;

32 (iii) Has its principal business operations in this state; and

33 (iv) Is engaged in industries related to clean energy, biomedical innovation, life sciences,
34 information technology, software, cyber physical systems, cybersecurity, data analytics, defense,

1 shipbuilding, maritime, composites, advanced business services, design, food, manufacturing,
2 transportation, distribution, logistics, arts, education, hospitality, tourism, or, if not engaged in the
3 industries, the corporation makes a determination that the investment will be beneficial to the
4 economic growth of the state.

5 (7) "Eligible distribution" means [a corporation approved distribution in relation to an](#)
6 [application which is:](#)

7 (i) A distribution of cash to one or more equity owners of a small business fund investor to
8 fully or partially offset a projected increase in the owner's federal or state tax liability, including
9 any penalties and interest, related to the owner's ownership, management, or operation of the small
10 business fund investor;

11 (ii) A distribution of cash as payment of interest and principal on the debt of the small
12 business fund investor or small business development fund; or

13 (iii) A distribution of cash related to the reasonable costs and expenses of forming,
14 syndicating, managing, and operating the small business fund investor or the small business
15 development fund, or a return of equity or debt to affiliates of a small business fund investor or
16 small business development fund. The distributions may include reasonable and necessary fees paid
17 for professional services, including legal and accounting services, related to the formation and
18 operation of the small business development fund.

19 (8) "Jobs created" means a newly created position of employment that was not previously
20 located in the state at the time of the qualified investment in the eligible business and requiring a
21 minimum of thirty five (35) hours worked each week, measured each year by subtracting the
22 number of full-time, thirty-five hours-per-week (35) employment positions at the time of the initial
23 qualified investment in the eligible business from the monthly average of full-time, thirty-five
24 hours-per-week (35) employment positions for the applicable year. The number shall not be less
25 than zero.

26 (9) "Jobs retained" means a position requiring a minimum of thirty five (35) hours worked
27 each week that existed prior to the initial qualified investment. Retained jobs shall be counted each
28 year based on the monthly average of full-time, thirty-five hours-per-week (35) employment
29 positions for the applicable year. The number shall not exceed the initial amount of retained jobs
30 reported and shall be reduced each year if employment at the eligible business concern drops below
31 that number.

32 (10) "Minority business enterprise" means an eligible business which is certified by the
33 Rhode Island office of diversity, equity and opportunity as being a minority or women business
34 enterprise.

1 (11) "Principal business operations" means the location where at least sixty percent (60%)
2 of a business's employees work or where employees who are paid at least sixty percent (60%)
3 percent of the business's payroll work. A business that has agreed to relocate employees using the
4 proceeds of a qualified investment to establish its principal business operations in a new location
5 shall be deemed to have its principal business operations in the new location if it satisfies these
6 requirements no later than one hundred eighty (180) days after receiving a qualified investment.

7 (12) "Purchase price" means the amount paid to the small business development fund that
8 issues a capital investment that shall not exceed the amount of capital investment authority certified
9 pursuant to § 42-64.33-4.

10 (13) "Qualified investment" means any investment in an eligible business or any loan to an
11 eligible business with a stated maturity date of at least one year after the date of issuance, excluding
12 revolving lines of credit and senior secured debt unless the eligible business has a credit refusal
13 letter or similar correspondence from a depository institution or a referral letter or similar
14 correspondence from a depository institution referring the business to a small business development
15 fund; provided that, with respect to any one eligible business, the maximum amount of investments
16 made in the business by one or more small business development funds, on a collective basis with
17 all of the businesses' affiliates, with the proceeds of capital investments shall be twenty percent
18 (20%) of the small business development fund's capital investment authority, exclusive of
19 investments made with repaid or redeemed investments or interest or profits realized thereon. An
20 eligible business, on a collective basis with all of the businesses' affiliates, is prohibited from
21 receiving more than four million dollars (\$4,000,000) in investments from one or more small
22 business development funds with the proceeds of capital investments.

23 (14) "Small business development fund" means an entity certified by the corporation under
24 § 42-64.33-4.

25 (15) "Small business fund investor" means an entity that makes a capital investment in a
26 small business development fund.

27 (16) "State" means the state of Rhode Island and Providence Plantations.

28 (17) "State tax liability" means any liability incurred by any entity under [chapters 11, 13,](#)
29 [14, 17 and 30, of title 44.](#) ~~§ 44-17-1 et seq.~~

30 [42-64.33-3. Tax credit established.](#)

31 (a) Upon making a capital investment in a small business development fund, a small
32 business fund investor earns a vested right to a credit against the entity's state tax liability that may
33 be utilized on each credit allowance date of the capital investment in an amount equal to the
34 applicable percentage for the credit allowance date multiplied by the purchase price paid to the

1 small business development fund for the capital investment. The amount of the credit claimed by
2 any entity shall not exceed the amount of the entity's minimum state tax liability for the tax year
3 for which the credit is claimed. Any amount of credit that an entity is prohibited from claiming in
4 a taxable year as a result of this section may be carried forward for a period of seven (7) years. It
5 is the intent of this chapter that an entity claiming a credit under this section is not required to pay
6 any additional tax that may arise as a result of claiming the credit.

7 (b) No credit claimed under this section shall be refundable ~~or saleable on the open market.~~
8 Credits earned by or allocated to a partnership, limited liability company, or S corporation may be
9 allocated to the partners, members, or shareholders of the entity for their direct use for state tax
10 liability as defined in this chapter in accordance with the provisions of any agreement among the
11 partners, members, or shareholders, and a small business development fund must notify the
12 corporation of the names of the entities that are eligible to utilize credits pursuant to an allocation
13 of credits or a change in allocation of credits or due to a transfer of a capital investment upon the
14 allocation, change, or transfer. ~~The allocation shall be not considered a sale for purposes of this~~
15 ~~section.~~ Credits may be assigned, transferred, conveyed or sold by an owner or holder of such
16 credits.

17 (c) The corporation shall provide copies of issued certificates to the division of taxation;
18 such certifications to include information deemed necessary by the division of taxation for tax
19 administration.

20 **42-64.33-4. Application, approval and allocations.**

21 (a) The corporation shall publicly solicit applicants and approve applications through a
22 selection process. A small business development fund that seeks to have an equity or debt
23 investment certified as a capital investment and eligible for credits under this chapter shall apply to
24 the corporation in response to a public solicitation. The corporation shall issue the first public
25 solicitation for applicants by November 1, 2021. ~~begin accepting applications within ninety (90)~~
26 ~~days of July 5, 2019.~~ The ~~small business development fund~~ application shall include the following:

27 (1) The amount of capital investment requested;

28 (2)(A) A copy of the applicant's or an affiliate of the applicant's license as a rural business
29 investment company under 7 U.S.C. § 2009cc, or as a small business investment company under
30 15 U.S.C. § 681, and a certificate executed by an executive officer of the applicant attesting that
31 the license remains in effect and has not been revoked; or (B) evidence satisfactory to the
32 corporation that the applicant is a mission-oriented community financial institution such as a
33 community development financial institution, minority depository institution, certified

1 development company, or microloan intermediary, or an organization with demonstrated
2 experience of making capital investments in small businesses.

3 (3) ~~Evidence that, as of the date the application is submitted, the applicant or affiliates of~~
4 ~~the applicant have invested at least one hundred million dollars (\$100,000,000) in nonpublic~~
5 ~~companies;~~

6 (4) An estimate of the number of jobs that will be created or retained in this state as a result of the
7 applicant's qualified investments;

8 (5) A business plan that includes a strategy for reaching out to and investing in minority
9 business enterprises and a revenue impact assessment projecting state and local tax revenue to be
10 generated by the applicant's proposed qualified investment prepared by a nationally recognized,
11 third-party, independent economic forecasting firm using a dynamic economic forecasting model
12 that analyzes the applicant's business plan over the ten (10) years following the date the application
13 is submitted to the corporation; ~~and~~

14 (6) A nonrefundable application fee ~~of five thousand dollars (\$5,000),~~ which fee shall be
15 set by regulation; and

16 (6) Such other criteria as the corporation deems appropriate.

17 (b) After the close of a public solicitation period, the corporation shall make a
18 determination based upon the criteria set forth in the application or any supplementary materials or
19 information requested by the corporation as to which of the qualified applicants, if any, shall receive
20 an award of tax credits. ~~Within thirty (30) days after receipt of a completed application, the~~
21 ~~corporation shall grant or deny the application in full or in part.~~ The corporation shall deny the
22 application if:

23 (1) The applicant does not satisfy all of the criteria described in subsection (a) of this
24 section;

25 (2) The revenue impact assessment submitted with the application does not demonstrate
26 that the applicant's business plan will result in a positive economic impact on this state over a ten-
27 year (10) period that exceeds the cumulative amount of tax credits that would be issued to the
28 applicant if the application were approved; or

29 (3) The corporation has already approved the maximum amount of capital investment
30 authority under subsection (g) of this section.

31 (c) If the corporation denies ~~any part of the~~ application, it shall inform the applicant of the
32 grounds for the denial. ~~If the applicant provides any additional information required by the~~
33 ~~corporation or otherwise completes its application within fifteen (15) days of the notice of denial,~~
34 ~~the application shall be considered completed as of the original date of submission. If the applicant~~

1 ~~fails to provide the information or fails to complete its application within the fifteen day (15)~~
2 ~~period, the application remains denied and must be resubmitted in full with a new submission date.~~

3 (d) If the application is approved ~~deemed to be complete and the applicant deemed to meet~~
4 ~~all of the requirements of subsections (a) and (b)~~, the corporation shall certify the proposed equity
5 or debt investment as a capital investment that is eligible for credits under this chapter, subject to
6 the limitations contained in subsection (~~g~~e) of this section. The corporation shall provide written
7 notice of the certification to the small business development fund.

8 (e) ~~The corporation shall certify capital investments in the order that the applications were~~
9 ~~received by the corporation. Applications received on the same day shall be deemed to have been~~
10 ~~received simultaneously.~~

11 ~~(f) For applications that are complete and received on the same day, the corporation shall certify~~
12 ~~applications in proportionate percentages based upon the ratio of the amount of capital investments~~
13 ~~requested in an application to the total amount of capital investments requested in all applications.~~

14 (~~g~~e) The corporation shall certify no more than sixty-five million dollars (\$65,000,000) in capital
15 investments pursuant to this section; provided that not more than twenty million dollars
16 (\$20,000,000) may be allocated to any individual small business development fund certified under
17 this section.

18 (~~h~~f) Within sixty (60) days of the applicant receiving notice of certification, the small
19 business development fund shall issue the capital investment to and receive cash in the amount of
20 the certified amount from a small business fund investor. At least forty-five percent (45%) of the
21 small business fund investor's capital investment shall be composed of capital raised by the small
22 business fund investor from sources, including directors, members, employees, officers, and
23 affiliates of the small business fund investor, other than the amount of capital invested by the
24 allocatee claiming the tax credits in exchange for the allocation of tax credits; ~~provided that at least~~
25 ~~ten percent (10%) of the capital investment shall be derived from the small business investment~~
26 ~~fund's managers.~~ The small business development fund shall provide the corporation with evidence
27 of the receipt of the cash investment within sixty-five (65) days of the applicant receiving notice of
28 certification. If the small business development fund does not receive the cash investment and issue
29 the capital investment within the time period following receipt of the certification notice, the
30 certification shall lapse and the small business development fund shall not issue the capital
31 investment without reapplying to the corporation for certification. Lapsed certifications revert to
32 the authority and shall be reissued ~~pro rata to applicants whose capital investment allocations were~~
33 ~~reduced pursuant to this chapter and then~~ in accordance with the application process.

34 [42-64.33-5. Tax credit recapture and exit.](#)

1 (a) The corporation, working in coordination with the division of taxation, may recapture,
2 from ~~any~~ the entity, including partners, members, or shareholders of the entity, that receives a tax
3 credit certificate as a result of certification ~~claims a credit on a tax return~~, the credit allowed under
4 this chapter if:

5 (1) The small business development fund does not invest one hundred (100%) percent of
6 its capital investment authority in qualified investments in this state within three (3) years of the
7 first credit allowance date;

8 (2) The small business development fund, after satisfying subsection (a)(1) of this section,
9 fails to maintain qualified investments equal to one hundred (100%) percent of its capital
10 investment authority until the sixth anniversary of the initial credit allowance date. For the purposes
11 of this subsection, a qualified investment is considered maintained even if the qualified investment
12 was sold or repaid so long as the small business development fund reinvests an amount equal to the
13 capital returned or recovered by the small business development fund from the original investment,
14 exclusive of any profits realized, in other qualified investments in this state within twelve (12)
15 months of the receipt of the capital. Amounts received periodically by a small business
16 development fund shall be treated as continually invested in qualified investments if the amounts
17 are reinvested in one or more qualified investments by the end of the following calendar year. A
18 small business development fund shall not be required to reinvest capital returned from qualified
19 investments after the fifth anniversary of the initial credit allowance date, and the qualified
20 investments shall be considered held continuously by the small business development fund through
21 the sixth anniversary of the initial credit allowance date;

22 (3) The small business development fund, before exiting the program in accordance with
23 subsection (e) of this section, makes a distribution or payment that results in the small business
24 development fund having less than one hundred percent (100%) of its capital investment authority
25 invested in qualified investments in this state or available for investment in qualified investments
26 and held in cash and other marketable securities;

27 (4) The small business development fund, before exiting the program in accordance with
28 subsection (e) of this section, fails to make qualified investments in minority business enterprises
29 that when added together equal at least ten percent (10%) of the small business development fund's
30 capital investment authority; or

31 (5) The small business development fund violates subsection (d) of this section.

32 (b) Recaptured credits and the related capital investment authority revert to the corporation
33 and shall be reissued ~~pro-rata to applicants whose capital investment allocations were reduced~~
34 ~~pursuant to § 42-64.33-4(f) and then~~ in accordance with the application process.

1 (c) Enforcement of each of the recapture provisions of subsection (a) of this section shall
2 be subject to a six-month (6) cure period. No recapture shall occur until the small business
3 development fund has been given notice of noncompliance and afforded six (6) months from the
4 date of the notice to cure the noncompliance.

5 (d) In the event that tax credits, or a portion of tax credits, have been transferred or assigned
6 in an arms-length transaction, for value, and without notice of violation, fraud, or
7 misrepresentation, the corporation will pursue its recapture rights and remedies against the
8 applicant for the tax credits and/or the recipient of the certification who shall be liable to repay to
9 the corporation the face value of all tax credits assigned or transferred and all fees paid by the
10 applicant shall be deemed forfeited. No redress shall be sought against assignees or transferees of
11 such tax credits provided the tax credits were acquired by way of an arms-length transaction, for
12 value, and without notice of violation, fraud, or misrepresentation.

13 (e) No eligible business that receives a qualified investment under this chapter, or any
14 affiliates of the eligible business, may directly or indirectly:

15 (1) Own or have the right to acquire an ownership interest in a small business development fund or
16 member or affiliate of a small business development fund, including, but not limited to, a holder of
17 a capital investment issued by the small business development fund; or

18 (2) Loan to or invest in a small business development fund or member or affiliate of a small business
19 development fund, including, but not limited to, a holder of a capital investment issued by a small
20 business development fund, where the proceeds of the loan or investment are directly or indirectly
21 used to fund or refinance the purchase of a capital investment under this chapter.

22 (ef) On or after the sixth anniversary of the initial credit allowance date, a small business
23 development fund may apply to the corporation to exit the program and no longer be subject to
24 regulation under this chapter. The corporation shall respond to the exit application within thirty
25 (30) days of receipt. In evaluating the exit application, the fact that no credits have been recaptured
26 and that the small business development fund has not received a notice of recapture that has not
27 been cured pursuant to subsection (c) of this section shall be sufficient evidence to prove that the
28 small business development fund is eligible for exit. The corporation shall not unreasonably deny
29 an exit application submitted under this subsection. If the exit application is denied, the notice shall
30 include the reasons for the determination.

31 (fg) If the number of jobs created or retained by the eligible businesses that received
32 qualified investments from the small business development fund, calculated pursuant to reports
33 filed by the small business development fund pursuant to § 42-64.33-7, is:

1 (1) Less than sixty percent (60%) of the amount projected in the approved small business
2 development fund's business plan filed as part of its application for certification under § 42-64.33-
3 4, then the state shall receive thirty percent (30%) of any distribution or payment to an equity or
4 debt holder in an approved small business development fund made after its exit from the program
5 in excess of eligible distributions; or

6 (2) Greater than sixty percent (60%) but less than one hundred percent (100%) of the amount
7 projected in the approved small business development fund's business plan filed as part of its
8 application for certification under § 42-64.33-4, then the state shall receive fifteen percent (15%)
9 of any distribution or payment to an equity or debt holder in an approved small business
10 development fund made after its exit from the program in excess of eligible distributions.

11 (eh) At the time a small business development fund applies to the corporation to exit the
12 program, it shall calculate the aggregate internal rate of return of its qualified investments. If the
13 small business development fund's aggregate internal rate of return on its qualified investments at
14 exit exceeds ten percent (10%), then, after eligible distributions, the state shall receive ten percent
15 (10%) of any distribution or payment in excess of the aggregate ten percent (10%) internal rate of
16 return to an equity or debtholder in an approved small business development fund.

17 (hi) The corporation shall not revoke a tax credit certificate after the small business
18 development fund's exit from the program.

19 **42-64.33-9. Rules and regulations.**

20 The corporation and the division of taxation shall jointly promulgate and adopt rules and
21 regulations pursuant to § 42-35-3 of the general laws, as are necessary to implement this chapter,
22 including, but not limited to: the determination of additional limits; the promulgation of procedures
23 and forms necessary to apply for a tax credit, including the enumeration of the certification
24 procedures; the promulgation of procedures and forms relating to the issuance of tax credit
25 certificates and assignment of credits; and provisions for tax credit applicants to be charged ongoing
26 service fees, to cover the administrative costs related to the tax credit.

27 ~~The corporation and division of taxation may issue reasonable rules and regulations, consistent~~
28 ~~with this chapter, as are necessary to carry out the intent and purpose and implementation of the~~
29 ~~responsibilities under this chapter.~~

30 SECTION 15. Chapter 42-64.33 of the General Laws entitled "Small Business
31 Development Loan Fund" is hereby amended by adding thereto the following section:

32 **42-64.33-10. Program integrity.**

33 Program integrity being of paramount importance, the corporation shall establish
34 procedures to ensure ongoing compliance with the terms and conditions of the program established

1 [herein, including procedures to safeguard the expenditure of public funds and to ensure that the](#)
2 [funds further the objectives of the program.](#)

3 SECTION 16. 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 ~~June 30,~~
7 ~~2021~~[December 31, 2022.](#)

8 SECTION 17. This article shall take effect upon passage.

9

1 **ARTICLE 10**

2 RELATING TO RELATING TO FISHING INDUSTRY MODERNIZATION

3 SECTION 1. Section 20-2-27.1 of the General Laws in Chapter 20-2 entitled "Licensing"
4 is hereby amended to read as follows:

5 **20-2-27.1. Rhode Island party and charter ~~boat~~ vessel license.**

6 (a) All party and charter ~~boats~~ vessels carrying recreational passengers to take or attempt
7 to take marine ~~fish~~ species upon the navigable state and coastal waters of Rhode Island shall be
8 required to obtain a Rhode Island party and charter ~~boat~~ vessel license. ~~The licenses shall be issued~~
9 ~~by the department on a biennial basis for a fee of twenty five dollars (\$25) per vessel. The annual~~
10 ~~fee shall be one hundred dollars (\$100) for a resident of Rhode Island and shall be three hundred~~
11 ~~dollars (\$300) for a non-resident.~~ All licensed party and charter ~~boats~~ vessels shall be required to
12 display a party and charter ~~boat~~ vessel decal provided by the department. To obtain a license, the
13 owner of a qualified vessel must submit:

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

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

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

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

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

26 SECTION 2. Sections 20-2.1-3, 20-2.1-4, 20-2.1-7 and 20-2.1-8 of the General Laws in
27 Chapter 20-2.1 entitled "Commercial Fishing Licenses" are hereby amended to read as follows:

28 **20-2.1-3. Definitions.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (~~11~~10) "Grace period" means sixty (60) calendar days commencing the last day of February
2 ~~28, as defined herein~~, and shall only apply to renewals of licenses from the immediately preceding
3 year; ~~provided, that for calendar year 2004 the grace period shall be ninety (90) calendar days~~
4 ~~commencing February 29, 2004.~~

5 (~~12~~11) "Medical hardship" means a significant medical condition that ~~prevents a license~~
6 ~~applicant from meeting the application requirements~~ renders an active licensed person unable to
7 fish for a period in excess of fourteen (14) days, either as a result of the physical loss of function
8 or impairment of a body part or parts, or debilitating pain. Demonstration of the medical hardship
9 shall be in the form of a diagnosis and prognosis signed by a medical doctor (M.D. or O.D.).

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

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

15 (~~13~~4) "Shellfish" means quahogs, clams, mussels, scallops, oysters, conches, and mollusks
16 in general other than squid.

17 (~~14~~5) "Student commercial fisherman" means a resident twenty-three (23) years of age or
18 younger, licensed pursuant to this chapter, who is a full-time student.

19 **20-2.1-4 Licenses – General provisions governing licenses issued.**

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

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

30 (c) *Transfer or loan of license*. Unless otherwise provided for in this title, a license issued
31 to a person under this chapter shall be good only for the person to whom it is issued and any transfer
32 or loan of the license shall be grounds for revocation or suspension of that license pursuant to § 20-
33 2-13.

1 (d) *Reporting and inspections condition of license.* All persons granted a license under the
2 provisions of this chapter are deemed to have consented to the reporting requirements applicable
3 to commercial fishing actively that are established pursuant to this title and to the reasonable
4 inspection of any ~~boat~~, vessel, net, rake, bullrake, tong, dredge, trap, pot, vehicle, structure, or other
5 contrivance used regularly for the keeping or storage of ~~fish, shellfish or crustaceans~~ marine
6 species, and any creel, box, locker, basket, crate, blind, fishing, or paraphernalia used in
7 conjunction with the licensed activity by persons duly authorized by the director. The provisions
8 of § 20-1-8(a)(7)(ii) shall apply to these inspections.

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

14 (f) *Application for license.* Every person entitled to a license under this chapter shall file
15 an application with the director, or the director's authorized agent, properly sworn to, stating the
16 name, age, occupation, place of residence, mailing address, weight, height, and color of hair and
17 eyes of the applicant for whom the license is wanted and providing any other information that may
18 be required pursuant to rule in order to effectuate the purposes of this chapter, and pay the fees as
19 provided in this chapter. All licenses issued under this chapter shall be valid only for the calendar
20 year of issuance, unless otherwise specified in this chapter or in the rules and regulations adopted
21 pursuant to this chapter. If the person will be either the owner or the operator as provided in § 20-
22 2.1-5(~~57~~) of a commercial fishing vessel, the person shall declare, on the application for each
23 commercial fishing vessel, the vessel name, length, horsepower, state registration number or coast
24 guard documentation number, federal permit number, ~~if any, gear type(s), the principal fishery or~~
25 ~~fisheries~~, and average projected crew size.

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

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

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

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

6 (4) For renewals of existing commercial marine fishing licenses that expire on December
7 31 of the immediately preceding year, there shall be a sixty-day (60) grace period from the renewal
8 deadline ~~of February 28~~; licenses issued during the grace period shall be subject to a late fee in the
9 amount of two-hundred dollars (\$200) in addition to all other applicable fees;

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

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

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

26 (i) *Revocation of licenses.*

27 (1) *License revocation.* The license of any person who has violated the provisions of this
28 chapter, or rules adopted pursuant to the provisions of this chapter, or rules and regulations that
29 pertain to commercial fishing and reporting issued pursuant to this title, may be suspended or
30 revoked by the director as the director shall determine by regulation. Any person aggrieved by an
31 order of suspension or revocation may appeal this order in accordance with the provisions of the
32 administrative procedures act, chapter 35 of title 42.

33 (2) *False statements and violations; cancellation of license.* Any person who willfully
34 makes a false representation as to birthplace or requirements of identification or of other facts

1 required in an application for license under this chapter, or is otherwise directly or indirectly a party
2 to a false representation, shall be punished by a fine of not more than fifty dollars (\$50.00). A
3 license obtained by any person through a false representation shall be null and void, and the license
4 shall be surrendered immediately to the director. No license shall be issued under this title to this
5 person for a period of one year from the date of imposition of a penalty under this section.

6 (3) *False, altered, forged, or counterfeit licenses.* Every person who falsely makes, alters,
7 forges, or counterfeits, or who causes to be made, altered, forged, or counterfeited, a license issued
8 under this chapter or title or purporting to be a license issued under this chapter or title, or who
9 shall have in his or her possession such a license knowing it to be false, altered, forged, or
10 counterfeit, is guilty of a misdemeanor and is subject to the penalties prescribed in § 20-1-16.

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

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

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

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

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

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

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

4 (3) Non-resident exempted landing permits.

5 (i) A new landing permit shall not be issued to any non-resident to off-load, land, offer for
6 sale, or sell any restricted marine species, the definition of which shall be established by the
7 department by rule and shall take into account species for which a quota has been allocated to the
8 state of Rhode Island by the Atlantic States Marine Fisheries Council or the National Marine
9 Fisheries service, unless:

10 (A) the landing shall be counted against the quota of the state where the vessel making the
11 landing is registered or documented; or

12 (B) the state where the vessel making the landing is registered or documented issues new
13 landing permits to Rhode Island residents to land against that state's quota for the same species. For
14 purposes of this section, the renewal of any non-resident landing permit shall be considered a new
15 non-resident landing permit unless the applicant can show, to the satisfaction of the director,
16 historic participation in the fishery and landings of the species; and any change or upgrade of a
17 vessel twenty percent (20%) or greater in length, displacement, or horsepower above the named
18 vessel shall be considered a new landing permit. Issuance of a landing permit shall not be deemed
19 to create a property right that can be sold, transferred, or encumbered; landing permits shall be
20 surrendered to the state upon their non-renewal or forfeiture, and the acquisition of a named vessel
21 by a non-resident who does not already have a landing permit shall not entitle the non-resident to
22 a landing permit unless a new landing permit can be issued as allowed in this section.

23 (4) Fee: The fee shall be six hundred dollars (\$600).

24 (b) Landing permits shall be valid for the calendar year in which they are issued.

25 (c) The department shall adopt any rules and procedures that may be necessary for the
26 timely issuance of these permits in order to facilitate the off-loading and sale of seafood products,
27 except restricted finfish, harvested outside Rhode Island waters.

28 (d) Notwithstanding the provisions of this section, a commercial vessel with seafood
29 products on board may, without a landing permit, enter Rhode Island waters and be secured to a
30 shoreside facility for purposes other than landing, selling, or offering for sale the seafood products
31 on board if the person having charge of the vessel obtains permission from the department's division
32 of law enforcement prior to securing the vessel to the shoreside facility.

33 **20-2.1-8. Dealers' licenses and fees.**

1 ~~In accordance with §§ 20-4-1.1, 20-6-24, and 20-7-5.1, the following dealers' licenses shall~~
2 ~~be issued by the department:~~

3 (a) No person, partnership, firm, association, or corporation shall barter or trade in marine
4 species taken by persons licensed under this chapter unless a license so to do has been obtained
5 from the director of environmental management.

6 (b) Any licensee operating under the provisions of this section shall purchase marine
7 species from licensed persons only and shall purchase or possess only those lobsters legally taken
8 or possessed.

9 (c) The director shall issue and enforce rules and regulations and orders governing bartering
10 and trading in marine species by licensed persons of marine species and licensed dealers, and other
11 persons, partnerships, firms, associations, or corporations.

12 (d) License types and fees:

13 (1) Multi-purpose ~~Rhode Island~~ dealer's license. This license shall allow the ~~holder~~ dealer
14 to ~~deal~~ purchase or sell all marine products in the state of Rhode Island. The license shall be valid
15 for the calendar year in which it is issued. The ~~cost of the license fee~~ shall be ~~three hundred four~~
16 hundred and fifty dollars (~~\$300~~ 450).

17 (2) Finfish dealer's license. This license shall allow the ~~holder~~ dealer to ~~deal~~ purchase or
18 sell all finfish products in the state of Rhode Island. The license shall be valid for the calendar year
19 in which it is issued. The ~~cost of the license fee~~ shall be ~~two hundred~~ three hundred dollars (~~\$200~~
20 300).

21 (3) Shellfish dealer's license. This license shall allow the ~~holder~~ dealer to ~~deal~~ purchase or
22 sell all shellfish products in the state of Rhode Island. The license shall be valid for the calendar
23 year in which it is issued. The ~~cost of the license fee~~ shall be ~~two hundred~~ three hundred dollars
24 (~~\$200~~ 300).

25 (4) Crustacean dealer license. This license shall allow the dealer to purchase all crustacean
26 products in the state of Rhode Island. The license shall be valid for the calendar year in which it is
27 issued. The fee shall be three hundred dollars (\$300).

28 (e) Seafood dealers license – suspension or revocation. The director may suspend, revoke,
29 or deny the license of a seafood dealer or fisher of marine species for the violation of any provision
30 of this title or the rules, regulations, or orders adopted or issued pursuant to this title.

31 (f) Any person aggrieved by the decisions of the director may appeal the decision pursuant
32 to the provisions of the Administrative Procedures Act, chapter 35 of title 42.

33 (g) The director is authorized to enter and inspect the business premises, appurtenant
34 structures, vehicles, or vessels of any seafood dealer and to inspect the records maintained by a

1 seafood dealer for the purpose of determining compliance with the provisions of this section and
2 any rules, regulations, or orders issued under this section, and no person shall interfere with,
3 obstruct the entrance, or inspection of the director or the director's agents of those business
4 premises, appurtenant structures, vehicles or vessels.

5 (h) Any violation of the provisions of this section or any rule, regulation, or order adopted
6 under this section shall be subject to penalties prescribed in § 20-1-16.

7 SECTION 3. Effective on July 1, 2022, Sections 20-2.1-5 and 20-2.1-6 of the General
8 Laws in Chapter 20-2.1 entitled “Commercial Fishing Licenses” are hereby amended to read as
9 follows:

10 **20-2.1-5. Resident licenses, endorsements and fees.**

11 The director shall establish, as a minimum, the following types of licenses and
12 endorsements set forth in this section. In addition, the director may establish any other classes and
13 types of licenses and endorsements, consistent with the provisions of this chapter and with adopted
14 management plans that may be necessary to accomplish the purposes of this chapter:

15 (1) *Types of licenses.*

16 (i) Standard resident ~~commercial fishing license~~. Rhode Island residents shall be eligible
17 to obtain a standard resident commercial fishing license; the license shall allow the holder to engage
18 in commercial fishing in fisheries sectors, ~~per~~ dictated by the fishery endorsement(s) associated
19 with the license at basic harvest and gear levels. Fishery endorsements shall be established by the
20 department consistent with fishery management plans developed pursuant to this chapter. ~~The~~
21 ~~annual fee for a commercial fishing license shall be fifty dollars (\$50.00) and twenty five dollars~~
22 ~~(\$25.00) for each endorsement at the basic harvest and gear levels.~~

23 ~~(ii) *Principal effort license.*—Duly licensed persons, in a fishery as of December 31 of the~~
24 ~~immediately preceding year, shall be eligible to obtain a principal effort license for the fishery~~
25 ~~sector for which they were licensed on December 31 of the immediately preceding year, which~~
26 ~~principal effort license shall allow its holder to fish in a fishery sector at the full harvest and gear~~
27 ~~levels.—Principal effort license holders, in addition to the fishery sector of their principal effort,~~
28 ~~shall be eligible to obtain endorsements for the other fishery sectors at the full harvest and gear~~
29 ~~levels, if and when those endorsements are made available; the annual fee for each other fishery~~
30 ~~sector endorsement shall be seventy five dollars (\$75). Principal effort license holders shall also be~~
31 ~~eligible to obtain a commercial fishing license with endorsements, except for fisheries in which the~~
32 ~~license holder can fish at the full harvest and gear levels.~~

33 (ii) *Multi-purpose license.* All multi-purpose license holders as of December 31 of the
34 immediately preceding year shall be eligible to obtain a multi-purpose license that shall allow the

1 holder to engage in commercial fishing in all fisheries sectors ~~at the full harvest and gear levels. At~~
2 ~~the time of application for a multi purpose license and each annual renewal of it, the applicant shall~~
3 ~~make a non binding declaration of which fishing sectors the applicant intends to place significant~~
4 ~~fishing effort during the period covered by the license. The annual fee for multi purpose license~~
5 ~~shall be three hundred dollars (\$300).~~

6 (Aiii) Student shellfish license. A resident twenty-three (23) years or younger shall pay fifty
7 dollars (\$50.00) for a student commercial license to take shellfish upon provision of proof of full-
8 time student status. An individual qualified to obtain a license must submit an application to the
9 department of environmental management no later than June 30; a license application shall be
10 deemed valid if submitted to the department prior to the close of regular office hours on June 30 or
11 if postmarked by June 30.

12 (Biv) Over sixty-five (65) shellfish license. A resident sixty-five (65) years of age and over
13 shall be eligible for a shellfish license to shellfish commercially and there shall be no fee for this
14 license.

15 (v) Multipurpose vessel license. Any multipurpose license holder shall be eligible to obtain
16 a multipurpose vessel license that shall allow the vessel owner to designate any operator to engage
17 in commercial fishing for all marine species aboard their owned vessel, provided the vessel owner
18 has consigned a multipurpose fishing license to the department. The department may then re-issue
19 the consigned multipurpose fishing license to the commercially declared fishing vessel as a
20 multipurpose vessel license. The director has the authority to limit the number of multipurpose
21 vessel licenses issued annually by rule. The fee for a multipurpose vessel license shall be one
22 thousand dollars (\$1,000).

23 (2) Fees.

24 (i) Standard resident commercial fishing license.

25 (A) Standard resident commercial fishing license plus one limited fishery endorsement:
26 The fee shall be one hundred fifty dollars (\$150).

27 (B) Standard resident commercial fishing license plus two limited fishery endorsement:
28 The fee shall be two hundred dollars (\$200).

29 (C) Standard resident commercial fishing license plus three limited fishery endorsement:
30 The fee shall be two hundred fifty dollars (\$250).

31 (D) Standard resident commercial fishing license plus one unlimited fishery endorsement:
32 The fee shall be three hundred dollars (\$300).

33 (E) Standard resident commercial fishing license plus one unlimited fishery endorsement
34 and one limited fishery endorsement: The fee shall be three hundred fifty dollars (\$350).

1 (F) Standard resident commercial fishing license plus two unlimited fishery endorsement:
2 The fee shall be three hundred seventy-five dollars (\$375).

3 (G) Standard resident commercial fishing license plus one unlimited fishery endorsement
4 and two limited fishery endorsement: The fee shall be four hundred dollars (\$400).

5 (H) Standard resident commercial fishing license plus two unlimited fishery endorsement
6 and one limited fishery endorsement: The fee shall be four hundred twenty-five dollars (\$425).

7 (ii) Multipurpose license: The fee shall be four hundred fifty dollars (\$450).

8 ~~(iv) Special licenses.~~

9 ~~(23) Vessel declaration and fees; gear endorsement and fees.~~

10 (i) *Vessel declaration and fee.* (A) The department shall require the owner and/or the
11 operator of a commercial fishing vessel to declare the vessel on the owner/operator's commercial
12 fishing license. The declaration shall be made at the time of initial license issuance and each
13 renewal, or prior to the vessel being used for commercial fishing by the owner and/or operator if
14 the first usage of the vessel for commercial fishing occurs during the course of a year after the
15 license has been issued or renewed. If the declaration is for a vessel of less than twenty-five feet
16 (25') in length, the declaration shall be transferable to another vessel less than twenty-five feet (25')
17 in length, provided the vessel is identified as commercial fishing vessel while it is being used for
18 commercial fishing by displaying a plate as provided in § 20-2.1-4.

19 (B) The annual fee for each vessel declaration shall be twenty-five dollars (\$25.00) for the
20 first twenty-five feet (25') or under, plus fifty cents (\$0.50) per foot for each whole foot over twenty-
21 five feet (25'); this declaration fee shall entitle the holder to a decal. The holder of a valid decal for
22 twenty-five feet (25') in length or under may obtain a plate from the department for display on a
23 vessel twenty-five feet (25') in length that is being used temporarily for commercial fishing; the
24 annual fee for a plate shall be fifteen dollars (\$15.00).

25 ~~(#4) Gear endorsements and fees.~~

26 ~~(A) Shellfish dredging endorsement. A resident of this state who holds a multipurpose~~
27 ~~license and/or an appropriate shellfish license is also eligible to apply for a shellfish dredging~~
28 ~~endorsement to take quahogs, mussels, and surf clams by dredges hauled by powerboat. The annual~~
29 ~~fee shall be twenty dollars (\$20.00).~~

30 ~~(B) Fish trap endorsements. A person who holds a multi purpose license and/or a principal~~
31 ~~effort license for finfish is also eligible to apply for a fish trap endorsement in accordance with the~~
32 ~~permitting provisions in chapter 5 of this title. The fee shall be twenty dollars (\$20.00) per trap~~
33 ~~location for a three year (3) period. Applicants who possessed a valid fish trap endorsement as of~~
34 ~~the immediately preceding year may obtain a fish trap endorsement for the immediately following~~

1 ~~year, subject to the same terms and conditions in effect as the immediately preceding year. New~~
2 ~~fish trap endorsement opportunities shall be established by the department by rule, pursuant to~~
3 ~~applicable management plans and the provisions in chapter 5 of this title.~~

4 (C) *Gill net endorsements.* A person who holds a multipurpose license, or a vessel with a
5 multipurpose vessel license, ~~and/or a principal effort license for finfish~~ is also eligible to apply for
6 a commercial gill net endorsement in accordance with the provisions of this section. The ~~annual~~
7 fee for a commercial gill net endorsement ~~is~~ shall be twenty dollars (\$20.00). Applicants who
8 possessed a gill net endorsement as of the immediately preceding year may obtain a gill net
9 endorsement for the immediately following year. New gill net endorsement opportunities shall be
10 established by the department by rule, pursuant to applicable management plans.

11 (Dii) ~~Miscellaneous gear~~ *Other endorsements.* The department may establish by rule any
12 ~~specific gear~~ endorsements that may be necessary or appropriate to effectuate the purposes of this
13 chapter and facilitate participation in a specific fishery ~~with a specific type of gear~~; the fee for such
14 ~~a gear~~ endorsement shall not be greater than two hundred dollars (\$200), ~~but may be a lesser~~
15 ~~amount.~~ This endorsement shall be issued only in a manner consistent with the general requirements
16 of this chapter, including specifically those governing residency.

17 (35) *New licenses.*

18 (i) *Eligibility.* For new ~~principal effort~~ standard resident commercial fishing and multi-
19 purpose licenses, priority shall be given to applicants who have held a ~~lower level of~~ commercial
20 fishing license for two (2) years or more, applicants with military service, and applicants who have
21 completed a department authorized commercial fishing training program, with preference to family
22 members and crew members of a license holder who is retiring his or her license.

23 (ii) *Priority or preference applicants.* A new license shall be granted to priority/preference
24 applicants who have acquired vessel and/or gear from a license holder who has retired a license,
25 provided, that as the result of any such transaction, for each license retired, not more than one new
26 license may be granted, nor may the nominal effort, including the total number of licenses, in a
27 fishery subject to effort controls or catch restrictions be increased.

28 (iii) *Availability of new or additional licenses.* New ~~principal effort~~ standard resident
29 commercial fishing and multipurpose licenses that increase the total number of licenses in the
30 fishery may be made available by rule consistent with management plan for issuance effective
31 January 1, in any year, based on status of resource and economic condition of fishery. Priority for
32 new licenses shall be given to Rhode Island residents.

1 (4) Retirement of licenses. Issuance of a commercial fishing license shall not be deemed
2 to create a property right such that the license can be sold or transferred by the license holder;
3 fishing licenses shall be surrendered to the state upon their non-renewal, forfeiture, or revocation.

4 (5) ~~Transfer for Issuance of temporary operator permits in cases of medical~~
5 ~~hardship. Notwithstanding the provisions of § 20-2.1-4(c), a license may be transferred to a family~~
6 ~~member upon the incapacity or death of the license holder who has actively participated in~~
7 ~~commercial fishing. The transfer shall be effective upon its registration with the department. A~~
8 ~~family member shall be defined as the spouse, mother, father, brother, sister, child, or grandchild~~
9 ~~of the transferor.~~ The department shall make available, as necessary, temporary operator permits to
10 provide solely for the continued operation of a fishing vessel upon the ~~illness, incapacity, or death~~
11 determination of medical hardship of a license holder who has actively ~~participated in commercial~~
12 ~~fishing fished.~~ Temporary operator permits shall be subject at a minimum to the conditions
13 and restrictions that applied to the license holder.

14 (8) Issuance of new Licenses to family members in cases of medical incapacity: Upon
15 determination of medical incapacity, an actively fished license may be surrendered to the
16 Department for the purpose of the concurrent issuance of a new license to a resident family member.

17 (9) Issuance of new licenses upon the sale of a commercial fishing business: Upon the sale
18 of a commercial fishing business, as defined by rule, a new license may be issued to the buyer upon
19 the surrender of the seller's license to the department for the purpose of the concurrent issuance of
20 a new license.

21 (6) 10 Transfer of vessels and gear. Vessels and gear may be sold, transferred, or disposed
22 at the sole discretion of the owner; provided, however, that the subsequent level of use of the gear
23 may be restricted in Rhode Island waters in order to accomplish the purposes of a duly adopted
24 management plan or other duly adopted program to reduce effort.

25 20-2.1-6. Non-resident licenses, endorsements and fees.

26 Subject to the rules of the department, non-residents may apply for the following
27 commercial fishing licenses:

28 (1) Standard ~~Non-resident~~ ~~principal effort~~ commercial fishing license.

29 (i) Non-residents age eighteen (18) and over shall be eligible to obtain a standard non-
30 resident commercial fishing license and, in accordance with applicable qualifying criteria, available
31 fishery sector endorsements, provided that the state of residence of the person affords the same
32 privilege in a manner that is not more restrictive to Rhode Island residents. A standard non-resident
33 ~~principal effort~~ commercial fishing license shall allow the license holder to harvest, land, and sell
34 in a lawful manner any marine species ~~of finfish,~~ per as dictated by the fishery endorsement(s), ~~at~~

1 ~~principal harvest and gear levels and as allowed in a management plan adopted by the department~~
2 associated with the license. Fishery endorsements shall be established by the department consistent
3 with fishery management plans developed pursuant to this chapter.

4 (ii) Duly Rhode Island-licensed non-residents in a commercial fishery as of December 31
5 of the immediately preceding year shall be eligible to obtain a standard non-resident ~~principal effort~~
6 commercial fishing license with a single sector endorsement applicable to the fishery sectors for
7 which they were licensed as of December 31 of the immediately preceding year; provided:

8 (A) that the state of residence of the person affords the same privilege in a manner that is
9 not more restrictive to Rhode Island residents;

10 (B) that those persons apply for the standard non-resident ~~principal effort~~ commercial
11 fishing license in accordance with § 20-2.1-4(g); and

12 (C) that those persons shall also be subject to any other restrictions that were applicable to
13 the license as of December 31 of the immediately preceding year, which other restrictions may be
14 altered or changed consistent with ~~a fishery management plans adopted by the department~~
15 developed pursuant to this chapter.

16 (iii) Persons not duly licensed as of December 31 of the immediately preceding year shall
17 be eligible to obtain a standard non-resident ~~principal effort~~ commercial fishing license, per
18 endorsement, when available, consistent with fishery management plans developed pursuant to this
19 chapter, in accordance with applicable qualifying criteria ~~and as allowed in a management plan~~
20 ~~adopted by the department,~~ provided that the state of residence of the person affords the same
21 privilege in a manner that is not more restrictive to Rhode Island residents.

22 ~~(iv) The annual fee for a standard non-resident principal effort license shall be four hundred~~
23 ~~dollars (\$400), plus one hundred dollars (\$100) per endorsement.~~

24 ~~(2) Non-resident commercial fishing license. (i) A non-resident commercial fishing license~~
25 ~~shall allow the holder to harvest, land, and sell in a lawful manner any species of finfish, per~~
26 ~~endorsement(s), at basic harvest and gear levels and as allowed in a management plan adopted by~~
27 ~~the department.~~

28 ~~(ii) Non-residents age eighteen (18) and over shall be eligible to obtain a non-resident~~
29 ~~commercial fishing license and, in accordance with applicable qualifying criteria, available fishery~~
30 ~~sector endorsements, provided that the state of residence of the person affords the same privilege~~
31 ~~in a manner that is not more restrictive to Rhode Island residents.~~

32 ~~(iii) Holders of non-resident principal effort licenses shall not be eligible to obtain non-~~
33 ~~resident commercial fishing licenses with the same fishery sector endorsements.~~

1 ~~(iv) Duly Rhode Island licensed non-residents in a commercial fishery as of December 31~~
2 ~~of the immediately preceding year shall be eligible to obtain a non-resident commercial fishing~~
3 ~~license in their endorsed fishery sector as of December 31 of the immediately preceding year~~
4 ~~provided:~~

5 ~~(A) That the state of residence of the person affords the same privilege in a manner that is~~
6 ~~not more restrictive to Rhode Island residents;~~

7 ~~(B) That those persons apply for the non-resident commercial fishing license in accordance~~
8 ~~with § 20-2.1-4(g); and~~

9 ~~(C) That those persons shall also be subject to any other restrictions that were applicable~~
10 ~~to the license as of December 31 of the immediately preceding year which other restrictions may~~
11 ~~be altered or changed consistent with a management plan adopted by the department.~~

12 ~~(v) The annual fee for a non-resident commercial fishing license shall be one hundred fifty~~
13 ~~dollars (\$150), plus fifty dollars (\$50.00) per endorsement.~~

14 (2) Fees.

15 (i) Standard non-resident commercial fishing license.

16 (A) Standard non-resident commercial fishing license plus one limited fishery
17 endorsement: The fee shall be three hundred fifty dollars (\$350).

18 (B) Standard non-resident commercial fishing license plus one unlimited fishery
19 endorsement: The fee shall be seven hundred dollars (\$700).

20 (C) Standard non-resident commercial fishing license plus two limited fishery
21 endorsements: The fee shall be seven hundred dollars (\$700).

22 (D) Standard non-resident commercial fishing license plus three limited fishery
23 endorsements: The fee shall be one thousand fifty dollars (\$1050).

24 (E) Standard non-resident commercial fishing license plus one unlimited fishery
25 endorsement and one limited fishery endorsement: The fee shall be one thousand fifty dollars
26 (\$1050).

27 (F) Standard non-resident commercial fishing license plus one unlimited fishery
28 endorsement and two limited fishery endorsements: The fee shall be one thousand four hundred
29 dollars (\$1400).

30 (G) Standard non-resident commercial fishing license plus two unlimited fishery
31 endorsements: The fee shall be one thousand four hundred dollars (\$1400).

32 (H) Standard non-resident commercial fishing license plus two unlimited and one limited
33 fishery endorsement: The fee shall be one thousand seven hundred fifty dollars (\$1750).

1 (3) *Vessel declaration and fees.* The department shall require a non-resident owner and/or
2 operator of a commercial fishing vessel to make a declaration for that vessel; which shall be made
3 at the time of initial license issuance and each renewal, or prior to the vessel's being used for
4 commercial fishing in Rhode Island waters by the non-resident owner and/or operator if the first
5 usage of the vessel for commercial fishing occurs during the course of a year after the license has
6 been issued or renewed, for a cost of fifty dollars (\$50.00), plus one dollar and fifty cents (\$1.50)
7 for each whole foot over twenty-five feet (25') in length overall.

8 (4) *New licenses.* Any resident of a state that accords to Rhode Island residents commercial
9 fishing privileges that include an ability to obtain a new license to fish for finfish species that are
10 subject to restrictions and/or quotas, may on species specific reciprocal basis be eligible to obtain
11 ~~commercial fishing licenses and principal effort~~ standard non-resident commercial fishing licenses
12 by endorsement as provided in this section, subject to availability and with the priority established
13 in § 20-2.1-5~~(3)~~(iii).

14 SECTION 4. Sections 20-4-1.1, 20-4-1.2 and 20-4-1.3 of the General Laws in Chapter 20-
15 4 entitled "Commercial Fisheries" are hereby repealed.

16 ~~**20-4-1.1. Finfish dealers license — License for finfish buyers — Suspension or**~~
17 ~~**revocation.**~~

18 ~~(a) No person, partnership, firm, association, or corporation shall barter or trade in finfish~~
19 ~~taken by persons licensed under this chapter unless a license so to do has been obtained from the~~
20 ~~director of environmental management.~~

21 ~~(b) Any licensee operating under the provisions of this section shall purchase finfish from~~
22 ~~licensed persons only and shall purchase or possess only those finfish legally taken or possessed.~~

23 ~~(c) The director shall issue and enforce rules and regulations and orders governing bartering~~
24 ~~and trading in finfish by licensed fishers of finfish and licensed finfish buyers and other persons,~~
25 ~~partnerships, firms, associations, or corporations.~~

26 ~~(d) The director may suspend, revoke, or deny the license of a finfish buyer or fisher of~~
27 ~~finfish for the violation of any provision of this title or the rules, regulations, or orders adopted or~~
28 ~~issued pursuant to this title.~~

29 ~~(e) Any person aggrieved by the decisions of the director may appeal the decision pursuant~~
30 ~~to 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~~
32 ~~are authorized to enter and inspect the business premises, appurtenant structures, vehicles, or~~
33 ~~vessels of any finfish buyer and to inspect the records maintained by a finfish buyer for the purpose~~
34 ~~of 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, obstruct the entrance, or inspection of~~
2 ~~the director or the director's agents of those business premises, appurtenant structures, vehicles or~~
3 ~~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 penalties prescribed in § 20-1-16.~~

6 ~~**20-4-1.2. Resident or non-resident commercial landing permit.**~~

7 (a) ~~Each resident or non-resident who has charge of a vessel carrying seafood products~~
8 ~~legally harvested outside Rhode Island waters shall obtain a permit to land, sell or offer for sale~~
9 ~~seafood products in Rhode Island. The permit shall be issued by the department upon proof that the~~
10 ~~applicant holds a valid state or federal commercial fishing license and upon payment of the~~
11 ~~following fees:~~

12 (1) ~~Resident or non-resident finfish landing permit: for the landing sale or offering for sale~~
13 ~~of non-restricted finfish, the definition of which shall be established by the department by rule,~~
14 ~~caught by any means, two hundred dollars (\$200) for residents of the state; four hundred dollars~~
15 ~~(\$400) for non-residents of the state.~~

16 (2) ~~Resident or non-resident shellfish landing permit: (includes process product), two~~
17 ~~hundred dollars (\$200) for residents of the state; four hundred dollars (\$400) for non-residents of~~
18 ~~the state. This permit allows the holder to land shellfish (surf clams, blue mussels, ocean quahaugs,~~
19 ~~sea scallops) legally harvested in federal water.~~

20 (3) ~~Resident or non-resident miscellaneous landing permit: includes all other seafood~~
21 ~~products not specified under any other provision of this chapter, two hundred dollars (\$200) for~~
22 ~~residents of the state; four hundred dollars (\$400) for non-residents of the state.~~

23 (4) ~~Multi-purpose resident or non-resident landing permit: This permit allows a resident or~~
24 ~~non-resident to land and sell all marine products in the state of Rhode Island, except restricted~~
25 ~~finfish, the definition of which shall be established by the department by rule, three hundred dollars~~
26 ~~(\$300) for residents of the state; six hundred dollars (\$600) for non-residents of the state.~~

27 (b) ~~Landing permits shall be valid for the calendar year in which they are issued.~~

28 (c) ~~The department shall adopt any rules and procedures that may be necessary for the~~
29 ~~timely issuance of these permits in order to facilitate the off-loading and sale of seafood products,~~
30 ~~except restricted finfish, harvested outside Rhode Island waters.~~

31 (d) ~~Notwithstanding the provisions of this section, a commercial vessel with seafood~~
32 ~~products on board may, without a landing permit, enter Rhode Island waters and be secured to a~~
33 ~~shoreside facility for purposes other than landing, selling, or offering for sale the seafood products~~

1 on board if the person having charge of the vessel obtains permission from the department's division
2 of law enforcement prior to securing the vessel to the shoreside facility

3 **20-4-1.3. Non-resident landing permits.**

4 A new landing permit shall not be issued to any non-resident to off-load, land, offer for
5 sale, or sell any restricted marine species, the definition of which shall be established by the
6 department by rule and shall take into account species for which a quota has been allocated to the
7 state of Rhode Island by the Atlantic States Marine Fisheries Council or the National Marine
8 Fisheries service, unless: (1) the landing shall be counted against the quota of the state where the
9 vessel making the landing is registered or documented; or (2) the state where the vessel making the
10 landing is registered or documented issues new landing permits to Rhode Island residents to land
11 against that state's quota for the same species. For purposes of this section, the renewal of any non-
12 resident landing permit shall be considered a new non-resident landing permit unless the applicant
13 can show, to the satisfaction of the director, historic participation in the fishery and landings of the
14 species; and any change or upgrade of a vessel twenty percent (20%) or greater in length,
15 displacement, or horsepower above the named vessel shall be considered a new landing permit.
16 Issuance of a landing permit shall not be deemed to create a property right that can be sold,
17 transferred, or encumbered; landing permits shall be surrendered to the state upon their non-renewal
18 or forfeiture, and the acquisition of a named vessel by a non-resident who does not already have a
19 landing permit shall not entitle the non-resident to a landing permit unless a new landing permit
20 can be issued as allowed in this section

21 SECTION 5. Section 20-6-24 of the General Laws in Chapter 20-6 entitled "Shellfish" is
22 hereby repealed.

23 **20-6-24. License for shellfish buyers—Suspension or revocation.**

24 (a) No person, partnership, firm, association, or corporation shall barter or trade in shellfish
25 taken by persons licensed under this chapter unless a license so to do has been obtained from the
26 director of environmental management.

27 (b) Any licensee operating under the provisions of this section shall purchase shellfish from
28 licensed persons only and shall purchase or possess only those shellfish legally taken or possessed.

29 (c) The director shall issue and enforce rules and regulations and orders governing bartering
30 and trading in shellfish by licensed fishers of shellfish, licensed shellfish buyers and other persons,
31 partnerships, firms, associations, or corporations.

32 (d) The director may suspend, revoke, or deny the license of a shellfish buyer or fisher of
33 shellfish for the violation of any provision of this title or the rules, regulations, or orders adopted
34 or issued pursuant to this title.

1 ~~(e) Any person aggrieved by the decision of the director may appeal the decision pursuant~~
2 ~~to the provisions of the Administrative Procedures Act, chapter 35 of title 42.~~

3 ~~(f) The director of the department of environmental management and the director's agents~~
4 ~~are authorized to enter and inspect the business premises, appurtenant structures, vehicles, or~~
5 ~~vessels of any shellfish buyer and to inspect records maintained by a shellfish buyer for the purpose~~
6 ~~of determining compliance with the provisions of this section and any rules, regulations, or orders~~
7 ~~issued under this section, and no person shall interfere with or obstruct the entrance or inspection~~
8 ~~of the director or the director's agents of those business premises, appurtenant structures, vehicles,~~
9 ~~or vessels.~~

10 ~~(g) Any violation of the provisions of this section or any rule, regulation, or order adopted~~
11 ~~under this section shall be subject to the penalties prescribed in § 20-1-16.~~

12 SECTION 6. Section 20-7-5.1 of the General Laws in Chapter 20-7 entitled "Lobsters and
13 Other Crustaceans" is hereby repealed.

14 ~~**20-7-5.1 Lobster dealer's license.**~~

15 ~~(a) No person, partnership, firm, association, or corporation shall barter or trade in lobsters~~
16 ~~taken by persons licensed under this chapter unless a license so to do has been obtained from the~~
17 ~~director of environmental management.~~

18 ~~(b) Any licensee operating under the provisions of this section shall purchase lobsters from~~
19 ~~licensed persons only and shall purchase or possess only those lobsters legally taken or possessed.~~

20 ~~(c) The director shall issue and enforce rules and regulations and orders governing bartering~~
21 ~~and trading in lobsters by licensed fishers of lobster and licensed lobster buyers and other persons,~~
22 ~~partnerships, firms, associations, or corporations.~~

23 ~~(d) The director may suspend, revoke, or deny the license of a lobster buyer or fisher of~~
24 ~~lobster for the violation of any provision of this title or the rules, regulations, or orders adopted or~~
25 ~~issued pursuant to this title.~~

26 ~~(e) Any person aggrieved by the decision of the director may appeal the decision pursuant~~
27 ~~to the provision of the Administrative Procedures Act, chapter 35 of title 42.~~

28 ~~(f) The director of the department of environmental management and the director's agents~~
29 ~~are authorized to enter and inspect the business premises, appurtenant structures, vehicles or vessels~~
30 ~~of any lobster buyer and to inspect records maintained by a lobster buyer for the purposes of~~
31 ~~determining compliance with the provisions of this section and any rules, regulations, or orders~~
32 ~~issued under this section, and no person shall interfere with or obstruct the entrance or inspection~~
33 ~~of the director or the director's her agents of those business premises, appurtenant structures,~~
34 ~~vehicles or vessels.~~

1 ~~(g) Any violation of the provisions of this section or any rule, regulation or order adopted~~
2 ~~hereunder shall be subject to the penalties prescribed in § 20-1-16.~~

3 SECTION 7. Section 21-14-12 of the General Laws in Chapter 21-14 entitled “Shellfish
4 Packing Houses” is hereby amended to read as follows:

5 **21-14-12. Inspection of business premises – Dockside Program Established.**

6 (a) The director shall make regular inspections of the business premises of licensees and
7 no person shall interfere with or obstruct the entrance of the director to any packing house or
8 structural appurtenance to it, vessel, or vehicle for the purpose of making inspection as to sanitary
9 conditions during reasonable business hours, and no person shall obstruct the conduct of this
10 inspection; provided, that inspections as to sanitary conditions shall be made only by the director
11 or employees of the department ~~of health~~. These employees of the department ~~of health~~ shall not
12 be construed to include agents whom the director may appoint in other departments for the purpose
13 of enforcing other provisions of this chapter; and provided, that nothing in this section shall be
14 construed as having granted to the director or any duly authorized official of the department the
15 right of search and seizure without a warrant.

16 (b) The director shall be authorized to establish a dockside program, including the
17 promulgation of any rules and regulations deemed necessary or advisable in connection therewith,
18 pursuant to the relevant provisions of the National Shellfish Sanitation Program (NSSP) Model
19 Ordinance. Promulgating such rules and regulations pursuant to the NSSP Model Ordinance shall
20 assure that the marine shellfish processors, licensed by the department to land and process surf
21 clams and/or other marine shellfish species acquired in federal waters, are doing so in sanitary
22 fashion that comports with national standards. Such rules and regulations shall also be consistent
23 with the landing permit requirements of the department of environmental management in section
24 20-2.1-7. The dockside program shall not apply to aquaculture processors.

25 (c) The licensing fees from the dockside program shall be deposited into the general fund.
26 However, the amount of the revenues collected for the dockside program shall be appropriated to
27 the department of health for its administration of this program. The director shall have the authority
28 to establish the licensing fees and limit the number of licenses issued, at his or her sole discretion.

29 SECTION 8. Section 3 of this article shall take effect on July 1, 2022. The remainder of
30 this article shall take effect upon passage.

31

1 **ARTICLE 11**

2 **RELATING TO ADULT USE MARIJUANA**

3 SECTION 1. Section 2-26-5 of the General Laws in Chapter 2-26 entitled “Hemp Growth
4 Act” is hereby amended as follows:

5 **2-26-5. Authority over licensing and sales.**

6 (a) The department shall prescribe rules and regulations for the licensing and regulation of
7 hemp growers, handlers, licensed CBD distributors, and licensed CBD retailers and persons
8 employed by the applicant not inconsistent with law, to carry into effect the provision of this chapter
9 and shall be responsible for the enforcement of the licensing.

10 (b) All growers, handlers, licensed CBD distributors, and licensed CBD retailers must have
11 a hemp license issued by the department. All production, distribution, and retail sale of hemp-
12 derived consumable CBD products must be consistent with any applicable state or local food
13 processing and safety regulations, and the applicant shall be responsible to ensure its compliance
14 with the regulations and any applicable food safety licensing requirements, including, but not
15 limited to, those promulgated by the department on health.

16 (c) The application for a hemp license shall include, but not be limited to, the following:

17 (1) (i) The name and address of the applicant who will supervise, manage, or direct the
18 growing and handling of hemp and the names and addresses of any person or entity partnering or
19 providing consulting services regarding the growing or handling of hemp; and

20 (ii) The name and address of the applicant who will supervise, manage, or direct the
21 distribution or sale of hemp-derived consumable CBD products, and names and addresses of any
22 person or entity partnering or providing consulting services regarding the distribution or sale of
23 hemp-derived CBD products.

24 (2) A certificate of analysis that the seeds or plants obtained for cultivation are of a type
25 and variety that do not exceed the maximum concentration of delta-9 THC, as set forth in § 2-26-
26 3; any seeds that are obtained from a federal agency are presumed not to exceed the maximum
27 concentration and do not require a certificate of analysis.

28 (3) (i) The location of the facility, including the Global Positioning System location, and
29 other field reference information as may be required by the department with a tracking program
30 and security layout to ensure that all hemp grown is tracked and monitored from seed to distribution
31 outlets; and

32 (ii) The location of the facility and other information as may be required by the department
33 as to where the distribution or sale of hemp-derived consumable CBD products will occur.

1 (4) An explanation of the seed to sale tracking, cultivation method, extraction method, and
2 certificate of analysis or certificate of analysis for the standard hemp seeds or hemp product if
3 required by the department.

4 (5) Verification, prior to planting any seed, that the plant to be grown is of a type and
5 variety of hemp that will produce a delta-9 THC concentration of no more than three-tenths of one
6 percent (0.3%) on a dry-weight basis.

7 (6) Documentation that the licensee and/or its agents have entered into a purchase
8 agreement with a hemp handler, processor, distributor or retailer.

9 (7) All applicants:

10 (i) Shall apply to the state police, attorney general, or local law enforcement for a National
11 Criminal Identification records check that shall include fingerprints submitted to the Federal
12 Bureau of Investigation. Upon the discovery of a disqualifying conviction defined in subsections
13 (c)(7)(iv) and (c)(7)(v), and in accordance with the rules promulgated by the department, the state
14 police shall inform the applicant, in writing, of the nature of the conviction, and the state police
15 shall notify the department, in writing, without disclosing the nature of the conviction, that a
16 conviction has been found;

17 (ii) In those situations in which no conviction has been found, the state police shall inform
18 the applicant and the department, in writing, of this fact;

19 (iii) All applicants shall be responsible for any expense associated with the criminal
20 background check with fingerprints.

21 (iv) Any applicant who has been convicted of any felony offense under chapter 28 of title
22 21, or any person who has been convicted of murder; manslaughter; first-degree sexual assault;
23 second-degree sexual assault; first-degree child molestation; second-degree child molestation;
24 kidnapping; first-degree arson; second-degree arson; mayhem; robbery; burglary; breaking and
25 entering; assault with a dangerous weapon; or any assault and battery punishable as a felony or
26 assault with intent to commit any offense punishable as a felony, shall be disqualified from holding
27 any license or permit under this chapter. The department shall notify any applicant, in writing, of a
28 denial of a license pursuant to this subsection, [provided that any disqualification or denial of license
29 shall be subject to the provisions of § 28-5.1-14 of the general laws.](#)

30 (v) For purposes of this section, "conviction" means, in addition to judgments of conviction
31 entered by a court subsequent to a finding of guilty, or plea of guilty, those instances where the
32 defendant has entered a plea of nolo contendere and has received a jail sentence or a suspended jail
33 sentence, or those instances wherein the defendant has entered into a deferred sentence agreement
34 with the Rhode Island attorney general and the period of deferment has not been completed.

1 (8) Any other information as set forth in rules and regulations as required by the
2 department.

3 (d) [Deleted by P.L. 2019, ch. 88, art. 15, §1].

4 (e) The department shall issue a hemp license to the grower or handler applicant if he, she,
5 or it meets the requirements of this chapter, upon the applicant paying a licensure fee of two
6 thousand five hundred dollars (\$2,500). Said license shall be renewed every two (2) years upon
7 payment of a two thousand five hundred dollar (\$2,500) renewal fee. Any licensee convicted of
8 any disqualifying offense described in subsection (c)(7)(iv) shall have his, her, or its license
9 revoked. All license fees shall be directed to the department to help defray the cost of enforcement.
10 The department shall collect a nonrefundable application fee of two hundred fifty dollars (\$250)
11 for each application to obtain a license.

12 (f) Any grower or handler license applicant or license holder may also apply for and be
13 issued a CBD distributor and/or CBD retailer license at no additional cost provided their grower or
14 handler license is issued or renewed. CBD distributor and CBD retailer licenses shall be renewed
15 each year at no additional fee provided the applicant also holds or renews a grower and/or handler
16 license.

17 (g) For applicants who do not hold, renew, or receive a grower or handler license, CBD
18 distributor and CBD retailer licenses shall have a licensure fee of five hundred dollars (\$500). The
19 licenses shall be renewed each year upon approval by the department and payment of a five hundred
20 dollar (\$500) renewal fee.

21 SECTION 2. Section 21-28.5-2 of Chapter 21-28.5 of the General Laws entitled “Sale of
22 Drug Paraphernalia” is hereby amended as follows:

23 **21-28.5-2. Manufacture or delivery of drug paraphernalia – Penalty.**

24 It is unlawful for any person to deliver, sell, possess with intent to deliver, or sell, or
25 manufacture with intent to deliver, or sell drug paraphernalia, knowing that it will be used to plant,
26 propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, prepare,
27 test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or introduce into the human
28 body a controlled substance in violation of chapter 28 of this title. A violation of this section shall
29 be punishable by a fine not exceeding five thousand dollars (\$5,000) or imprisonment not exceeding
30 two (2) years, or both.

31 Notwithstanding any other provision of the general laws, the sale, manufacture, or delivery
32 of drug paraphernalia to a person acting in accordance with chapters [28.6](#), [28.11](#), or [28.12](#) of this
33 title shall not be considered a violation of this chapter.

1 SECTION 3. Sections 21-28.6-3, 21-28.6-5, and 21-28.6-6 of the General Laws in
2 Chapter 21-28.6 entitled “The Edward O. Hawkins and Thomas C. Slater Medical Marijuana
3 Act” are hereby amended as follows:

4 **21-28.6-3 Definitions.**

5 For the purposes of this chapter:

6 (1) "Authorized purchaser" means a natural person who is at least twenty-one (21) years
7 old and who is registered with the department of health for the purposes of assisting a qualifying
8 patient in purchasing marijuana from a compassion center. An authorized purchaser may assist no
9 more than one patient, and is prohibited from consuming marijuana obtained for the use of the
10 qualifying patient. An authorized purchaser shall be registered with the department of health and
11 shall possess a valid registry identification card.

12 (2) “Cannabis” means all parts of the plant of the genus marijuana, also known as marijuana
13 sativa L, whether growing or not; the seeds thereof; the resin extracted from any part of the
14 plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its
15 seeds, or resin regardless of cannabinoid content or cannabinoid potency including “marijuana”, and
16 “industrial hemp” or “industrial hemp products” which satisfy the requirements of chapter 26 of
17 title 2.

18 (3) “Cannabis testing laboratory” means a third-party analytical testing laboratory licensed
19 by the department of health, in coordination with the department of business regulation, to collect
20 and test samples of cannabis.

21 (4) "Cardholder" means a person who has been registered or licensed with the department
22 of health or the department of business regulation pursuant to this chapter and possesses a valid
23 registry identification card or license.

24 (5) "Commercial unit" means a building, or other space within a commercial or industrial
25 building, for use by one business or person and is rented or owned by that business or person.

26 (6)(i) "Compassion center" means a not-for-profit corporation, subject to the provisions of
27 chapter 6 of title 7, and licensed under § 21-28.6-12, that acquires, possesses, cultivates,
28 manufactures, delivers, transfers, transports, supplies, or dispenses medical marijuana, and/or
29 related supplies and educational materials, to patient cardholders and/or their registered caregiver,
30 cardholder or authorized purchaser.

1 (ii) "Compassion center cardholder" means a principal officer, board member, employee,
2 volunteer, or agent of a compassion center who has registered with the department of business
3 regulation and has been issued and possesses a valid, registry identification card.

4 (7) "Debilitating medical condition" means:

5 (i) Cancer, glaucoma, positive status for human immunodeficiency virus, acquired immune
6 deficiency syndrome, Hepatitis C, post-traumatic stress disorder, or the treatment of these
7 conditions;

8 (ii) A chronic or debilitating disease or medical condition, or its treatment, that produces
9 one or more of the following: cachexia or wasting syndrome; severe, debilitating, chronic pain;
10 severe nausea; seizures, including but not limited to, those characteristic of epilepsy; or severe and
11 persistent muscle spasms, including but not limited to, those characteristic of multiple sclerosis or
12 Crohn's disease; or agitation of Alzheimer's Disease; or

13 (iii) Any other medical condition or its treatment approved by the department of health, as
14 provided for in § 21-28.6-5.

15 (8) "Department of business regulation" means the Rhode Island department of business
16 regulation or its successor agency.

17 (9) "Department of health" means the Rhode Island department of health or its successor
18 agency.

19 (10) "Department of public safety" means the Rhode Island department of public safety or
20 its successor agency.

21 (11) "Dried marijuana" means the dried leaves and flowers of the marijuana plant as
22 defined by regulations promulgated by the department of business regulation.

23 (12) "Dwelling unit" means the room, or group of rooms, within a residential dwelling used
24 or intended for use by one family or household, or by no more than three (3) unrelated individuals,
25 with facilities for living, sleeping, sanitation, cooking, and eating.

26 (13) "Equivalent amount" means the portion of usable marijuana, be it in extracted, edible,
27 concentrated, or any other form, found to be equal to a portion of dried marijuana, as defined by
28 regulations promulgated by the departments of business regulation.

29 (14) "Immature marijuana plant" means a marijuana plant, rooted or unrooted, with no
30 observable flowers or buds.

31 (15) "Licensed medical marijuana cultivator" means a person or entity, as identified in §
32 43-3-6, who has been licensed by the department of business regulation to cultivate medical
33 marijuana pursuant to § 21-28.6-16.

1 (16) "Marijuana" has the meaning given that term in § 21-28-1.02.

2 (17) "Marijuana establishment licensee" means any person or entity licensed by the
3 department of business regulation under this chapter [or chapter 28.12 of title 21](#) whose license
4 permits it to engage in or conduct activities in connection with the medical marijuana program [or](#)
5 [adult use marijuana industry](#). "Marijuana establishment licensees" shall include [but not be limited](#)
6 [to](#), compassion centers, medical marijuana cultivators, ~~and~~ cannabis testing laboratories, [adult use](#)
7 [marijuana retailers, hybrid marijuana cultivators, and the holder of any other license issued by the](#)
8 [department of business regulation under chapters 28.6 or 28.12 of title 21 of the general laws and/or](#)
9 [as specified and defined in regulations promulgated by the department of business regulation](#).

10 (18) "Mature marijuana plant" means a marijuana plant that has flowers or buds that are
11 readily observable by an unaided visual examination.

12 (19) "Medical marijuana emporium" means any establishment, facility or club, whether
13 operated for-profit or nonprofit, or any commercial unit, at which the sale, distribution, transfer or
14 use of medical marijuana or medical marijuana products is proposed and/or occurs to, by or among
15 registered patients, registered caregivers, authorized purchaser cardholders or any other person.
16 This shall not include a compassion center regulated and licensed by the department of business
17 regulation pursuant to the terms of this chapter.

18 (20) "Medical marijuana" means marijuana and marijuana products that satisfy the
19 requirements of this chapter and have been given the designation of "medical marijuana" due to
20 dose, potency, form. Medical marijuana products are only available for use by patient cardholders,
21 and may only be sold to or possessed by patient cardholders, or their registered caregiver, or
22 authorized purchaser in accordance with this chapter. Medical marijuana may not be sold to,
23 possessed by, manufactured by, or used except as permitted as under this chapter.

24 (21) "Medical marijuana plant tag set" or "plant tag" means any tag, identifier, registration,
25 certificate, or inventory tracking system authorized or issued by the department or which the
26 department requires be used for the lawful possession and cultivation of medical marijuana plants
27 in accordance with this chapter.

28 (22) "Medical use" means the acquisition, possession, cultivation, manufacture, use,
29 delivery, transfer, or transportation of medical marijuana or paraphernalia relating to the
30 consumption of marijuana to alleviate a patient cardholder's debilitating medical condition or
31 symptoms associated with the medical condition in accordance with the provisions of this chapter.

32 (23) "Practitioner" means a person who is licensed with authority to prescribe drugs
33 pursuant to chapters 34, 37, and 54 of title 5 who may provide a qualifying patient with a written
34 certification in accordance with regulations promulgated by the department of health.

1 (24) "Primary caregiver" means a natural person who is at least twenty-one (21) years old
2 who is registered under this chapter in order to, and who may assist one (1) qualifying patient, but
3 no more than five (5) qualifying patients, with their medical use of marijuana, provided that a
4 qualified patient may also serve as his or her own primary caregiver subject to the registration and
5 requirements set forth in § 21-28.6-4.

6 (25) "Qualifying patient" means a person who has been certified by a practitioner as having
7 a debilitating medical condition and is a resident of Rhode Island.

8 (26) "Registry identification card" means a document issued by the department of health
9 or the department of business regulation, as applicable, that identifies a person as a registered
10 qualifying patient, a registered primary caregiver, or authorized purchaser, or a document issued
11 by the department of business regulation or department of health that identifies a person as a
12 registered principal officer, board member, employee, volunteer, or agent of a compassion center,
13 licensed medical marijuana cultivator, cannabis testing lab, or any other medical marijuana
14 licensee.

15 (27) "Unusable marijuana" means marijuana seeds, stalks, and unusable roots and shall not
16 count towards any weight-based possession limits established in this chapter.

17 (28) "Usable marijuana" means the leaves and flowers of the marijuana plant, and any
18 mixture or preparation thereof, but does not include the seeds, stalks, and roots of the plant.

19 (29) "Wet marijuana" means the harvested leaves and flowers of the marijuana plant before
20 they have reached a dry state, as defined by regulations promulgated by the department of health
21 and department of business regulation.

22 (30) "Written certification" means a statement signed by a practitioner, stating that, in the
23 practitioner's professional opinion, the potential benefits of the medical use of marijuana would
24 likely outweigh the health risks for the qualifying patient. A written certification shall be made only
25 in the course of a bona fide, practitioner-patient relationship after the practitioner has completed a
26 full assessment of the qualifying patient's medical history. The written certification shall specify
27 the qualifying patient's debilitating medical condition or conditions which may include the
28 qualifying patient's medical records.

29 **21-28.6-5 Departments of health and business regulation to issue regulations.**

30 (a) Not later than ninety (90) days after the effective date of this chapter, the department of
31 health shall promulgate regulations governing the manner in which it shall consider petitions from
32 the public to add debilitating medical conditions to those included in this chapter. In considering
33 such petitions, the department of health shall include public notice of, and an opportunity to
34 comment in a public hearing, upon such petitions. The department of health shall, after hearing,

1 approve or deny such petitions within one hundred eighty (180) days of submission. The approval
2 or denial of such a petition shall be considered a final department of health action, subject to judicial
3 review. Jurisdiction and venue for judicial review are vested in the superior court. The denial of a
4 petition shall not disqualify qualifying patients with that condition, if they have a debilitating
5 medical condition as defined in § 21-28.6-3(57). The denial of a petition shall not prevent a person
6 with the denied condition from raising an affirmative defense.

7 (b) Not later than ninety (90) days after the effective date of this chapter, the department
8 of health shall promulgate regulations governing the manner in which it shall consider applications
9 for, and renewals of, registry identification cards for qualifying patients and authorized purchasers.
10 The department of health's regulations shall establish application and renewal fees that generate
11 revenues sufficient to offset all expenses of implementing and administering this chapter. The
12 department of health may vary the application and renewal fees along a sliding scale that accounts
13 for a qualifying patient's or caregiver's income. The department of health may accept donations
14 from private sources in order to reduce the application and renewal fees.

15 (c) Not later than ~~October 1, 2019~~ January 1, 2022, the department of business regulation
16 shall promulgate regulations not inconsistent with law, to carry into effect the provisions of this
17 section, governing the manner in which it shall consider applications for, and renewals of, registry
18 identification cards for primary caregivers. The department of business regulation's regulations
19 shall establish application and renewal fees. The department of business regulation may vary the
20 application and renewal fees along a sliding scale that accounts for a qualifying patient's or
21 caregiver's income. The department of business regulation may accept donations from private
22 sources in order to reduce the application and renewal fees.

23 **21-28.6-6 Administration of departments of health and business regulation**
24 **regulations.**

25 (a) The department of health shall issue registry identification cards to qualifying patients
26 who submit the following, in accordance with the department's regulations. Applications shall
27 include but not be limited to:

- 28 (1) Written certification as defined in § 21-28.6-3;
- 29 (2) Application fee, as applicable;
- 30 (3) Name, address, and date of birth of the qualifying patient; provided, however, that if
31 the patient is homeless, no address is required;
- 32 (4) Name, address, and telephone number of the qualifying patient's practitioner;
- 33 (5) Whether the patient elects to grow medical marijuana plants for himself or herself; and

1 (6) Name, address, and date of birth of one primary caregiver of the qualifying patient and
2 any authorized purchaser for the qualifying patient, if any primary caregiver or authorized
3 purchaser is chosen by the patient or allowed in accordance with regulations promulgated by the
4 departments of health or business regulation.

5 (b) The department of health shall not issue a registry identification card to a qualifying
6 patient under the age of eighteen (18) unless:

7 (1) The qualifying patient's practitioner has explained the potential risks and benefits of the
8 medical use of marijuana to the qualifying patient and to a parent, guardian, or person having legal
9 custody of the qualifying patient; and

10 (2) A parent, guardian, or person having legal custody consents in writing to:

11 (i) Allow the qualifying patient's medical use of marijuana;

12 (ii) Serve as the qualifying patient's primary caregiver or authorized purchaser; and

13 (iii) Control the acquisition of the marijuana, the dosage, and the frequency of the medical
14 use of marijuana by the qualifying patient.

15 (c) The department of health shall renew registry identification cards to qualifying patients
16 in accordance with regulations promulgated by the department of health and subject to payment of
17 any applicable renewal fee.

18 (d) The department of health shall not issue a registry identification card to a qualifying
19 patient seeking treatment for post-traumatic stress disorder (PTSD) under the age of eighteen (18).

20 (e) The department of health shall verify the information contained in an application or
21 renewal submitted pursuant to this section, and shall approve or deny an application or renewal
22 within thirty-five (35) days of receiving it. The department may deny an application or renewal
23 only if the applicant did not provide the information required pursuant to this section, or if the
24 department determines that the information provided was falsified, or that the renewing applicant
25 has violated this chapter under their previous registration. Rejection of an application or renewal is
26 considered a final department action, subject to judicial review. Jurisdiction and venue for judicial
27 review are vested in the superior court.

28 (f) If the qualifying patient's practitioner notifies the department of health in a written
29 statement that the qualifying patient is eligible for hospice care or chemotherapy, the department
30 of health and department of business regulation, as applicable, shall give priority to these
31 applications when verifying the information in accordance with subsection (e) and issue a registry
32 identification card to these qualifying patients, primary caregivers and authorized purchasers within
33 seventy-two (72) hours of receipt of the completed application. The departments shall not charge a
34 registration fee to the patient, caregivers or authorized purchasers named in the application. The

1 department of health may identify through regulation a list of other conditions qualifying a patient
2 for expedited application processing.

3 (g) Following the promulgation of regulations pursuant to § 21-28.6-5(c), the department
4 of business regulation may issue or renew a registry identification card to the qualifying patient
5 cardholder's primary caregiver, if any, who is named in the qualifying patient's approved
6 application. The department of business regulation shall verify the information contained in
7 applications and renewal forms submitted pursuant to this chapter prior to issuing any registry
8 identification card. The department of business regulation may deny an application or renewal if
9 the applicant or appointing patient did not provide the information required pursuant to this section,
10 or if the department determines that the information provided was falsified, or if the applicant or
11 appointing patient has violated this chapter under their previous registration or has otherwise failed
12 to satisfy the application or renewal requirements.

13 (1) A primary caregiver applicant or an authorized purchaser applicant shall apply to the
14 bureau of criminal identification of the department of attorney general, department of public safety
15 division of state police, or local police department for a national criminal records check that shall
16 include fingerprints submitted to the Federal Bureau of Investigation. Upon the discovery of any
17 disqualifying information as defined in subsection (g)(5), and in accordance with the rules
18 promulgated by the director, the bureau of criminal identification of the department of attorney
19 general, department of public safety division of state police, or the local police department shall
20 inform the applicant, in writing, of the nature of the disqualifying information; and, without
21 disclosing the nature of the disqualifying information, shall notify the department of business
22 regulation or department of health, as applicable, in writing, that disqualifying information has been
23 discovered.

24 (2) In those situations in which no disqualifying information has been found, the bureau of
25 criminal identification of the department of attorney general, department of public safety division
26 of state police, or the local police shall inform the applicant and the department of business
27 regulation or department of health, as applicable, in writing, of this fact.

28 (3) The department of health or department of business regulation, as applicable, shall
29 maintain on file evidence that a criminal records check has been initiated on all applicants seeking
30 a primary caregiver registry identification card or an authorized purchaser registry identification
31 card and the results of the checks. The primary caregiver cardholder shall not be required to apply
32 for a national criminal records check for each patient he or she is connected to through the
33 department's registration process, provided that he or she has applied for a national criminal records
34 check within the previous two (2) years in accordance with this chapter. The department of health

1 and department of business regulation, as applicable, shall not require a primary caregiver
2 cardholder or an authorized purchaser cardholder to apply for a national criminal records check
3 more than once every two (2) years.

4 (4) Notwithstanding any other provision of this chapter, the department of business
5 regulation or department of health may revoke or refuse to issue any class or type of registry
6 identification card or license if it determines that failing to do so would conflict with any federal
7 law or guidance pertaining to regulatory, enforcement and other systems that states, businesses, or
8 other institutions may implement to mitigate the potential for federal intervention or enforcement.
9 This provision shall not be construed to prohibit the overall implementation and administration of
10 this chapter on account of the federal classification of marijuana as a schedule I substance or any
11 other federal prohibitions or restrictions.

12 (5) Information produced by a national criminal records check pertaining to a conviction
13 for any felony offense under chapter 28 of this title 21 ("Rhode Island Controlled Substances Act");
14 murder; manslaughter; rape; first-degree sexual assault; second-degree sexual assault; first-degree
15 child molestation; second-degree child molestation; kidnapping; first-degree arson; second-degree
16 arson; mayhem; robbery; burglary; breaking and entering; assault with a dangerous weapon; assault
17 or battery involving grave bodily injury; and/or assault with intent to commit any offense
18 punishable as a felony or a similar offense from any other jurisdiction shall result in a letter to the
19 applicant and the department of health or department of business regulation, as applicable,
20 disqualifying the applicant. If disqualifying information has been found, the department of health
21 or department of business regulation, as applicable may use its discretion to issue a primary
22 caregiver registry identification card or an authorized purchaser registry identification card if the
23 applicant's connected patient is an immediate family member and the card is restricted to that
24 patient only. [Any disqualification or denial of registration hereunder shall be subject to the](#)
25 [provisions of § 28-5.1-14 of the general laws.](#)

26 (6) The primary caregiver or authorized purchaser applicant shall be responsible for any
27 expense associated with the national criminal records check.

28 (7) For purposes of this section, "conviction" means, in addition to judgments of conviction
29 entered by a court subsequent to a finding of guilty or a plea of guilty, those instances where the
30 defendant has entered a plea of nolo contendere and has received a sentence of probation and those
31 instances where a defendant has entered into a deferred sentence agreement with the attorney
32 general.

1 (8) The office of cannabis regulation may adopt rules and regulations based on federal
2 guidance provided those rules and regulations are designed to comply with federal guidance and
3 mitigate federal enforcement against the registrations and licenses issued under this chapter.

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 of
8 business regulation, as applicable, shall issue registry identification cards within five (5) business
9 days of approving an application or renewal that shall expire one year after the date of issuance.

10 (3) Registry identification cards shall contain:

11 (i) The date of issuance and expiration date of the registry identification card;

12 (ii) A random registry identification number;

13 (iii) A photograph; and

14 (iv) Any additional information as required by regulation or the department of health or
15 business regulation as applicable.

16 (i) Persons issued registry identification cards by the department of health or department
17 of business regulation shall be subject to the following:

18 (1) A qualifying patient cardholder shall notify the department of health of any change in
19 his or her name, address, primary caregiver, or authorized purchaser; or if he or she ceases to have
20 his or her debilitating medical condition, within ten (10) days of such change.

21 (2) A qualifying patient cardholder who fails to notify the department of health of any of
22 these changes is responsible for a civil infraction, punishable by a fine of no more than one hundred
23 fifty dollars (\$150). If the patient cardholder has ceased to suffer from a debilitating medical
24 condition, the card shall be deemed null and void and the person shall be liable for any other
25 penalties that may apply to the person's nonmedical use of marijuana.

26 (3) A primary caregiver cardholder or authorized purchaser shall notify the issuing
27 department of any change in his or her name or address within ten (10) days of such change. A
28 primary caregiver cardholder or authorized purchaser who fails to notify the issuing department of
29 any of these changes is responsible for a civil infraction, punishable by a fine of no more than one
30 hundred fifty dollars (\$150).

31 (4) When a qualifying patient cardholder or primary caregiver cardholder notifies the
32 department of health or department of business regulation, as applicable, of any changes listed in
33 this subsection, the department of health or department of business regulation, as applicable, shall
34 issue the qualifying patient cardholder and each primary caregiver cardholder a new registry

1 identification card within ten (10) days of receiving the updated information and a ten-dollar
2 (\$10.00) fee.

3 (5) When a qualifying patient cardholder changes his or her primary caregiver or authorized
4 purchaser, the department of health or department of business regulation, as applicable shall notify
5 the primary caregiver cardholder or authorized purchaser within ten (10) days. The primary
6 caregiver cardholder's protections as provided in this chapter as to that patient shall expire ten (10)
7 days after notification by the issuing department. If the primary caregiver cardholder or authorized
8 purchaser is connected to no other qualifying patient cardholders in the program, he or she must
9 return his or her registry identification card to the issuing department.

10 (6) If a cardholder or authorized purchaser loses his or her registry identification card, he
11 or she shall notify the department that issued the card and submit a ten-dollar (\$10.00) fee within
12 ten (10) days of losing the card. Within five (5) days, the department of health or department of
13 business regulation shall issue a new registry identification card with new random identification
14 number.

15 (7) Effective January 1, 2019, if a patient cardholder chooses to alter his or her registration
16 with regard to the growing of medical marijuana for himself or herself, he or she shall notify the
17 department prior to the purchase of medical marijuana tags or the growing of medical marijuana
18 plants.

19 (8) If a cardholder or authorized purchaser willfully violates any provision of this chapter
20 as determined by the department of health or the department of business regulation, his or her
21 registry identification card may be revoked.

22 (j) Possession of, or application for, a registry identification card shall not constitute
23 probable cause or reasonable suspicion, nor shall it be used to support the search of the person or
24 property of the person possessing or applying for the registry identification card, or otherwise
25 subject the person or property of the person to inspection by any governmental agency.

26 (k)(1) Applications and supporting information submitted by qualifying patients, including
27 information regarding their primary caregivers, authorized purchaser, and practitioners, are
28 confidential and protected in accordance with the federal Health Insurance Portability and
29 Accountability Act of 1996, as amended, and shall be exempt from the provisions of chapter 2 of
30 title 38 et seq. (Rhode Island access to public records act) and not subject to disclosure, except to
31 authorized employees of the departments of health and business regulation as necessary to perform
32 official duties of the departments, and pursuant to subsection (l) and (m).

33 (2) The application for qualifying patient's registry identification card shall include a
34 question asking whether the patient would like the department of health to notify him or her of any

1 clinical studies about marijuana's risk or efficacy. The department of health shall inform those
2 patients who answer in the affirmative of any such studies it is notified of, that will be conducted
3 in Rhode Island. The department of health may also notify those patients of medical studies
4 conducted outside of Rhode Island.

5 (3) The department of health and the department of business regulation, as applicable, shall
6 maintain a confidential list of the persons to whom the department of health or department of
7 business regulation has issued authorized patient, primary caregiver, and authorized purchaser
8 registry identification cards. Individual names and other identifying information on the list shall be
9 confidential, exempt from the provisions of Rhode Island access to public records, chapter 2 of title
10 38, and not subject to disclosure, except to authorized employees of the departments of health and
11 business regulation as necessary to perform official duties of the departments and of this section.

12 (l) Notwithstanding subsections (k) and (m), the departments of health and business
13 regulation, as applicable, shall verify to law enforcement personnel whether a registry identification
14 card is valid and may provide additional information to confirm whether a cardholder is compliant
15 with the provisions of this chapter and the regulations promulgated hereunder. The department of
16 business regulation shall verify to law enforcement personnel whether a registry identification card
17 is valid and may confirm whether the cardholder is compliant with the provisions of this chapter
18 and the regulations promulgated hereunder. This verification may occur through the use of a shared
19 database, provided that any medical records or confidential information in this database related to
20 a cardholder's specific medical condition is protected in accordance with subsection (k)(1).

21 (m) It shall be a crime, punishable by up to one hundred eighty (180) days in jail and a one
22 thousand dollar (\$1,000) fine, for any person, including an employee or official of the departments
23 of health, business regulation, public safety, or another state agency or local government, to breach
24 the confidentiality of information obtained pursuant to this chapter. Notwithstanding this provision,
25 the department of health and department of business regulation employees may notify law
26 enforcement about falsified or fraudulent information submitted to the department or violations of
27 this chapter. Nothing in this act shall be construed as to prohibit law enforcement, public safety,
28 fire, or building officials from investigating violations of, or enforcing state law.

29 (n) On or before the fifteenth day of the month following the end of each quarter of the
30 fiscal year, the department of health and the department of business regulation shall report to the
31 governor, the speaker of the House of Representatives, and the president of the senate on
32 applications for the use of marijuana for symptom relief. The report shall provide:

33 (1) The number of applications for registration as a qualifying patient, primary caregiver,
34 or authorized purchaser that have been made to the department of health and the department of

1 business regulation during the preceding quarter, the number of qualifying patients, primary
2 caregivers, and authorized purchasers approved, the nature of the debilitating medical conditions
3 of the qualifying patients, the number of registrations revoked, and the number and specializations,
4 if any, of practitioners providing written certification for qualifying patients.

5 (o) On or before September 30 of each year, the department of health and the department
6 of business regulation, as applicable, shall report to the governor, the speaker of the House of
7 Representatives, and the president of the senate on the use of marijuana for symptom relief. The
8 report shall provide:

9 (1) The total number of applications for registration as a qualifying patient, primary
10 caregiver, or authorized purchaser that have been made to the department of health and the
11 department of business regulation, the number of qualifying patients, primary caregivers, and
12 authorized purchasers approved, the nature of the debilitating medical conditions of the qualifying
13 patients, the number of registrations revoked, and the number and specializations, if any, of
14 practitioners providing written certification for qualifying patients;

15 (2) The number of active qualifying patient, primary caregiver, and authorized purchaser
16 registrations as of June 30 of the preceding fiscal year;

17 (3) An evaluation of the costs permitting the use of marijuana for symptom relief, including
18 any costs to law enforcement agencies and costs of any litigation;

19 (4) Statistics regarding the number of marijuana-related prosecutions against registered
20 patients and caregivers, and an analysis of the facts underlying those prosecutions;

21 (5) Statistics regarding the number of prosecutions against physicians for violations of this
22 chapter; and

23 (6) Whether the United States Food and Drug Administration has altered its position
24 regarding the use of marijuana for medical purposes or has approved alternative delivery systems
25 for marijuana.

26 (p) After June 30, 2018, the department of business regulation shall report to the speaker
27 of the house, senate president, the respective fiscal committee chairpersons, and fiscal advisors
28 within 60 days of the close of the prior fiscal year. The report shall provide:

29 (1) The number of applications for registry identification cards to compassion center staff,
30 the number approved, denied and the number of registry identification cards revoked, and the
31 number of replacement cards issued;

32 (2) The number of applications for compassion centers and licensed cultivators;

33 (3) The number of marijuana plant tag sets ordered, delivered, and currently held within
34 the state;

1 (4) The total revenue collections of any monies related to its regulator activities for the
2 prior fiscal year, by the relevant category of collection, including enumerating specifically the total
3 amount of revenues foregone or fees paid at reduced rates pursuant to this chapter.

4 SECTION 4. Chapter 21-28.6 of the General Laws entitled "The Edward O. Hawkins and
5 Thomas C. Slater Medical Marijuana Act" is hereby amended by adding thereto the following
6 section:

7 **21-28.6-16.1 Procurement and transfer of marijuana.**

8 (a) A compassion center or licensed medical marijuana cultivator that obtains a
9 corresponding hybrid license pursuant to chapter 28.12 of title 21 may procure marijuana and
10 marijuana products from or transfer medical marijuana for processing and product manufacturing
11 to a marijuana establishment that is licensed under chapter 28.12 provided such procurement,
12 processing, manufacturing and transfer is conducted in accordance and compliance with chapters
13 28.6, 28.11 and 28.12 of title 21 and regulations promulgated by the office of cannabis regulation
14 including regulations regarding product testing, labeling, packaging and other requirements
15 designed to ensure health, safety and patient access and all applicable provisions of title 44.

16 (b) Notwithstanding any other provision of the general laws, a licensed compassion center
17 that also holds a license as a hybrid marijuana retailer pursuant to chapter 28.12 of title 21 and the
18 regulations promulgated hereunder shall be exempt from the requirements of chapter 28.6 of title
19 21 requiring registration as a not-for-profit corporation under chapter 6 of title 7 of the general
20 laws, provided the compassion center maintains operation and licensure as a hybrid marijuana
21 retailer in good standing with the department of business regulation. The department of business
22 regulation may promulgate regulations or issue guidance to facilitate the transition from a not-for-
23 profit corporation to a for profit corporation or other entity including but not limited to the
24 requirement that the compassion center must update and/or resubmit licensing and application
25 documents which reflect this transfer.

26 SECTION 5. Title 21 of the General Laws entitled "FOOD AND DRUGS" is hereby
27 amended by adding thereto the following chapters 28.11 and 28.12:

28 **CHAPTER 28.11**

29 **ADULT USE OF MARIJUANA ACT**

30 **21-28.11-1. Short title.**

31 This chapter shall be known and may be cited as the "Adult Use of Marijuana Act."

32 **21-28.11-2. Legislative Findings.**

33 The general assembly finds and declares that:

1 (1) Prohibiting the possession, cultivation, and sale of cannabis to adults has proven to be
2 an ineffective policy for the State of Rhode Island. In the absence of a legal, tightly regulated
3 market, an illicit cannabis industry has thrived, undermining the public health, safety and welfare
4 of Rhode Islanders.

5 (2) Regional and national shifts in cannabis policy have increased access to legal cannabis
6 and marijuana products for Rhode Islanders in other states, the sale of which benefits the residents
7 of the providing state while providing no funds to the State of Rhode Island to address the public
8 health, safety and welfare externalities that come with increased access to cannabis, including
9 marijuana.

10 (3) It is in the best interests of the of the State of Rhode Island to implement a new
11 regulatory framework and tax structure for the commercial production and sale of cannabis and
12 cannabis products, all aspects of which shall be tightly regulated and controlled by the provisions
13 of this act and the office of cannabis regulation, the revenue from which is to be used to tightly
14 regulate cannabis and cannabis products and to study and mitigate the risks and deleterious
15 impacts that cannabis and marijuana use may have on the citizens and State of Rhode Island.

16 **21-28.11-3. Definitions.**

17 For purposes of this chapter:

18 (1) “Adult use marijuana cultivator” means an entity that holds a license to cultivate
19 marijuana pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by
20 the office of cannabis regulation and includes a hybrid marijuana cultivator.

21 (2) “Adult use marijuana retailer” means an entity that holds a license to sell marijuana
22 at retail pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by
23 the office of cannabis regulation and includes a hybrid marijuana retailer.

24 (3) “Cannabis” means all parts of the plant of the genus marijuana, also known as marijuana
25 sativa L, whether growing or not; the seeds thereof; the resin extracted from any part of the
26 plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its
27 seeds, or resin regardless of cannabinoid content or cannabinoid potency including “marijuana”, and
28 “industrial hemp” or “industrial hemp products” which satisfy the requirements of chapter 2-26 of
29 the general laws and the regulations promulgated thereunder.

30 (4) “Cannabis plant” means a cannabis plant, rooted or unrooted, mature, or immature, with
31 or without flowers or buds.

32 (5) “Department” or “department of business regulation” means the office of cannabis regulation
33 within the department of business regulation or its successor agency.

1 (6) "Dwelling unit" means a room or group of rooms within a residential dwelling used or
2 intended for use by one family or household, or by no more than three (3) unrelated individuals,
3 with facilities for living, sleeping, sanitation, cooking, and eating.

4 (7) "Equivalent amount" means the portion of usable marijuana, be it in extracted, edible,
5 concentrated, or any other form, found to be equal to a portion of dried, marijuana, as defined by
6 regulations promulgated by the office of cannabis regulation.

7 (8) "Hybrid marijuana cultivator" means an entity that holds a medical marijuana
8 cultivator license pursuant to chapter 28.6 of title 21 that also holds a license to cultivate marijuana
9 pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by the
10 office of cannabis regulation.

11 (9) "Hybrid marijuana retailer" means an entity that holds a medical marijuana
12 compassion center license pursuant to chapter 28.6 of title 21 that also holds a license to sell
13 marijuana at retail pursuant to chapter 28.12 of title 21 and in accordance with regulations
14 promulgated by the office of cannabis regulation.

15 (10) "Industrial Hemp" means the plant of the genus cannabis and any part of such plant,
16 whether growing or not, with a delta-9 tetrahydrocannabinol concentration that does not exceed
17 three-tenths percent (0.3%) on a dry-weight basis of any part of the plant cannabis, or per volume
18 or weight of cannabis product or the combined percent of delta-9 tetrahydrocannabinol and
19 tetrahydrocannabinolic acid in any part of the plant cannabis regardless of the moisture content,
20 which satisfy the requirements of chapter 2-26 of the general laws and the regulations promulgated
21 thereunder.

22 (11) "Industrial Hemp products" means all products made from industrial hemp plants,
23 including, but not limited to, concentrated oil, cloth, cordage, fiber, food, fuel, paint, paper,
24 construction materials, plastics, seed, seed meal, seed oil, and certified for cultivation which satisfy
25 the requirements of chapter 2-26 of the general laws and the regulations promulgated thereunder.

26 (12) "Marijuana" means all parts of the plant cannabis sativa L., whether growing or not;
27 the seeds of the plant; the resin extracted from any part of the plant; and every compound,
28 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin, but shall not
29 include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the
30 seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of
31 mature stalks, (except the resin extracted from it), fiber, oil or cake, or the sterilized seed from the
32 plant which is incapable of germination. Marijuana shall not include "industrial hemp" or
33 industrial hemp products" which satisfy the requirements of chapter 26 of title 2 of the general laws
34 and the regulations promulgated thereunder.

1 (13) "Marijuana establishment" and "marijuana establishment licensee" means any person
2 or entity licensed by the office of cannabis regulation under chapter 28.12 or chapter 28.6 of title
3 21 whose license permits it to engage in or conduct activities in connection with the adult use
4 marijuana industry or medical marijuana program and includes but is not limited to a licensed
5 adult use marijuana retailer, marijuana testing facility, hybrid marijuana retailer, adult use
6 marijuana cultivator, hybrid marijuana cultivator, compassion center, medical marijuana cultivator,
7 or any other license issued by the office of cannabis regulation under chapter 28.12 or chapter 28.6
8 of title 21 and/or as specified and defined in regulations promulgated by the office of cannabis
9 regulation.

10 (14) "Marijuana paraphernalia" means equipment, products, and materials which are
11 used or intended for use in planting, propagating, cultivating, growing, harvesting,
12 manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing,
13 packaging, repackaging, storing, containing, concealing, ingesting, or inhaling marijuana, or
14 otherwise introducing marijuana into the human body.

15 (15) "Marijuana products" means any form of marijuana, including concentrated marijuana
16 and products that are comprised of marijuana and other ingredients that are intended for use or
17 consumption, such as, but not limited to, extracts, infusions, edible products, ointments, and tinctures,
18 as further defined in regulations promulgated by the office of cannabis regulation.

19 (16) "Marijuana testing facility" and "cannabis testing laboratory" means a third-party
20 analytical testing laboratory licensed by the departments of health and office of cannabis regulation
21 to collect and test samples of cannabis pursuant to regulations promulgated by the departments.

22 (17) "Office of cannabis regulation" means the office of cannabis regulation within the
23 department of business regulation.

24 (18) "Public place" means any street, alley, park, sidewalk, public building other than
25 individual dwellings, or any place of business or assembly open to or frequented by the public,
26 and any other place to which the public has access.

27 (19) "Smoke" or "smoking" means heating to at least the point of combustion, causing plant
28 material to burn, inhaling, exhaling, burning, or carrying any lighted or heated cigarette, pipe, weed, plant,
29 other marijuana product in any manner or in any form intended for inhalation in any manner or form and
30 includes but is not limited to the use of electronic cigarettes, electronic pipes, electronic marijuana delivery
31 system products, or other similar products that rely on vaporization or aerosolization.

32 (20) "State prosecution" means prosecution initiated or maintained by the state of Rhode
33 Island or an agency or political subdivision of the state of Rhode Island.

1 (21) “Vaporize” or “vape” means heating below the point of combustion and resulting in a
2 vapor or mist.

3 **21-28.11-4. Exempt activities.**

4 Effective from and after April 1, 2022, except as otherwise provided in this chapter:

5 (1) A person who is twenty-one (21) years of age or older is exempt from arrest, civil or
6 criminal penalty, seizure or forfeiture of assets, discipline by any state or local licensing board,
7 and state prosecution for solely engaging in the following acts:

8 (i) Actually or constructively using, obtaining, purchasing, transporting, or possessing one
9 ounce (1 oz.) or less of marijuana plant material, or an equivalent amount of marijuana product as
10 determined by regulations promulgated by the office of cannabis regulation, provided that a person
11 who is twenty-one (21) years of age or older may only purchase one ounce (1 oz.) of marijuana
12 plant material, or an equivalent amount of marijuana product as determined by regulations
13 promulgated by the office of cannabis regulation per day;

14 (ii) Possessing in the person’s primary residence in secured and locked storage five ounces
15 (5 oz) or less of marijuana plant material or an equivalent amount of marijuana product as determined
16 by regulations promulgated by the office of cannabis regulation, or possessing in any dwelling unit
17 used as the a primary residence by two or more persons who are each twenty-one (21) years of age
18 or older in secured and locked storage ten ounces (10 oz.) or less of marijuana plant material or an
19 equivalent amount of marijuana product as determined by regulations promulgated by the office of
20 cannabis regulation;

21 (iii) Controlling any premises or vehicle where persons who are twenty-one (21) years of
22 age or older possess, process, or store amounts of marijuana plant material and marijuana products
23 that are legal under state law under subsections (1)(i) and (1)(ii) of this section, provided that any and
24 all marijuana plant material and/or marijuana products in a vehicle are sealed, unused, and in their
25 original unopened packaging;

26 (iv) Giving away, without consideration, the amounts of marijuana and marijuana products
27 that are legal under state law under subsection (1)(i) of this section, if the recipient is a person
28 who is twenty-one (21) years of age or older, provided the gift or transfer of marijuana is not advertised
29 or promoted to the public and the gift or transfer of marijuana is not in conjunction with the sale or transfer
30 of any money, consideration or value, or another item or any other services in an effort to evade laws
31 governing the sale of marijuana;

32 (v) Aiding and abetting another person who is twenty-one (21) years of age or older in the
33 actions allowed under this chapter; and

1 (vi) Any combination of the acts described within subsections (1)(i) through (1)(v) of this
2 section, inclusive.

3 (2) Except as provided in this chapter and chapter 28.12 of title 21, an adult use
4 marijuana retailer, hybrid marijuana retailer or any person who is twenty-one (21) years of age
5 or older and acting in their capacity as an owner, principal officer, partner, board member,
6 employee, or agent of a licensed retailer is exempt from arrest, civil or criminal penalty, seizure
7 or forfeiture of assets, discipline by any state or local licensing board, and state prosecution for
8 solely engaging in the following acts:

9 (i) Actually or constructively transporting or possessing marijuana or marijuana products that
10 were purchased from a hybrid marijuana cultivator, another adult use marijuana retailer, or any other
11 marijuana establishment in accordance with regulations promulgated by the office of cannabis
12 regulation;

13 (ii) Manufacturing, possessing, producing, obtaining, or purchasing marijuana paraphernalia;

14 (iii) Selling, delivering, or transferring marijuana or marijuana products to another retailer in
15 accordance with regulations promulgated by the office of cannabis regulation;

16 (iv) Selling, transferring, or delivering, no more than, one ounce (1 oz.) of marijuana, or an
17 equivalent amount of marijuana product per day, or marijuana paraphernalia to any person who is
18 twenty-one (21) years of age or older, in accordance with regulations promulgated by the office of
19 cannabis regulation and within the transaction limits of this chapter, chapter 21-28.12 and transactions
20 limits specified in regulations promulgated by the office of cannabis regulation;

21 (v) Transferring or delivering marijuana or marijuana products to a cannabis testing facility
22 in accordance with regulations promulgated by the office of cannabis regulation;

23 (vi) Controlling any premises or vehicle where marijuana, marijuana products, and
24 marijuana paraphernalia are possessed, sold, or deposited in a manner that is not in conflict with this
25 chapter or the regulations pursuant thereto; and

26 (vii) Any combination of the acts described within subsections (2)(i) through (2)(vi) of this
27 section, inclusive.

28 (3) Except as provided in this chapter and chapter 28.12 of title 21, an adult use marijuana
29 cultivator, hybrid marijuana cultivator or any person who is twenty-one (21) years of age or older
30 and acting in their capacity as an owner, principal officer, partner, board member, employee, or
31 agent of a licensed cultivator is exempt from arrest, civil or criminal penalty, seizure or forfeiture
32 of assets, discipline by any state or local licensing board, and state prosecution for solely engaging
33 in the following acts:

1 (i) Cultivating, packing, processing, transporting, or manufacturing marijuana, but not
2 marijuana products, in accordance with regulations promulgated by the office of cannabis
3 regulation;

4 (ii) Transporting or possessing marijuana that was produced by the hybrid marijuana
5 cultivator or another marijuana establishment, in accordance with regulations promulgated by the
6 office of cannabis regulation;

7 (iii) Selling, delivering, or transferring marijuana to an adult use marijuana retailer, hybrid
8 marijuana retailer, another hybrid marijuana cultivator, or any other marijuana establishment, in
9 accordance with regulations promulgated by the office of cannabis regulation;

10 (iv) Purchasing marijuana from another hybrid marijuana cultivator;

11 (v) Delivering or transferring marijuana to a marijuana testing facility;

12 (vi) Controlling any premises or vehicle where marijuana is possessed, manufactured, sold, or
13 deposited, in accordance with regulations promulgated by the office of cannabis regulation; and

14 (vii) Any combination of the acts described within subsections (3)(i) through (3)(vi) of this
15 section, inclusive.

16 (4) Except as provided in this chapter and chapter 28.12 of title 21, a cannabis testing
17 facility or any person who is twenty-one (21) years of age or older and acting in their capacity as
18 an owner, principal officer, owner, partner, board member, employee, or agent of a licensed
19 cannabis testing facility shall not be subject to state prosecution; search, except by the department
20 of business regulation or department of health pursuant to §21-28.12-8; seizure; or penalty in
21 any manner or be denied any right or privilege, including, but not limited to, civil penalty
22 or disciplinary action by a court or business licensing board or entity solely engaging in for the
23 following acts:

24 (i) Acquiring, transporting, storing, or possessing marijuana or marijuana products, in
25 accordance with regulations promulgated by the office of cannabis regulation;

26 (ii) Returning marijuana and marijuana products to marijuana cultivation facilities, marijuana
27 retailers, other marijuana establishment licensees and industrial hemp license holders, in accordance
28 with regulations promulgated by the office of cannabis regulation;

29 (iii) Receiving compensation for analytical testing, including but not limited to testing
30 for contaminants and potency; and

31 (iv) Any combination of the acts described within subsections (4)(i) through (4)(iii) of this
32 section, inclusive.

1 (5) The acts listed in subsections (1) through (4) of this section, when undertaken in
2 compliance with the provisions of this chapter and regulations promulgated hereunder, are lawful
3 under Rhode Island law.

4 (6) Except as provided in this chapter and chapter 28.12 of title 21, a marijuana
5 establishment licensee or any person who is twenty-one (21) years of age or older and acting
6 in their capacity as an owner, principal officer, partner, board member, employee, or agent of
7 licensed a marijuana establishment created by the office of cannabis regulation is exempt from
8 arrest, civil or criminal penalty, seizure or forfeiture of assets, discipline by any state or local
9 licensing board, and state prosecution solely for possessing, transferring, dispensing, or delivering
10 marijuana in accordance with the corresponding marijuana establishment license regulations
11 promulgated by the office of cannabis regulation, or otherwise engaging in activities permitted
12 under the specific marijuana establishment license it holds as issued by the office of cannabis
13 regulation and the regulations promulgated by the office of cannabis regulation.

14 (7) Except for the exemptions set forth in subsection (1) of this section which shall be
15 effective from and after April 1, 2022, the exemptions set forth in subsections (2), (3), (4), (5) and
16 (6) of this section shall be effective as to a marijuana establishment licensee from and after the date
17 of issuance of a license by the office of cannabis regulation.

18 **21-28.11-5. Authorized activities; paraphernalia.**

19 (a) Any person who is twenty-one (21) years of age or older is authorized to manufacture,
20 produce, use, obtain, purchase, transport, or possess, actually or constructively, marijuana
21 paraphernalia in accordance with all applicable laws.

22 (b) Any person who is twenty-one (21) years of age or older is authorized to distribute or
23 sell marijuana paraphernalia to marijuana establishments or persons who are twenty-one (21) years
24 of age or older in accordance with all applicable laws.

25 **21-28.11-6. Unlawful activities; penalties.**

26 (a) Except as expressly provided in this chapter and chapters 2-26, 28.6 and 21-28.12, no
27 person or entity shall cultivate, grow, manufacture, process, or otherwise produce cannabis,
28 cannabis plants or cannabis products.

29 (b) Any person who cultivates, grows, manufactures, processes, or otherwise produces
30 cannabis, cannabis plants or cannabis products in violation of this chapter and chapters 2-26, 21-
31 28.6, 21-28.12, and/or the regulations promulgated hereunder shall be subject to imposition of an
32 administrative penalty and order by the office of cannabis regulation as follows:

1 (i) for a violation of this section involving one (1) to five (5) cannabis plants, an
2 administrative penalty of \$2,000 per plant and an order requiring forfeiture and/or destruction of
3 said plants;

4 (ii) for a violation of this section involving six (6) to ten (10) cannabis plants, an
5 administrative penalty of \$3,000 per plant and an order requiring forfeiture and/or destruction of
6 said plants;

7 (iii) for a violation of this section involving eleven (11) to twenty (20) cannabis plants, an
8 administrative penalty of \$4,000 per plant and an order requiring forfeiture and/or destruction of
9 said plants;

10 (iv) for a violation of this section involving more than twenty (20) cannabis plants, an
11 administrative penalty of \$5,000 per plant and an order requiring forfeiture and/or destruction of
12 said plants;

13 (v) for any violation of this section involving more than twenty (20) cannabis plants, such
14 person and, in the case of an entity such entity's principal officers and other key persons, shall also
15 be guilty of a felony, and upon conviction shall be punished by imprisonment and a fine as provided
16 in chapter 21-28 of the general laws and the attorney general shall prosecute such criminal
17 violation; and

18 (vi) for any violation of this section involving possession of marijuana material or marijuana
19 products over the legal possession limits of this chapter, there shall be an administrative penalty of \$2,000
20 per ounce of equivalent marijuana material over the legal possession limit and an order requiring
21 forfeiture and/or destruction of said marijuana.

22 **21-28.11-7. Activities not exempt.**

23 The provisions of this chapter do not exempt any person from arrest, civil or criminal
24 penalty, seizure or forfeiture of assets, discipline by any state or local licensing board or authority,
25 and state prosecution for, nor may they establish an affirmative defense based on this chapter
26 to charges arising from, any of the following acts:

27 (1) Driving, operating, or being in actual physical control of a vehicle or a vessel under power
28 or sail while impaired by marijuana or marijuana products;

29 (2) Possessing marijuana or marijuana products if the person is incarcerated;

30 (3) Possessing marijuana or marijuana products in any local detention facility, county jail,
31 state prison, reformatory, or other correctional facility, including, without limitation, any facility for the
32 detention of juvenile offenders; or

33 (4) Manufacturing or processing of marijuana products with the use of prohibited solvents,
34 in violation of § 21-28.11-13.

1 **21-28.11-8. Marijuana use prohibitions.**

2 (a) No person shall smoke, vaporize or otherwise consume or use cannabis in a public
3 place. A person who violates this section shall be subject to imposition of any applicable penalty
4 or fine established pursuant to local ordinance by the municipality where the public consumption
5 or use occurred.

6 (b) No person shall smoke or vaporize cannabis in, on or about the premises of any housing
7 that is subject to regulation or otherwise within the purview of chapters 45-25, 45-26, 45-53 or 45-
8 60 of the general laws and any regulations promulgated thereunder. A person who smokes or
9 vaporizes cannabis in, on or about such housing premises shall be subject to imposition of any
10 applicable penalty established pursuant to local ordinance, access prohibition or restriction, eviction
11 or other action that may lawfully be taken by the owner and/or applicable authority with respect to
12 said housing.

13 (c) No person shall smoke or vaporize cannabis in, on or about the premises of any multi-
14 unit housing complex or building without the written permission of the owner of such property
15 and/or any applicable governing body of the housing complex or building. A person who smokes
16 or vaporizes cannabis in, on or about any multi-unit housing complex or building premises without
17 such written permission shall be subject to imposition of any applicable penalty established
18 pursuant to local ordinance, access prohibition or restriction, eviction or other action that may
19 lawfully be taken by the owner and/or any applicable authority with respect to such multi- unit
20 housing complex or building.

21 (d) No person or entity shall permit smoking, vaporizing or other consumption or use, sale,
22 distribution or other transfer or any proposed sale, distribution or transfer, of cannabis or cannabis
23 products in, on or about the premises of any place of business, establishment, or club, whether
24 public or private, and whether operated for-profit or nonprofit, or any commercial property or other
25 premises as further defined through regulations promulgated by the office of cannabis regulation,
26 unless a cannabis social use license or temporary cannabis social use permit has been issued by the
27 office of cannabis regulation with respect to such business, establishment, club or commercial
28 property premises in accordance with regulations promulgated by the office of cannabis regulation.
29 Any person or entity who violates this section shall be subject to imposition of administrative fine
30 and/or other penalty as prescribed by the office of cannabis regulation in such regulations.

31 **21-28.11-9. Places of employment.**

32 (a) Nothing in this chapter shall be construed to require an employer to accommodate the
33 use or possession of marijuana, or being under the influence of marijuana, in any workplace.

1 (b) An employer shall be entitled to implement policies prohibiting the use or possession
2 of marijuana in the workplace and/or working under the influence of marijuana, provided such
3 policies are in writing and uniformly applied to all employees and an employee is given prior
4 written notice of such policies by the employer.

5 (c) The provisions of this chapter shall not permit any person to undertake any task under
6 the influence of marijuana when doing so would constitute negligence or professional malpractice,
7 jeopardize workplace safety, or to operate, navigate or be in actual physical control of any motor
8 vehicle or other transport vehicle, aircraft, motorboat, machinery or equipment, or firearms under
9 the influence of marijuana.

10 (d) Notwithstanding any other section of the general laws, upon specific request of a person
11 who is a qualifying medical marijuana patient cardholder under chapter 28.6 of title 21, the
12 department of health may verify the requesting cardholder's status as a valid patient cardholder to
13 the qualifying patient cardholder's employer, in order to ensure compliance with patient protections
14 of §21-28.6-4(e).

15 (e) Notwithstanding any other section of the general laws, an employer may take
16 disciplinary action against an employee, including termination of employment, if the results of a
17 drug test administered in accordance with section § 28-6.5-1 of the general laws demonstrates that
18 the employee was under the influence of or impaired by marijuana while in the workplace or during
19 the performance of work. For purposes of this subsection (e), a drug test that yields a positive result
20 for cannabis metabolites shall not be construed as proof that an employee is under the influence of
21 or impaired by marijuana unless the test yields a positive result for active THC, delta-9-
22 tetrahydrocannabinol, delta-8-tetrahydrocannabinol, or any other active cannabinoid found in
23 marijuana which causes intoxication and/or impairment.

24 **21-28.11-10. Private property.**

25 (a) Except as provided in this section, the provisions of this chapter do not require any
26 person, corporation, or any other entity that occupies, owns, or controls a property to allow the
27 consumption, or transfer of marijuana on or in that property.

28 (b) Except as provided in this section, in the case of the rental of a residential dwelling
29 unit governed by chapter 18 of title 34, a landlord may not prohibit the consumption of cannabis
30 by non-smoked or non-vaporized means, or the transfer without compensation of cannabis by the
31 tenant as defined in § 34-18-11, provided the tenant is in compliance with the possession and
32 transfer limits and other requirements set forth in § 21-28.11-4(1)(i)-(vi), and provided any such
33 consumption or transfer by the tenant is done within the tenant's dwelling unit and is not visible
34 from outside of the individual residential dwelling unit. A landlord may prohibit the consumption,

1 display, and transfer of cannabis by a roomer as defined in § 34-18-11 and by any other person who
2 is not a tenant.

3 **21-28.11-12. Unlawful distribution to minors; penalties.**

4 (a) Except as expressly provided in chapter 28.6 of title 21 of the general laws, no person
5 or entity shall sell, deliver or otherwise transfer to any person who is under twenty-one (21) years
6 of age marijuana, marijuana plants or marijuana products.

7 (b) Any person or entity who sells, delivers or otherwise transfers marijuana, marijuana
8 plants or marijuana products to any person who is under twenty-one (21) years of age violation of
9 this chapter and chapter 28.12 of title 21 and/or the regulations promulgated hereunder shall be
10 subject to imposition of an administrative penalty by the office of cannabis regulation in the amount
11 of \$10,000 per violation.

12 (c) As to any violation of this section, such person, and in the case of an entity such entity's
13 principal officers and other key persons, shall also be guilty of a felony, and upon conviction shall
14 be punished by imprisonment and a fine as provided in chapter 28 of title 21 of the general laws
15 and the attorney general shall prosecute such criminal violation.

16 **21-28.11-13. Unlawful marijuana extraction, penalties.**

17 (a) No person, other than a licensee who is authorized to process marijuana pursuant to
18 a license under chapter 28.12 of title 21 and who is in compliance with this chapter, chapter 28.12
19 and accompanying regulations or an agent of such licensee acting in that capacity, may extract
20 compounds from marijuana using solvents other than water, glycerin, propylene glycol, vegetable
21 oil, or food grade ethanol (ethyl alcohol). No person may extract compounds from marijuana using
22 ethanol in the presence or vicinity of open flame.

23 (b) A person who violates this section shall be subject to imposition of an administrative
24 penalty by the office of cannabis regulation of up to five thousand dollars (\$5,000) per violation.

25 (c) A person who violates this section shall also be guilty of a felony punishable by imprisonment
26 and a fine in accordance with chapter 28 of title 21 of the general laws and the attorney general shall
27 prosecute such criminal violation.

28 **21-28.11-14. Medical marijuana program parity.**

29 (a) No later than April 1, 2023, the department of business regulation shall, in collaboration
30 with the department of health and the office of management and budget, conduct and deliver to the
31 Governor, the Speaker of the House of Representatives, and the President of the Senate a study
32 relating to the impact of the implementation of adult use cannabis in Rhode Island on the existing
33 medical marijuana program (MMP) established pursuant to chapter 28.6 of title 21. This study shall
34 examine and make recommendations relating to, without limitation, the following:

1 (b) The extent to which the introduction of adult use cannabis has diminished or eliminated
2 the availability of certain medical marijuana products or product types;

3 (c) The extent to which patient cardholders in Rhode Island have experienced new or
4 greater obstacles to obtaining medical marijuana, including on the basis of price, quantity, product
5 type, or geographic location;

6 (d) The extent to which the number of caregiver registrations and/or the number of plant
7 tag certificates issued by the office of cannabis regulation increases or decreases; and

8 (e) The extent to which the introduction of the new adult use cannabis tax and license fee
9 structure requires a realignment of the existing medical marijuana tax and license fee structure.

10 (f) Any recommendations delivered to the Governor pursuant to this study shall be
11 considered by the Governor, the department, and the office of management and budget in the
12 development of the act proposing appropriations for the fiscal year beginning July 1, 2024.

13 CHAPTER 28.12

14 MARIJUANA REGULATION, CONTROL, AND TAXATION ACT

15 21-28.12-1. Short title.

16 This chapter shall be known and may be cited as the "Marijuana Regulation, Control, and
17 Taxation Act."

18 21-28.12-2. Definitions.

19 For purposes of this chapter:

20 (1) "Adult use marijuana cultivator" means an entity that holds a license to cultivate
21 marijuana pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by
22 the office of cannabis regulation and includes a hybrid marijuana cultivator.

23 (2) "Adult use marijuana retailer" means an entity that holds a license to sell marijuana
24 at retail pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by
25 the office of cannabis regulation and includes a hybrid marijuana retailer.

26 (3) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana
27 sativa L, whether growing or not; the seeds thereof; the resin extracted from any part of the
28 plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its
29 seeds, or resin regardless of cannabinoid content or cannabinoid potency including "marijuana", and
30 "industrial hemp" or "industrial hemp products" which satisfy the requirements of chapter 26 of
31 title 2 of the general laws and the regulations promulgated thereunder.

32 (4) "Equivalent amount" means the portion of usable marijuana, be it in extracted, edible,
33 concentrated, or any other form, found to be equal to a portion of dried marijuana, as defined by
34 regulations promulgated by the office of cannabis regulation.

1 (5) "Hybrid marijuana cultivator" means an entity that holds a medical marijuana
2 cultivator license pursuant to chapter 28.6 of title 21 that also holds a license to cultivate marijuana
3 pursuant to chapter 28.12 of title 21 and in accordance with regulations promulgated by the office
4 of cannabis regulation.

5 (6) "Hybrid marijuana retailer" means an entity that holds a medical marijuana
6 compassion center license pursuant to chapter 28.6 of title 21 that also holds a license to sell
7 marijuana at retail pursuant to chapter 28.12 of title 21 and in accordance with regulations
8 promulgated by the office of cannabis regulation.

9 (7) "Marijuana" means all parts of the plant cannabis sativa L., whether growing or not;
10 the seeds of the plant; the resin extracted from any part of the plant; and every compound,
11 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin, but shall not
12 include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the
13 seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of
14 mature stalks, (except the resin extracted from it), fiber, oil or cake, or the sterilized seed from the
15 plant which is incapable of germination. Marijuana shall not include "industrial hemp or" industrial
16 hemp products" which satisfy the requirements of chapter 2-26 of the general laws and the
17 regulations promulgated thereunder.

18 (8) "Marijuana establishment" and "marijuana establishment licensee" means any person or
19 entity licensed by the office of cannabis regulation under this chapter or chapter 21-28.6 whose
20 license permits it to engage in or conduct activities in connection with the adult use marijuana
21 industry or medical marijuana program and includes but is not limited to a licensed adult use
22 marijuana retailer, marijuana testing facility, adult use marijuana cultivator, hybrid marijuana retailer,
23 hybrid marijuana cultivator, compassion center, medical marijuana cultivator or any other license issued by
24 the office of cannabis regulation under this chapter or chapter 28.6 of title 21 and/or as specified and defined
25 in regulations promulgated by the office of cannabis regulation.

26 (9) "Marijuana paraphernalia" means equipment, products, and materials which are
27 used or intended for use in planting, propagating, cultivating, growing, harvesting,
28 manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing,
29 packaging, repackaging, storing, containing, concealing, ingesting, or inhaling marijuana, or
30 otherwise introducing marijuana into the human body.

31 (10) "Marijuana products" means any form of marijuana, including concentrated marijuana
32 and products that are comprised of marijuana and other ingredients that are intended for use or
33 consumption, such as, but not limited to, extracts, infusions, edible products, ointments, and tinctures,
34 as further defined in regulations promulgated by the office of cannabis regulation.

1 (11) "Marijuana testing facility" or "cannabis testing laboratory" means a third-party analytical
2 testing laboratory licensed by the departments of health and office of cannabis regulation to collect
3 and test samples of cannabis pursuant to regulations promulgated by the departments.

4 (12) "Smoke" or "smoking" means heating to at least the point of combustion, causing plant
5 material to burn, inhaling, exhaling, burning, or carrying any lighted or heated cigarette, pipe, weed, plant,
6 other marijuana product in any manner or in any form intended for inhalation in any manner or form and
7 includes but is not limited to the use of electronic cigarettes, electronic pipes, electronic marijuana delivery
8 system products, or other similar products that rely on vaporization or aerosolization.

9 (13) "State prosecution" means prosecution initiated or maintained by the state of Rhode
10 Island or an agency or political subdivision of the state of Rhode Island.

11 (14) "Vaporize" or "vape" means heating below the point of combustion and resulting in a
12 vapor or mist.

13 **21-28.12-3. Office of Cannabis Regulation.**

14 (a) The office of cannabis regulation within the department of business regulation shall
15 oversee the regulation, licensing and control of cannabis, including marijuana, medical marijuana
16 and industrial hemp, and such other matters within the jurisdiction of the department as determined
17 by the director. The head of the office shall serve as the chief of the office of cannabis regulation.
18 The chief shall be the executive and administrative head of the office and shall be responsible for
19 administering and enforcing the laws and regulations relating to cannabis in the state of Rhode
20 Island.

21 (b) Whenever in chapter 26 of title 2, and chapters 28.6, 28.11, and 28.12 of title 21 and
22 chapter 49.1 of title 44 of the general laws the words "department of business regulation" shall
23 appear, the words shall be deemed to mean the office of cannabis regulation within the department
24 of business regulation. Whenever in chapter 26 of title 2, and chapters 28.6, 28.11, and 28.12 of
25 title 21 and chapter 49.1 of title 44 of the general laws the words "office of cannabis regulation"
26 shall appear, the words shall be deemed to mean the office of cannabis regulation within the
27 department of business regulation.

28 (c) The office of cannabis regulation shall coordinate the executive branch response to
29 the regulation and control of cannabis including, but not limited to, strategic planning,
30 coordination and approval of regulations, educational content, planning and
31 implementation, community engagement, budget coordination, data collection and analysis
32 functions, and any other duties deemed necessary and appropriate by the office of cannabis
33 regulation to carry out the provisions of this chapter.

1 (d) In furtherance of coordinating the oversight of cannabis, including marijuana, medical
2 marijuana and industrial hemp, across state agencies, the office of cannabis regulation shall:

3 (1) Coordinate with the staff designated by the respective directors of each state agency
4 regarding the agency's promulgation and implementation of rules and regulations regarding adult use
5 of marijuana, medical marijuana and industrial hemp with the objective of producing positive
6 economic, public safety, and health outcomes for the state and its citizens;

7 (2) Offer guidance to and communicate with municipal officials regarding the
8 implementation and enforcement of this chapter and chapters 28.6 and 28.11;

9 (3) Align all policy objectives and the promulgation of rules and regulations across state
10 agencies to increase efficiency and eliminate unintended negative impacts on the state and its
11 citizens;

12 (4) Communicate with regulatory officials from other states that allow marijuana for adult use,
13 medical marijuana use and industrial hemp production to learn from the experiences of those states;

14 (5) Anticipate, prioritize, and respond to emerging issues with the regulation of marijuana;

15 (6) Coordinate the collection of data on adult use of marijuana and medical marijuana use from
16 state agencies and report to the governor and legislature no later than April 1, 2023, and every year
17 thereafter. The report shall include, but is not limited to:

18 (i) The number and geographic distribution of all licensed marijuana establishments;

19 (ii) Data on the total amount of sales of marijuana and the total amount of revenue raised
20 from taxes and fees levied on marijuana;

21 (iii) Projected estimate of the total marijuana revenue that will be raised in the proceeding
22 year;

23 (iv) The distribution of funds to programs and agencies from revenue raised from fees and
24 taxes levied on marijuana; and

25 (v) Any findings from the departments of health and public safety related to changes in
26 marijuana use rates and the impact, if any, of marijuana use on public health and public safety.

27 **21-28.12-4. Governor's Cannabis Reinvestment Task Force.**

28 (a) There is hereby created the Governor's Cannabis Reinvestment Task Force, members
29 of which shall be appointed by and serve at the pleasure of the Governor. There shall be fifteen
30 (15) members, with eight (8) members constituting a quorum. The members shall serve for an initial
31 term of one (1) year and may be reappointed for an additional period of one (1) year. The members
32 shall serve on the task force without compensation.

33 (b) The task force shall be co-chaired by the Director of the Department of Business
34 Regulation or her or his designee and the Secretary of the Executive Office of Health and Human

1 Services or her or his designee and shall also include the Directors of the Departments of Health,
2 Labor and Training, Public Safety, and the President of the Rhode Island Commerce Corporation,
3 or their designees.

4 (c) The task force shall further consist of, but not be limited to, representatives of municipal
5 government, faith-based organizations, Rhode Island-based community development corporations
6 (CDCs), industry associations, small business owners, and at least two (2) members of the Rhode
7 Island cannabis industry, including at least one (1) representative of a licensed compassion center
8 and one (1) representative of a licensed cultivator. No later than July 1, 2022, the task force shall
9 present recommendations to the office of cannabis regulation and the office of management and
10 budget specifically relating to the long-term reinvestment of adult use cannabis revenues in existing
11 or new programs or initiatives which shall include, but not be limited to: job training, small business
12 access to capital, affordable housing, health equity, and neighborhood and community
13 development. These recommendations shall contemplate an overall proportion of cannabis
14 revenues to be reinvested in these targeted areas, and shall be made with a specific focus on racial
15 equity, worker and family economic empowerment, the disproportionate impact of cannabis-related
16 law enforcement policies and procedures, and structural barriers to participation in Rhode Island’s
17 cannabis industry.

18 (d) All meetings of the task force shall be open meetings and all records of the task force
19 shall be public records. The office of cannabis regulation, the office of management and budget,
20 and the executive office of health and human services shall provide administrative support to the
21 task force as needed.

22 **21-28.12-5. Licensed retailers.**

23 (a) The department of business regulations shall accept applications for adult use marijuana
24 retailer licenses on an annual basis according to the following methodology:

25 (1) During the 12-month period beginning July 1, 2021, the department of business
26 regulation shall establish and open a first application period, the duration of which shall be
27 determined by the department, during which the department will accept applications for twenty-
28 five (25) adult use marijuana retailer licenses;

29 (2) During the 12-month period beginning July 1, 2022, the department of business
30 regulation shall establish and open a second application period, the duration of which shall be
31 determined by the department, during which the department will accept applications for an
32 additional twenty-five (25) adult use marijuana retailer licenses;

33 (3) During the 12-month period beginning July 1, 2023, the department of business
34 regulation shall establish and open a third application period, the duration of which shall be

1 determined by the department, during which the department will accept applications for an
2 additional twenty-five (25) adult use marijuana retail licenses; such that by June 30, 2024, the
3 department will have awarded or issued preliminary approval for no more than seventy-five (75)
4 adult use retail licenses;

5 (b) Beginning July 1, 2024, and for the years that follow, the department may make
6 additional retail adult use cannabis licenses available based on market factors including, but not
7 limited to, the findings of a market demand study conducted pursuant to § 21-28.12-18, and taking
8 into consideration the impact of said additional licenses on public health and safety.

9 (c) Excluding applications for hybrid marijuana retailer licenses as described in subsection
10 (f), to the extent that the total number of qualifying applications for retail licenses received during
11 any application period exceeds the number of licenses made available by the department pursuant
12 to this section, the department shall award the licenses to qualifying applicants selected by way of
13 a randomized lottery in accordance with rules and regulations promulgated by the department,
14 provided in no case shall the number of licenses awarded to qualifying minority business
15 enterprises, as defined in chapter 14.1 of title 37 and regulations promulgated thereunder, be fewer
16 than five (5) or twenty percent (20%) of the total number of licenses awarded on an annual basis,
17 whichever is greater.

18 (d) By January 1, 2023, the department of business regulation shall conduct a disparity
19 study examining the extent to which minority-owned businesses have been able to participate in
20 the adult use cannabis market in Rhode Island, and may recommend revisions to the ratio set forth
21 in subsection (c) as needed based on the findings of this study.

22 (e) The departments of administration and business regulation are hereby authorized to
23 jointly promulgate additional rules and regulations as needed to clarify and implement the process
24 of certification as a minority business enterprise for the purposes of this section.

25 (f) In addition to the adult use marijuana retailer licenses issued pursuant to subsection (a),
26 any person or entity to whom the department of business regulation has issued a compassion center
27 license or conditional compassion center application approval as of the date the department's
28 opening of the application period, and who is in good standing with the department pursuant to
29 chapter 28.6 of title 21 may apply for and shall be issued a hybrid marijuana retailer license during
30 the first application period, provided that any such applicant is in compliance with all applicable
31 regulations and demonstrates to the satisfaction of the department in accordance with regulations
32 promulgated hereunder that the applicant's proposed adult use licensure will have no adverse effect
33 on the medical marijuana program market and patient need. The department may deny an

1 application that fails to make this demonstration and/or may impose restrictions and conditions to
2 licensure as it deems appropriate to ensure no adverse effect on the medical marijuana program
3 market and patient needs. A hybrid marijuana retailer licensee must maintain its compassion center
4 license in good standing as a condition to licensure for its hybrid marijuana retailer license.

5 (g) An adult use marijuana retailer licensed under this section may acquire marijuana and
6 marijuana products from licensed hybrid marijuana cultivators and other licensed marijuana
7 establishments in accordance with regulations promulgated by department of business regulation,
8 and possess, deliver, transfer, transport, supply and sell at retail marijuana, marijuana products and
9 marijuana paraphernalia to persons who are twenty-one (21) years of age or older in accordance
10 with the provisions of chapters 28.11 and 28.12 of title 21 and the regulations promulgated by the
11 department of business regulation. A licensed adult use marijuana retailer shall not be a primary
12 caregiver cardholder and shall not hold a cooperative cultivation license. A licensed adult use
13 marijuana retailer shall not hold an adult use marijuana cultivator license and shall not grow or
14 cultivate marijuana except to the extent the adult use marijuana retailer is licensed as a hybrid
15 marijuana retailer issued to a compassion center that has been approved for cultivation of marijuana
16 pursuant to such compassion center license. The department of business regulation may restrict the
17 number, types, and classes of adult use marijuana licenses an applicant may be issued through
18 regulations promulgated by the department.

19 (h) 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 retailers and
21 registration of all of its owners, officers, directors, managers, members, partners, employees, and
22 agents, including but not limited to regulations governing:

23 (1) The form and content of licensing and renewal applications, including, without
24 limitation, required submission materials upon which the department shall determine suitability of
25 an applicant;

26 (2) Minimum oversight requirements for licensed adult use marijuana retailers;

27 (3) Minimum record-keeping requirements for adult use marijuana retailers;

28 (4) Minimum insurance requirements for adult use marijuana retailers;

29 (5) Minimum security requirements for adult use marijuana retailers; and

30 (6) Procedures for suspending, revoking, or terminating the license of adult use marijuana
31 retailers that violate any provisions of this chapter or the regulations promulgated hereunder.

32 (7) Applicable application and license fees.

33 (i) The license issued by the department of business regulation to an adult use marijuana
34 retailer and the registration issued to each of its owners, officers, directors, managers, members,

1 partners, employees and agents shall expire one (1) year after it was issued and the licensee may
2 apply for renewal with the department in accordance with its regulations pertaining to licensed
3 adult use marijuana retailers.

4 (j) The department of business regulation may promulgate regulations that govern how
5 much marijuana a licensed adult use marijuana retailer may possess. All marijuana acquired,
6 possessed and sold by a licensed adult use marijuana retailer must be catalogued in a seed to sale
7 inventory tracking system in accordance with regulations promulgated by the department of
8 business regulation.

9 (k) Adult use marijuana retailers shall only sell marijuana, marijuana products and
10 marijuana paraphernalia at retail to persons twenty-one (21) years of age or older in accordance
11 with chapters 28.11 and 28.12 of title 21 and the regulations promulgated by the department of
12 business regulation thereunder. Adult use marijuana retailers shall not sell any other products
13 except as otherwise permitted in regulations promulgated by the department of business regulation.
14 The department may suspend and/or revoke the adult use marijuana retailer's license and the
15 registration of any owner, officer, director, manager, member, partner, employee, or agent of such
16 adult use marijuana retailer and/or impose an administrative penalty in accordance with such
17 regulations promulgated by the department for any violation of chapters 28.11 or 28.12 of title 21
18 or the regulations promulgated thereunder. In addition, any violation of chapters 28.11 or 28.12 of
19 title 21 or the regulations promulgated pursuant to this subsection and subsection (h) shall cause a
20 licensed adult use marijuana retailer to lose the protections described in § 21-28.11-4(2) and may
21 subject the licensed adult use marijuana retailer and its owners, officers, directors, managers,
22 members, partners, employees, and agents to arrest and prosecution under Chapter 28 of title 21
23 (the Rhode Island Controlled Substances Act).

24 (l) Adult use marijuana retailers shall be subject to any regulations promulgated by the
25 department of health or department of business regulation that specify how marijuana must be
26 tested for items, including, but not limited to, potency, cannabinoid profile, and contaminants;

27 (m) Adult use marijuana retailers shall be subject to any product labeling requirements
28 promulgated by the department of business regulation and the department of health;

29 (n) Adult use marijuana retailers shall only be licensed to possess and sell marijuana,
30 marijuana products and marijuana paraphernalia at the location(s) set forth in its adult use
31 marijuana retailer license and registered with the department of business regulation and the
32 department of public safety. The department of business regulation may promulgate regulations
33 governing the department's approval of locations where adult use marijuana retailers are allowed

1 to operate. Adult use marijuana retailers must abide by all local ordinances, including zoning
2 ordinances.

3 (o) Adult use marijuana retailers shall be subject to inspection and audit by the department
4 of business regulation or the department of health for the purposes of enforcing regulations
5 promulgated pursuant to this chapter and all applicable Rhode Island general laws.

6 (p) An adult use marijuana retailer applicant, unless they are an employee with no equity,
7 ownership, financial interest, or managing control, shall apply to the bureau of criminal
8 identification of the department of attorney general, department of public safety division of state
9 police, or local police department for a national criminal records check that shall include
10 fingerprints submitted to the Federal Bureau of Investigation. Upon the discovery of any
11 disqualifying information as defined in subdivision (p)(2), and in accordance with the rules
12 promulgated by the director of the department of business regulation, the bureau of criminal
13 identification of the department of attorney general, department of public safety division of state
14 police, or the local police department shall inform the applicant, in writing, of the nature of the
15 disqualifying information; and, without disclosing the nature of the disqualifying information, shall
16 notify the department of business regulation, in writing, that disqualifying information has been
17 discovered.

18 (1) In those situations in which no disqualifying information has been found, the bureau of
19 criminal identification of the department of attorney general, department of public safety division
20 of state police, or the local police department shall inform the applicant and the department of
21 business regulation, in writing, of this fact.

22 (2) Information produced by a national criminal records check pertaining to a conviction
23 for a felony drug offense or a plea of nolo contendere for a felony drug offense and received a
24 sentence of probation shall result in a letter to the applicant and the department of business
25 regulation disqualifying the applicant.

26 (3) The adult use marijuana retailer applicant shall be responsible for any expense
27 associated with the national criminal records check.

28 (q) Persons issued adult use marijuana retailer licenses or registration cards shall be subject
29 to the following:

30 (1) A licensed adult use marijuana retailer cardholder shall notify and request approval
31 from the department of business regulation of any change in his or her name or address within ten
32 (10) days of such change. An adult use marijuana retailer cardholder who fails to notify the
33 department of business regulation of any of these changes is responsible for a civil infraction,
34 punishable by a fine of no more than one hundred fifty dollars (\$150).

1 (2) When a licensed adult use marijuana retailer 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 retailer cardholder a new license or registry identification card
4 after the department approves the changes and receives from the licensee payment of a fee specified
5 in regulation.

6 (3) If a licensed adult use marijuana retailer 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 department
9 of business regulation shall issue a new registry identification card with a new random
10 identification number.

11 (4) A licensed adult use marijuana retailer cardholder shall notify the department of
12 business regulation of any disqualifying criminal convictions as defined in subsection (p)(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 retailer or adult use marijuana retailer cardholder
16 violates any provision of this chapter or regulations promulgated hereunder as determined by the
17 department of business regulation, his or her card or the issued license may be suspended and/or
18 revoked.

19 (r) No person or entity shall engage in activities described in this § 21-28.12-5 without an
20 adult use marijuana retailer license issued by the department of business regulation in accordance
21 with chapters 28.11 and 28.12 of title 21 and regulations promulgated thereunder by the department
22 of business regulation.

23 **21-28.12-6 Licensed cultivators.**

24 (a) On or after July 1, 2021, the department of business regulation shall establish and open
25 an application period during which it will accept applications for adult use marijuana cultivator
26 licenses. The duration of the application period, the number and class of adult use marijuana
27 licenses and the method of selection shall be determined in accordance with regulations
28 promulgated by the department of business regulation taking into consideration market demand
29 and the impact of said additional licenses on public health and safety.

30 (b) A medical marijuana cultivator licensed and in good standing with the department of
31 business regulation as of the opening of the application period may apply for and shall be issued a
32 hybrid marijuana cultivator license under this section, provided that a medical marijuana cultivator
33 licensee who applies for a hybrid marijuana cultivator license will be required to demonstrate to

1 the satisfaction of the department of business regulation in accordance with regulations
2 promulgated hereunder that the applicant's proposed adult use licensure will have no adverse effect
3 on the medical marijuana program market and patient need. The department of business regulation
4 may deny an application that fails to make this demonstration and/or may impose restrictions and
5 conditions to licensure as it deems appropriate to ensure no adverse effect on the medical marijuana
6 program market and patient needs. A licensed hybrid marijuana cultivator must maintain its
7 medical marijuana cultivator license in good standing as a condition to licensure for its hybrid
8 marijuana cultivator license.

9 (c) An adult use marijuana cultivator licensed pursuant to this section shall be authorized
10 to acquire, possess, cultivate, package, process, manufacture and transfer marijuana and marijuana
11 products, in accordance with chapters 28.11 and 28.12 of title 21 and regulations promulgated by
12 the department of business regulation, and may sell, deliver, or transfer marijuana and marijuana
13 products to adult use marijuana retailers, a cannabis testing laboratory, or another marijuana
14 establishment licensee in accordance with regulations promulgated by the department of business
15 regulation. A licensed cultivator shall not be a primary caregiver cardholder and shall not hold a
16 cooperative cultivation license. A licensed adult use marijuana cultivator shall not sell, deliver, or
17 transfer marijuana or marijuana products to a compassion center licensed under chapter 28.6 of title
18 21 except to the extent that the adult use marijuana cultivator is licensed as a hybrid cultivator
19 issued to a medical marijuana cultivator licensed and in good standing with the department of
20 business regulation and in accordance with the applicable regulations. A licensed adult use
21 marijuana cultivator shall not sell marijuana or marijuana products at retail or otherwise to the
22 general public. The department of business regulation may restrict the number, types, and classes
23 of adult use marijuana establishment licenses an applicant may be issued through regulations
24 promulgated by the department.

25 (d) The department of business regulation may promulgate regulations governing the
26 manner in which it shall consider applications for the licensing of adult use marijuana cultivators,
27 including but not limited to regulations governing:

- 28 (1) The form and content of licensing and renewal applications;
29 (2) Minimum oversight requirements for licensed adult use marijuana cultivators;
30 (3) Minimum record-keeping requirements for adult use marijuana cultivators;
31 (4) Minimum insurance requirements for adult use marijuana cultivators;
32 (5) Minimum security requirements for adult use marijuana cultivators; and
33 (6) Procedures for suspending, revoking, or terminating the license of adult use marijuana
34 cultivators that violate any provisions of this chapter or the regulations promulgated hereunder.

1 (7) Applicable application and license fees.

2 (e) A adult use marijuana cultivator license issued by the department of business regulation
3 shall expire one (1) years after it was issued and the licensed hybrid marijuana cultivator may apply
4 for renewal with the department in accordance with its regulations pertaining to licensed adult use
5 marijuana cultivators.

6 (f) The department of business regulation may promulgate regulations that govern how
7 much marijuana a licensed adult use marijuana cultivator may cultivate and possess. All marijuana
8 possessed by a licensed adult use marijuana cultivator must be catalogued in a seed to sale inventory
9 tracking system in accordance with regulations promulgated by the department of business
10 regulation.

11 (g) Adult use marijuana cultivators shall only sell marijuana and marijuana products to
12 adult use marijuana retailers or another licensed marijuana establishment licensee in accordance
13 with regulations promulgated by the department of business regulation. The department may
14 suspend and/or revoke the adult use marijuana cultivator’s license and the registration of any owner,
15 officer, director, manager, member, partner, employee, or agent of such adult use marijuana
16 cultivator and/or impose an administrative penalty in accordance with such regulations
17 promulgated by the department for any violation of this section or the regulations. In addition, any
18 violation of this section or the regulations promulgated pursuant to this subsection and subsection
19 (f) shall cause a licensed adult use marijuana cultivator to lose the protections described in § 21-
20 28.11-4(3) and may subject the licensed adult use marijuana cultivator and its owners, officers,
21 directors, managers, members, partners, employees, or agents to arrest and prosecution under
22 chapter 28 of title 21 (the Rhode Island Controlled Substances Act).

23 (h) Adult use marijuana cultivators shall be subject to any regulations promulgated by the
24 department of health or department of business regulation for marijuana testing, including, but not
25 limited to, potency, cannabinoid profile, and contaminants;

26 (i) Adult use marijuana cultivators shall be subject to any product packaging and labeling
27 requirements promulgated by the department of business regulation and the department of health;

28 (j) Adult use marijuana cultivators shall only be licensed to cultivate and process marijuana
29 at a single location, registered with the department of business regulation and the department of
30 public safety provided that a hybrid marijuana cultivator licensee whose hybrid license and medical
31 marijuana cultivator license under chapter 28.6 of title 21 is in good standing may cultivate and
32 process adult use marijuana at an additional location that is separate from its original licensed
33 premises if approved in accordance with regulations adopted by the department of business

1 regulation. Adult use marijuana cultivators must abide by all local ordinances, including zoning
2 ordinances.

3 (k) Adult use marijuana cultivators shall be subject to reasonable inspection by the
4 department of business regulation and the department of health for the purposes of enforcing
5 regulations promulgated pursuant to this chapter and all applicable Rhode Island general laws.

6 (l) A adult use marijuana cultivator applicant, unless they are an employee with no equity,
7 ownership, financial interest, or managing control, shall apply to the bureau of criminal
8 identification of the department of attorney general, department of public safety division of state
9 police, or local police department for a national criminal records check that shall include
10 fingerprints submitted to the Federal Bureau of Investigation. Upon the discovery of any
11 disqualifying information as defined in subdivision (1)(2), and in accordance with the rules
12 promulgated by the director of the department of business regulation, the bureau of criminal
13 identification of the department of attorney general, department of public safety division of state
14 police, or the local police department shall inform the applicant, in writing, of the nature of the
15 disqualifying information; and, without disclosing the nature of the disqualifying information, shall
16 notify the department of business regulation, in writing, that disqualifying information has been
17 discovered.

18 (1) Where no disqualifying information has been found, the bureau of criminal
19 identification of the department of attorney general, department of public safety division of state
20 police, or the local police department shall inform the applicant and the department of business
21 regulation, in writing, of this fact.

22 (2) Information produced by a national criminal records check pertaining to a conviction
23 for a felony drug offense or a plea of nolo contendere for a felony drug offense and received a
24 sentence of probation shall result in a letter to the applicant and the department of business
25 regulation disqualifying the applicant.

26 (3) An adult use marijuana cultivator applicant shall be responsible for any expense
27 associated with the national criminal records check.

28 (m) Persons issued adult use marijuana cultivator licenses or registration cards shall be
29 subject to the following:

30 (1) A licensed hybrid marijuana cultivator cardholder shall notify and request approval
31 from the department of business regulation of any change in his or her name or address within ten
32 (10) days of such change. An adult use marijuana cultivator cardholder who fails to notify the
33 department of business regulation of any of these changes is responsible for a civil infraction,
34 punishable by a fine of no more than one hundred fifty dollars (\$150).

1 (2) When a licensed adult use marijuana cultivator 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 cultivator cardholder a new license or registry identification card
4 after the department approves the changes and receives from the licensee payment of a fee specified
5 in regulation.

6 (3) If a licensed adult use marijuana cultivator 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 random
10 identification number.

11 (4) A licensed adult use marijuana cultivator cardholder shall notify the department of
12 business regulation of any disqualifying criminal convictions as defined in subdivision (1)(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 cultivator or hybrid marijuana cultivator cardholder
16 violates any provision of this chapter or regulations promulgated hereunder as determined by the
17 department of business regulation, his or her card or the issued license may be suspended and/or
18 revoked.

19 (n) No person or entity shall engage in activities described in this § 21-28.12-6 without an
20 adult use marijuana cultivator license issued by the department of business regulation.

21 **21-28.12-7. Other supporting marijuana establishment licenses.**

22 (a) The office of cannabis regulation shall have the authority to promulgate regulations to
23 establish and implement additional types and classes of commercial marijuana establishment
24 licenses, including but not limited to, craft cultivators, marijuana processors and licenses for
25 businesses to engage in marijuana, destruction, delivery, disposal, research and development,
26 transportation, social use licenses, or any other commercial activity needed to support licensed
27 hybrid marijuana cultivators, licensed adult use marijuana retailers, and licensed cannabis testing
28 facilities, provided no such license created by the department shall allow for the retail sale of
29 marijuana.

30 (b) The office of cannabis regulation shall promulgate regulations governing the manner
31 in which it shall accept applications and issue licenses for such additional types and classes of
32 marijuana establishment licenses, in accordance with this section provided that any regulations
33 establishing a new license type shall include a mechanism to issue not less than 50% of such license

1 type to minority business enterprises (MBEs), as defined in chapter 14.1 of title 37 and regulations
2 promulgated thereunder, during the first application period, provided that this ratio shall be subject
3 to annual review and revision according to rules and regulations promulgated by the department
4 pursuant to this section and the disparity study conducted pursuant to § 21-28.12-5(d).

5 (c) The office of cannabis regulation shall promulgate regulations governing the manner in
6 which it shall consider applications for the licensing and renewal of each type of additional
7 marijuana establishment license necessary and proper to enforce the provisions of and carry out the
8 duties assigned to it under this chapter and chapter 28.11, including but not limited to regulations
9 governing:

10 (1) The form and content of licensing and renewal applications;

11 (2) Application and licensing fees for marijuana establishment licensees;

12 (3) Procedures for the approval or denial of a license, and procedures for suspension or
13 revocation of the license of any marijuana establishment licensee that violates the provisions of this
14 chapter, chapter 28.11 or the regulations promulgated thereunder in accordance with the provisions
15 of chapter 35 of title 42 of the general laws;

16 (4) Minimum oversight requirements for marijuana establishment licensees;

17 (5) The allowable size, scope and permitted activities of marijuana establishment licensees and
18 facilities and the number and type of licenses that a marijuana establishment licensee may be issued;

19 (6) Minimum record-keeping requirements for marijuana establishment licensees;

20 (7) Minimum security requirements for additional adult use marijuana establishment
21 licensees; and

22 (8) Compliance with municipal zoning restrictions, if any, which comply with § 21-28.12-
23 12 of this chapter.

24 (d) The department of health, in coordination with the office of cannabis regulation, shall have
25 authority to promulgate regulations to create and implement all licenses involving cannabis
26 reference testing requirements including approval, laboratory proficiency programs and
27 proficiency sample providers, quality assurance sample providers, round robin testing and
28 regulations establishing quality control and test standardization, and create and implement additional
29 types and classes of licensed cannabis testing facilities in accordance with regulations promulgated
30 hereunder.

31 (e) The department of health or the office of cannabis regulation, as applicable, shall issue
32 each principal officer, board member, agent, volunteer, and employee of a marijuana establishment
33 license a registry identification card or renewal card after receipt of the person's name, address,

1 date of birth; a fee in an amount established by the department of health or the office of cannabis
2 regulation; and, when the applicant holds an ownership, equity, controlling, or managing stake in
3 the marijuana establishment license as defined in regulations promulgated by the office of cannabis
4 regulation, notification to the department of health or the office of cannabis regulation by the
5 department of public safety division of state police, attorney general's office, or local law
6 enforcement that the registry identification card applicant has not been convicted of a felony drug
7 offense or has not entered a plea of nolo contendere for a felony drug offense and received a
8 sentence of probation. Each card shall specify that the cardholder is a principal officer, board
9 member, agent, volunteer, employee, or other designation required by the departments of marijuana
10 establishment license and shall contain the following:

11 (i) The name, address, and date of birth of card applicant;

12 (ii) The legal name of the marijuana establishment licensee to which the applicant is
13 affiliated;

14 (iii) A random identification number that is unique to the cardholder;

15 (iv) The date of issuance and expiration date of the registry identification card; and

16 (v) A photograph, if the department of health or the office of cannabis regulation decides
17 to require one; and

18 (vi) Any other information or card classification that the office of cannabis regulation or
19 department of health requires.

20 (f) Except as provided in subsection (e), neither the department of health nor the office of
21 cannabis regulation shall issue a registry identification card to any card applicant who holds an
22 ownership, equity, controlling, or managing stake in the marijuana establishment license as defined
23 in regulations promulgated by the office of cannabis regulation, who has been convicted of a felony
24 drug offense or has entered a plea of nolo contendere for a felony drug offense and received a
25 sentence of probation or who the department has otherwise deemed unsuitable. If a registry
26 identification card is denied, the applicant will be notified in writing of the purpose for denying the
27 registry identification card.

28 (g) (i) All registry identification card applicants who hold an ownership, equity,
29 controlling, or managing stake in the marijuana establishment license as defined in regulations
30 promulgated by the office of cannabis regulation shall apply to the department of public safety
31 division of state police, the attorney general's office, or local law enforcement for a national
32 criminal identification records check that shall include fingerprints submitted to the federal bureau
33 of investigation. Upon the discovery of a felony drug offense conviction or a plea of nolo
34 contendere for a felony drug offense with a sentence of probation, and in accordance with the rules

1 promulgated by the department of health and the office of cannabis regulation, the department of
2 public safety division of state police, the attorney general's office, or local law enforcement shall
3 inform the applicant, in writing, of the nature of the felony and the department of public safety
4 division of state police shall notify the department of health or the office of cannabis regulation, in
5 writing, without disclosing the nature of the felony, that a felony drug offense conviction or a plea
6 of nolo contendere for a felony drug offense with probation has been found.

7 (ii) In those situations in which no felony drug offense conviction or plea of nolo
8 contendere for a felony drug offense with probation has been found, the department of public safety
9 division of state police, the attorney general's office, or local law enforcement shall inform the
10 applicant and the department of health or the office of cannabis regulation, in writing, of this fact.

11 (iii) All registry identification card applicants shall be responsible for any expense
12 associated with the criminal background check with fingerprints.

13 (h) A registry identification card of a principal officer, board member, agent, volunteer, or
14 employee, or any other designation required by the office of cannabis regulation shall expire one
15 year after its issuance, or upon the termination of the principal officer, board member, agent,
16 volunteer or employee's relationship with the marijuana establishment licensee, or upon the
17 termination or revocation of the affiliated marijuana establishment's license, whichever occurs first.

18 (i) A registration identification card holder shall notify and request approval from the office
19 of cannabis regulation or department of health of any change in his or her name or address within
20 ten (10) days of such change. A cardholder who fails to notify the office of cannabis regulation or
21 health of any of these changes is responsible for a civil infraction, punishable by a fine of no more
22 than one hundred fifty dollars (\$150).

23 (j) When a cardholder notifies the department of health or the office of cannabis regulation
24 of any changes listed in this subsection, the department shall issue the cardholder a new registry
25 identification after receiving the updated information and a ten dollar (\$10.00) fee.

26 (k) If a cardholder loses his or her registry identification card, he or she shall notify the
27 department of health or the office of cannabis regulation and submit a ten dollar (\$10.00) fee within
28 ten (10) days of losing the card and the department shall issue a new card.

29 (l) Registry identification cardholders shall notify the office of cannabis regulation or
30 health of any disqualifying criminal convictions as defined in subdivision (g)(i). The applicable
31 department may choose to suspend and/or revoke his or her registry identification card after such
32 notification.

1 (m) If a registry identification cardholder violates any provision of this chapter or
2 regulations promulgated hereunder as determined by the departments of health and office of
3 cannabis regulation, his or her registry identification card may be suspended and/or revoked.

4 (n) The office of cannabis regulation may limit or prohibit a medical marijuana
5 establishment's operation under an adult use marijuana establishment license if the office of
6 cannabis regulation determines that failure to do so would threaten medical marijuana patients'
7 access to marijuana products needed to treat qualifying conditions.

8 (o) Licensees may hold a medical marijuana establishment license and an adult use
9 marijuana establishment license in accordance with regulations promulgated by the office of
10 cannabis regulation.

11 **21-28.12-8. Ineligibility for license.**

12 A marijuana establishment may not operate, and a prospective marijuana establishment may
13 not apply for a license, if any of the following are true:

14 (1) The person or entity is applying for a license to operate as a marijuana establishment and
15 t h e establishment would operate in a location that is within one thousand (1,000) feet of the property
16 line of a preexisting public or private school; or

17 (2) The establishment would be located at a site where the use is not permitted by applicable
18 zoning classification or by special use permit or other zoning approval, or if the proposed location would
19 otherwise violate a municipality's zoning ordinance; or

20 (3) The establishment would be located in a municipality in which the kind of
21 marijuana establishment being proposed is not permitted pursuant to a referendum approved in
22 accordance with § 21-28.12-12. For purpose of illustration but not limitation, an adult use marijuana
23 retailer may not operate in a municipality in which residents have approved by a simple majority
24 referendum a ban on marijuana retailers.

25 (4) If any marijuana establishment licensee including an adult use marijuana retailer applicant is
26 deemed unsuitable or denied a license or any of its owners, officers, directors, managers, members,
27 partners or agents is denied a registry identification card by the office of cannabis regulation.

28 **21-28.12-9. License Required.**

29 No person or entity shall engage in any activities in which a licensed marijuana
30 establishment licensee may engage pursuant to chapters 28.6, 28.11 or 28.12 of title 21 and the
31 regulations promulgated thereunder, without the license that is required in order to engage in such
32 activities issued by the office of cannabis regulation and compliance with all provisions of such
33 chapters 28.6, 28.11 and 28.12 of title 21 and the regulations promulgated thereunder.

34 **21.28.12-10. Enforcement**

1 (a) (1) Notwithstanding any other provision of this chapter, if the director of the department
2 of business regulation or his or her designee has cause to believe that a violation of any provision
3 of chapters 21-28.6, 21-28.11 or 28.12 or any regulations promulgated thereunder has occurred by
4 a licensee that is under the department’s jurisdiction pursuant to chapters 21-28.6, 21-28.11 or
5 28.12, or that any person or entity is conducting any activities requiring licensure or registration by
6 the office of cannabis regulation under chapters 21-28.6, 21-28.11 or 28.12 or the regulations
7 promulgated thereunder without such licensure or registration, the director or his or her designee
8 may, in accordance with the requirements of the administrative procedures act, chapter 35 of title
9 42:

10 (i) With the exception of patients and authorized purchasers, revoke or suspend a license
11 or registration;

12 (ii) Levy an administrative penalty in an amount established pursuant to regulations
13 promulgated by the office of cannabis regulation;

14 (iii) Order the violator to cease and desist such actions;

15 (iv) Require a licensee or registrant or person or entity conducting any activities requiring
16 licensure or registration under chapters 21-28.6, 21-28.11 or 28.12 to take such actions as are
17 necessary to comply with such chapter and the regulations promulgated thereunder; or

18 (v) Any combination of the above penalties.

19 (2) If the director of the department of business regulation finds that public health, safety,
20 or welfare imperatively requires emergency action, and incorporates a finding to that effect in his
21 or her order, summary suspension of license or registration and/or cease and desist may be ordered
22 pending proceedings for revocation or other action. These proceedings shall be promptly instituted
23 and determined.

24 (b) If a person exceeds the possession limits set forth in chapters 21-28.6, 21-28.11 or 21-
25 28.12, or is in violation of any other section of chapters 21-28.6, 21-28.11 or 28.12 or the
26 regulations promulgated thereunder, he or she may also be subject to arrest and prosecution under
27 chapter 28 of title 21 of the general laws.

28 (c) All marijuana establishment licensees are subject to inspection by the office of cannabis
29 regulation including but not limited to, the licensed premises, all marijuana and marijuana products
30 located on the licensed premises, personnel files, training materials, security footage, all business
31 records and business documents including but not limited to purchase orders, transactions, sales,
32 and any other financial records or financial statements whether located on the licensed premises or
33 not.

1 (d) All marijuana products that are held within the borders of this state in violation of the
2 provisions of chapters 28.6, 28.11 or 28.12 of title 21 or the regulations promulgated thereunder
3 are declared to be contraband goods and may be seized by the office of cannabis regulation, the tax
4 administrator or his or her agents, or employees, or by any sheriff, or his or her deputy, or any
5 police or other law enforcement officer when requested by the tax administrator or office of
6 cannabis regulation to do so, without a warrant. All contraband goods seized by the state under this
7 chapter may be destroyed.

8 (e) Notwithstanding any other provision of law, the office of cannabis regulation may make
9 available to law enforcement and public safety personnel, any information that the department's
10 director or his or her designee may consider proper contained in licensing records, inspection
11 reports and other reports and records maintained by the office of cannabis regulation, as necessary
12 or appropriate for purposes of ensuring compliance with state laws and regulations. Nothing in this
13 act shall be construed to prohibit law enforcement, public safety, fire, or building officials from
14 investigating violations of, or enforcing state law.

15 **21-28.12-11. Rulemaking authority.**

16 (a) The department of business regulation may adopt all rules and regulations necessary
17 and convenient to carry out and administer the provisions in this chapter and chapter 28.11
18 including operational requirements applicable to licensees and regulations as are necessary and
19 proper to enforce the provisions of and carry out the duties assigned to it under this chapter and
20 chapter 28.11, including but not limited to regulations governing:

21 (1) Record-keeping requirements for marijuana establishment licensees;

22 (2) Security requirements for marijuana establishment licensees including but not limited
23 to the use of:

24 (i) An alarm system, with a backup power source, that alerts security personnel and local
25 law enforcement officials of any unauthorized breach;

26 (ii) Perpetual video surveillance system, with a backup power source, that records video
27 surveillance must be stored for at least two (2) months and be accessible to the office of cannabis
28 regulation via remote access and to law enforcement officials upon request;

29 (iii) Protocols that ensure the secure transport, delivery, and storage of cannabis and
30 cannabis products;

31 (iv) Additional security measures to protect against diversion or theft of cannabis from
32 cannabis cultivation facilities that cultivate cannabis outdoors; and

33 (v) any additional requirements deemed necessary by the office of cannabis regulation;

1 (3) Requirements for inventory tracking and the use of seed to sale monitoring system(s)
2 approved by the state which tracks all cannabis from its origin up to and including the point of sale;
3 (4) Permitted forms of advertising and advertising content. (5) Permitted forms of
4 marijuana products including, but not limited to, regulations which:
5 (i) prohibit any form of marijuana product which is in the shape or form of an animal,
6 human, vehicle, or other shape or form which may be attractive to children;
7 (ii) prohibit any marijuana “additives” which could be added, mixed, sprayed on, or applied
8 to an existing food product without a person’s knowledge; and
9 (iii) include any other requirements deemed necessary by the office of cannabis regulation;
10 and
11 (6) Limits for marijuana product serving sizes, doses, and potency including but not limited
12 to regulations which:
13 (i) limit all servings of edible forms of marijuana to no more than five milligrams (5 mg)
14 of THC per serving;
15 (ii) limit the total maximum amount of THC per edible product package to one hundred
16 milligrams (100 mg) of THC;
17 (iii) limit the THC potency of any product;
18 (iv) may establish product or package limits based on the total milligrams of THC; and
19 (v) include any additional requirements or limitations deemed necessary by the office of
20 cannabis regulation in consultation with the department of health;
21 (7) Product restrictions including but not limited to regulations which:
22 (i) establish a review process for the office of cannabis regulation to approve or deny forms
23 of marijuana products which may require marijuana establishment licensees to submit a proposal,
24 which includes photographs of the proposed product properly packaged and labeled and any other
25 materials deemed necessary by the office of cannabis regulation, to the office of cannabis regulation
26 for each line of cannabis products;
27 (ii) place additional restrictions on marijuana products to safeguard public health and
28 safety, as determined by the office of cannabis regulation in consultation with the executive branch
29 state agencies;
30 (iii) require all servings of edible products to be marked, imprinted, molded, or otherwise
31 display a symbol chosen by the department to alert consumers that the product contains marijuana;
32 (iv) standards to prohibit cannabis products that pose public health risks, that are easily
33 confused with existing non-cannabis products, or that are especially attractive to youth; and
34 (v) any other requirements deemed suitable by the department;

1 (8) Limits and restrictions for marijuana transactions and sales including but not limited to
2 regulations which:

3 (i) establish processes and procedures to ensure all transactions and sales are properly
4 tracked through the use of a seed to sale inventory tracking and monitoring system;

5 (ii) establish rules and procedures for customer age verification;

6 (iii) establish rules and procedures to ensure retailers to no dispense, and customers to not
7 purchase amounts of marijuana in excess of the one ounce (1 oz) marijuana or equivalent amount
8 per transaction and/or per day;

9 (iv) establish rules and procedures to ensure no marijuana is dispensed to anyone under the
10 age of twenty-one (21); and

11 (v) include any additional requirements deemed necessary by the office of cannabis regulation;

12 (9) The testing and safety of marijuana and marijuana products including but not limited
13 to regulations promulgated by the office of cannabis regulation or department of health, as
14 applicable which:

15 (i) license and regulate the operation of cannabis testing facilities, including requirements
16 for equipment, training, and qualifications for personnel;

17 (ii) set forth procedures that require random sample testing to ensure quality control,
18 including, but not limited to, ensuring that cannabis and cannabis products are accurately labeled
19 for tetrahydrocannabinol (THC) content and any other product profile;

20 (iii) testing for residual solvents or toxins; harmful chemicals; dangerous molds or
21 mildew; filth; and harmful microbials such as E. coli or salmonella and pesticides, and any
22 other compounds, elements, or contaminants;

23 (iv) require all cannabis and cannabis products must undergo random sample testing at a
24 licensed cannabis testing facility or other laboratory equipped to test cannabis and cannabis products
25 that has been approved by the office of cannabis regulation;

26 (v) require any products which fail testing be quarantined and/or recalled and destroyed in
27 accordance with regulations;

28 (vi) allow for the establishment of other quality assurance mechanisms which may include
29 but not be limited to the designation or creation of a reference laboratory, creation of a secret
30 shopper program, round robin testing , or any other mechanism to ensure the accuracy of product
31 testing and labeling;

32 (vii) require marijuana establishment licensees and marijuana products to comply with any
33 applicable food safety requirements determined by the office of cannabis regulation and/or the
34 department of health;

1 (viii) include any additional requirements deemed necessary by the office of cannabis
2 regulation and the department of health; and

3 (ix) allow the office of cannabis regulation, in coordination with the department of health, at
4 their discretion, to temporarily remove, or phase in, any requirement for laboratory testing if it finds
5 that there is not sufficient laboratory capacity for the market.

6 (10) Online sales;

7 (11) Transport and delivery;

8 (12) Marijuana and marijuana product packaging and labeling including but not limited to
9 requirements that packaging be:

10 (i) opaque;

11 (ii) constructed to be significantly difficult for children under five (5) years of age to open
12 and not difficult for normal adults to use properly as defined by 16 C.F.R. 1700.20 (1995) or another
13 approval standard or process approved by the office of cannabis regulation;

14 (iii) be designed in a way that is not deemed as especially appealing to children; and

15 (iv) any other regulations required by the office of cannabis regulation; and

16 (13) Regulations for the quarantine and/or destruction of unauthorized materials;

17 (14) Industry and licensee production limitations;

18 (15) Procedures for the approval or denial of a license, and procedures for suspension or
19 revocation of the license of any marijuana establishment licensee that violates the provisions of this
20 chapter, chapter 28.11 or the regulations promulgated thereunder in accordance with the provisions
21 of chapter 35 of title 42 of the general laws;

22 (16) Compliance with municipal zoning restrictions, if any, which comply with § 21-28.12-
23 12 of this chapter;

24 (17) Standards and restrictions for marijuana manufacturing and processing which shall
25 include but not be limited to requirements that marijuana processors;

26 (i) comply with all applicable building and fire codes;

27 (ii) receive approval from the state fire marshal's office for all forms of manufacturing that
28 use a heat source or flammable solvent;

29 (iii) require any marijuana processor that manufactures edibles of marijuana infused food
30 products to comply with all applicable requirements and regulations issued by the department of
31 health's office of food safety; and

32 (iv) comply with any other requirements deemed suitable by the office of cannabis
33 regulation.

34 (18) Standards for employee and workplace safety and sanitation;

1 (19) Standards for employee training including but not limited to:

2 (i) requirements that all employees of cannabis establishments must participate in a
3 comprehensive training on standard operating procedures, security protocols, health and sanitation
4 standards, workplace safety, and the provisions of this chapter prior to working at the establishment.
5 Employees must be retrained on an annual basis or if state officials discover a cannabis
6 establishment in violation of any rule, regulation, or guideline in the course of regular inspections
7 or audits; and

8 (ii) any other requirements deemed appropriate by the office of cannabis regulation; and

9 (20) Mandatory labeling that must be affixed to all packages containing cannabis or
10 cannabis products including but not limited to requirements that the label display:

11 (i) the name of the establishment that cultivated the cannabis or produced the cannabis
12 product;

13 (ii) the tetrahydrocannabinol (THC) content of the product;

14 (iii) a "produced on" date;

15 (iv) warnings that state: "Consumption of cannabis impairs your ability to drive a car or
16 operate machinery" and "Keep away from children" and, unless federal law has changed to
17 accommodate cannabis possession, "Possession of cannabis is illegal under federal law and in many
18 states outside of Rhode Island";

19 (v) a symbol that reflects these products are not safe for children which contains poison
20 control contact information; and

21 (vi) any other information required by the office of cannabis regulation; and

22 (21) Standards for the use of pesticides;

23 (22) General operating requirements, minimum oversight, and any other activities,
24 functions, or aspects of a marijuana establishment licensee in furtherance of creating a stable,
25 regulated cannabis industry and mitigating its impact on public health and safety; and

26 (23) Rules and regulations based on federal law provided those rules and regulations are
27 designed to comply with federal guidance and mitigate federal enforcement against the marijuana
28 establishments and adult use state stores authorized, licensed and operated pursuant to this chapter.

29 **21-28.12-12. Municipal authority.**

30 (a) Municipalities shall:

31 (i) Have the authority to enact local zoning and use ordinances not in conflict with this
32 chapter or with rules and regulations adopted by the office of cannabis regulation regulating
33 the time, place, and manner of marijuana establishments' operations, provided that no local
34 authority may prohibit any type of marijuana establishment operations altogether, either expressly

1 or through the enactment of ordinances or regulations which make any type of marijuana
2 establishments' operation impracticable; and

3 (b) Zoning ordinances enacted by a local authority shall not require a marijuana establishment
4 licensee or marijuana establishment applicant to enter into a community host agreement or pay any
5 consideration to the municipality other than reasonable zoning and permitting fees as determined by the
6 office of cannabis regulation. The office of cannabis regulation is the sole licensing authority for
7 marijuana establishment licensees. A municipality shall not enact any local zoning ordinances or
8 permitting requirements that establishes a de facto local license or licensing process unless explicitly
9 enabled by this chapter or ensuing regulations promulgated by the office of cannabis regulation.

10 (c) Notwithstanding subsection (a) of this section:

11 (i) Municipalities may enact local zoning and use ordinances which prohibit specific classes of
12 marijuana establishment licenses, or all classes of marijuana establishment licenses from being issued
13 within their jurisdiction and which may remain in effect until November 2, 2021. A local zoning and use
14 ordinance which prohibits specific classes of marijuana establishment licenses, or all classes of marijuana
15 establishment licenses from being issued within a city or town's jurisdiction may only remain in effect past
16 November 2, 2021, if the residents of the municipality have approved, by a simple majority of
17 the electors voting, a referendum to ban adult use marijuana cultivator facilities, adult use state
18 stores, adult use marijuana processors or cannabis testing facilities, provided such referendum must
19 be conducted on or before November 2, 2021, and any ordinances related thereto must be adopted before
20 April 1, 2022;

21 (ii) Municipalities must put forth a separate referendum question to ban each class of
22 marijuana establishment. A single question to ban all classes of marijuana establishments shall not be
23 permitted; and

24 (iii) Municipalities which ban the licensure of marijuana establishments located within their
25 jurisdiction pursuant to subsection (c)(i), and/or adopt local zoning and other ordinances, in accordance
26 with this section, may hold future referenda to prohibit previously allowed licenses, or allow previously
27 prohibited licenses, provided those subsequent referenda are held on the first Tuesday after the first
28 Monday in the month of November.

29 (d) Notwithstanding subsections (a), (b) or (c) of this section, a municipality may not
30 prohibit a medical marijuana establishment licensee from continuing to operate under a marijuana
31 establishment license issued by the office of cannabis regulation or previously issued by the
32 department of business regulation if that marijuana establishment licensee was approved or licensed
33 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 **21-28.12-13. Transportation of marijuana.**

26 The office of cannabis regulation shall promulgate regulations regarding secure transportation
27 of marijuana for eligible adult use marijuana retailers delivering products to purchasers in accordance
28 with this chapter and shipments of marijuana or marijuana products between marijuana establishment
29 licensees.

30 **21-28.12-14. No minors on the premises of marijuana establishments.**

31 A marijuana establishment shall not allow any person who is under twenty-one (21)
32 years of age to be present inside any room where marijuana or marijuana products are stored,
33 produced, or sold by the marijuana establishment unless the person who is under twenty-one (21)
34 years of age is:

1 (1) A government employee performing their official duties; or

2 (2) If the marijuana establishment is a hybrid marijuana retailer that also holds a
3 compassion center license pursuant §21-28.6-12 for the same licensed premises and the individual
4 under twenty-one (21) years of age is a qualifying patient registered under chapter 28.6 of
5 title 21 and the retail establishment complies with applicable regulations promulgated by the
6 department of business regulation.

7 **21-28.12-15. Contracts enforceable.**

8 It is the public policy of the state that contracts related to the operation of a marijuana
9 establishment or a licensee under chapter 26 of title 2 or chapters 28.6 and 28.12 of title 21 in
10 accordance with Rhode Island law shall be enforceable. It is the public policy of the state that no
11 contract entered into by a licensed marijuana establishment or other licensee under chapter 26 of title
12 2 or chapters 28.6 and 28.12 of title 21 of the general laws or its employees or agents as permitted
13 pursuant to a valid license issued by the office of cannabis regulation, or by those who allow property
14 to be used by an establishment, its employees, or its agents as permitted pursuant to a valid
15 license, shall be unenforceable solely on the basis that cultivating, obtaining, manufacturing,
16 distributing, dispensing, transporting, selling, possessing, testing or using marijuana or hemp is
17 prohibited by federal law.

18 **21-28.12-16. Establishment of marijuana trust fund.**

19 (a) There is created with the general fund a restricted receipt accounts collectively known
20 as the “marijuana trust fund”, otherwise known as the “adult use marijuana licensing” or “adult use
21 marijuana program licensing” accounts. Taxes collected pursuant to chapter 49.1 of title 44,
22 including sales and use tax attributable to marijuana products, and fees collected pursuant to chapter
23 28.12 of title 21 shall be deposited into this account. The state share of trust fund revenue will be
24 used to fund programs and activities related to program administration; revenue collection and
25 enforcement; substance use disorder prevention for adults and youth; education and public
26 awareness campaigns; treatment and recovery support services; public health monitoring, research,
27 data collection, and surveillance; law enforcement training and technology improvements including
28 grants to local law enforcement; and such other related uses that may be deemed necessary by the
29 office of management and budget. The restricted receipt account will be housed within the budgets
30 of the departments of behavioral healthcare, developmental disabilities, and hospitals; business
31 regulation; health; revenue and public safety, and the executive office of health and human services.
32 All amounts deposited into the marijuana trust fund shall be exempt from the indirect cost recovery
33 provisions of § 35-4-27. The allocation of the marijuana trust fund shall be:

1 (1) Twenty-five percent (25%) of trust fund revenue to the departments of business
2 regulation, health, revenue and public safety, and the executive office of health and human services,
3 except that in fiscal year 2022 the office of management and budget may allocate up to an additional
4 four million nine hundred thousand dollars (\$4,900,000) from trust fund revenues to these agencies;

5 (2) Fifteen percent (15%) of trust fund revenue to cities and towns; and

6 (3) Sixty percent (60%) of trust fund revenue to the general fund.

7 (b) All revenue allocated to cities and towns under subsection (a)(2) shall be distributed at
8 least quarterly by the division of taxation and department of business regulation, credited and paid
9 by the state treasurer to the city or town based on the following allocation:

10 (1) One-quarter based in an equal distribution to each city or town in the state;

11 (2) One-quarter based on the share of total licensed marijuana cultivators, licensed
12 marijuana processors, and licensed marijuana retailers found in each city or town at the end of the
13 quarter that corresponds to the distribution, with licensed marijuana retailers assigned a weight
14 twice that of the other license types; and

15 (3) One-half based on the volume of sales of adult use marijuana products that occurred in
16 each city or town in the quarter of the distribution.

17 (c) The division of taxation and the department of business regulation shall jointly
18 promulgate regulations to effectuate the distribution under subsection (a)(2).

19 **21-28.12-17. Transfer of revenue to the marijuana trust fund.**

20 The department of business regulation shall transfer all revenue collected pursuant to this
21 chapter, including penalties or forfeitures, interest, costs of suit and fines, to the marijuana trust
22 fund established by § 21-28.12-16.

23 **21-28.12-18. Market demand study to determine viability of a cap on retail licenses.**

24 (a) No later than January 1, 2024, the department of business regulation shall conduct a
25 market demand study to determine the effect of the phased implementation of adult use marijuana
26 retail licenses on the Rhode Island market. This study shall include, but not be limited to, an analysis
27 of price changes, product availability, geographic dispersion, and downstream effects on
28 cultivators, manufacturers, and other market participants licensed under chapter 28.12 of title 21.

29 (b) The study may further contemplate, based on this analysis, a recommendation for an
30 overall cap on retail licenses in Rhode Island. The study shall be made public by the department
31 and delivered to the Governor, the Speaker of the House of Representatives, and the President of
32 the Senate.

33 **21-28.12-19. Severability.**

1 If any provision of this chapter or its application thereof to any person or
2 circumstance is held invalid, such invalidity shall not affect other provisions or applications of
3 this chapter, which can be given effect without the invalid provision or application, and to this
4 end the provisions of this chapter are declared to be severable.

5 SECTION 6. Sections 31-27-2, 31-27-2.1 and 31-27-2.9 of Chapter 31-27 of the General
6 Laws entitled "Motor Vehicles Offenses" are hereby amended as follows:

7 **31-27-2. Driving under influence of liquor or drugs.**

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

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

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

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

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

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

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

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

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

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

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

1 sentencing judge or magistrate may prohibit that person from operating a motor vehicle that is not
2 equipped with an ignition interlock system as provided in § 31-27-2.8.

3 (ii) Every person convicted of a first violation whose blood alcohol concentration is one-
4 tenth of one percent (.1%) by weight or above, but less than fifteen hundredths of one percent
5 (.15%), or whose blood alcohol concentration is unknown, shall be subject to a fine of not less than
6 one hundred (\$100) dollars, nor more than four hundred dollars (\$400), and shall be required to
7 perform ten (10) to sixty (60) hours of public community restitution and/or shall be imprisoned for
8 up to one year. The sentence may be served in any unit of the adult correctional institutions in the
9 discretion of the sentencing judge. The person's driving license shall be suspended for a period of
10 three (3) months to twelve (12) months. The sentencing judge shall require attendance at a special
11 course on driving while intoxicated or under the influence of a controlled substance and/or
12 alcoholic or drug treatment for the individual; provided, however, that the court may permit a
13 servicemember or veteran to complete any court-approved counseling program administered or
14 approved by the Veterans' Administration. The sentencing judge or magistrate may prohibit that
15 person from operating a motor vehicle that is not equipped with an ignition interlock system as
16 provided in § 31-27-2.8.

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

30 (2)(i) Every person convicted of a second violation within a five-year (5) period with a
31 blood alcohol concentration of eight one-hundredths of one percent (.08%) or above, but less than
32 fifteen hundredths of one percent (.15%), or whose blood alcohol concentration is unknown, or
33 who has a blood presence of any controlled substance as defined in subsection (b)(2), and every
34 person convicted of a second violation within a five-year (5) period, regardless of whether the prior

1 violation and subsequent conviction was a violation and subsequent conviction under this statute
2 or under the driving under the influence of liquor or drugs statute of any other state, shall be subject
3 to a mandatory fine of four hundred dollars (\$400). The person's driving license shall be suspended
4 for a period of one year to two (2) years, and the individual shall be sentenced to not less than ten
5 (10) days, nor more than one year, in jail. The sentence may be served in any unit of the adult
6 correctional institutions in the discretion of the sentencing judge; however, not less than forty-eight
7 (48) hours of imprisonment shall be served consecutively. The sentencing judge shall require
8 alcohol or drug treatment for the individual; provided, however, that the court may permit a
9 servicemember or veteran to complete any court-approved counseling program administered or
10 approved by the Veterans' Administration and shall prohibit that person from operating a motor
11 vehicle that is not equipped with an ignition interlock system as provided in § 31-27-2.8.

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

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

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

6 (ii) Every person convicted of a third or subsequent violation within a five-year (5) period
7 whose blood alcohol concentration is fifteen hundredths of one percent (.15%) above by weight as
8 shown by a chemical analysis of a blood, breath, or urine sample, or who is under the influence of
9 a drug, toluene, or any controlled substance as defined in subsection (b)(1), shall be subject to
10 mandatory imprisonment of not less than three (3) years, nor more than five (5) years; a mandatory
11 fine of not less than one thousand dollars (\$1,000), nor more than five thousand dollars (\$5,000);
12 and a mandatory license suspension for a period of three (3) years from the date of completion of
13 the sentence imposed under this subsection. The sentencing judge shall require alcohol or drug
14 treatment for the individual. The sentencing judge or magistrate shall prohibit that person from
15 operating a motor vehicle that is not equipped with an ignition interlock system as provided in §
16 31-27-2.8.

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

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

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

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

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

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

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

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

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

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

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

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

22 (2) Persons convicted under the provisions of this chapter shall be required to attend a
23 special course on driving while intoxicated or under the influence of a controlled substance, and/or
24 participate in an alcohol or drug treatment program, [which course and programs must meet the](#)
25 [standards established by the Rhode Island department of behavioral healthcare, developmental](#)
26 [disabilities and hospitals](#); provided, however, that the court may permit a servicemember or veteran
27 to complete any court-approved counseling program administered or approved by the Veterans'
28 Administration. The course shall take into consideration any language barrier that may exist as to
29 any person ordered to attend, and shall provide for instruction reasonably calculated to
30 communicate the purposes of the course in accordance with the requirements of the subsection.
31 Any costs reasonably incurred in connection with the provision of this accommodation shall be
32 borne by the person being retrained. A copy of any violation under this section shall be forwarded
33 by the court to the alcohol and drug safety unit. In the event that persons convicted under the
34 provisions of this chapter fail to attend and complete the above course or treatment program, as

1 ordered by the judge, then the person may be brought before the court, and after a hearing as to
2 why the order of the court was not followed, may be sentenced to jail for a period not exceeding
3 one year.

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

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

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

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

21 (j) An order to attend a special course on driving while intoxicated that shall be
22 administered in cooperation with a college or university accredited by the state, shall include a
23 provision to pay a reasonable tuition for the course in an amount not less than twenty-five dollars
24 (\$25.00), and a fee of one hundred seventy-five dollars (\$175), which fee shall be deposited into
25 the general fund.

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

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

33 (m) For the purposes of this section, "servicemember" means a person who is presently
34 serving in the armed forces of the United States, including the Coast Guard, a reserve component

1 thereof, or the National Guard. "Veteran" means a person who has served in the armed forces,
2 including the Coast Guard of the United States, a reserve component thereof, or the National Guard,
3 and has been discharged under other than dishonorable conditions.

4 **31-27-2.1. Refusal to submit to chemical test.**

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

17 (b) If a person, for religious or medical reasons, cannot be subjected to blood tests, the
18 person may file an affidavit with the division of motor vehicles stating the reasons why he or she
19 cannot be required to take blood tests and a notation to this effect shall be made on his or her
20 license. If that person is asked to submit to chemical tests as provided under this chapter, the person
21 shall only be required to submit to chemical tests of his or her breath, [saliva](#) or urine. When a person
22 is requested to submit to blood tests, only a physician or registered nurse, or a medical technician
23 certified under regulations promulgated by the director of the department of health, may withdraw
24 blood for the purpose of determining the alcoholic content in it. This limitation shall not apply to
25 the taking of breath, [saliva](#) or urine specimens. The person tested shall be permitted to have a
26 physician of his or her own choosing, and at his or her own expense, administer chemical tests of
27 his or her breath, blood, [saliva](#) and/or urine in addition to the tests administered at the direction of
28 a law enforcement officer. If a person, having been placed under arrest, refuses upon the request of
29 a law enforcement officer to submit to the tests, as provided in § 31-27-2, none shall be given, but
30 a judge or magistrate of the traffic tribunal or district court judge or magistrate, upon receipt of a
31 report of a law enforcement officer: that he or she had reasonable grounds to believe the arrested
32 person had been driving a motor vehicle within this state under the influence of intoxicating liquor,
33 toluene, or any controlled substance, as defined in chapter 28 of title 21, or any combination of
34 these; that the person had been informed of his or her rights in accordance with § 31-27-3; that the

1 person had been informed of the penalties incurred as a result of noncompliance with this section;
2 and that the person had refused to submit to the tests upon the request of a law enforcement officer;
3 shall promptly order that the person's operator's license or privilege to operate a motor vehicle in
4 this state be immediately suspended, however, said suspension shall be subject to the hardship
5 provisions enumerated in § 31-27-2.8. A traffic tribunal judge or magistrate, or a district court judge
6 or magistrate, pursuant to the terms of subsection (c), shall order as follows:

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

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

23 (3) Every person convicted for a third or subsequent violation within a five-year (5) period,
24 except with respect to cases of refusal to submit to a blood test, shall be guilty of a misdemeanor;
25 and shall be imprisoned for not more than one year; fined eight hundred dollars (\$800) to one
26 thousand dollars (\$1,000); shall perform not less than one hundred (100) hours of public community
27 restitution; and the person's operator's license in this state shall be suspended for a period of two
28 (2) years to five (5) years. 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. The judge or magistrate shall require alcohol or drug treatment for the individual.
31 Provided, that prior to the reinstatement of a license to a person charged with a third or subsequent
32 violation within a three-year (3) period, a hearing shall be held before a judge or magistrate. At the
33 hearing, the judge or magistrate shall review the person's driving record, his or her employment

1 history, family background, and any other pertinent factors that would indicate that the person has
2 demonstrated behavior that warrants the reinstatement of his or her license.

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

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

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

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

30 (8) In addition to any other fines and highway safety assessments, a two-hundred-dollar
31 (\$200) assessment shall be paid by any person found in violation of this section to support the
32 department of health's chemical testing programs outlined in § 31-27-2(4), that shall be deposited
33 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 hearing
7 as early as practical upon receipt of a request in writing. Upon a hearing, the judge may administer
8 oaths and may issue subpoenas for the attendance of witnesses and the production of relevant books
9 and papers. If the judge finds after the hearing that:

10 (1) The law enforcement officer making the sworn report had reasonable grounds to believe
11 that the arrested person had been driving a motor vehicle within this state while under the influence
12 of intoxicating liquor, toluene, or any controlled substance, as defined in chapter 28 of title 21, or
13 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 set
19 forth in subsection (b). Action by the judge must be taken within seven (7) days after the hearing
20 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 is
23 considered a chemical test.

24 (e) If any provision of this section, or the application of any provision, shall, for any reason,
25 be judged invalid, the judgment shall not affect, impair, or invalidate the remainder of the section,
26 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 probable
31 cause to believe that the individual has violated one or more of the following sections: 31-27-1, 31-
32 27-1.1, 31-27-2.2, or 31-27-2.6 and that the individual was operating a motor vehicle under the
33 influence of any intoxicating liquor, toluene or any controlled substance as defined in chapter 21-
34 28, or any combination thereof, a chemical test may be administered without the consent of that

1 individual provided that the peace officer first obtains a search warrant authorizing administration
2 of the chemical test. The chemical test shall determine the amount of the alcohol or the presence of
3 a controlled substance in that person's blood, [saliva](#) or breath.

4 (b) The chemical test shall be administered in accordance with the methods approved by
5 the director of the department of health as provided for in subdivision 31-27-2(c)(4). The individual
6 shall be afforded the opportunity to have an additional chemical test as established in subdivision
7 31-27-2(c)(6).

8 (c) Notwithstanding any other law to the contrary, including, but not limited to, chapter 5-
9 37.3, any health care provider who, as authorized by the search warrant in subsection (a):

- 10 (i) Takes a blood, [saliva](#) or breath sample from an individual; or
11 (ii) Performs the chemical test; or
12 (iii) Provides information to a peace officer pursuant to subsection (a) above and who uses
13 reasonable care and accepted medical practices shall not be liable in any civil or criminal
14 proceeding arising from the taking of the sample, from the performance of the chemical test or from
15 the disclosure or release of the test results.

16 (d) The results of a chemical test performed pursuant to this section shall be admissible as
17 competent evidence in any civil or criminal prosecution provided that evidence is presented in
18 compliance with the conditions set forth in subdivisions 31-27-2(c)(3), 31-27-2(c)(4) and 31-27-
19 2(c)(6).

20 (e) All chemical tests administered pursuant to this section shall be audio and video
21 recorded by the law enforcement agency which applied for and was granted the search warrant
22 authorizing the administration of the chemical test.

23 SECTION 7. Sections 44-49-1, 44-49-2, 44-49-4, 44-49-5, 44-49-7, 44-49-8, 44-49-9, 44-
24 49-9.1, 44-49-10, 44-49-11, and 44-49-12 of the General Laws in Chapter 44-49 entitled "Taxation
25 of Marijuana and Controlled Substances" are hereby amended as follows:

26 **44-49-1. Short title.**

27 This chapter shall be known as the "~~Marijuana and~~ Controlled Substances Taxation Act".

28 **44-49-2. Definitions.**

29 (a) "Controlled substance" means any drug or substance, whether real or counterfeit, as
30 defined in § 21-28-1.02(8), that is held, possessed, transported, transferred, sold, or offered to be
31 sold in violation of Rhode Island laws. "Controlled substance" does not include marijuana.

32 (b) "Dealer" means a person who in violation of Rhode Island law manufactures, produces,
33 ships, transports, or imports into Rhode Island or in any manner acquires or possesses ~~more than~~
34 ~~forty two and one half (42.5) grams of marijuana, or~~ seven (7) or more grams of any controlled

1 substance, or ten (10) or more dosage units of any controlled substance which is not sold by weight.
2 A quantity of ~~marijuana-or~~ a controlled substance is measured by the weight of the substance
3 whether pure or impure or dilute, or by dosage units when the substance is not sold by weight, in
4 the dealer's possession. A quantity of a controlled substance is dilute if it consists of a detectable
5 quantity of pure controlled substance and any excipients or fillers.

6 ~~(c) "Marijuana" means any marijuana, whether real or counterfeit, as defined in § 21-28-~~
7 ~~1.02(30), that is held, possessed, transported, transferred, sold, or offered to be sold in violation of~~
8 ~~Rhode Island laws.~~

9 **44-49-4. Rules.**

10 The tax administrator may adopt rules necessary to enforce this chapter. The tax
11 administrator shall adopt a uniform system of providing, affixing, and displaying official stamps,
12 official labels, or other official indicia for ~~marijuana-and~~ controlled substances on which a tax is
13 imposed.

14 **44-49-5. Tax payment required for possession.**

15 No dealer may possess any ~~marijuana-or~~ controlled substance upon which a tax is imposed
16 under this chapter unless the tax has been paid on ~~the marijuana-or~~ a controlled substance as
17 evidenced by a stamp or other official indicia.

18 **44-49-7. Pharmaceuticals.**

19 Nothing in this chapter shall require persons lawfully in possession of ~~marijuana-or~~ a
20 controlled substance to pay the tax required under this chapter.

21 **44-49-8. Measurement.**

22 For the purpose of calculating this tax, a quantity of ~~marijuana-or~~ a controlled substance is
23 measured by the weight of the substance whether pure or impure or dilute, or by dosage units when
24 the substance is not sold by weight, in the dealer's possession. A quantity of a controlled substance
25 is dilute if it consists of a detectable quantity of pure controlled substance and any excipients or
26 fillers.

27 **44-49-9. Tax rate.**

28 A tax is imposed on ~~marijuana-and~~ controlled substances as defined in § 44-49-2 at the
29 following rates:

30 ~~(1) On each gram of marijuana, or each portion of a gram, three dollars and fifty cents~~
31 ~~(\$3.50); and~~

32 ~~(2)~~(1) On each gram of controlled substance, or portion of a gram, two hundred dollars
33 (\$200); or

1 ~~(2)~~(2) On each ten (10) dosage units of a controlled substance that is not sold by weight,
2 or portion of the dosage units, four hundred dollars (\$400).

3 **44-49-9.1. Imposition of tax, interest and liens.**

4 (a) Any law enforcement agency seizing ~~marijuana and/or~~ controlled substances as defined
5 in § 44-49-2 in the quantities set forth in that section shall report to the division of taxation no later
6 than the twenty-fifth (25th) of each month, the amount of all ~~marijuana and~~ controlled substances
7 seized during the previous month and the name and address of each dealer from whom the
8 ~~marijuana and~~ controlled substances were seized.

9 (b) The tax administrator shall assess the dealer for any tax due at the rate provided by §
10 44-49-9. The tax shall be payable within fifteen (15) days after its assessment and, if not paid when
11 due, shall bear interest from the date of its assessment at the rate provided in § 44-1-7 until paid.

12 (c) The tax administrator may file a notice of tax lien upon the real property of the dealer
13 located in this state immediately upon mailing a notice of assessment to the dealer at the address
14 listed in the report of the law enforcement agency. The tax administrator may discharge the lien
15 imposed upon the filing of a bond satisfactory to the tax administrator in an amount equal to the
16 tax, interest and penalty imposed under this chapter.

17 **44-49-10. Penalties – Criminal provisions.**

18 (a) *Penalties.* Any dealer violating this chapter is subject to a penalty of one hundred
19 percent (100%) of the tax in addition to the tax imposed by § 44-49-9. The penalty will be collected
20 as part of the tax.

21 (b) *Criminal penalty; sale without affixed stamps.* In addition to the tax penalty imposed,
22 a dealer distributing or possessing ~~marijuana or~~ controlled substances without affixing the
23 appropriate stamps, labels, or other indicia is guilty of a crime and, upon conviction, may be
24 sentenced to imprisonment for not more than five (5) years, or to payment of a fine of not more
25 than ten thousand dollars (\$10,000), or both.

26 (c) *Statute of limitations.* An indictment may be found and filed, or a complaint filed, upon
27 any criminal offense specified in this section, in the proper court within six (6) years after the
28 commission of this offense.

29 **44-49-11. Stamp price.**

30 Official stamps, labels, or other indicia to be affixed to all ~~marijuana or~~ controlled
31 substances shall be purchased from the tax administrator. The purchaser shall pay one hundred
32 percent (100%) of face value for each stamp, label, or other indicia at the time of the purchase.

33 **44-49-12. Payment due.**

1 (a) Stamps affixed. When a dealer purchases, acquires, transports, or imports into this state
2 ~~marijuana or~~ controlled substances on which a tax is imposed by § 44-49-9, and if the indicia
3 evidencing the payment of the tax have not already been affixed, the dealer shall have them
4 permanently affixed on the ~~marijuana or~~ controlled substance immediately after receiving the
5 substance. Each stamp or other official indicia may be used only once.

6 (b) Payable on possession. Taxes imposed upon ~~marijuana or~~ controlled substances by this
7 chapter are due and payable immediately upon acquisition or possession in this state by a dealer.

8 SECTION 8. Title 44 of the General Laws entitled "TAXATION" is hereby amended by
9 adding thereto the following chapter 44-49.1:

10 **44-49.1-1. Short title.**

11 This chapter shall be known as the "Cannabis Taxation Act."

12 **44-49.1-2. Definitions.**

13 As used in this chapter, unless the context clearly indicates otherwise, the following
14 words and phrases shall have the following meanings:

15 (1) "Adult use marijuana retailer" has the meaning given that term in § 21-28.11-3.

16 (2) "Cannabis" has the meaning given that term in § 21-28.11-3.

17 (3) "Department of business regulation" means the office of cannabis regulation with the
18 department of business regulation or its successor agency.

19 (4) "Licensee" has the same meaning as "marijuana establishment licensee" in § 21-28.11-
20 3.

21 (5) "Marijuana" has the meaning given that term in § 21-28-1.02.

22 (6) "Marijuana cultivator" means a licensed medical marijuana cultivator as defined in § 21-
23 28.6-3, an adult use marijuana cultivator as defined in § 21-28.11-3, or any other person licensed by
24 the department of business regulation to cultivate marijuana in the state. A marijuana cultivator does
25 not include a primary caregiver or qualifying patients, as defined in 21-28.6-3, who are growing
26 marijuana pursuant to § 21-28.6-4 and in accordance with chapter 28.6 of title 21 and the
27 regulations promulgated thereunder.

28 (7) "Marijuana flower" means the flower or bud from a marijuana plant.

29 (8) "Marijuana products" has the meaning given that term in § 21-28.11-3.

30 (9) "Marijuana trim" means any part of the marijuana plant other than marijuana flower.

31 (10) "Person" means any individual, including an employee or agent, firm, fiduciary,
32 partnership, corporation, trust, or association, however formed.

33 (11) "Tax administrator" means the tax administrator within the division of taxation of
34 the department of revenue as defined in § 44-1-1.

1 **44-49.1-3. Adult use cultivator, retailer licenses required.**

2 Each person engaging in the business of cultivating adult use marijuana or selling adult use
3 marijuana products,, shall secure a license from the department of business regulation before
4 engaging in that business, or continuing to engage in it. A separate application and license is
5 required for each place of business operated by the retailer. A licensee shall notify the department
6 of business regulation and tax administrator simultaneously within thirty (30) days in the event that
7 it changes its principal place of business. A separate license is required for each type of business if
8 the applicant is engaged in more than one of the activities required to be licensed by this section.

9 **44-49.1-4. Marijuana cultivator excise tax.**

10 (a) An excise tax is imposed on all marijuana cultivated by marijuana cultivators. The rate
11 of taxation is as follows:

12 (1) Three dollars (\$3.00) for every dried ounce of marijuana trim and a proportionate tax
13 at the like rate on all fractional parts of an ounce thereof, and

14 (2) Ten dollars (\$10.00) for every dried ounce of marijuana flower and a proportionate tax
15 at the like rate on all fractional parts of an ounce thereof.

16 (b) Marijuana trim and marijuana flower that has not reached a dried state will be taxed
17 using equivalent amounts as established by regulations promulgated by the department of taxation
18 and the department of business regulation.

19 (c) The excise tax is assessed and levied upon the sale or transfer of marijuana by a
20 marijuana cultivator to any party or upon the designation of the product for retail sale by the
21 cultivator, whichever occurs earlier.

22 (d) The tax bears interest at the annual rate provided by § 44-1-7 from the twentieth (20th)
23 day after the close of the month for which the amount, or any portion of it, should have been paid
24 until the date of payment.

25 (e) This section is effective as of January 1, 2022.

26 **44-49.1-5. Adult use marijuana retail excise tax.**

27 (a) An excise tax is imposed on all marijuana sold by adult use marijuana retailers pursuant
28 to chapter 28.12 of title 21 at a rate of ten percent (10%) of the gross sales of marijuana products.
29 This excise tax is in addition to all other taxes imposed by title 44. The burden of proving the tax
30 was collected is upon the person who makes the sale and the purchaser, unless the person who
31 makes the sales takes from the purchaser a certificate to the effect that the purchase was for resale.
32 The certificate shall contain any information and be in the form that the tax administrator may
33 require.

1 (b) Any adult use marijuana retailer shall collect the taxes imposed by this section from
2 any purchaser to whom the sale of marijuana products is made and shall remit to the state the tax
3 levied by this section. The retail sale of marijuana products shall not be bundled with any other
4 non-marijuana tangible personal property or taxable services set forth in R.I. Gen. Laws § 44-18-
5 7.3.

6 (c) The adult use marijuana retailer shall add the tax imposed by this chapter to the sale
7 price or charge, and when added the tax constitutes a part of the price or charge, is a debt from the
8 consumer or user to the retailer, and is recoverable at law in the same manner as other debts;
9 provided, that the amount of tax that the retailer collects from the consumer or user is as follows:

10 Amount of Fair Market Value, as Tax

11 <u>\$0.01 to \$.09 inclusive</u>	<u>No Tax</u>
12 <u>.10 to .19 inclusive</u>	<u>.01</u>
13 <u>.20 to .29 inclusive</u>	<u>.02</u>
14 <u>.30 to .39 inclusive</u>	<u>.03</u>
15 <u>.40 to .49 inclusive</u>	<u>.04</u>
16 <u>.50 to .59 inclusive</u>	<u>.05</u>
17 <u>.60 to .69 inclusive</u>	<u>.06</u>
18 <u>.70 to .79 inclusive</u>	<u>.07</u>
19 <u>.80 to .89 inclusive</u>	<u>.08</u>
20 <u>.90 to .99 inclusive</u>	<u>.09</u>
21 <u>.100 to .109 inclusive</u>	<u>.10</u>

22 and where the amount of the sale is more than one dollar and nine cents (\$1.09) the amount
23 of the tax is computed at the rate of ten percent (10%)

24 (d) It shall be deemed a violation of this section for an adult use marijuana retailer to fail
25 to separately state the tax imposed in this section and instead include it in the sale price of marijuana
26 products. The tax levied in this article shall be imposed is in addition to all other taxes imposed by
27 the state, or any municipal corporation or political subdivision of any of the foregoing.

28 (e) The tax bears interest at the annual rate provided by § 44-1-7 from the twentieth (20th)
29 day after the close of the month for which the amount, or any portion of it, should have been paid
30 until the date of payment.

31 **44-49.1-7. Returns.**

32 (a) Every marijuana cultivator shall, on or before the twentieth (20th) day of the month
33 following the sale or transfer of marijuana, make a return to the tax administrator for taxes due

1 under § 44-49.1-4. Marijuana cultivators shall file their returns on a form as prescribed by the tax
2 administrator.

3 (b) Every licensed adult use marijuana retailer shall, on or before the twentieth (20th) day
4 of the month following the sale of marijuana products, make a return to the tax administrator for
5 taxes due under § 44-49.1-5. Adult use marijuana retailers shall file their returns on a form as
6 prescribed by the tax administrator.

7 (c) If for any reason an adult use marijuana retailer fails to collect the tax imposed § 44-
8 49.1-5 from the purchaser, the purchaser shall file a return and pay the tax directly to the state, on
9 or before the date required by subsection (b) of this section.

10 (d) There is created with the general fund a restricted receipt account to be known as the
11 “marijuana cash use surcharge” account. Surcharge collected pursuant to subsection (f) shall be
12 deposited into this account and be used to finance costs associated with processing and handling
13 cash payments for taxes paid under this chapter. The restricted receipt account will be housed within
14 the budget of the department of revenue. All amounts deposited into the marijuana cash use
15 surcharge account shall be exempt from the indirect cost recovery provisions of § 35-4-27.

16 (e) Any licensee who makes a payment in cash for taxes due under this chapter, or taxes
17 due under chapters 18 or 67 of this title, shall pay a ten percent (10%) penalty on the amount of
18 that payment to the division of taxation. Payment of a tax return with less than one thousand dollars
19 (\$1,000) in taxes due per month, on average, shall not be subject to the penalty.

20 (f) Notwithstanding any other provision of law, the department of business regulation and
21 tax administrator may, on a periodic basis, prepare and publish for public distribution a list of
22 entities and their active licenses administered under this chapter. Each list may contain the license
23 type, name of the licensee, and the amount of tax paid under this chapter.

24 **44-49.1-8. Sale of contraband products prohibited.**

25 (a) No person shall sell, offer for sale, display for sale, or possess with intent to sell any
26 contraband marijuana, marijuana products.

27 (b) Any marijuana or marijuana products exchanged in which one of the two entities does
28 not have a license or exchanged between a non-licensed entity and a consumer shall be considered
29 contraband.

30 (c) Any marijuana or marijuana products for which applicable taxes have not been paid as
31 specified in title 44 shall be considered contraband.

32 (d) Failure to comply with the provisions of this chapter may result in the imposition of the
33 applicable civil penalties in Section 44-49.1-13 below; however, the possession of marijuana or

1 marijuana products as described in this chapter do not constitute contraband for purposes of
2 imposing a criminal penalty under chapter 28 of title 21.

3 **44-49.1-9. Recordkeeping.**

4 (a) Each licensee shall maintain copies of invoices or equivalent documentation for, or
5 itemized for, each of its facilities for each involving the sale or transfer of marijuana or marijuana
6 products. All records and invoices required under this section must be safely preserved for three
7 (3) years in a manner to insure permanency and accessibility for inspection by the administrator or
8 his or her authorized agents.

9 (b) Records required under this section shall be preserved on the premises described in the
10 relevant license in such a manner as to ensure permanency and accessibility for inspection at
11 reasonable hours by authorized personnel of the administrator. With the tax administrator's
12 permission, persons with multiple places of business may retain centralized records but shall
13 transmit duplicates of the invoices or the equivalent documentation to each place of business within
14 twenty-four (24) hours upon the request of the administrator or his or her designee.

15 (c) Any person who fails to submit the reports required in this chapter or by the tax
16 administrator under this chapter, or who makes any incomplete, false, or fraudulent report, or who
17 refuses to permit the tax administrator or his or her authorized agent to examine any books, records,
18 papers, or stocks of marijuana or marijuana products as provided in this chapter, or who refuses to
19 supply the tax administrator with any other information which the tax administrator requests for
20 the reasonable and proper enforcement of the provisions of this chapter, shall be guilty of a
21 misdemeanor punishable by imprisonment up to one (1) year, or a fine of not more than five
22 thousand dollars (\$5,000), or both, for the first offense, and for each subsequent offense, shall be
23 fined not more than ten thousand dollars (\$10,000), or be imprisoned not more than five (5) years,
24 or both.

25 **44-49.1-10. Inspections and investigations.**

26 (a) The tax administrator or his or her duly authorized agent shall have authority to enter
27 and inspect, without a warrant during normal business hours, and with a warrant during nonbusiness
28 hours, the facilities and records of any licensee.

29 (b) In any case where the administrator or his or her duly authorized agent, or any police
30 officer of this state, has knowledge or reasonable grounds to believe that any vehicle is transporting
31 marijuana or marijuana products in violation of this chapter, the administrator, such agent, or such
32 police officer, is authorized to stop such vehicle and to inspect the same for contraband marijuana
33 or marijuana products.

1 (c) For the purpose of determining the correctness of any return, determining the amount
2 of tax that should have been paid, determining whether or not the licensee should have made a
3 return or paid taxes, or collecting any taxes under this chapter, the tax administrator may examine,
4 or cause to be examined, any books, papers, records, or memoranda, that may be relevant to making
5 those determinations, whether the books, papers, records, or memoranda, are the property of or in
6 the possession of the licensee or another person. The tax administrator may require the attendance
7 of any person having knowledge or information that may be relevant, compel the production of
8 books, papers, records, or memoranda by persons required to attend, take testimony on matters
9 material to the determination, and administer oaths or affirmations. Upon demand of the tax
10 administrator or any examiner or investigator, the court administrator of any court shall issue a
11 subpoena for the attendance of a witness or the production of books, papers, records, and
12 memoranda. The tax administrator may also issue subpoenas. Disobedience of subpoenas issued
13 under this chapter is punishable by the superior court of the district in which the subpoena is issued,
14 or, if the subpoena is issued by the tax administrator, by the superior court of the county in which
15 the party served with the subpoena is located, in the same manner as contempt of superior court.

16 **44-49.1-11. Suspension or revocation of license.**

17 The tax administrator may instruct the department of business regulation to, and upon such
18 instruction the department shall be authorized to suspend or revoke any license under this chapter
19 for failure of the licensee to comply with any provision of this chapter or with any provision of any
20 other law or ordinance relative to the sale or transfer of marijuana or marijuana products.

21 **44-49.1-12. Seizure and destruction.**

22 Any marijuana or marijuana products found in violation of this chapter shall be declared
23 to be contraband goods and may be seized by the tax administrator, his or her agents, or employees,
24 or by any deputy sheriff, or police officer when directed by the tax administrator to do so, without
25 a warrant. For the purposes of seizing and destroying contraband marijuana, employees of the
26 department of business regulation may act as agents of the tax administrator. The seizure and/or
27 destruction of any marijuana or marijuana products under the provisions of this section does not
28 relieve any person from a fine or other penalty for violation of this chapter. The department of
29 business regulation, in conjunction with the tax administrator and the department of public safety,
30 may promulgate rules and regulations for the destruction of contraband goods pursuant to this
31 section.

32 **44-49.1-13. Penalties.**

33 (a) Failure to file tax returns or to pay tax. In the case of failure:

1 (1) To file. The tax return on or before the prescribed date, unless it is shown that the failure
2 is due to reasonable cause and not due to willful neglect, an addition to tax shall be made equal to
3 ten percent (10%) of the tax required to be reported. For this purpose, the amount of tax required
4 to be reported shall be reduced by an amount of the tax paid on or before the date prescribed for
5 payment and by the amount of any credit against the tax which may properly be claimed upon the
6 return;

7 (2) To pay. The amount shown as tax on the return on or before the prescribed date for
8 payment of the tax unless it is shown that the failure is due to reasonable cause and not due to
9 willful neglect, there shall be added to the amount shown as tax on the return ten percent (10%) of
10 the amount of the tax.

11 (b) Negligence. If any part of a deficiency is due to negligence or intentional disregard of
12 the Rhode Island General Laws or rules or regulations under this chapter (but without intent to
13 defraud), five percent (5%) of that part of the deficiency shall be added to the tax.

14 (c) Fraud. If any part of a deficiency is due to fraud, fifty percent (50%) of that part of the
15 deficiency shall be added to the tax. This amount shall be in lieu of any other additional amounts
16 imposed by subsections (a) and (b) of this section.

17 (d) Failure to collect and pay over tax. Any person required to collect, truthfully account
18 for, and pay over any tax under this title who willfully fails to collect the tax or truthfully account
19 for and pay over the tax or willfully attempts in any manner to evade or defeat the tax or the payment
20 thereof, shall, in addition to other penalties provided by law, be liable to a civil penalty equal to the
21 total amount of the tax evaded, or not collected, or not accounted for and paid over.

22 (e) Additions and penalties treated as tax. The additions to the tax and civil penalties
23 provided by this section shall be paid upon notice and demand and shall be assessed, collected, and
24 paid in the same manner as taxes.

25 (f) Bad checks. If any check or money order in payment of any amount receivable under
26 this title is not duly paid, in addition to any other penalties provided by law, there shall be paid as
27 a penalty by the person who tendered the check, upon notice and demand by the tax administrator
28 or his or her delegate, in the same manner as tax, an amount equal to one percent (1%) of the amount
29 of the check, except that if the amount of the check is less than five hundred dollars (\$500), the
30 penalty under this section shall be five dollars (\$5.00). This subsection shall not apply if the person
31 tendered the check in good faith and with reasonable cause to believe that it would be duly paid.

32 (g) Misuse of Trust Funds. Any retailer and any officer, agent, servant, or employee of any
33 corporate retailer responsible for either the collection or payment of the tax, who appropriates or
34 converts the tax collected to his or her own use or to any use other than the payment of the tax to

1 the extent that the money required to be collected is not available for payment on the due date as
2 prescribed in this chapter, shall upon conviction for each offense be fined not more than ten
3 thousand dollars (\$10,000), or be imprisoned for one year, or by both fine and imprisonment, both
4 fine and imprisonment to be in addition to any other penalty provided by this chapter.

5 (h) Whoever fails to pay any tax imposed by § 44-49.1-4, § 44-49.1-5, or § 44-49.1-6 at
6 the time prescribed by law or regulations, shall, in addition to any other penalty provided in this
7 chapter, be liable for a penalty of one thousand dollars (\$1,000) or not more than five (5) times the
8 tax due but unpaid, whichever is greater.

9 (i) When determining the amount of a penalty sought or imposed under this section,
10 evidence of mitigating or aggravating factors, including history, severity, and intent, shall be
11 considered.

12 **44-49.1-14. Claim for refund.**

13 Whenever the tax administrator determines that any person is entitled to a refund of any
14 moneys paid by a person under the provisions of this chapter, or whenever a court of competent
15 jurisdiction orders a refund of any moneys paid, the general treasurer shall, upon certification by
16 the tax administrator and with the approval of the director of revenue, pay the refund from any
17 moneys in the treasury not appropriated without any further act or resolution making appropriation
18 for the refund. No refund is allowed unless a claim is filed with the tax administrator within three
19 (3) years from the fifteenth (15th) day after the close of the month for which the overpayment was
20 made.

21 **44-49.1-15. Hearings and appeals.**

22 (a) Any person aggrieved by any action under this chapter of the tax administrator or his
23 or her authorized agent for which a hearing is not elsewhere provided may apply to the tax
24 administrator, in writing, within thirty (30) days of the action for a hearing, stating the reasons why
25 the hearing should be granted and the manner of relief sought. The tax administrator shall notify
26 the applicant of the time and place fixed for the hearing. After the hearing, the tax administrator
27 may make the order in the premises as may appear to the tax administrator just and lawful and shall
28 furnish a copy of the order to the applicant. The tax administrator may, by notice in writing, at any
29 time, order a hearing on his or her own initiative and require the licensee or any other individual
30 whom the tax administrator believes to be in possession of information concerning any growing,
31 processing, distribution, sales, or transfer of cannabis products to appear before the tax
32 administrator or his or her authorized agent with any specific books of account, papers, or other
33 documents, for examination relative to the hearing.

1 (b) Appeals from administrative orders or decisions made pursuant to any provisions of
2 this chapter shall be to the sixth division district court pursuant to chapter 8 of title 8. The taxpayer's
3 right to appeal under this section shall be expressly made conditional upon prepayment of all taxes,
4 interest, and penalties, unless the taxpayer moves for and is granted an exemption from the
5 prepayment requirement pursuant to § 8-8-26.

6 **44-49.1-16. Disclosure of information to the office of cannabis regulation.**

7 Notwithstanding any other provision of law, the tax administrator may make available to
8 an officer or employee of the office of cannabis regulation of the Rhode Island department of
9 business regulation, any information that the administrator may consider proper contained in tax
10 reports or returns or any audit or the report of any investigation made with respect to them, filed
11 pursuant to the tax laws of this state, to whom disclosure is necessary for the purpose of ensuring
12 compliance with state law and regulations.

13 **44-49.1-17. Transfer of revenue to the marijuana trust fund.**

14 (a) The division of taxation shall transfer all collections from marijuana cultivator excise
15 tax and the adult use marijuana retail excise tax, including penalties or forfeitures, interest, costs of
16 suit and fines, to the marijuana trust fund established by § 21-28.12-18.

17 (b) The division of taxation shall transfer all collections remitted by adult use marijuana
18 retailers pursuant to § 44-18-18 due to the net revenue of marijuana products. The tax administrator
19 may base this transfer on an estimate of the net revenue of marijuana products derived from any
20 other tax data collected under title 44 or data shared by the department of business regulation.

21 **44-49.1-18. Rules and regulations.**

22 The tax administrator is authorized to promulgate rules and regulations to carry out the
23 provisions, policies, and purposes of this chapter. The provisions of this chapter shall be liberally
24 construed to foster the enforcement of and compliance with all provisions herein related to taxation.

25 **44-49.1-19. Severability.**

26 If any provision of this chapter or the application of this chapter to any person or
27 circumstances is held invalid, that invalidity shall not affect other provisions or applications of the
28 chapter that can be given effect without the invalid provision or application, and to this end the
29 provisions of this chapter are declared to be severable.

30 SECTION 9. This article shall take effect upon passage.

31

1 **ARTICLE 12**

2 **RELATING TO MEDICAL ASSISTANCE**

3 SECTION 1. Section 40-6-27 and 40-6-27.2 of the General Laws in Chapter 40-6 entitled
4 “Public Assistance Act” is hereby amended to read as follows:

5 **40-6-27. Supplemental Security Income.**

6 (a)(1) The director of the department is hereby authorized to enter into agreements on
7 behalf of the state with the secretary of the Department of Health and Human Services or other
8 appropriate federal officials, under the Supplementary Security Income (SSI) program established
9 by title XVI of the Social Security Act, 42 U.S.C. § 1381 et seq., concerning the administration and
10 determination of eligibility for SSI benefits for residents of this state, except as otherwise provided
11 in this section. The state's monthly share of supplementary assistance to the Supplementary Security
12 Income program shall be as follows:

13 (i) Individual living alone: \$39.92

14 (ii) Individual living with others: \$51.92

15 (iii) Couple living alone: \$79.38

16 (iv) Couple living with others: \$97.30

17 (v) Individual living in state licensed assisted living residence: \$332.00

18 ~~(vi) Individual eligible to receive Medicaid-funded long-term services and supports and~~
19 ~~living in a Medicaid-certified state licensed assisted living residence or adult supportive care~~
20 ~~residence, as defined in § 23-17.24-1, participating in the program authorized under § 40-8.13-12~~
21 ~~or an alternative, successor, or substitute program or delivery option designated for such purposes~~
22 ~~by the secretary of the executive office of health and human services:~~

23 ~~(A) With countable income above one hundred and twenty (120) percent of poverty: up to~~
24 ~~\$465.00;~~

25 ~~(B) With countable income at or below one hundred and twenty (120) percent of poverty:~~
26 ~~up to the total amount established in (v) and \$465: \$797~~

27 (vi) Individual living in state-licensed supportive residential-care settings that, depending
28 on the population served, meet the standards set by the department of human services in conjunction
29 with the department(s) of children, youth and families, elderly affairs and/or behavioral healthcare,
30 developmental disabilities and hospitals: \$300.00.

31 Provided, however, that the department of human services shall by regulation reduce,
32 effective January 1, 2009, the state's monthly share of supplementary assistance to the
33 Supplementary Security Income (SSI) program for each of the above-listed payment levels, by the
34 same value as the annual federal cost of living adjustment to be published by the federal Social

1 Security Administration in October 2008 and becoming effective on January 1, 2009, as determined
2 under the provisions of title XVI of the federal Social Security Act [42 U.S.C. § 1381 et seq.]; and
3 provided further, that it is the intent of the general assembly that the January 1, 2009, reduction in
4 the state's monthly share shall not cause a reduction in the combined federal and state payment
5 level for each category of recipients in effect in the month of December 2008; provided further,
6 that the department of human services is authorized and directed to provide for payments to
7 recipients in accordance with the above directives.

8 (2) As of July 1, 2010, state supplement payments shall not be federally administered and
9 shall be paid directly by the department of human services to the recipient.

10 (3) Individuals living in institutions shall receive a twenty dollar (\$20.00) per month
11 personal needs allowance from the state that shall be in addition to the personal needs allowance
12 allowed by the Social Security Act, 42 U.S.C. § 301 et seq.

13 (4) Individuals living in state-licensed supportive residential-care settings and assisted-
14 living residences who are receiving SSI supplemental payments under this section ~~who are~~
15 ~~participating in the program under § 40-8.13-12 or an alternative, successor, or substitute program~~
16 ~~or delivery option, or otherwise~~ shall be allowed to retain a minimum personal needs allowance of
17 fifty-five dollars (\$55.00) per month from their SSI monthly benefit prior to payment of any
18 monthly fees in addition to any amounts established in an administrative rule promulgated by the
19 secretary of the executive office of health and human services for persons eligible to receive
20 Medicaid-funded long-term services and supports in the settings identified in subsections (a)(1)(v)
21 ~~and (a)(1)(vi).~~

22 (5) ~~Except as authorized for the program authorized under § 40-8.13-12 or an alternative,~~
23 ~~successor, or substitute program, or delivery option designated by the secretary to ensure that~~
24 ~~supportive residential care or an assisted living residence is a safe and appropriate service setting,~~
25 ~~the~~ The department is authorized and directed to make a determination of the medical need and
26 whether a setting provides the appropriate services for those persons who:

27 (i) Have applied for or are receiving SSI, and who apply for admission to supportive
28 residential care setting and assisted living residences on or after October 1, 1998; or

29 (ii) Who are residing in supportive residential care settings and assisted living residences,
30 and who apply for or begin to receive SSI on or after October 1, 1998.

31 (6) The process for determining medical need required by subsection (a)(5) of this section
32 shall be developed by the executive office of health and human services in collaboration with the
33 departments of that office and shall be implemented in a manner that furthers the goals of

1 establishing a statewide coordinated long-term care entry system as required pursuant to the
2 Medicaid section 1115 waiver demonstration.

3 (7) To assure access to high quality coordinated services, the executive office of health and
4 human services is further authorized and directed to establish certification or contract standards
5 that must be met by those state-licensed supportive residential-care settings, including adult
6 supportive-care homes and assisted-living residences admitting or serving any persons eligible for
7 state-funded supplementary assistance under this section ~~or the program established under § 40-~~
8 ~~8.13-12~~. Such certification or contract standards shall define:

9 (i) The scope and frequency of resident assessments, the development and implementation
10 of individualized service plans, staffing levels and qualifications, resident monitoring, service
11 coordination, safety risk management and disclosure, and any other related areas;

12 (ii) The procedures for determining whether the certifications or contract standards have
13 been met; and

14 (iii) The criteria and process for granting a one time, short-term good cause exemption
15 from the certification or contract standards to a licensed supportive residential care setting or
16 assisted living residence that provides documented evidence indicating that meeting or failing to
17 meet said standards poses an undue hardship on any person eligible under this section who is a
18 prospective or current resident.

19 (8) The certification or contract standards required by this section ~~or § 40 8.13-12 or an~~
20 ~~alternative, successor, or substitute program, or delivery option designated by the secretary~~ shall
21 be developed in collaboration by the departments, under the direction of the executive office of
22 health and human services, so as to ensure that they comply with applicable licensure regulations
23 either in effect or in development.

24 (b) The department is authorized and directed to provide additional assistance to
25 individuals eligible for SSI benefits for:

26 (1) Moving costs or other expenses as a result of an emergency of a catastrophic nature
27 which is defined as a fire or natural disaster; and

28 (2) Lost or stolen SSI benefit checks or proceeds of them; and

29 (3) Assistance payments to SSI eligible individuals in need because of the application of
30 federal SSI regulations regarding estranged spouses; and the department shall provide such
31 assistance, in a form and amount, which the department shall by regulation determine.

32 [40-6-27.2. Supplementary cash assistance payment for certain Supplemental Security](#)
33 [Income recipients.](#)

1 There is hereby established a \$206 monthly payment for disabled and elderly individuals
2 who, on or after July 1, 2012, receive the state supplementary assistance payment for an individual
3 in a state-licensed assisted-living residence under § 40-6-27 and further reside in an assisted-living
4 facility that is not eligible to receive funding under Title XIX of the Social Security Act, 42 U.S.C.
5 § 1381 et seq., ~~or reside in any assisted living facility financed by the Rhode Island housing and~~
6 ~~mortgage finance corporation prior to January 1, 2006, and receive a payment under § 40-6-27. The~~
7 ~~monthly payment shall not be made on behalf of persons participating in the program authorized~~
8 ~~under § 40-8.13-12 or an alternative, successor, or substitute program, or delivery option designated~~
9 ~~for such purposes by the secretary of the executive office of health and human services.~~

10 SECTION 2. Section 40-8-4 and 40-8-26 of the General Laws in Chapter 40-8 entitled
11 “Medical Assistance” is hereby amended to read as follows:

12 **40-8-4. Direct vendor payment plan.**

13 (a) The department shall furnish medical care benefits to eligible beneficiaries through a
14 direct vendor payment plan. The plan shall include, but need not be limited to, any or all of the
15 following benefits, which benefits shall be contracted for by the director:

- 16 (1) Inpatient hospital services, other than services in a hospital, institution, or facility for
17 tuberculosis or mental diseases;
- 18 (2) Nursing services for the period of time as the director shall authorize;
- 19 (3) Visiting nurse service;
- 20 (4) Drugs for consumption either by inpatients or by other persons for whom they are
21 prescribed by a licensed physician;
- 22 (5) Dental services; and
- 23 (6) Hospice care up to a maximum of two hundred and ten (210) days as a lifetime benefit.

24 (b) For purposes of this chapter, the payment of federal Medicare premiums or other health
25 insurance premiums by the department on behalf of eligible beneficiaries in accordance with the
26 provisions of Title XIX of the federal Social Security Act, 42 U.S.C. § 1396 et seq., shall be deemed
27 to be a direct vendor payment.

28 ~~(c) With respect to medical care benefits furnished to eligible individuals under this chapter~~
29 ~~or Title XIX of the federal Social Security Act, the department is authorized and directed to impose:~~

30 ~~(1) Nominal co-payments or similar charges upon eligible individuals for non-emergency~~
31 ~~services provided in a hospital emergency room; and~~

32 ~~(2) Co-payments for prescription drugs in the amount of one dollar (\$1.00) for generic drug~~
33 ~~prescriptions and three dollars (\$3.00) for brand name drug prescriptions in accordance with the~~
34 ~~provisions of 42 U.S.C. § 1396 et seq.~~

1 ~~(d) The department is authorized and directed to promulgate rules and regulations to~~
2 ~~impose co-payments or charges and to provide that, with respect to subsection (c)(2), those~~
3 ~~regulations shall be effective upon filing.~~

4 ~~(e)~~(c) No state agency shall pay a vendor for medical benefits provided to a recipient of
5 assistance under this chapter until and unless the vendor has submitted a claim for payment to a
6 commercial insurance plan, Medicare, and/or a Medicaid managed care plan, if applicable for that
7 recipient, in that order. This includes payments for skilled nursing and therapy services specifically
8 outlined in Chapters 7, 8, and 15 of the Medicare Benefit Policy Manual.

9 **40-8-26. Community health centers.**

10 (a) For the purposes of this section, the term community health centers refers to federally
11 qualified health centers and rural health centers.

12 (b) To support the ability of community health centers to provide high-quality medical care
13 to patients, the executive office of health and human services ("executive office") ~~shall~~ may adopt
14 and implement an alternative payment methodology (APM) for determining a Medicaid per-visit
15 reimbursement for community health centers that is compliant with the prospective payment system
16 (PPS) provided for in the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection
17 Act of 2000¹. The following principles are to ensure that the APM PPS ~~prospective payment~~ rate
18 determination methodology is part of the executive office overall value purchasing approach. For
19 community health centers that do not agree to the Principles of Reimbursement that reflects the
20 APM PPS, EOHHS shall reimburse such community health centers at the federal PPS rate, as
21 required per 1902(bb)(3) of the Social Security Act. For community health centers that are
22 reimbursed at the federal PPS rate, RIGL Sections 40-8-26(d) through (f) apply.

23 (c) The APM PPS rate determination methodology will (i) Fairly recognize the reasonable
24 costs of providing services. Recognized reasonable costs will be those appropriate for the
25 organization, management, and direct provision of services and (ii) Provide assurances to the
26 executive office that services are provided in an effective and efficient manner, consistent with
27 industry standards. Except for demonstrated cause and at the discretion of the executive office, the
28 maximum reimbursement rate for a service (e.g., medical, dental) provided by an individual
29 community health center shall not exceed one hundred twenty-five percent (125%) of the median
30 rate for all community health centers within Rhode Island.

31 (d) Community health centers will cooperate fully and timely with reporting requirements
32 established by the executive office.

33 (e) Reimbursement rates established through this methodology shall be incorporated into
34 the PPS reconciliation for services provided to Medicaid-eligible persons who are enrolled in a

1 health plan on the date of service. Monthly payments by the executive office related to PPS for
2 persons enrolled in a health plan shall be made directly to the community health centers.

3 (f) Reimbursement rates established through this methodology shall be incorporated into
4 the actuarially certified capitation rates paid to a health plan. The health plan shall be responsible
5 for paying the full amount of the reimbursement rate to the community health center for each
6 service eligible for reimbursement under the Medicare, Medicaid, and SCHIP Benefits
7 Improvement and Protection Act of 2000~~1~~. If the health plan has an alternative payment
8 arrangement with the community health center the health plan may establish a PPS reconciliation
9 process for eligible services and make monthly payments related to PPS for persons enrolled in the
10 health plan on the date of service. The executive office will review, at least annually, the Medicaid
11 reimbursement rates and reconciliation methodology used by the health plans for community health
12 centers to ensure payments to each are made in compliance with the Medicare, Medicaid, and
13 SCHIP Benefits Improvement and Protection Act of 2000~~1~~.

14 SECTION 3. Section 40-8.3-10 of the General Laws in Chapter 40-8.3 entitled
15 "Uncompensated Care" is hereby repealed in its entirety.

16 ~~**40-8.3-10. Hospital adjustment payments.**~~

17 ~~Effective July 1, 2012, and for each subsequent year, the executive office of health and~~
18 ~~human services is hereby authorized and directed to amend its regulations for reimbursement to~~
19 ~~hospitals for outpatient services as follows:~~

20 ~~(a) Each hospital in the state of Rhode Island, as defined in § 23-17-38.1, shall receive a~~
21 ~~quarterly outpatient adjustment payment each state fiscal year of an amount determined as follows:~~

22 ~~(1) Determine the percent of the state's total Medicaid outpatient and emergency~~
23 ~~department services (exclusive of physician services) provided by each hospital during each~~
24 ~~hospital's prior fiscal year;~~

25 ~~(2) Determine the sum of all Medicaid payments to hospitals made for outpatient and~~
26 ~~emergency department services (exclusive of physician services) provided during each hospital's~~
27 ~~prior fiscal year;~~

28 ~~(3) Multiply the sum of all Medicaid payments as determined in subsection (a)(2) by a~~
29 ~~percentage defined as the total identified upper payment limit for all hospitals divided by the sum~~
30 ~~of all Medicaid payments as determined in subsection (a)(2); and then multiply that result by each~~
31 ~~hospital's percentage of the state's total Medicaid outpatient and emergency department services as~~
32 ~~determined in subsection (a)(1) to obtain the total outpatient adjustment for each hospital to be paid~~
33 ~~each year;~~

1 ~~(4) Pay each hospital on or before July 20, October 20, January 20, and April 20 one quarter~~
2 ~~(1/4) of its total outpatient adjustment as determined in subsection (a)(3).~~

3 ~~(b) [Deleted by P.L. 2019, ch. 88, art. 13, § 6.]~~

4 ~~(c) The amounts determined in subsection (a) are in addition to Medicaid outpatient~~
5 ~~payments and emergency services payments (exclusive of physician services) paid to hospitals in~~
6 ~~accordance with current state regulation and the Rhode Island Plan for Medicaid Assistance~~
7 ~~pursuant to Title XIX of the Social Security Act and are not subject to recoupment or settlement.~~

8 SECTION 4. Section 40-8.9-9 of the General Laws in Chapter 40-8.9 entitled “Medical
9 Assistance – Long-Term Care Service and Finance Reform” is hereby amended to read as follows:

10 **40-8.9-9. Long-term-care rebalancing system reform goal.**

11 (a) Notwithstanding any other provision of state law, the executive office of health and
12 human services is authorized and directed to apply for, and obtain, any necessary waiver(s), waiver
13 amendment(s), and/or state-plan amendments from the Secretary of the United States Department
14 of Health and Human Services, and to promulgate rules necessary to adopt an affirmative plan of
15 program design and implementation that addresses the goal of allocating a minimum of fifty percent
16 (50%) of Medicaid long-term-care funding for persons aged sixty-five (65) and over and adults
17 with disabilities, in addition to services for persons with developmental disabilities, to home- and
18 community-based care; provided, further, the executive office shall report annually as part of its
19 budget submission, the percentage distribution between institutional care and home- and
20 community-based care by population and shall report current and projected waiting lists for long-
21 term-care and home- and community-based care services. The executive office is further authorized
22 and directed to prioritize investments in home- and community-based care and to maintain the
23 integrity and financial viability of all current long-term-care services while pursuing this goal.

24 (b) The reformed long-term-care system rebalancing goal is person-centered and
25 encourages individual self-determination, family involvement, interagency collaboration, and
26 individual choice through the provision of highly specialized and individually tailored home-based
27 services. Additionally, individuals with severe behavioral, physical, or developmental disabilities
28 must have the opportunity to live safe and healthful lives through access to a wide range of
29 supportive services in an array of community-based settings, regardless of the complexity of their
30 medical condition, the severity of their disability, or the challenges of their behavior. Delivery of
31 services and supports in less-costly and less-restrictive community settings will enable children,
32 adolescents, and adults to be able to curtail, delay, or avoid lengthy stays in long-term-care
33 institutions, such as behavioral health residential-treatment facilities, long-term-care hospitals,
34 intermediate-care facilities, and/or skilled nursing facilities.

1 (c) Pursuant to federal authority procured under § 42-7.2-16, the executive office of health
2 and human services is directed and authorized to adopt a tiered set of criteria to be used to determine
3 eligibility for services. The criteria shall be developed in collaboration with the state's health and
4 human services departments and, to the extent feasible, any consumer group, advisory board, or
5 other entity designated for these purposes, and shall encompass eligibility determinations for long-
6 term-care services in nursing facilities, hospitals, and intermediate-care facilities for persons with
7 intellectual disabilities, as well as home- and community-based alternatives, and shall provide a
8 common standard of income eligibility for both institutional and home- and community-based care.
9 The executive office is authorized to adopt clinical and/or functional criteria for admission to a
10 nursing facility, hospital, or intermediate-care facility for persons with intellectual disabilities that
11 are more stringent than those employed for access to home- and community-based services. The
12 executive office is also authorized to promulgate rules that define the frequency of re-assessments
13 for services provided for under this section. Levels of care may be applied in accordance with the
14 following:

15 (1) The executive office shall continue to apply the level-of-care criteria in effect on June
16 30, 2015, for any recipient determined eligible for and receiving Medicaid-funded long-term
17 services in supports in a nursing facility, hospital, or intermediate-care facility for persons with
18 intellectual disabilities on or before that date, unless:

19 (i) The recipient transitions to home- and community-based services because he or she
20 would no longer meet the level-of-care criteria in effect on June 30, 2015; or

21 (ii) The recipient chooses home- and community-based services over the nursing facility,
22 hospital, or intermediate-care facility for persons with intellectual disabilities. For the purposes of
23 this section, a failed community placement, as defined in regulations promulgated by the executive
24 office, shall be considered a condition of clinical eligibility for the highest level of care. The
25 executive office shall confer with the long-term-care ombudsperson with respect to the
26 determination of a failed placement under the ombudsperson's jurisdiction. Should any Medicaid
27 recipient eligible for a nursing facility, hospital, or intermediate-care facility for persons with
28 intellectual disabilities as of June 30, 2015, receive a determination of a failed community
29 placement, the recipient shall have access to the highest level of care; furthermore, a recipient who
30 has experienced a failed community placement shall be transitioned back into his or her former
31 nursing home, hospital, or intermediate-care facility for persons with intellectual disabilities
32 whenever possible. Additionally, residents shall only be moved from a nursing home, hospital, or
33 intermediate-care facility for persons with intellectual disabilities in a manner consistent with
34 applicable state and federal laws.

1 (2) Any Medicaid recipient eligible for the highest level of care who voluntarily leaves a
2 nursing home, hospital, or intermediate-care facility for persons with intellectual disabilities shall
3 not be subject to any wait list for home- and community-based services.

4 (3) No nursing home, hospital, or intermediate-care facility for persons with intellectual
5 disabilities shall be denied payment for services rendered to a Medicaid recipient on the grounds
6 that the recipient does not meet level-of-care criteria unless and until the executive office has:

7 (i) Performed an individual assessment of the recipient at issue and provided written notice
8 to the nursing home, hospital, or intermediate-care facility for persons with intellectual disabilities
9 that the recipient does not meet level-of-care criteria; and

10 (ii) The recipient has either appealed that level-of-care determination and been
11 unsuccessful, or any appeal period available to the recipient regarding that level-of-care
12 determination has expired.

13 (d) The executive office is further authorized to consolidate all home- and community-
14 based services currently provided pursuant to 42 U.S.C. § 1396n into a single system of home- and
15 community-based services that include options for consumer direction and shared living. The
16 resulting single home- and community-based services system shall replace and supersede all 42
17 U.S.C. § 1396n programs when fully implemented. Notwithstanding the foregoing, the resulting
18 single program home- and community-based services system shall include the continued funding
19 of assisted-living services at any assisted-living facility financed by the Rhode Island housing and
20 mortgage finance corporation prior to January 1, 2006, and shall be in accordance with chapter 66.8
21 of title 42 as long as assisted-living services are a covered Medicaid benefit.

22 (e) The executive office is authorized to promulgate rules that permit certain optional
23 services including, but not limited to, homemaker services, home modifications, respite, and
24 physical therapy evaluations to be offered to persons at risk for Medicaid-funded long-term care
25 subject to availability of state-appropriated funding for these purposes.

26 (f) To promote the expansion of home- and community-based service capacity, the
27 executive office is authorized to pursue payment methodology reforms that increase access to
28 homemaker, personal care (home health aide), assisted living, adult supportive-care homes, and
29 adult day services, as follows:

30 (1) Development of revised or new Medicaid certification standards that increase access to
31 service specialization and scheduling accommodations by using payment strategies designed to
32 achieve specific quality and health outcomes.

33 (2) Development of Medicaid certification standards for state-authorized providers of adult
34 day services, excluding providers of services authorized under § 40.1-24-1(3), assisted living, and

1 adult supportive care (as defined under chapter 17.24 of title 23) that establish for each, an acuity-
2 based, tiered service and payment methodology tied to: licensure authority; level of beneficiary
3 needs; the scope of services and supports provided; and specific quality and outcome measures.

4 The standards for adult day services for persons eligible for Medicaid-funded long-term
5 services may differ from those who do not meet the clinical/functional criteria set forth in § 40-
6 8.10-3.

7 (3) As the state's Medicaid program seeks to assist more beneficiaries requiring long-term
8 services and supports in home- and community-based settings, the demand for home-care workers
9 has increased, and wages for these workers has not kept pace with neighboring states, leading to
10 high turnover and vacancy rates in the state's home-care industry, the executive office shall institute
11 a one-time increase in the base-payment rates [for FY 2019, as described below](#), for home-care
12 service providers to promote increased access to and an adequate supply of highly trained home-
13 healthcare professionals, in amount to be determined by the appropriations process, for the purpose
14 of raising wages for personal care attendants and home health aides to be implemented by such
15 providers.

16 ~~(4)~~[\(i\)](#) A prospective base adjustment, effective not later than July 1, 2018, of ten percent
17 (10%) of the current base rate for home-care providers, home nursing care providers, and hospice
18 providers contracted with the executive office of health and human services and its subordinate
19 agencies to deliver Medicaid fee-for-service personal care attendant services.

20 ~~(5)~~[\(ii\)](#) A prospective base adjustment, effective not later than July 1, 2018, of twenty
21 percent (20%) of the current base rate for home-care providers, home nursing care providers, and
22 hospice providers contracted with the executive office of health and human services and its
23 subordinate agencies to deliver Medicaid fee-for-service skilled nursing and therapeutic services
24 and hospice care.

25 ~~(6)~~[\(iii\)](#) Effective upon passage of this section, hospice provider reimbursement,
26 exclusively for room and board expenses for individuals residing in a skilled nursing facility, shall
27 revert to the rate methodology in effect on June 30, 2018, and these room and board expenses shall
28 be exempted from any and all annual rate increases to hospice providers as provided for in this
29 section.

30 ~~(7)~~[\(iv\)](#) On the first of July in each year, beginning on July 1, 2019, the executive office of
31 health and human services will initiate an annual inflation increase to the base rate for home-care
32 providers, home nursing care providers, and hospice providers contracted with the executive office
33 and its subordinate agencies to deliver Medicaid fee-for-service personal care attendant services,
34 skilled nursing and therapeutic services and hospice care. The base rate increase shall be a

1 percentage amount equal to the New England Consumer Price Index card as determined by the
2 United States Department of Labor for medical care and for compliance with all federal and state
3 laws, regulations, and rules, and all national accreditation program requirements.

4 (g) As the state's Medicaid program seeks to assist more beneficiaries requiring long-term
5 services and supports in home- and community-based settings, the demand for home-care workers
6 has increased, and wages for these workers has not kept pace with neighboring states, leading to
7 high turnover and vacancy rates in the state's home-care industry, to promote increased access to
8 and an adequate supply of direct care workers the executive office shall institute a payment
9 methodology change, in Medicaid fee-for-service and managed care, for FY 2022, which shall be
10 passed through directly to the direct care workers' wages that are employed by home nursing care
11 and home care providers licensed by Rhode Island Department of Health, as described below:

12 (1) Effective July 1, 2021, increase the existing shift differential modifier by \$0.19 per
13 fifteen (15) minutes for Personal Care and Combined Personal Care/Homemaker.

14 (i) Employers must pass on one-hundred percent (100%) of the shift differential modifier
15 increase per fifteen (15) minute unit of service to the CNAs that rendered such services. This
16 compensation shall be provided in addition to the rate of compensation that the employee was
17 receiving as of June 30, 2021. For an employee hired after June 30, 2021, the agency shall use not
18 less than the lowest compensation paid to an employee of similar functions and duties as of June
19 30, 2021 as the base compensation to which the increase is applied.

20 (ii) Employers must provide to EOHHS an annual compliance statement showing wages
21 as of June 30, 2021, amounts received from the increases outlined herein, and compliance with this
22 section by July 1, 2022. EOHHS may adopt any additional necessary regulations and processes to
23 oversee this section.

24 (2) Effective January 1, 2022, establish a new behavioral healthcare enhancement of \$0.39
25 per fifteen (15) minutes for Personal Care, Combined Personal Care/Homemaker, and Homemaker
26 only for providers who have at least thirty percent (30%) of their direct care workers (which
27 includes Certified Nursing Assistants (CNA) and Homemakers) certified in behavioral healthcare
28 training.

29 (i) Employers must pass on one-hundred percent (100%) of the behavioral healthcare
30 enhancement per fifteen (15) minute unit of service rendered by only those CNAs and Homemakers
31 who have completed the thirty (30) hour behavioral health certificate training program offered by
32 Rhode Island College, or a training program that is prospectively determined to be compliant per
33 EOHHS, to those CNAs and Homemakers. This compensation shall be provided in addition to the
34 rate of compensation that the employee was receiving as of December 31, 2021. For an employee

1 hired after December 31, 2021, the agency shall use not less than the lowest compensation paid to
2 an employee of similar functions and duties as of December 31, 2021 as the base compensation to
3 which the increase is applied.

4 (ii) By January 1, 2023, employers must provide to EOHHS an annual compliance
5 statement showing wages as of December 31, 2021, amounts received from the increases outlined
6 herein, and compliance with this section, including which behavioral healthcare training programs
7 were utilized. EOHHS may adopt any additional necessary regulations and processes to oversee
8 this section.

9 ~~(g)~~(h) The executive office shall implement a long-term-care-options counseling program
10 to provide individuals, or their representatives, or both, with long-term-care consultations that shall
11 include, at a minimum, information about: long-term-care options, sources, and methods of both
12 public and private payment for long-term-care services and an assessment of an individual's
13 functional capabilities and opportunities for maximizing independence. Each individual admitted
14 to, or seeking admission to, a long-term-care facility, regardless of the payment source, shall be
15 informed by the facility of the availability of the long-term-care-options counseling program and
16 shall be provided with long-term-care-options consultation if they so request. Each individual who
17 applies for Medicaid long-term-care services shall be provided with a long-term-care consultation.

18 ~~(h)~~(i) The executive office is also authorized, subject to availability of appropriation of
19 funding, and federal, Medicaid-matching funds, to pay for certain services and supports necessary
20 to transition or divert beneficiaries from institutional or restrictive settings and optimize their health
21 and safety when receiving care in a home or the community. The secretary is authorized to obtain
22 any state plan or waiver authorities required to maximize the federal funds available to support
23 expanded access to home- and community-transition and stabilization services; provided, however,
24 payments shall not exceed an annual or per-person amount.

25 ~~(i)~~(j) To ensure persons with long-term-care needs who remain living at home have
26 adequate resources to deal with housing maintenance and unanticipated housing-related costs, the
27 secretary is authorized to develop higher resource eligibility limits for persons or obtain any state
28 plan or waiver authorities necessary to change the financial eligibility criteria for long-term services
29 and supports to enable beneficiaries receiving home and community waiver services to have the
30 resources to continue living in their own homes or rental units or other home-based settings.

31 ~~(j)~~(k) The executive office shall implement, no later than January 1, 2016, the following
32 home- and community-based service and payment reforms:

1 ~~(1) Community-based, supportive living program established in § 40-8.13-12 or an~~
2 ~~alternative, successor, or substitute program, or delivery option designated for these purposes by~~
3 ~~the secretary of the executive office of health and human services;~~

4 ~~(2)~~ (1) Adult day services level of need criteria and acuity-based, tiered-payment
5 methodology; and

6 ~~(3)~~ (2) Payment reforms that encourage home- and community-based providers to provide
7 the specialized services and accommodations beneficiaries need to avoid or delay institutional care.

8 ~~(4)~~(1) The secretary is authorized to seek any Medicaid section 1115 waiver or state-plan
9 amendments and take any administrative actions necessary to ensure timely adoption of any new
10 or amended rules, regulations, policies, or procedures and any system enhancements or changes,
11 for which appropriations have been authorized, that are necessary to facilitate implementation of
12 the requirements of this section by the dates established. The secretary shall reserve the discretion
13 to exercise the authority established under §§ 42-7.2-5(6)(v) and 42-7.2-6.1, in consultation with
14 the governor, to meet the legislative directives established herein.

15 SECTION 5. Section 40-8.13-12 of the General Laws in Chapter 40-8.13 entitled “Long-
16 Term Managed Care Arrangements” is hereby repealed in its entirety.

17 ~~**40-8.13-12. Community-based supportive living program.**~~

18 ~~(a) To expand the number of community-based service options, the executive office of~~
19 ~~health and human services shall establish a program for beneficiaries opting to participate in~~
20 ~~managed care long term care arrangements under this chapter who choose to receive Medicaid-~~
21 ~~funded assisted living, adult supportive care home, or shared living long term care services and~~
22 ~~supports. As part of the program, the executive office shall implement Medicaid certification or, as~~
23 ~~appropriate, managed care contract standards for state-authorized providers of these services that~~
24 ~~establish an acuity-based, tiered service and payment system that ties reimbursements to: a~~
25 ~~beneficiary's clinical/functional level of need; the scope of services and supports provided; and~~
26 ~~specific quality and outcome measures. These standards shall set the base level of Medicaid state-~~
27 ~~plan and waiver services that each type of provider must deliver, the range of acuity-based service~~
28 ~~enhancements that must be made available to beneficiaries with more intensive care needs, and the~~
29 ~~minimum state licensure and/or certification requirements a provider must meet to participate in~~
30 ~~the pilot at each service/payment level. The standards shall also establish any additional~~
31 ~~requirements, terms, or conditions a provider must meet to ensure beneficiaries have access to high-~~
32 ~~quality, cost-effective care.~~

33 ~~(b) Room and board. The executive office shall raise the cap on the amount Medicaid-~~
34 ~~certified assisted living and adult supportive home care providers are permitted to charge~~

1 ~~participating beneficiaries for room and board. In the first year of the program, the monthly charges~~
2 ~~for a beneficiary living in a single room who has income at or below three hundred percent (300%)~~
3 ~~of the Supplemental Security Income (SSI) level shall not exceed the total of both the maximum~~
4 ~~monthly federal SSI payment and the monthly state supplement authorized for persons requiring~~
5 ~~long term services under § 40-6-27(a)(1)(vi), less the specified personal needs allowance. For a~~
6 ~~beneficiary living in a double room, the room and board cap shall be set at eighty five percent~~
7 ~~(85%) of the monthly charge allowed for a beneficiary living in a single room.~~

8 ~~(e) Program cost effectiveness. The total cost to the state for providing the state supplement~~
9 ~~and Medicaid funded services and supports to beneficiaries participating in the program in the~~
10 ~~initial year of implementation shall not exceed the cost for providing Medicaid funded services to~~
11 ~~the same number of beneficiaries with similar acuity needs in an institutional setting in the initial~~
12 ~~year of the operations. The program shall be terminated if the executive office determines that the~~
13 ~~program has not met this target. The state shall expand access to the program to qualified~~
14 ~~beneficiaries who opt out of a long term services and support (LTSS) arrangement, in accordance~~
15 ~~with § 40-8-13-2, or are required to enroll in an alternative, successor, or substitute program, or~~
16 ~~delivery option designated for these purposes by the secretary of the executive office of health and~~
17 ~~human services if the enrollment in an LTSS plan is no longer an option.~~

18 SECTION 6. Section 42-7.2-5 of the General Laws in Chapter 42-7.2 entitled "Office of
19 Health and Human Services" is hereby amended to read as follows:

20 **42-7.2-5. Duties of the secretary.**

21 The secretary shall be subject to the direction and supervision of the governor for the
22 oversight, coordination, and cohesive direction of state-administered health and human services
23 and in ensuring the laws are faithfully executed, notwithstanding any law to the contrary. In this
24 capacity, the secretary of the executive office of health and human services (EOHHS) shall be
25 authorized to:

26 (1) Coordinate the administration and financing of healthcare benefits, human services, and
27 programs including those authorized by the state's Medicaid section 1115 demonstration waiver
28 and, as applicable, the Medicaid State Plan under Title XIX of the U.S. Social Security Act.
29 However, nothing in this section shall be construed as transferring to the secretary the powers,
30 duties, or functions conferred upon the departments by Rhode Island public and general laws for
31 the administration of federal/state programs financed in whole or in part with Medicaid funds or
32 the administrative responsibility for the preparation and submission of any state plans, state plan
33 amendments, or authorized federal waiver applications, once approved by the secretary.

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

3 (3)(i) Review and ensure the coordination of the state's Medicaid section 1115
4 demonstration waiver requests and renewals as well as any initiatives and proposals requiring
5 amendments to the Medicaid state plan or formal amendment changes, as described in the special
6 terms and conditions of the state's Medicaid section 1115 demonstration waiver with the potential
7 to affect the scope, amount or duration of publicly funded healthcare services, provider payments
8 or reimbursements, or access to or the availability of benefits and services as provided by Rhode
9 Island general and public laws. The secretary shall consider whether any such changes are legally
10 and fiscally sound and consistent with the state's policy and budget priorities. The secretary shall
11 also assess whether a proposed change is capable of obtaining the necessary approvals from federal
12 officials and achieving the expected positive consumer outcomes. Department directors shall,
13 within the timelines specified, provide any information and resources the secretary deems necessary
14 in order to perform the reviews authorized in this section.

15 (ii) Direct the development and implementation of any Medicaid policies, procedures, or
16 systems that may be required to assure successful operation of the state's health and human services
17 integrated eligibility system and coordination with HealthSource RI, the state's health insurance
18 marketplace.

19 (iii) Beginning in 2015, conduct on a biennial basis a comprehensive review of the
20 Medicaid eligibility criteria for one or more of the populations covered under the state plan or a
21 waiver to ensure consistency with federal and state laws and policies, coordinate and align systems,
22 and identify areas for improving quality assurance, fair and equitable access to services, and
23 opportunities for additional financial participation.

24 (iv) Implement service organization and delivery reforms that facilitate service integration,
25 increase value, and improve quality and health outcomes.

26 (4) Beginning in 2020, prepare and submit to the governor, the chairpersons of the house
27 and senate finance committees, the caseload estimating conference, and to the joint legislative
28 committee for health-care oversight, by no later than ~~March~~ September 15 of each year, a
29 comprehensive overview of all Medicaid expenditures outcomes, administrative costs, and
30 utilization rates. The overview shall include, but not be limited to, the following information:

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

32 (ii) Expenditures, outcomes and utilization rates by population and sub-population served
33 (e.g. families with children, persons with disabilities, children in foster care, children receiving
34 adoption assistance, adults ages nineteen (19) to sixty-four (64), and elders);

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

4 (iv) Expenditures, outcomes and utilization rates by type of service and/or service provider;
5 and

6 (v) Expenditures by mandatory population receiving mandatory services and, reported
7 separately, optional services, as well as optional populations receiving mandatory services and,
8 reported separately, optional services for each state agency receiving Title XIX and XXI funds.

9 The directors of the departments, as well as local governments and school departments,
10 shall assist and cooperate with the secretary in fulfilling this responsibility by providing whatever
11 resources, information and support shall be necessary.

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

14 (6) Ensure continued progress toward improving the quality, the economy, the
15 accountability and the efficiency of state-administered health and human services. In this capacity,
16 the secretary shall:

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

22 (ii) Encourage EOHHS-wide consumer-centered approaches to service design and delivery
23 that expand their capacity to respond efficiently and responsibly to the diverse and changing needs
24 of the people and communities they serve;

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

31 (iv) Improve the coordination and efficiency of health and human services legal functions
32 by centralizing adjudicative and legal services and overseeing their timely and judicious
33 administration;

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

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

9 (vii) Assure protective services are available to vulnerable elders and adults with
10 developmental and other disabilities by reorganizing existing services, establishing new services
11 where gaps exist and centralizing administrative responsibility for oversight of all related initiatives
12 and programs.

13 (7) Prepare and integrate comprehensive budgets for the health and human services
14 departments and any other functions and duties assigned to the office. The budgets shall be
15 submitted to the state budget office by the secretary, for consideration by the governor, on behalf
16 of the state's health and human services agencies in accordance with the provisions set forth in §
17 35-3-4.

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

20 (9) Establishment of an integrated approach to interdepartmental information and data
21 management that complements and furthers the goals of the unified health infrastructure project
22 initiative and that will facilitate the transition to a consumer-centered integrated system of state
23 administered health and human services.

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

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

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

33 (13) Assume responsibility for complying with the provisions of any general or public law
34 or regulation related to the disclosure, confidentiality and privacy of any information or records, in

1 the possession or under the control of the executive office or the departments assigned to the
2 executive office, that may be developed or acquired or transferred at the direction of the governor
3 or the secretary for purposes directly connected with the secretary's duties set forth herein.

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

7 SECTION 7. Section 15 of Article 5 of Chapter 141 of the Public Laws of 2015 is hereby
8 repealed.

9 ~~A pool is hereby established of up to \$4.0 million to support Medicaid Graduate Education~~
10 ~~funding for Academic Medical Centers who provide care to the state's critically ill and indigent~~
11 ~~populations. The office of Health and Human Services shall utilize this pool to provide up to \$5~~
12 ~~million per year in additional Medicaid payments to support Graduate Medical Education programs~~
13 ~~to hospitals meeting all of the following criteria:~~

14 ~~(a) Hospital must have a minimum of 25,000 inpatient discharges per year for all patients~~
15 ~~regardless of coverage.~~

16 ~~(b) Hospital must be designated as Level I Trauma Center.~~

17 ~~(c) Hospital must provide graduate medical education training for at least 250 interns and~~
18 ~~residents per year.~~

19 ~~The Secretary of the Executive Office of Health and Human Services shall determine the~~
20 ~~appropriate Medicaid payment mechanism to implement this program and amend any state plan~~
21 ~~documents required to implement the payments.~~

22 ~~Payments for Graduate Medical Education programs shall be made annually.~~

23 SECTION 8. Rhode Island Medicaid Reform Act of 2008 Resolution.

24 WHEREAS, the General Assembly enacted Chapter 12.4 of Title 42 entitled "The Rhode
25 Island Medicaid Reform Act of 2008"; and

26 WHEREAS, a legislative enactment is required pursuant to Rhode Island General Laws
27 42-12.4-1, *et seq.*; and

28 WHEREAS, Rhode Island General Law Section 42-7.2-5(3)(a) provides that the Secretary
29 of Health and Human Services ("Secretary"), of the Executive Office of Health and Human
30 Services ("Executive Office"), is responsible for the review and coordination of any Medicaid
31 section 1115 demonstration waiver requests and renewals as well as any initiatives and proposals
32 requiring amendments to the Medicaid state plan or changes as described in the demonstration,
33 "with potential to affect the scope, amount, or duration of publicly-funded health care services,

1 provider payments or reimbursements, or access to or the availability of benefits and services
2 provided by Rhode Island general and public laws”; and

3 WHEREAS, in pursuit of a more cost-effective consumer choice system of care that is
4 fiscally sound and sustainable, the Secretary requests legislative approval of the following
5 proposals to amend the demonstration:

6 (a) *Provider rates – Adjustments.* The Executive Office proposes to:

7 (i) reduce managed care organizations profit margins, within actuarially sound capitation
8 rates, from 1.5% to 1.25% of benefit expense;

9 (b) *Eliminate Outpatient Upper Payment Limit and Graduate Medical Education*
10 *payments.* The Executive Office proposes to eliminate the supplemental hospital payments for
11 outpatient Upper Payment Limit (UPL) and Graduate Medical Education (GME).

12 (c) *Update dental benefits for children.* The Executive Office proposes to allow coverage
13 for dental caries arresting treatments using Silver Diamine Fluoride when necessary.
14 Implementation of this initiative requires amendments to the Medicaid State Plan.

15 (d) *Perinatal Doula Services.* The Executive Office proposes to establish medical
16 assistance coverage and reimbursement rates for perinatal doula services, a practice to provide non-
17 clinical emotional, physical and informational support before, during and after birth for expectant
18 mothers, in order to reduce maternal health disparities, reduce the likelihood of costly interventions
19 during births, such as cesarean birth and epidural pain relief, while increasing the likelihood of a shorter
20 labor, a spontaneous vaginal birth, and a positive childbirth experience.

21 (e) *Community Health Workers.* To improve health outcomes, increase access to care, and
22 reduce healthcare costs, the Executive Office proposes to provide medical assistance coverage and
23 reimbursement to community health workers.

24 (f) *HCBS Maintenance of Need Allowance Increase.* The Executive Office proposes to
25 increase the Home and Community Based Services (HCBS) Maintenance of Need Allowance from
26 100% of the Federal Poverty Limit (FPL) plus twenty dollars to 300% of the Federal Social Security
27 Income (SSI) standard to enable the Executive Office to provide sufficient support for individuals
28 who are able to, and wish to, receive services in their homes.

29 (g) *Change to Rates for Nursing Facility Services.* To more effectively compensate the
30 nursing facilities for the costs of providing care to members who require behavioral healthcare or
31 ventilators, the Executive Office proposes to revise the fee-for-service Medicaid payment rate for
32 nursing facility residents in the following ways:

33 (i) Re-weighting towards behavioral health care, such that the average Resource Utilization
34 Group (RUG) weight is not increased as follows:

- 1 1. Increase the RUG weights related to behavioral healthcare; and
- 2 2. Decrease all other RUG weights
- 3 (ii) Increase the RUG weight related to ventilators; and
- 4 (iii) Implement a behavioral health per-diem add-on for particularly complex patients, who
- 5 have been hospitalized for six months or more, are clinically appropriate for discharge to a nursing
- 6 facility, and where the nursing facility is Medicaid certified to provide or facilitate enhanced levels
- 7 of behavioral healthcare.

8 *(h) Increase Shared Living Rates.* In order to better incentivize the utilization of home- and

9 community-based care for individuals that wish to receive their care in the community, the

10 Executive Office proposes a ten percent (10%) increase to shared living caregiver stipend rates that

11 are paid to providers through Medicaid fee-for-service and managed care.

12 *(i) Increase rates for home nursing care and home care providers licensed by Rhode Island*

13 *Department of Health.* To ensure better access to home- and community-based services, the

14 Executive Office proposes, for both fee-for-service and managed care, to increase the existing shift

15 differential modifier by \$0.19 per fifteen (15) minutes for Personal Care and Combined Personal

16 Care/Homemaker effective July 1, 2021, and to establish a new behavioral healthcare enhancement

17 of \$0.39 per fifteen (15) minutes for Personal Care, Combined Personal Care/Homemaker, and

18 Homemaker only for providers who have at least thirty percent (30%) of their direct care workers

19 (which includes Certified Nursing Assistants (CNA) and Homemakers) certified in behavioral

20 healthcare training effective January 1, 2022.

21 *(j) Expansion of First Connections Program.* In collaboration with the Rhode Island

22 Department of Health (RIDOH), the Executive Office proposes to seek federal matching funds for

23 the expansion of the First Connections Program, a risk assessment and response home visiting

24 program designed to ensure that families are connected to appropriate services such as food

25 assistance, mental health, child care, long term family home visiting, Early Intervention (EI) and

26 other programs, to prenatal women. The Executive Office would establish medical assistance

27 coverage and reimbursement rates for such First Connection services provided to prenatal women.

28 *(k) Parents as Teachers Program.* In collaboration with RIDOH, the Executive Office

29 proposes to seek federal matching funds for the coverage of the Parents as Teachers Program, to

30 ensure that parents of young children are connected with the medical and social supports necessary

31 to support their families.

32 *(l) Increase Assisted Living rates.* To ensure better access to home- and community-based

33 services, the Executive Office proposes to increase the rates for Assisted Living providers in both

34 fee-for-service and managed care.

1 (m) *Elimination of Category F State Supplemental Payments.* To ensure better access to
2 home- and community-based services, the Executive Office proposes to eliminate the State
3 Supplemental Payment for Category F individuals.

4 (n) *Establish an intensive, expanded Mental Health Psychiatric Rehabilitative Residential*
5 *(“MHPRR”).* In collaboration with BHDDH, the Executive Office proposes to establish a MHPRR
6 to provide discharge planning, medical and/or psychiatric treatment, and identification and
7 amelioration of barriers to transition to less restrictive settings.

8 (o) *Federal Financing Opportunities.* The Executive Office proposes to review Medicaid
9 requirements and opportunities under the U.S. Patient Protection and Affordable Care Act of 2010
10 (PPACA) and various other recently enacted federal laws and pursue any changes in the Rhode
11 Island Medicaid program that promote service quality, access and cost-effectiveness that may
12 warrant a Medicaid state plan amendment or amendment under the terms and conditions of Rhode
13 Island’s section 1115 waiver, its successor, or any extension thereof. Any such actions by the
14 Executive Office shall not have an adverse impact on beneficiaries or cause there to be an increase
15 in expenditures beyond the amount appropriated for state fiscal year 2020.

16 Now, therefore, be it

17 RESOLVED, the General Assembly hereby approves the proposals stated in (a) through
18 (f) above; and be it further;

19 RESOLVED, the Secretary of the Executive Office is authorized to pursue and implement
20 any 1115 demonstration waiver amendments, Medicaid state plan amendments, and/or changes to
21 the applicable department’s rules, regulations and procedures approved herein and as authorized
22 by Chapter 42-12.4; and be it further;

23 RESOLVED, that this Joint Resolution shall take effect upon passage.

24 SECTION 9. This article shall take effect upon passage.

25

1 recommend that the time served be a sufficient response to a violation that is not a new, alleged
2 crime.

3 ~~(b)~~(c) The court shall conduct a hearing within thirty (30) days of arrest, unless waived
4 by the defendant, to determine whether the defendant has violated the terms and conditions of his
5 or her probation, at which hearing the defendant shall have the opportunity to be present and to
6 respond. Upon a determination by a fair preponderance of the evidence that the defendant has
7 violated the terms and conditions of his or her probation, the court, in open court and in the presence
8 of the defendant, may as to the court may seem just and proper:

9 (1) Revoke the suspension and order the defendant committed on the sentence previously
10 imposed, or on a lesser sentence;

11 (2) Impose a sentence if one has not been previously imposed;

12 (3) Stay all or a portion of the sentence imposed after removal of the suspension;

13 (4) Continue the suspension of a sentence previously imposed; or

14 (5) Convert a sentence of probation without incarceration to a suspended sentence.

15 SECTION 2. Chapter 13-8 of the General Laws entitled "Parole" is hereby amended by
16 adding thereto the following section:

17 **13-8-14.2. Special parole consideration for persons convicted as juveniles.**

18 (a)When a person who is serving a sentence imposed as the result of an offense or offenses
19 committed when he or she was less than eighteen years of age becomes eligible for parole pursuant
20 to applicable provisions of law, the parole board shall ensure that he or she is provided a meaningful
21 opportunity to obtain release and shall adopt rules and guidelines to do so, consistent with existing
22 law.

23 (b)During a parole hearing involving a person described in subsection (a) of this section,
24 in addition to other factors required by law or under the parole guidelines set forth by the parole
25 board, the parole board shall also take into consideration the diminished culpability of juveniles as
26 compared to that of adults and any subsequent growth and increased maturity of the prisoner during
27 incarceration. The board shall also consider the following:

28 (1) A review of educational and court documents;

29 (2) Participation in available rehabilitative and educational programs while in prison;

30 (3) Age at the time of the offense;

31 (4) Immaturity at the time of the offense;

32 (5) Home and community environment at the time of the offense;

33 (6) Efforts made toward rehabilitation;

34 (7) Evidence of remorse; and

1 (8) Any other factors or circumstances the Board considers relevant

2 (c) The parole board shall have access to all relevant records and information in the
3 possession of any state official or agency relating to the board’s consideration of the factors detailed
4 in the foregoing sections.

5 SECTION 3. Sections 13-8-11, 13-8-13, 13-8-18, and 13-8-18.1 of the General Laws in
6 Chapter 13-8 entitled “Parole” are hereby amended to read as follows:

7 **13-8-11. Good conduct, industrial, and meritorious service time ~~included in~~**
8 **computation.**

9 (a) In computing the one-third (1/3) of any term of sentence for the purpose of §§ 13-8-9 –
10 13-8-14, the time a prisoner shall have earned pursuant to §§ 42-56-24 and 42-56-26 shall be
11 considered by the parole board to reduce inmate overcrowding when directed by the criminal justice
12 oversight committee, pursuant to the provisions of § 42-26-13.3(e), or when directed by the
13 governor, pursuant to the provisions of § 42-26-13.3(f).

14 (b) As used in this section, the following words shall, unless the context clearly requires
15 otherwise, have the following meanings:

16 (i) “Compliance,” the absence of a finding by a Parole Officer or the Parole Board of a
17 violation of the terms or conditions of a permit or conditions of parole supervision set by the Rhode
18 Island Parole Board.

19 (ii) “Compliance credits,” credits that an eligible offender earns through compliance with
20 Parole Board-ordered conditions of parole supervision; provided, however, that such credits shall
21 operate to reduce the length of parole supervision.

22 (iii) “Eligible parolee,” any offender who is currently serving a term of post-incarceration
23 parole supervision except any such person serving a sentence of a violation of §§ 11-5-1 (where
24 the specified felony is murder or sexual assault), 11-23-1, 11-26-1.4, 11-37-2, 11-37-8.1 or 11-37-
25 8.3.

26 (c) On the first day of each calendar month after July 1, 2021, an eligible parolee shall earn
27 5 days of compliance credits if the eligible parolee served on parole without any documented
28 behavior that could constitute a violation of the terms and conditions of parole for the prior calendar
29 month. Any compliance credits so granted and not rescinded pursuant to guidelines set forth by the
30 parole board shall reduce the period of time that a parolee is subject to the jurisdiction of the parole
31 board under § 13-8-9.

32 (d) The parole board shall issue guidelines governing the awarding of compliance credits,
33 any disqualifiers to the earning of compliance credits, and the rescission or suspension of
34 compliance credits as applicable.

1 (e) The award or rescission of credits pursuant to this section shall not be the subject of
2 judicial review.

3 (f) This section shall apply to all individuals sentenced to imprisonment and subsequently
4 granted parole including those sentences granted prior to passage of this legislation and shall not
5 alter the ability of the Parole Board to revoke parole. The calculation of compliance credits shall
6 be prospective from the date of passage, while eligibility to earn compliance credits shall be
7 prospective and retrospective.

8 (g) The parole board shall calculate an eligible parolee's supervision termination date,
9 taking into consideration any earned compliance credits at the end of each calendar quarter. Upon
10 such calculation, the parole board shall inform the eligible offender of the termination date.

11 **13-8-13. Life prisoners and prisoners with lengthy sentences.**

12 (a) In the case of a prisoner sentenced to imprisonment for life, a parole permit may be
13 issued at any time after the prisoner has served not less than ten (10) years imprisonment; provided
14 that:

15 (1) In the case of a prisoner serving a sentence or sentences of a length making him or her
16 ineligible for a permit in less than ten (10) years, pursuant to §§ 13-8-9 and 13-8-10, the permit
17 may be issued at any time after the prisoner has served not less than ten (10) years imprisonment.

18 (2) In the case of a prisoner sentenced to imprisonment for life for a first- or second-degree
19 murder committed after July 10, 1989, the permit may be issued only after the prisoner has served
20 not less than fifteen (15) years imprisonment.

21 (3) In the case of a prisoner sentenced to imprisonment for life for a first- or second-degree
22 murder committed after June 30, 1995, the permit may be issued only after the prisoner has served
23 not less than twenty (20) years imprisonment; and

24 (4) In the case of a prisoner sentenced to imprisonment for life for a first- or second-degree
25 murder committed after July 1, 2015, the permit may be issued only after the prisoner has served
26 not less than twenty-five (25) years imprisonment.

27 (5) In the case of a prisoner sentenced to imprisonment for life for a crime, other than first-
28 or second-degree murder, committed after July 1, 2015, the permit may be issued only after the
29 prisoner has served not less than twenty (20) years imprisonment.

30 (b) The permit shall be issued only by a unanimous vote of all the attending members of
31 the board; provided that not less than four (4) members are present, and whenever, after the issue
32 of the permit, the prisoner shall be pardoned, then the control of the board over the prisoner shall
33 cease and terminate.

1 (c)(1) In the case of a prisoner sentenced to imprisonment for life who is convicted of
2 escape or attempted escape from the lawful custody of the warden of the adult correctional
3 institutions, the permit may be issued only after the prisoner has served not less than twenty-five
4 (25) years imprisonment; provided, however, that as to a prisoner who has been sentenced to
5 imprisonment for life for a conviction of first- or second-degree murder, committed after July 1,
6 2015, and who is convicted thereafter of escape or attempted escape from the lawful custody of the
7 warden of the adult correctional institutions, the permit may be issued only after the prisoner has
8 served not less than thirty-five (35) years imprisonment; and

9 (2) For each subsequent conviction of escape or attempted escape, an additional five (5)
10 years shall be added to the time required to be served.

11 (d) In the case of a prisoner sentenced consecutively to more than one life term for crimes
12 occurring after May 7, 1981, the permit may be issued only after the prisoner has served not less
13 than ten (10) years consecutively on each life sentence; provided, in the case of a prisoner sentenced
14 consecutively to more than one life term for crimes occurring after June 30, 1995, the permit may
15 be issued only after the prisoner has served not less than fifteen (15) years consecutively on each
16 life sentence. In the case of a prisoner sentenced consecutively to more than one life term for crimes
17 occurring after July 1, 2015, the permit may be issued only after the prisoner has served not less
18 than twenty (20) years consecutively on each life sentence. In the case of a prisoner sentenced
19 consecutively to more than one life term for crimes, including first- or second-degree murder,
20 occurring after July 1, 2015, the permit may be issued only after the prisoner has served not less
21 than twenty-five (25) years consecutively on each life sentence.

22 (e) Any person sentenced for any offense committed prior to his or her twenty-second
23 birthday, other than a person serving life without parole, shall be eligible for parole review and a
24 parole permit may be issued after the person has served no fewer than ten (10) years imprisonment
25 unless the person is entitled to earlier parole eligibility pursuant to any other provisions of law. This
26 subsection shall be given prospective and retroactive effect for all offenses occurring on or after
27 January 1, 1991.

28 13-8-18. Revocation of parole – Hearing.

29 The parole board may, by a majority vote of all of its members, revoke, in accordance with
30 the provisions of § 13-8-18.1, any permit issued by it to any prisoner under the provisions of this
31 chapter or revoke any permit issued by another state or jurisdiction where the prisoner is being
32 supervised by the Rhode Island parole board whenever it shall appear to the board that the prisoner
33 has violated any of the terms or conditions of his or her permit or conditions of parole set by an
34 out-of-state jurisdiction, or has during the period of his or her parole violated any state laws.

1 Whenever it shall come to the knowledge of the board that any prisoner at liberty under a permit
2 issued by this state or another state or jurisdiction has been guilty of a violation of parole related to
3 a new criminal charge, the chairperson shall issue his or her warrant to any officer authorized to
4 serve criminal process to arrest the prisoner and commit him or her to the adult correctional
5 institutions, to be detained until the board shall have an opportunity to determine whether the permit
6 of the prisoner is to be revoked in accordance with the provisions of § 13-8-18.1, or in the case of
7 prisoners granted parole by another state or jurisdiction, and supervised by the Rhode Island parole
8 board, until that state or jurisdiction takes custody of the prisoner. Whenever it shall come to the
9 knowledge of the board that any prisoner at liberty under a permit issued by this state or another
10 state or jurisdiction has been guilty of a technical violation of parole, absent a new criminal charge,
11 the chairperson may, at his or her discretion, issue his or her warrant to any officer authorized to
12 serve criminal process to arrest the prisoner and commit him or her to the adult correctional
13 institutions, to be detained until the board shall have an opportunity to determine whether the permit
14 of the prisoner is to be revoked in accordance with the provisions of § 13-8-18.1, or in the case of
15 prisoners granted parole by another state or jurisdiction, and supervised by the Rhode Island parole
16 board, until that state or jurisdiction takes custody of the prisoner. If the board shall determine that
17 the permit shall not be revoked, then the board shall immediately order the prisoner to be set at
18 liberty under the terms and conditions of his or her original permit.

19 **13-8-18.1. Preliminary parole violation hearing.**

20 (a) As soon as is practicable after a detention for an alleged violation of parole, the parole
21 board shall afford the alleged parole violator a preliminary parole revocation hearing before a
22 hearing officer designated by the board. Such hearing officer shall not have had any prior
23 supervisory involvement over the alleged violator.

24 (b) The alleged violator shall, within five (5) days of the detention, in Rhode Island be
25 given written notice of the time, place and purpose of the preliminary hearing. The notice shall state
26 the specific conditions of parole that are alleged to have been violated and in what manner. The
27 notice shall also inform the alleged violator of the following rights in connection with the
28 preliminary hearing:

- 29 (1) The right to appear and speak in his/her own behalf;
30 (2) The right to call witnesses and present evidence;
31 (3) The right to confront and cross-examine the witnesses against him/her, unless the
32 hearing officer finds on the record that a witness may be subjected to risk of harm if his or her
33 identity is revealed; and

1 (4) The right to retain counsel and, if unable to afford counsel, the right under certain
2 circumstances to the appointment of counsel for the preliminary hearing.

3 The determination of whether or not the alleged violator is entitled to appointed counsel, if
4 such a request is made, shall be made on the record and in accordance with all relevant statutory
5 and constitutional provisions.

6 (c) The notice form must explain in clear and unambiguous language the procedures
7 established by the parole board concerning an alleged violator's exercise of the rights denominated
8 in subsection (b), including the mechanism for compelling the attendance of witnesses, the
9 mechanism for obtaining documentary evidence, and the mechanism for requesting the
10 appointment of counsel.

11 (d) The preliminary hearing shall take place no later than ten (10) days after service of
12 notice set forth in subsection (b). A preliminary hearing may be postponed beyond the ten (10) day
13 time limit for good cause at the request of either party, but may not be postponed at the request of
14 the state for more than five (5) additional days. The parole revocation charges shall be dismissed
15 with prejudice if a preliminary hearing is not conducted within the time period established by this
16 paragraph, not including any delay directly attributed to a postponement requested by the alleged
17 violator.

18 (e) If the alleged violator has requested the appointment of counsel at least five (5) days
19 prior to the preliminary hearing, the preliminary hearing may not proceed without counsel present
20 unless the hearing officer finds on the record, in accordance with all relevant statutory and
21 constitutional provisions, that the alleged violator is not entitled to appointed counsel. If the alleged
22 violator is found to have been entitled to counsel and no such counsel has been appointed, the parole
23 violation charges must be dismissed with prejudice. If the request for counsel was made four (4) or
24 fewer days in advance of the preliminary hearing, the time limit within which the preliminary
25 hearing must be held may be extended up to five (5) additional days.

26 (f) The standard of proof at the preliminary hearing shall be probable cause to believe that
27 the alleged violator has violated one or more conditions of his or her parole and that the violation
28 or violations were not de minimus in nature. Proof of conviction of a crime committed subsequent
29 to release on parole shall constitute probable cause for the purposes of the preliminary hearing.

30 (g) At the preliminary hearing, the hearing officer shall review the violation charges with
31 the alleged violator, direct the presentation of the evidence concerning the alleged violation, receive
32 the statements of the witnesses and documentary evidence, and allow cross-examination of those
33 witnesses in attendance. All proceedings shall be recorded and preserved.

1 (h) At the conclusion of the preliminary hearing, the hearing officer shall inform the alleged
2 violator of his or her decision as to whether there is probable cause to believe that the alleged
3 violator has violated one or more conditions of his or her parole and, if so, whether the violation or
4 violations were de minimus in nature. Those determinations shall be based solely on the evidence
5 adduced at the preliminary hearing. The hearing officer shall state in writing the reasons for his or
6 her determinations and the evidence relied upon for those determinations. A copy of the written
7 findings shall be sent to the alleged violator, and his or her counsel if applicable, within fourteen
8 (14) days of the preliminary hearing.

9 (i) If the hearing officer finds that there is no probable cause to believe that the alleged
10 violator has violated one or more conditions of his or her parole or that the violation or violations,
11 if any, were de minimus in nature, the parole chairperson shall rescind the detention warrant and
12 direct that the alleged violator, unless in custody for other reasons, be released and restored to
13 parole supervision.

14 (j) If the hearing officer finds that there is probable cause to believe that the alleged violator
15 has violated one or more conditions of his or her parole and that the violation or violations were
16 not de minimus in nature, the alleged violator shall be held for a final parole revocation hearing. A
17 final parole revocation hearing must be held as soon as is practicable, but in no event more than
18 ninety (90) days after the conclusion of the preliminary hearing.

19 (k) An alleged violator may waive his or her right to a preliminary hearing. Such a waiver
20 must be in written form. In the event of such a written waiver, a final parole revocation hearing
21 must be held as soon as is practicable, but in no event more than ninety (90) days after the right to
22 a preliminary hearing is waived. Notwithstanding the above, a final parole revocation hearing may
23 be continued by the alleged violator beyond the ninety (90) day time period. [For parole violations](#)
24 [not involving a new criminal offense, an alleged violator may waive his or her right to a final parole](#)
25 [revocation hearing, where there is no dispute as to the alleged violation and the parolee charged](#)
26 [with such violation\(s\) freely admits to the violation and accepts the appropriate sanction imposed](#)
27 [by the parole board.](#)

28 SECTION 4. Sections 13-8.1-1, 13-8.1-2, 13-8.1-3, and 13-8.1-4 of the General Laws in
29 Chapter 13-8.1 entitled "Medical Parole" are hereby amended to read as follows:

30 **13-8.1-1. Short title.**

31 This chapter shall be known as the "Medical [and Geriatric](#) Parole Act".

32 **13-8.1-2. Purpose.**

33 (a) Medical parole is made available for humanitarian reasons and to alleviate exorbitant
34 medical expenses associated with inmates whose chronic and incurable illness render their

1 incarceration non-punitive and non-rehabilitative. Notwithstanding other statutory or
2 administrative provisions to the contrary, all prisoners except those serving life without parole shall
3 at any time after they begin serving their sentences be eligible for medical parole consideration,
4 regardless of the crime committed or the sentence imposed.

5 (b) Geriatric parole is made available for humanitarian reasons and to alleviate exorbitant
6 expenses associated with the cost of aging, for inmates whose advanced age reduces the risk that
7 they pose to the public safety. Notwithstanding other statutory or administrative provisions to the
8 contrary, all prisoners except those serving life without parole shall be eligible for geriatric parole
9 consideration upon meeting the criteria set forth below, regardless of the crime committed or the
10 sentence imposed.

11 13-8.1-3. Definitions.

12 (a) "Permanently physically incapacitated" means suffering from a physical condition
13 caused by injury, disease, illness, ~~or cognitive insult such as dementia~~ or persistent vegetative state,
14 which, to a reasonable degree of medical certainty, permanently and irreversibly physically
15 incapacitates the individual to the extent that the individual needs help with most of the activities
16 that are necessary for independence such as feeding, toileting, dressing, and bathing and
17 transferring, or no significant physical activity is possible, ~~and the individual is confined to bed or~~
18 ~~a wheelchair~~ or suffering from an incurable, progressive condition that substantially diminishes the
19 individual's capacity to function in a correctional setting.

20 (b) "Cognitively incapacitated" means suffering from a cognitive condition such as
21 dementia which greatly impairs activities that are necessary for independence such as feeding,
22 toileting, dressing, and bathing and renders their incarceration non-punitive and non-rehabilitative.

23 ~~(b)-(c)~~ (c) "Terminally ill" means suffering from a condition caused by injury (except self-
24 inflicted injury), disease, or illness which, to a reasonable degree of medical certainty, is a life-
25 limiting diagnosis that will lead to profound functional, cognitive and/or physical decline, and
26 likely will result in death within eighteen (18) months.

27 ~~(c)-(d)~~ (d) "Severely ill" means suffering from a significant and permanent or chronic physical
28 and/or mental condition that: (1) Requires extensive medical and/or psychiatric treatment with little
29 to no possibility of recovery; and (2) ~~Precludes significant~~ Significantly impairs rehabilitation from
30 further incarceration.

31 (e) "Aging prisoner" means an individual who is sixty-five (65) years of age or older and
32 suffers from functional impairment, infirmity, or illness.

33 13-8.1-4. Procedure.

1 (a) The parole board is authorized to grant medical parole release of a prisoner, except a
2 prisoner serving life without parole, at any time, who is determined to be terminally ill, severely
3 ill, or permanently physically or cognitively incapacitated within the meaning of §§ 13-8.1-3(a) -
4 ~~(d). Inmates who are severely ill will only be considered for such release when their treatment~~
5 ~~causes the state to incur exorbitant expenses as a result of continued and frequent medical treatment~~
6 ~~during their incarceration, as determined by the office of financial resources of the department of~~
7 ~~corrections.~~

8 (b) The parole board is authorized to grant geriatric parole release of a prisoner, except a
9 prisoner serving life without parole, who is an aging prisoner within the meaning of § 13-8.1-3(e)
10 or under medical parole as outlined by § 13-8.1-2.

11 ~~(b)~~ (c) In order to apply for this relief, the prisoner or his or her family member or friend,
12 with an attending physician's written approval, or an attending physician, on behalf of the prisoner,
13 shall file an application with the director of the department of corrections. Within seventy-two (72)
14 hours after the filing of any application, the director shall refer the application to the health service
15 unit of the department of corrections for a medical report and a medical or geriatric discharge plan
16 to be completed within ten (10) days. Upon receipt of the ~~medical~~ discharge plan, the director of
17 the department of corrections shall immediately transfer the ~~medical~~ discharge plan, together with
18 the application, to the parole board for its consideration and decision.

19 ~~(c)~~ (d) The report shall contain, at a minimum, the following information:

20 (1) Diagnosis of the prisoner's medical conditions, including related medical history;

21 (2) Detailed description of the conditions and treatments;

22 (3) Prognosis, including life expectancy, likelihood of recovery, likelihood of
23 improvement, mobility and trajectory and rate of debilitation;

24 (4) Degree of incapacity or disability, including an assessment of whether the prisoner is
25 ambulatory, capable of engaging in any substantial physical activity, ability to independently
26 provide for their daily life activities, and the extent of that activity;

27 (5) An opinion from the medical director as to whether the person is terminally ill, and if
28 so, the stage of the illness, or whether the person is permanently physically or cognitively
29 incapacitated, ~~or~~ severely ill, or an aging prisoner. If the medical director's opinion is that the person
30 is not terminally ill, permanently, physically or cognitively incapacitated, ~~or~~ severely ill, or an aging
31 prisoner as defined in § 13-8.1-3, the petition for medical or geriatric parole shall not be forwarded
32 to the parole board.

1 ~~(6) In the case of a severely ill inmate, the report shall also contain a determination from~~
2 ~~the office of financial resources that the inmate's illness causes the state to incur exorbitant expenses~~
3 ~~as a result of continued and frequent medical treatment during incarceration.~~

4 ~~(4)~~(e) When the director of corrections refers a prisoner to the parole board for medical or
5 geriatric parole, the director shall provide to the parole board a medical or geriatric discharge plan
6 that is acceptable to the parole board.

7 ~~(e)~~ (f) The department of corrections and the parole board shall jointly develop standards
8 for the medical or geriatric discharge plan that are appropriately adapted to the criminal justice
9 setting. The discharge plan should ensure at the minimum that:

10 (1) An appropriate placement for the prisoner has been secured, including, but not limited
11 to: a hospital, nursing facility, hospice, or family home;

12 (2) A referral has been made for the prisoner to secure a source for payment of the prisoner's
13 medical expenses;

14 (3) A parole officer has been assigned to periodically obtain updates on the prisoner's
15 medical condition to report back to the board.

16 ~~(e)~~(g) If the parole board finds from the credible medical evidence that the prisoner is
17 terminally ill, permanently physically or cognitively incapacitated, ~~or~~ severely ill, or an aging
18 prisoner, the board shall grant release to the prisoner but only after the board also considers whether,
19 in light of the prisoner's medical condition, there is a reasonable probability that the prisoner, if
20 released, will live and remain at liberty without violating the law, and that the release is compatible
21 with the welfare of society and will not so depreciate the seriousness of the crime as to undermine
22 respect for the law. Notwithstanding any other provision of law, medical or geriatric release may
23 be granted at any time during the term of a prisoner's sentence.

24 ~~(e)~~(h) There shall be a presumption that the opinion of the physician and/or medical
25 director will be accepted. However, the applicant, the physician, the director, or the parole board
26 may request an independent medical evaluation within seven (7) days after the physician's and/or
27 medical director's report is presented. The evaluation shall be completed and a report, containing
28 the information required by subsection ~~(b)~~(c) of this section, filed with the director and the parole
29 board, and a copy sent to the applicant within fourteen (14) days from the date of the request.

30 ~~(h)~~(i) Within seven (7) days of receiving the application, the medical or geriatric report and
31 the discharge plan, the parole board shall determine whether the application, on its face,
32 demonstrates that relief may be warranted. If the face of the application clearly demonstrates that
33 relief is unwarranted, the board may deny the application without a hearing or further proceedings,
34 and within seven (7) days shall notify the prisoner in writing of its decision to deny the application,

1 setting forth its factual findings and a brief statement of the reasons for denying release without a
2 hearing. Denial of release does not preclude the prisoner from reapplying for medical [or geriatric](#)
3 parole after the expiration of sixty (60) days. A reapplication under this section must demonstrate
4 a material change in circumstances.

5 ~~(j)~~(i) Upon receipt of the application from the director of the department of corrections
6 the parole board shall, except as provided in subsection ~~(h)~~(i) of this section, set the case for a
7 hearing within thirty (30) days;

8 (2) Notice of the hearing shall be sent to the prosecutor and the victim(s), if any, of the
9 offense(s) for which the prisoner is incarcerated, and the prosecutor and the victim(s) shall have
10 the right to be heard at the hearing, or in writing, or both;

11 (3) At the hearing, the prisoner shall be entitled to be represented by an attorney or by the
12 public defender if qualified or other representative.

13 ~~(k)~~ Within seven (7) days of the hearing, the parole board shall issue a written decision
14 granting or denying medical [or geriatric](#) parole and explaining the reasons for the decision. If the
15 board determines that medical [or geriatric](#) parole is warranted, it shall impose conditions of release,
16 that shall include the following:

17 (1) Periodic medical examinations;

18 (2) Periodic reporting to a parole officer, and the reporting interval;

19 (3) Any other terms or conditions that the board deems necessary; and

20 (4) In the case of a prisoner who is medically paroled due to being severely ill, the parole
21 board shall require electronic monitoring as a condition of the medical parole, unless the health
22 care plan mandates placement in a medical facility that cannot accommodate the electronic
23 monitoring.

24 ~~(l)~~ If after release the releasee's condition or circumstances change so that he or she
25 would not then be eligible for medical [or geriatric](#) parole, the parole board may order him or her
26 returned to custody to await a hearing to determine whether his or her release should be revoked.
27 A release may also be revoked for violation of conditions otherwise applicable to parole.

28 ~~(m)~~ An annual report shall be prepared by the director of corrections for the parole board
29 and the general assembly. The report shall include:

30 (1) The number of inmates who have applied for medical [or geriatric](#) parole;

31 (2) The number [of inmates](#) who have been granted medical [or geriatric](#) parole;

32 (3) The nature of the illness, [cognitive condition, functional impairment, and/or infirmity](#)
33 of the applicants, and the nature of the placement pursuant to the ~~medical~~ discharge plan;

34 (4) The categories of reasons for denial for those who have been denied;

1 (5) The number of releasees on medical or geriatric parole who have been returned to the
2 custody of the department of corrections and the reasons for return.

3 (6) The number of inmates who meet the statutory definition of “aging prisoner” and would
4 be potentially-eligible for geriatric parole.

5 (n) An annual educational seminar will be offered by the department of corrections
6 healthcare services unit to the parole board and community stakeholders on aging and infirmity in
7 prison and special considerations that should be applied to aging prisoners and prisoners with
8 severe or terminal illnesses during parole consideration.

9 SECTION 5. Section 40-5.2-8, 40-5.2-10, 40-5.2-20 and 40-5.2-33 of the General Laws in
10 Chapter 40-5.2 entitled "The Rhode Island Works Program" are hereby amended to read as follows:

11 **40-5.2-8. Definitions.**

12 As used in this chapter, the following terms having the meanings set forth herein, unless
13 the context in which such terms are used clearly indicates to the contrary:

14 (1) "Applicant" means a person who has filed a written application for assistance for
15 herself/himself and her/his dependent child(ren). An applicant may be a parent or non-parent
16 caretaker relative.

17 (2) "Assistance" means cash and any other benefits provided pursuant to this chapter.

18 (3) "Assistance unit" means the assistance-filing unit consisting of the group of persons,
19 including the dependent child(ren), living together in a single household who must be included in
20 the application for assistance and in the assistance payment if eligibility is established. An
21 assistance unit may be the same as a family.

22 (4) "Benefits" shall mean assistance received pursuant to this chapter.

23 (5) "Community service programs" means structured programs and activities in which cash
24 assistance recipients perform work for the direct benefit of the community under the auspices of
25 public or nonprofit organizations. Community service programs are designed to improve the
26 employability of recipients not otherwise able to obtain paid employment.

27 (6) "Department" means the department of human services.

28 (7) "Dependent child" means an individual, other than an individual with respect to whom
29 foster care maintenance payments are made, who is: (A) under the age of eighteen (18); or (B)
30 under the age of nineteen (19) and a full-time student in a secondary school (or in the equivalent
31 level of vocational or educational training), ~~if before he or she attains age nineteen (19), he or she~~
32 ~~may reasonably be expected to complete the program of such secondary school (or such training).~~

33 (8) "Director" means the director of the department of human services.

1 (9) "Earned income" means income in cash or the equivalent received by a person through
2 the receipt of wages, salary, commissions, or profit from activities in which the person is self-
3 employed or as an employee and before any deductions for taxes.

4 (10) "Earned income tax credit" means the credit against federal personal income tax
5 liability under § 32 of the Internal Revenue Code of 1986, 26 U.S.C. § 32, or any successor section,
6 the advanced payment of the earned income tax credit to an employee under § 3507 of the code, 26
7 U.S.C. § 3507 [repealed], or any successor section and any refund received as a result of the earned
8 income tax credit, as well as any refundable state earned income tax credit.

9 (11) "Education directly related to employment" means education, in the case of a
10 participant who has not received a high school diploma or a certificate of high school equivalency,
11 related to a specific occupation, job, or job offer.

12 (12) "Family" means: (A) a pregnant woman from and including the seventh month of her
13 pregnancy; or (B) a child and the following eligible persons living in the same household as the
14 child: (C) each biological, adoptive or stepparent of the child, or in the absence of a parent, any
15 adult relative who is responsible, in fact, for the care of such child; and (D) the child's minor siblings
16 (whether of the whole or half blood); provided, however, that the term "family" shall not include
17 any person receiving benefits under title XVI of the Social Security Act, 42 U.S.C. § 1381 et seq.
18 A family may be the same as the assistance unit.

19 (13) "Gross earnings" means earnings from employment and self-employment further
20 described in the department of human services rules and regulations.

21 (14) "Individual employment plan" means a written, individualized plan for employment
22 developed jointly by the applicant and the department of human services that specifies the steps the
23 participant shall take toward long-term economic independence developed in accordance with §
24 40-5.2-10(e). A participant must comply with the terms of the individual employment plan as a
25 condition of eligibility in accordance with § 40-5.2-10(e).

26 (15) "Job search and job readiness" means the mandatory act of seeking or obtaining
27 employment by the participant, or the preparation to seek or obtain employment.

28 In accord with federal requirements, job search activities must be supervised by the
29 department of labor and training and must be reported to the department of human services in
30 accordance with TANF work verification requirements.

31 Except in the context of rehabilitation employment plans, and special services provided by
32 the department of children, youth and families, job-search and job-readiness activities are limited
33 to four (4) consecutive weeks, or for a total of six (6) weeks in a twelve-month (12) period, with
34 limited exceptions as defined by the department. The department of human services, in consultation

1 with the department of labor and training, shall extend job-search, and job-readiness assistance for
2 up to twelve (12) weeks in a fiscal year if a state has an unemployment rate at least fifty percent
3 (50%) greater than the United States unemployment rate if the state meets the definition of a "needy
4 state" under the contingency fund provisions of federal law.

5 Preparation to seek employment, or job readiness, may include, but may not be limited to,
6 the participant obtaining life-skills training, homelessness services, domestic violence services,
7 special services for families provided by the department of children youth and families, substance
8 abuse treatment, mental health treatment, or rehabilitation activities as appropriate for those who
9 are otherwise employable. The services, treatment, or therapy must be determined to be necessary
10 and certified by a qualified medical or mental health professional. Intensive work-readiness
11 services may include work-based literacy, numeracy, hands-on training, work experience, and case
12 management services. Nothing in this section shall be interpreted to mean that the department of
13 labor and training shall be the sole provider of job-readiness activities described herein.

14 (16) "Job skills training directly related to employment" means training or education for
15 job skills required by an employer to provide an individual with the ability to obtain employment
16 or to advance or adapt to the changing demands of the workplace. Job skills training directly related
17 to employment must be supervised on an ongoing basis.

18 (17) "Minor parent" means a parent under the age of eighteen (18). A minor parent may be
19 an applicant or recipient with his or her dependent child(ren) in his/her own case or a member of
20 an assistance unit with his or her dependent child(ren) in a case established by the minor parent's
21 parent.

22 (18) "Net income" means the total gross income of the assistance unit less allowable
23 disregards and deductions as described in § 40-5.2-10(g).

24 (19) "On-the-job-training" means training in the public or private sector that is given to a
25 paid employee while he or she is engaged in productive work and that provides knowledge and
26 skills essential to the full and adequate performance of the job. On-the-job training must be
27 supervised by an employer, work-site sponsor, or other designee of the department of human
28 services on an ongoing basis.

29 (20) "Participant" means a person who has been found eligible for assistance in accordance
30 with this chapter and who must comply with all requirements of this chapter, and has entered into
31 an individual employment plan. A participant may be a parent or non-parent caretaker relative
32 included in the cash assistance payment.

33 (21) "Recipient" means a person who has been found eligible and receives cash assistance
34 in accordance with this chapter.

1 (22) "Relative" means a parent, stepparent, grandparent, great grandparent, great-great
2 grandparent, aunt, great-aunt, great-great aunt, uncle, great-uncle, great-great uncle, sister, brother,
3 stepbrother, stepsister, half-brother, half-sister, first cousin, first cousin once removed, niece, great-
4 niece, great-great niece, nephew, great-nephew, or great-great nephew.

5 (23) "Resident" means a person who maintains residence by his or her continuous physical
6 presence in the state.

7 (24) "Self-employment income" means the total profit from a business enterprise, farming,
8 etc., resulting from a comparison of the gross receipts with the business expenses, i.e., expenses
9 directly related to producing the goods or services and without which the goods or services could
10 not be produced. However, items such as depreciation, personal business and entertainment
11 expenses, and personal transportation are not considered business expenses for the purposes of
12 determining eligibility for cash assistance in accordance with this chapter.

13 (25) "State" means the State of Rhode Island ~~and Providence Plantations~~.

14 (26) "Subsidized employment" means employment in the private or public sectors for
15 which the employer receives a subsidy from TANF or other public funds to offset some or all of
16 the wages and costs of employing a recipient. It includes work in which all or a portion of the wages
17 paid to the recipient are provided to the employer either as a reimbursement for the extra costs of
18 training or as an incentive to hire the recipient, including, but not limited to, grant diversion.

19 (27) "Subsidized housing" means housing for a family whose rent is restricted to a
20 percentage of its income.

21 (28) "Unsubsidized employment" means full- or part-time employment in the public or
22 private sector that is not subsidized by TANF or any other public program.

23 (29) "Vocational educational training" means organized educational programs, not to
24 exceed twelve (12) months with respect to any participant, that are directly related to the preparation
25 of participants for employment in current or emerging occupations. Vocational educational training
26 must be supervised.

27 (30) "Work activities" mean the specific work requirements that must be defined in the
28 individual employment plan and must be complied with by the participant as a condition of
29 eligibility for the receipt of cash assistance for single and two-family (2) households outlined in §
30 40-5.2-12 of this chapter.

31 (31) "Work experience" means a work activity that provides a participant with an
32 opportunity to acquire the general skills, training, knowledge, and work habits necessary to obtain
33 employment. The purpose of work experience is to improve the employability of those who cannot

1 find unsubsidized employment. An employer, work site sponsor, and/or other appropriate designee
2 of the department must supervise this activity.

3 (32) "Work supplementation," also known as "grant diversion," means the use of all or a
4 portion of a participant's cash assistance grant and food stamp grant as a wage supplement to an
5 employer. The supplement shall be limited to a maximum period of twelve (12) months. An
6 employer must agree to continue the employment of the participant as part of the regular work
7 force, beyond the supplement period, if the participant demonstrates satisfactory performance.

8 **40-5.2-10. Necessary requirements and conditions.**

9 The following requirements and conditions shall be necessary to establish eligibility for
10 the program.

11 (a) *Citizenship, alienage, and residency requirements.*

12 (1) A person shall be a resident of the State of Rhode Island.

13 (2) Effective October 1, 2008, a person shall be a United States citizen, or shall meet the
14 alienage requirements established in § 402(b) of the Personal Responsibility and Work Opportunity
15 Reconciliation Act of 1996, PRWORA, Public Laws No. 104-193 and as that section may hereafter
16 be amended [8 U.S.C. § 1612]; a person who is not a United States citizen and does not meet the
17 alienage requirements established in PRWORA, as amended, is not eligible for cash assistance in
18 accordance with this chapter.

19 (b) The family/assistance unit must meet any other requirements established by the
20 department of human services by rules and regulations adopted pursuant to the Administrative
21 Procedures Act, as necessary to promote the purpose and goals of this chapter.

22 (c) Receipt of cash assistance is conditional upon compliance with all program
23 requirements.

24 (d) All individuals domiciled in this state shall be exempt from the application of
25 subdivision 115(d)(1)(A) of Public Law 104-193, the Personal Responsibility and Work
26 Opportunity Reconciliation Act of 1996, PRWORA [21 U.S.C. § 862a], which makes any
27 individual ineligible for certain state and federal assistance if that individual has been convicted
28 under federal or state law of any offense that is classified as a felony by the law of the jurisdiction
29 and that has as an element the possession, use, or distribution of a controlled substance as defined
30 in § 102(6) of the Controlled Substances Act (21 U.S.C. § 802(6)).

31 (e) *Individual employment plan as a condition of eligibility.*

32 (1) Following receipt of an application, the department of human services shall assess the
33 financial conditions of the family, including the non-parent caretaker relative who is applying for
34 cash assistance for himself or herself as well as for the minor child(ren), in the context of an

1 eligibility determination. If a parent or non-parent caretaker relative is unemployed or under-
2 employed, the department shall conduct an initial assessment, taking into account: (A) The physical
3 capacity, skills, education, work experience, health, safety, family responsibilities and place of
4 residence of the individual; and (B) The child care and supportive services required by the applicant
5 to avail himself or herself of employment opportunities and/or work readiness programs.

6 (2) On the basis of this assessment, the department of human services and the department
7 of labor and training, as appropriate, in consultation with the applicant, shall develop an individual
8 employment plan for the family which requires the individual to participate in the intensive
9 employment services. Intensive employment services shall be defined as the work requirement
10 activities in § 40-5.2-12(g) and (i).

11 (3) The director, or his or her designee, may assign a case manager to an
12 applicant/participant, as appropriate.

13 (4) The department of labor and training and the department of human services in
14 conjunction with the participant shall develop a revised individual employment plan that shall
15 identify employment objectives, taking into consideration factors above, and shall include a
16 strategy for immediate employment and for preparing for, finding, and retaining employment
17 consistent, to the extent practicable, with the individual's career objectives.

18 (5) The individual employment plan must include the provision for the participant to
19 engage in work requirements as outlined in § 40-5.2-12.

20 (6)(i) The participant shall attend and participate immediately in intensive assessment and
21 employment services as the first step in the individual employment plan, unless temporarily exempt
22 from this requirement in accordance with this chapter. Intensive assessment and employment
23 services shall be defined as the work requirement activities in § 40-5.2-12(g) and (i).

24 (ii) Parents under age twenty (20) without a high school diploma or general equivalency
25 diploma (GED) shall be referred to special teen parent programs which will provide intensive
26 services designed to assist teen parents to complete high school education or GED, and to continue
27 approved work plan activities in accord with Rhode Island works program requirements.

28 (7) The applicant shall become a participant in accordance with this chapter at the time the
29 individual employment plan is signed and entered into.

30 (8) Applicants and participants of the Rhode Island works program shall agree to comply
31 with the terms of the individual employment plan, and shall cooperate fully with the steps
32 established in the individual employment plan, including the work requirements.

33 (9) The department of human services has the authority under the chapter to require
34 attendance by the applicant/participant, either at the department of human services or at the

1 department of labor and training, at appointments deemed necessary for the purpose of having the
2 applicant enter into and become eligible for assistance through the Rhode Island works program.
3 The appointments include, but are not limited to, the initial interview, orientation and assessment;
4 job readiness and job search. Attendance is required as a condition of eligibility for cash assistance
5 in accordance with rules and regulations established by the department.

6 (10) As a condition of eligibility for assistance pursuant to this chapter, the
7 applicant/participant shall be obligated to keep appointments, attend orientation meetings at the
8 department of human services and/or the Rhode Island department of labor and training; participate
9 in any initial assessments or appraisals; and comply with all the terms of the individual employment
10 plan in accordance with department of human services rules and regulations.

11 (11) A participant, including a parent or non-parent caretaker relative included in the cash
12 assistance payment, shall not voluntarily quit a job or refuse a job unless there is good cause as
13 defined in this chapter or the department's rules and regulations.

14 (12) A participant who voluntarily quits or refuses a job without good cause, as defined in
15 § 40-5.2-12(1), while receiving cash assistance in accordance with this chapter, shall be sanctioned
16 in accordance with rules and regulations promulgated by the department.

17 (f) *Resources.*

18 (1) The family or assistance unit's countable resources shall be less than the allowable
19 resource limit established by the department in accordance with this chapter.

20 (2) No family or assistance unit shall be eligible for assistance payments if the combined
21 value of its available resources (reduced by any obligations or debts with respect to such resources)
22 exceeds one thousand dollars (\$1,000).

23 (3) For purposes of this subsection, the following shall not be counted as resources of the
24 family/assistance unit in the determination of eligibility for the works program:

25 (i) The home owned and occupied by a child, parent, relative or other individual;

26 (ii) Real property owned by a husband and wife as tenants by the entirety, if the property
27 is not the home of the family and if the spouse of the applicant refuses to sell his or her interest in
28 the property;

29 (iii) Real property that the family is making a good faith effort to dispose of, however, any
30 cash assistance payable to the family for any such period shall be conditioned upon such disposal
31 of the real property within six (6) months of the date of application and any payments of assistance
32 for that period shall (at the time of disposal) be considered overpayments to the extent that they
33 would not have occurred at the beginning of the period for which the payments were made. All
34 overpayments are debts subject to recovery in accordance with the provisions of the 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 annually
7 produces income consistent with its fair market value, even if only used on a seasonal basis; a
8 vehicle necessary to transport a family member with a disability where the vehicle is specially
9 equipped to meet the specific needs of the person with a disability or if the vehicle is a special type
10 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 taxes
16 made to the family by reason of § 32 of the Internal Revenue Code of 1986, 26 U.S.C. § 32 (relating
17 to earned income tax credit), and any payment made to the family by an employer under § 3507 of
18 the Internal Revenue Code of 1986, 26 U.S.C. § 3507 [repealed] (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 first
28 one hundred seventy dollars (\$170) of gross earnings plus fifty percent (50%) of the gross earnings
29 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 dollars
33 (\$50.00) per month multiplied by the number of months in which the support has been in arrears)
34 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 to
5 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 service
7 program for children under Title VII, nutrition program for the elderly, of the Older Americans Act
8 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 program
11 administered by the United States 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 Act
19 of 1973, 42 U.S.C. § 5000 et seq.;
- 20 (ix) Payments to volunteers under AmeriCorps VISTA as defined in the department's rules
21 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, provided
29 that this exclusion shall not limit the reduction in benefits provided for in the payment standard
30 section of this chapter.
- 31 (xiii) The earned income of any adult family member who gains employment while an
32 active RI Works household member. Such income is excluded for the first six (6) months of
33 employment in which the income is earned, or until the household's total gross income exceeds

1 [one hundred and eighty five \(185\) percent of the federal poverty level, unless the household reaches](#)
2 [its forty-eight \(48\) month time limit 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 America
10 as defined herein. Provided further, in no circumstances other than provided for in subsection (h)(3)
11 with respect to certain minor children, shall cash assistance be provided pursuant to this chapter to
12 a family or assistance unit which includes an adult member who has received cash assistance for a
13 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 time
18 limit for the receipt of cash assistance, shall not apply only in the instances of a minor child(ren)
19 living with a parent who receives SSI benefits and a minor child(ren) living with a responsible adult
20 non-parent caretaker relative who is not in the cash 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 assistance
25 provided under a program similar to the Rhode Island families work and opportunity program or
26 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 until
29 the time limit has expired. The notice must be developed by the department of human services and
30 must contain information about the lifetime time limit, the number of months the participant has
31 remaining, the hardship extension policy, the availability of a post-employment-and-closure bonus,
32 and any other information pertinent to a family or an assistance unit nearing the forty-eight-month
33 (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 in
3 Rhode Island or in another state, the department shall notify the applicant of the number of months
4 remaining when the application is approved and begin the process required in subsection (h)(5)(i).

5 (6) If a cash assistance recipient family was closed pursuant to Rhode Island's Temporary
6 Assistance for Needy Families Program (federal TANF described in Title IV A of the Federal
7 Social Security Act, 42 U.S.C. § 601 et seq.), formerly entitled the Rhode Island family
8 independence program, more specifically under § 40-5.1-9(2)(c) [repealed], due to sanction
9 because of failure to comply with the cash assistance program requirements; and that recipient
10 family received forty-eight (48) months of cash benefits in accordance with the family
11 independence program, then that recipient family is not able to receive further cash assistance for
12 his/her family, under this chapter, except under hardship exceptions.

13 (7) The months of state or federally funded cash assistance received by a recipient family
14 since May 1, 1997, under Rhode Island's Temporary Assistance for Needy Families Program
15 (federal TANF described in Title IV A of the Federal Social Security Act, 42 U.S.C. § 601 et seq.),
16 formerly entitled the Rhode Island family independence program, shall be countable toward the
17 time limited cash assistance described in this chapter.

18 (i) *Time limit on the receipt of cash assistance.*

19 (1) No cash assistance shall be provided, pursuant to this chapter, to a family assistance
20 unit in which an adult member has received cash assistance for a total of sixty (60) months (whether
21 or not consecutive) to include any time receiving any type of cash assistance in any other state or
22 territory of the United States as defined herein effective August 1, 2008. Provided further, that no
23 cash assistance shall be provided to a family in which an adult member has received assistance for
24 twenty-four (24) consecutive months unless the adult member has a rehabilitation employment plan
25 as provided in § 40-5.2-12(g)(5).

26 (2) Effective August 1, 2008, no cash assistance shall be provided pursuant to this chapter
27 to a family in which a child has received cash assistance for a total of sixty (60) months (whether
28 or not consecutive) if the parent is ineligible for assistance under this chapter pursuant to
29 subdivision 40-5.2(a) (2) to include any time they received any type of cash assistance in any other
30 state or territory of the United States as defined herein.

31 (j) *Hardship exceptions.*

32 (1) The department may extend an assistance unit's or family's cash assistance beyond the
33 time limit, by reason of hardship; provided, however, that the number of families to be exempted
34 by the department with respect to their time limit under this subsection shall not exceed twenty

1 percent (20%) of the average monthly number of families to which assistance is provided for under
2 this chapter in a fiscal year; provided, however, that to the extent now or hereafter permitted by
3 federal law, any waiver granted under § 40-5.2-35, for domestic violence, shall not be counted in
4 determining the twenty percent (20%) maximum under this section.

5 (2) Parents who receive extensions to the time limit due to hardship must have and comply
6 with employment plans designed to remove or ameliorate the conditions that warranted the
7 extension.

8 (k) *Parents under eighteen (18) years of age.*

9 (1) A family consisting of a parent who is under the age of eighteen (18), and who has
10 never been married, and who has a child; or a family consisting of a woman under the age of
11 eighteen (18) who is at least six (6) months pregnant, shall be eligible for cash assistance only if
12 the family resides in the home of an adult parent, legal guardian, or other adult relative. The
13 assistance shall be provided to the adult parent, legal guardian, or other adult relative on behalf of
14 the individual and child unless otherwise authorized by the department.

15 (2) This subsection shall not apply if the minor parent or pregnant minor has no parent,
16 legal guardian, or other adult relative who is living and/or whose whereabouts are unknown; or the
17 department determines that the physical or emotional health or safety of the minor parent, or his or
18 her child, or the pregnant minor, would be jeopardized if he or she was required to live in the same
19 residence as his or her parent, legal guardian, or other adult relative (refusal of a parent, legal
20 guardian or other adult relative to allow the minor parent or his or her child, or a pregnant minor,
21 to live in his or her home shall constitute a presumption that the health or safety would be so
22 jeopardized); or the minor parent or pregnant minor has lived apart from his or her own parent or
23 legal guardian for a period of at least one year before either the birth of any child to a minor parent
24 or the onset of the pregnant minor's pregnancy; or there is good cause, under departmental
25 regulations, for waiving the subsection; and the individual resides in a supervised supportive living
26 arrangement to the extent available.

27 (3) For purposes of this section, "supervised supportive-living arrangement" means an
28 arrangement that requires minor parents to enroll and make satisfactory progress in a program
29 leading to a high school diploma or a general education development certificate, and requires minor
30 parents to participate in the adolescent parenting program designated by the department, to the
31 extent the program is available; and provides rules and regulations that ensure regular adult
32 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 person
5 that the family member has at the time the assignment is executed or may have while receiving
6 assistance under this chapter;

7 (2) Consent to and cooperate with the state in establishing the paternity and in establishing
8 and/or enforcing child support and medical support orders for all children in the family or assistance
9 unit in accordance with title 15 of the general laws, as amended, unless the parent or caretaker
10 relative is found to have good cause for refusing to comply with the requirements of this subsection.

11 (3) Absent good cause, as defined by the department of human services through the rule-
12 making process, for refusing to comply with the requirements of (1)(1) and (1)(2), cash assistance
13 to the family shall be reduced by twenty-five percent (25%) until the adult member of the family
14 who has refused to comply with the requirements of this subsection consents to and cooperates with
15 the state in accordance with the requirements of this subsection.

16 (4) As a condition of eligibility for cash and medical assistance under this chapter, each
17 adult member, parent, or caretaker relative of the family/assistance unit must consent to and
18 cooperate with the state in identifying and providing information to assist the state in pursuing any
19 third-party who may be liable to pay for care and services under Title XIX of the Social Security
20 Act, 42 U.S.C. § 1396 et seq.

21 **40-5.2-20. Childcare assistance - Families or assistance units eligible.**

22 (a) The department shall provide appropriate child care to every participant who is eligible
23 for cash assistance and who requires child care in order to meet the work requirements in
24 accordance with this chapter.

25 (b) *Low-income child care.* The department shall provide child care to all other working
26 families with incomes at or below one hundred eighty percent (180%) of the federal poverty level
27 if, and to the extent, these other families require child care in order to work at paid employment as
28 defined in the department's rules and regulations. Beginning October 1, 2013, the department shall
29 also provide child care to families with incomes below one hundred eighty percent (180%) of the
30 federal poverty level if, and to the extent, these families require child care to participate on a short-
31 term basis, as defined in the department's rules and regulations, in training, apprenticeship,
32 internship, on-the-job training, work experience, work immersion, or other job-readiness/job-
33 attachment program sponsored or funded by the human resource investment council (governor's
34 workforce board) or state agencies that are part of the coordinated program system pursuant to §

1 42-102-11. Effective from January 1, 2021 through June 30, 2022, the department shall also
2 provide child care assistance to families with incomes below one hundred eighty percent (180%)
3 of the federal poverty level when such assistance is necessary for a member of these families to
4 enroll or maintain enrollment in a Rhode Island public institution of higher education provided that
5 eligibility to receive funding is capped when expenditures reach \$200,000 for this provision.

6 (c) No family/assistance unit shall be eligible for childcare assistance under this chapter if
7 the combined value of its liquid resources exceeds one million dollars (\$1,000,000), which
8 corresponds to the amount permitted by the federal government under the state plan and set forth
9 in the administrative rulemaking process by the department. Liquid resources are defined as any
10 interest(s) in property in the form of cash or other financial instruments or accounts that are readily
11 convertible to cash or cash equivalents. These include, but are not limited to: cash, bank, credit
12 union, or other financial institution savings, checking, and money market accounts; certificates of
13 deposit or other time deposits; stocks; bonds; mutual funds; and other similar financial instruments
14 or accounts. These do not include educational savings accounts, plans, or programs; retirement
15 accounts, plans, or programs; or accounts held jointly with another adult, not including a spouse.
16 The department is authorized to promulgate rules and regulations to determine the ownership and
17 source of the funds in the joint account.

18 (d) As a condition of eligibility for childcare assistance under this chapter, the parent or
19 caretaker relative of the family must consent to, and must cooperate with, the department in
20 establishing paternity, and in establishing and/or enforcing child support and medical support
21 orders for any children in the family receiving appropriate child care under this section in
22 accordance with the applicable sections of title 15 of the state's general laws, as amended, unless
23 the parent or caretaker relative is found to have good cause for refusing to comply with the
24 requirements of this subsection.

25 (e) For purposes of this section, "appropriate child care" means child care, including infant,
26 toddler, pre-school, nursery school, and school-age, that is provided by a person or organization
27 qualified, approved, and authorized to provide the care by the state agency or agencies designated
28 to make the determinations in accordance with the provisions set forth herein.

29 (f)(1) Families with incomes below one hundred percent (100%) of the applicable federal
30 poverty level guidelines shall be provided with free child care. Families with incomes greater than
31 one hundred percent (100%) and less than one hundred eighty percent (180%) of the applicable
32 federal poverty guideline shall be required to pay for some portion of the child care they receive,
33 according to a sliding-fee scale adopted by the department in the department's rules.

1 (2) Families who are receiving childcare assistance and who become ineligible for
2 childcare assistance as a result of their incomes exceeding one hundred eighty percent (180%) of
3 the applicable federal poverty guidelines shall continue to be eligible for childcare assistance until
4 their incomes exceed two hundred twenty-five percent (225%) of the applicable federal poverty
5 guidelines. To be eligible, the families must continue to pay for some portion of the child care they
6 receive, as indicated in a sliding-fee scale adopted in the department's rules and in accordance with
7 all other eligibility standards.

8 (g) In determining the type of child care to be provided to a family, the department shall
9 take into account the cost of available childcare options; the suitability of the type of care available
10 for the child; and the parent's preference as to the type of child care.

11 (h) For purposes of this section, "income" for families receiving cash assistance under §
12 40-5.2-11 means gross, earned income and unearned income, subject to the income exclusions in
13 §§ 40-5.2-10(g)(2) and 40-5.2-10(g)(3), and income for other families shall mean gross, earned and
14 unearned income as determined by departmental regulations.

15 (i) The caseload estimating conference established by chapter 17 of title 35 shall forecast
16 the expenditures for child care in accordance with the provisions of § 35-17-1.

17 (j) In determining eligibility for childcare assistance for children of members of reserve
18 components called to active duty during a time of conflict, the department shall freeze the family
19 composition and the family income of the reserve component member as it was in the month prior
20 to the month of leaving for active duty. This shall continue until the individual is officially
21 discharged from active duty.

22 **40-5.2-33. School-age children.**

23 ~~Subject to general assembly appropriation, one~~ One month each year, each ~~dependent~~
24 ~~school age~~ child ~~as defined by the department of human services~~ who lives in a family receiving
25 cash assistance under this chapter in that month shall be given a supplementary payment of no less
26 than one hundred dollars (\$100) for the purchase of clothing in accordance with Title IV-A of the
27 Social Security Act, 42 U.S.C. § 601 et seq.

28 SECTION 6. Section 40-6.2-1.1 of the General Laws in Chapter 40-6.2 entitled "Child
29 Care – State Subsidies" is hereby amended to read as follows:

30 **40-6.2-1.1. Rates Established.**

31 (a) Through June 30, ~~2015-2022, subject to the payment limitations in subsection (e), the~~
32 minimum base reimbursement rates paid to licensed childcare centers for the childcare of
33 infant/toddlers, preschool aged, and school aged children by the departments of human services,
34 and children, youth and families is based on the schedule of the 25th percentile of the 2018 weekly

1 market rates as set forth in the chart herein. In addition, the maximum rates paid to these centers
 2 by both departments for childcare for infant/toddler and preschool aged children is implemented in
 3 a tiered manner that reflects the quality rating a center has achieved in accordance with the system
 4 established in § 42-12-23.1, and is based on the 75th percentile of the 2018 weekly market rates, as
 5 is also indicated in said chart below: ~~the maximum reimbursement rates to be paid by the~~
 6 ~~departments of human services and children, youth and families for licensed childcare centers and~~
 7 ~~licensed family childcare providers shall be based on the following schedule of the 75th percentile~~
 8 ~~of the 2002 weekly market rates adjusted for the average of the 75th percentile of the 2002 and the~~
 9 ~~2004 weekly market rates:~~

<u>Licensed Childcare</u>	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>	<u>Tier 4</u>	<u>Tier 5</u>
<u>Centers</u>	<u>25th</u>				<u>75th</u>
	<u>Percentile*</u>				<u>Percentile*</u>
<u>Infant/Toddler</u>	<u>\$222.38</u>	<u>\$227.65</u>	<u>\$239.96</u>	<u>\$248.75</u>	<u>\$257.54</u>
<u>Pre-School Age</u>	<u>\$187.50</u>	<u>\$193.88</u>	<u>\$208.76</u>	<u>\$219.38</u>	<u>\$230.00</u>

15 *Percentile of Weekly Market Rate Based on 2018 Survey

LICENSED CHILDCARE CENTERS	75th PERCENTILE OF WEEKLY
MARKET RATE	
INFANT	\$182.00
PRESCHOOL	\$150.00
SCHOOL AGE	\$135.00
LICENSED FAMILYCHILDCARE	75th PERCENTILE OF WEEKLY
CHILDCARE PROVIDERS	MARKET RATE
INFANT	\$150.00
PRESCHOOL	\$150.00
SCHOOL AGE	\$135.00

26 The weekly reimbursement rate for childcare provided to school age children by licensed
 27 childcare centers is \$148.50.

28 The minimum based reimbursement rates for licensed family childcare providers paid by
 29 the departments of human services, and children, youth, and families is determined through
 30 collective bargaining. The maximum reimbursement rates for infant/toddler and preschool age
 31 children paid to licensed family childcare providers by both departments is implemented in a tiered
 32 manner that reflects the quality rating the provider has achieved in accordance with § 42-12-23.1.

33 ~~Effective July 1, 2015, subject to the payment limitations in subsection (c), the maximum~~
 34 ~~reimbursement rates to be paid by the departments of human services and children, youth and~~

1 ~~families for licensed childcare centers and licensed family childcare providers shall be based on~~
2 ~~the above schedule of the 75th percentile of the 2002 weekly market rates adjusted for the average~~
3 ~~of the 75th percentile of the 2002 and the 2004 weekly market rates. These rates shall be increased~~
4 ~~by ten dollars (\$10.00) per week for infant/toddler care provided by licensed family childcare~~
5 ~~providers and license exempt providers and then the rates for all providers for all age groups shall~~
6 ~~be increased by three percent (3%). For the fiscal year ending June 30, 2018, licensed childcare~~
7 ~~centers shall be reimbursed a maximum weekly rate of one hundred ninety three dollars and sixty~~
8 ~~four cents (\$193.64) for infant/toddler care and one hundred sixty one dollars and seventy one~~
9 ~~cents (\$161.71) for preschool age children.~~

10 ~~(b) Effective July 1, 2018, subject to the payment limitations in subsection (c), the~~
11 ~~maximum infant/toddler and preschool age reimbursement rates to be paid by the departments of~~
12 ~~human services and children, youth and families for licensed childcare centers shall be~~
13 ~~implemented in a tiered manner, reflective of the quality rating the provider has achieved within~~
14 ~~the state's quality rating system outlined in § 42-12-23.1.~~

15 ~~(1) For infant/toddler childcare, tier one shall be reimbursed two and one half percent~~
16 ~~(2.5%) above the FY 2018 weekly amount, tier two shall be reimbursed five percent (5%) above~~
17 ~~the FY 2018 weekly amount, tier three shall be reimbursed thirteen percent (13%) above the FY~~
18 ~~2018 weekly amount, tier four shall be reimbursed twenty percent (20%) above the FY 2018 weekly~~
19 ~~amount, and tier five shall be reimbursed thirty three percent (33%) above the FY 2018 weekly~~
20 ~~amount.~~

21 ~~(2) For preschool reimbursement rates, tier one shall be reimbursed two and one half~~
22 ~~(2.5%) percent above the FY 2018 weekly amount, tier two shall be reimbursed five percent (5%)~~
23 ~~above the FY 2018 weekly amount, tier three shall be reimbursed ten percent (10%) above the FY~~
24 ~~2018 weekly amount, tier four shall be reimbursed thirteen percent (13%) above the FY 2018~~
25 ~~weekly amount, and tier five shall be reimbursed twenty one percent (21%) above the FY 2018~~
26 ~~weekly amount.~~

27 ~~(c) [Deleted by P.L. 2019, ch. 88, art. 13, § 4].~~

28 ~~(d) By June 30, 2004, and biennially through June 30, 2014, the department of labor and~~
29 ~~training shall conduct an independent survey or certify an independent survey of the then current~~
30 ~~weekly market rates for childcare in Rhode Island and shall forward such weekly market rate survey~~
31 ~~to the department of human services. The next survey shall be conducted by June 30, 2016, and~~
32 ~~triennially thereafter. The departments of human services and labor and training will jointly~~
33 ~~determine the survey criteria including, but not limited to, rate categories and sub categories.~~

1 ~~(e) In order to expand the accessibility and availability of quality childcare, the department~~
2 ~~of human services is authorized to establish by regulation alternative or incentive rates of~~
3 ~~reimbursement for quality enhancements, innovative or specialized childcare and alternative~~
4 ~~methodologies of childcare delivery, including non-traditional delivery systems and collaborations.~~

5 ~~(f) Effective January 1, 2007, all childcare providers have the option to be paid every two~~
6 ~~(2) weeks and have the option of automatic direct deposit and/or electronic funds transfer of~~
7 ~~reimbursement payments.~~

8 ~~(g) Effective July 1, 2019, the maximum infant/toddler reimbursement rates to be paid by~~
9 ~~the departments of human services and children, youth and families for licensed family childcare~~
10 ~~providers shall be implemented in a tiered manner, reflective of the quality rating the provider has~~
11 ~~achieved within the state's quality rating system outlined in § 42-12-23.1. Tier one shall be~~
12 ~~reimbursed two percent (2%) above the prevailing base rate for step 1 and step 2 providers, three~~
13 ~~percent (3%) above prevailing base rate for step 3 providers, and four percent (4%) above the~~
14 ~~prevailing base rate for step 4 providers; tier two shall be reimbursed five percent (5%) above the~~
15 ~~prevailing base rate; tier three shall be reimbursed eleven percent (11%) above the prevailing base~~
16 ~~rate; tier four shall be reimbursed fourteen percent (14%) above the prevailing base rate; and tier~~
17 ~~five shall be reimbursed twenty-three percent (23%) above the prevailing base rate.~~

18 SECTION 7. Section 42-56-20.2, 42-56-24 and 42-56-38 of the General Laws in Chapter
19 42-56 entitled "Corrections Department" are hereby amended to read as follows:

20 **42-56-20.2. Community confinement.**

21 (a) *Persons subject to this section.* Every person who shall have been adjudged guilty of
22 any crime after trial before a judge, a judge and jury, or before a single judge entertaining the
23 person's plea of nolo contendere or guilty to an offense ("adjudged person"), and every person
24 sentenced to imprisonment in the adult correctional institutions ("sentenced person") including
25 those sentenced or imprisoned for civil contempt, and every person awaiting trial at the adult
26 correctional institutions ("detained person") who meets the criteria set forth in this section shall be
27 subject to the terms of this section except:

28 (1) Any person who is unable to demonstrate that a permanent place of residence ("eligible
29 residence") within this state is available to that person; or

30 (2) Any person who is unable to demonstrate that he or she will be regularly employed, or
31 enrolled in an educational or vocational training program within this state, and within thirty (30)
32 days following the institution of community confinement; or

1 (3)(i) Any adjudged person or sentenced person or detained person who has been
2 convicted, within the five (5) years next preceding the date of the offense for which he or she is
3 currently so adjudged or sentenced or detained, of a violent felony.

4 A "violent felony" as used in this section shall mean any one of the following crimes or an
5 attempt to commit that crime: murder, manslaughter, sexual assault, mayhem, robbery, burglary,
6 assault with a dangerous weapon, assault or battery involving serious bodily injury, arson, breaking
7 and entering into a dwelling, child molestation, kidnapping, DWI resulting in death or serious
8 injury, driving to endanger resulting in death or serious injury; or

9 (ii) Any person currently adjudged guilty of or sentenced for or detained on any capital
10 felony; or

11 (iii) Any person currently adjudged guilty of or sentenced for or detained on a felony
12 offense involving the use of force or violence against a person or persons.

13 These shall include, but are not limited to, those offenses listed in subsection (a)(3)(i) of
14 this section; or

15 (iv) Any person currently adjudged guilty, sentenced, or detained for the sale, delivery, or
16 possession with intent to deliver a controlled substance in violation of § 21-28-4.01(a)(4)(i) or
17 possession of a certain enumerated quantity of a controlled substance in violation of §§ 21-28-
18 4.01.1 or 21-28-4.01.2; or

19 (v) Any person currently adjudged guilty of, or sentenced for, or detained on an offense
20 involving the illegal possession of a firearm.

21 (b) *Findings prior to sentencing to community confinement.* In the case of adjudged
22 persons, if the judge intends to impose a sentence of community confinement, he or she shall first
23 make specific findings, based on evidence regarding the nature and circumstances of the offense
24 and the personal history, character, record, and propensities of the defendant which are relevant to
25 the sentencing determination, and these findings shall be placed on the record at the time of
26 sentencing. These findings shall include, but are not limited to:

27 (1) A finding that the person does not demonstrate a pattern of behavior indicating a
28 propensity for violent behavior;

29 (2) A finding that the person meets each of the eligibility criteria set forth in subsection (a);

30 (3) A finding that simple probation is not an appropriate sentence;

31 (4) A finding that the interest of justice requires, for specific reasons, a sentence of non-
32 institutional confinement; and

33 (5) A finding that the person will not pose a risk to public safety if placed in community
34 confinement.

1 The facts supporting these findings shall be placed on the record and shall be subject to
2 review on appeal.

3 (c) *Community confinement.*

4 (1) There shall be established within the department of corrections, a community
5 confinement program to serve that number of adjudged persons, sentenced persons, and detainees,
6 that the director of the department of corrections ("director") shall determine on or before July 1 of
7 each year. Immediately upon that determination, the director shall notify the presiding justice of
8 the superior court of the number of adjudged persons, sentenced persons, and detainees that can be
9 accommodated in the community confinement program for the succeeding twelve (12) months.
10 One-half (1/2) of all persons sentenced to community confinement shall be adjudged persons, and
11 the balance shall be detainees and sentenced persons. The director shall provide to the presiding
12 justice of the superior court and the family court on the first day of each month a report to set forth
13 the number of adjudged persons, sentenced persons, and detainees participating in the community
14 confinement program as of each reporting date. Notwithstanding any other provision of this section,
15 if on April 1 of any fiscal year less than one-half (1/2) of all persons sentenced to community
16 confinement shall be adjudged persons, then those available positions in the community
17 confinement program may be filled by sentenced persons or detainees in accordance with the
18 procedures set forth in subsection (c)(2) of this section.

19 (2) In the case of inmates other than those classified to community confinement under
20 subsection (h) of this section, the director may make written application ("application") to the
21 sentencing judge for an order ("order") directing that a sentenced person or detainee be confined
22 within an eligible residence for a period of time, which in the case of a sentenced person, shall not
23 exceed the term of imprisonment. This application and order shall contain a recommendation for a
24 program of supervision and shall contain the findings set forth in subsections (b)(1), (b)(2), (b)(3),
25 (b)(4), and (b)(5) of this section and facts supporting these findings. The application and order may
26 contain a recommendation for the use of electronic surveillance or monitoring devices. The hearing
27 on this application shall be held within ten (10) business days following the filing of this
28 application. If the sentencing judge is unavailable to hear and consider the application the presiding
29 justice of the superior court shall designate another judge to do so.

30 (3) In lieu of any sentence that may be otherwise imposed upon any person subject to this
31 section, the sentencing judge may cause an adjudged person to be confined within an eligible
32 residence for a period of time not to exceed the term of imprisonment otherwise authorized by the
33 statute the adjudged person has been adjudged guilty of violating.

1 (4) With authorization by the sentencing judge, or, in the case of sentenced persons
2 classified to community confinement under subsection (h) of this section by the director of
3 corrections, or in accordance with the order, persons confined under the provisions of this chapter
4 may be permitted to exit the eligible residence in order to travel directly to and from their place of
5 employment or education or training and may be confined in other terms or conditions consistent
6 with the basic needs of that person that justice may demand, including the right to exit the eligible
7 residence to which that person is confined for certain enumerated purposes such as religious
8 observation, medical and dental treatment, participation in an education or vocational training
9 program, and counseling, all as set forth in the order.

10 (d) *Administration.*

11 (1) *Community confinement.* The supervision of persons confined under the provisions of
12 this chapter shall be conducted by the director, or his or her designee.

13 (2) *Intense surveillance.* The application and order shall prescribe a program of intense
14 surveillance and supervision by the department of corrections. Persons confined under the
15 provisions of this section shall be subject to searches of their persons or of their property when
16 deemed necessary by the director, or his or her designee, in order to ensure the safety of the
17 community, supervisory personnel, the safety and welfare of that person, and/or to ensure
18 compliance with the terms of that person's program of community confinement; provided, however,
19 that no surveillance, monitoring or search shall be done at manifestly unreasonable times or places
20 nor in a manner or by means that would be manifestly unreasonable under the circumstances then
21 present.

22 (3) The use of any electronic surveillance or monitoring device which is affixed to the body
23 of the person subject to supervision is expressly prohibited unless set forth in the application and
24 order or, in the case of sentenced persons classified to community confinement under subsection
25 (h), otherwise authorized by the director of corrections.

26 (4) *Regulatory authority.* The director shall have full power and authority to enforce any
27 of the provisions of this section by regulation, subject to the provisions of the Administrative
28 Procedures Act, chapter 35 of title 42. Notwithstanding any provision to the contrary, the
29 department of corrections may contract with private agencies to carry out the provisions of this
30 section. The civil liability of those agencies and their employees, acting within the scope of their
31 employment, and carrying out the provisions of this section, shall be limited in the same manner
32 and dollar amount as if they were agencies or employees of the state.

33 (e) *Violations.* Any person confined pursuant to the provisions of this section, who is found
34 to be a violator of any of the terms and conditions imposed upon him or her according to the order,

1 or in the case of sentenced persons classified to community confinement under subsection (h),
2 otherwise authorized by the director of corrections, this section, or any rules, regulations, or
3 restrictions issued pursuant hereto shall serve the balance of his or her sentence in a classification
4 deemed appropriate by the director. If that conduct constitutes a violation of § 11-25-2, the person,
5 upon conviction, shall be subject to an additional term of imprisonment of not less than one year
6 and not more than twenty (20) years. However, it shall be a defense to any alleged violation that
7 the person was at the time of the violation acting out of a necessary response to an emergency
8 situation. An "emergency situation" shall be construed to mean the avoidance by the defendant of
9 death or of substantial personal injury, as defined above, to him or herself or to others.

10 (f) *Costs.* Each person confined according to this section shall reimburse the state for the
11 costs or a reasonable portion thereof incurred by the state relating to the community confinement
12 of those persons. Costs shall be initially imposed by the sentencing judge or in the order and shall
13 be assessed by the director prior to the expiration of that person's sentence. Once assessed, those
14 costs shall become a lawful debt due and owing to the state by that person. Monies received under
15 this section shall be deposited as general funds.

16 (g) *Severability.* Every word, phrase, clause, section, subsection, and any of the provisions
17 of this section are hereby declared to be severable from the whole, and a declaration of
18 unenforceability or unconstitutionality of any portion of this section, by a judicial court of
19 competent jurisdiction, shall not affect the portions remaining.

20 (h) *Sentenced persons approaching release.* Notwithstanding the provisions set forth
21 within this section, any sentenced person committed under the direct care, custody, and control of
22 the adult correctional institutions, who is within ~~six (6) months~~ one (1) year of the projected good
23 time release date, provided that the person shall have completed at least one-half (1/2) of the full
24 term of incarceration, or any person who is sentenced to a term of six (6) months or less of
25 incarceration, provided that the person shall have completed at least ~~three-fourths (3/4)~~ one-half
26 (1/2) of the term of incarceration, may in the discretion of the director of corrections be classified
27 to community confinement. This provision shall not apply to any person whose current sentence
28 was imposed upon conviction of murder, first degree sexual assault or first degree child
29 molestation.

30 (i) *Notification to police departments.* The director, or his or her designee, shall notify the
31 appropriate police department when a sentenced, adjudged or detained person has been placed into
32 community confinement within that department's jurisdiction. That notice will include the nature
33 of the offense and the express terms and conditions of that person's confinement. That notice shall

1 also be given to the appropriate police department when a person in community confinement within
2 that department's jurisdiction is placed in escape status.

3 (j) *No incarceration credit for persons awaiting trial.* No detainee shall be given
4 incarceration credit by the director for time spent in community confinement while awaiting trial.

5 (k) *No confinement in college or university housing facilities.* Notwithstanding any
6 provision of the general laws to the contrary, no person eligible for community confinement shall
7 be placed in any college or university housing facility, including, but not limited to, dormitories,
8 fraternities or sororities. College or university housing facilities shall not be considered an "eligible
9 residence" for "community confinement."

10 (l) A sentencing judge shall have authority to waive overnight stay or incarceration at the
11 adult correctional institution after the sentencing of community confinement. Such a waiver shall
12 be binding upon the adult correctional institution and the staff thereof, including, but not limited to
13 the community confinement program.

14 [42-56-24. Earned time for good behavior or program participation or completion.](#)

15 (a) A person serving a sentence of a violation of §§ 11-5-1 (where the specified felony is
16 murder), 11-23-1, 11-26-1.4, 11-37-2, 11-37-8.1 or 11-37-8.3 shall not be eligible to earn time off
17 their term or terms of incarceration for good behavior.

18 (b) The director, or his or her designee, shall keep a record of the conduct of each prisoner,
19 and for each month that a prisoner who has been sentenced to imprisonment for six (6) months or
20 more and not under sentence to imprisonment for life, appears by the record to have faithfully
21 observed all the rules and requirements of the institutions and not to have been subjected to
22 discipline, and is serving a sentence imposed for violation of sexual offenses under §§ 11-37-4, 11-
23 37-6, 11-37-8 or 11-9-1.3 there shall, with the consent of the director of the department of
24 corrections, or his or her designee, upon recommendation to him or her by the assistant director of
25 institutions/operations, be deducted from the term or terms of sentence of that prisoner the same
26 number of days that there are years in the term of his or her sentence; provided, that when the
27 sentence is for a longer term than ten (10) years, only ten (10) days shall be deducted for one
28 month's good behavior; and provided, further, that in the case of sentences of at least six (6) months
29 and less than one year, one day per month shall be deducted.

30 For the purposes of this subsection computing the number of days to be deducted for good
31 behavior, consecutive sentences shall be counted as a whole sentence. This subsection recognizes
32 the serious nature of sex offenses; promotes community safety and protection of the public; and
33 maintains the ability of the department of corrections to oversee the rehabilitation and supervision
34 of sex offenders.

1 (c) For all prisoners serving sentences of more than one month, and not serving a sentence
2 of imprisonment for life or a sentence imposed for a violation of the offenses identified in
3 subsection (a) or (b) the director, or his or her designee, shall keep a record of the conduct of each
4 prisoner, and for each month that prisoner has faithfully observed all the rules and requirements of
5 the institutions and has not been subjected to discipline, there shall, with the consent of the director
6 of the department of corrections or his or her designee and upon recommendation by the assistant
7 director of institutions/operations, be deducted from the term or terms of sentence of that prisoner
8 ten (10) days for each month's good behavior.

9 (d) For every day a prisoner shall be shut up or otherwise disciplined for bad conduct, as
10 determined by the assistant director, institutions/operations, subject to the authority of the director,
11 there shall be deducted one day from the time he or she shall have gained for good conduct.

12 (e) The assistant director, or his or her designee, subject to the authority of the director,
13 shall have the power to restore lost good conduct time in whole or in part upon a showing by the
14 prisoner of subsequent good behavior and disposition to reform.

15 (f) For each month that a prisoner who has been sentenced to imprisonment for more than
16 one month and not under sentence to imprisonment for life who has faithfully engaged in
17 institutional industries there shall, with the consent of the director, upon the recommendations to
18 him or her by the assistant director, institutions/operations, be deducted from the term or terms of
19 the prisoner an additional two (2) days a month.

20 (g) Except those prisoners serving a sentence imposed for violation of subsection (a) or (b),
21 for each month that a prisoner who has been sentenced to imprisonment for more than one month
22 and not under sentence to imprisonment for life has participated faithfully in programs that have
23 been determined by the director or his/her designee to address that prisoner's individual needs that
24 are related to his/her criminal behavior, there may, with the consent of the director and upon the
25 recommendation of the assistant director, rehabilitative services, be deducted from the term or
26 terms of the prisoner up to an additional five (5) days a month. Furthermore, whenever the prisoner
27 has successfully completed such program, they may; with the consent of the director and upon the
28 recommendation by the assistant director, rehabilitative services, be deducted from the term or
29 terms of the prisoner up to an additional thirty (30) days.

30 (h) A person who is serving a term or terms of a probation sentence of one year or
31 longer, including a person who has served a term of incarceration followed by a probation
32 sentence, except those serving a term of probation for a sentence in violation of §§ 11-5-1 (where
33 the specified felony is murder or sexual assault), 11-23-1, 11-26-1.4, 11-37-2, 11-37-8.1 or 11-37-
34 8.3 shall upon serving three years of their probation sentence be eligible to earn time off their term

1 or terms of the probation sentence for compliance with court-ordered terms and conditions of
2 probation. Calculation of these credits shall commence upon the probationer's completion
3 of all terms of incarceration.

4 (i) The director, or his or her designee, shall keep a record of the conduct of each
5 probationer. For each month that the probationer has not had a judicial finding of a violation of
6 conditions of probation, there shall, with the consent of the director of the department of
7 corrections, or designee, upon recommendation of the assistant director of
8 institutions/operations, or designee, be deducted from the term or terms of the probationer's
9 sentence (10) ten days for each month's compliance with the terms and conditions of their
10 probation.

11 (ii) For each month that a violation of probation is pending the probationer shall not be
12 eligible to earn probation compliance credits. In the event there is a judicial determination that the
13 probationer did not violate his or her terms and conditions of probation, credit will be awarded
14 retroactive to the date of the filing of the probation violation. In the event there is a judicial
15 determination that the probationer did violate his or her terms and conditions of
16 probation, the probationer shall not be awarded compliance credits for the time during which the
17 violation was pending, and further, the court may order revocation of prior
18 earned compliance credits.

19 (iii) The probation department of the Department of Corrections shall keep a record of the
20 probationer's sentence to include the person's end of sentence date based on earned credits for
21 compliance with their terms and conditions of probation.

22 (iv) This section shall apply to all individuals sentenced to probation, including those
23 sentenced prior to enactment of the statute. However, the award of probation compliance
24 credits shall be prospective only from the date of enactment of the statute.

25 **42-56-38. Assessment of costs.**

26 (a) Each sentenced offender committed to the care, custody or control of the department of
27 corrections shall reimburse the state for the cost or the reasonable portion of the cost incurred by
28 the state relating to that commitment; provided, however, that a person committed, awaiting trial
29 and not convicted, shall not be liable for the reimbursement. Items of cost shall include physical
30 services and commodities such as food, medical, clothing and specialized housing, as well as social
31 services such as specialized supervision and counseling. Costs shall be assessed by the director of
32 corrections, or his or her designee, based upon each person's ability to pay, following a public
33 hearing of proposed fee schedules. Each offender's family income and number of dependents shall
34 be among the factors taken into consideration when determining ability to pay. Moneys received

1 under this section shall be deposited as general revenues. The director shall promulgate rules and
2 regulations necessary to carry out the provisions of this section. The rules and regulations shall
3 provide that the financial situation of persons, financially dependent on the person, be considered
4 prior to the determination of the amount of reimbursement. This section shall not be effective until
5 the date the rules and regulations are filed with the office of the secretary of state.

6 (b) Notwithstanding the provision of subsection (a), or any rule or regulation promulgated
7 by the director, any sentenced offender who is ordered or directed to the work release program,
8 shall pay no less than thirty percent (30%) of his or her ~~gross~~ net salary for room and board.

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

10

1 **ARTICLE 14**

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
4 entitled "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~~ 2020, the period from October 1, ~~2016~~ 2018,
8 through September 30, ~~2017~~ 2019, and for any fiscal year ending after September 30, ~~2019~~ 2021,
9 the period from October 1, ~~2016~~ 2018, through September 30, ~~2017~~ 2019.

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 year
12 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 to
17 § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on that license, regardless
18 of changes in licensure status pursuant to chapter 17.14 of title 23 (hospital conversions) and § 23-
19 17-6(b) (change in effective control), that provides short-term, acute inpatient and/or outpatient
20 care to persons who require definitive diagnosis and treatment for injury, illness, disabilities, or
21 pregnancy. Notwithstanding the preceding language, the negotiated Medicaid managed-care
22 payment rates for a court-approved purchaser that acquires a hospital through receivership, special
23 mastership, or other similar state insolvency proceedings (which court-approved purchaser is issued
24 a hospital license after January 1, 2013), shall be based upon the newly negotiated rates between
25 the court-approved purchaser and the health plan, and the rates shall be effective as of the date that
26 the court-approved purchaser and the health plan execute the initial agreement containing the newly
27 negotiated rate. The rate-setting methodology for inpatient hospital payments and outpatient
28 hospital payments set forth in §§ 40-8-13.4(b)(1)(ii)(C) and 40-8-13.4(b)(2), respectively, shall
29 thereafter apply to negotiated increases for each annual twelve-month (12) period as of July 1
30 following the completion of the first full year of the court-approved purchaser's initial Medicaid
31 managed-care contract;

32 (ii) Achieved a medical assistance inpatient utilization rate of at least one percent (1%)
33 during the base year; and

1 (iii) Continues to be licensed as a hospital in accordance with chapter 17 of title 23 during
2 the 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 care
5 (free care and bad debts) for which the patient has no health insurance or other third-party coverage
6 less payments, if any, received directly from such patients; and (ii) The cost incurred by such
7 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 payment
12 year; provided, however, that the uncompensated-care index for the payment year ending
13 September 30, 2007, shall be deemed to be five and thirty-eight hundredths percent (5.38%), and
14 that the uncompensated-care index for the payment year ending September 30, 2008, shall be
15 deemed to be five and forty-seven hundredths percent (5.47%), and that the uncompensated-care
16 index for the payment year ending September 30, 2009, shall be deemed to be five and thirty-eight
17 hundredths percent (5.38%), and that the uncompensated-care index for the payment years ending
18 September 30, 2010, September 30, 2011, September 30, 2012, September 30, 2013, September
19 30, 2014, September 30, 2015, September 30, 2016, September 30, 2017, September 30, 2018,
20 September 30, 2019, ~~and~~ September 30, 2020, [September 30, 2021, and September 30, 2022](#) shall
21 be deemed to be five and thirty hundredths percent (5.30%).

22 [40-8.3-3. Implementation.](#)

23 ~~(a) For federal fiscal year 2018, commencing on October 1, 2017, and ending September~~
24 ~~30, 2018, the executive office of health and human services shall submit to the Secretary of the~~
25 ~~United States Department of Health and Human Services a state plan amendment to the Rhode~~
26 ~~Island Medicaid DSH Plan to provide:~~

27 ~~(1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of~~
28 ~~\$138.6 million, shall be allocated by the executive office of health and human services to the Pool~~
29 ~~D component of the DSH Plan; and~~

30 ~~(2) That the Pool D allotment shall be distributed among the participating hospitals in direct~~
31 ~~proportion to the individual participating hospital's uncompensated care costs for the base year,~~
32 ~~inflated by the uncompensated care index to the total uncompensated care costs for the base year~~
33 ~~inflated by uncompensated care index for all participating hospitals. The disproportionate share~~
34 ~~payments shall be made on or before July 10, 2018, and are expressly conditioned upon approval~~

1 ~~on or before July 5, 2018, by the Secretary of the United States Department of Health and Human~~
2 ~~Services, or his or her authorized representative, of all Medicaid state plan amendments necessary~~
3 ~~to secure for the state the benefit of federal financial participation in federal fiscal year 2018 for~~
4 ~~the disproportionate share payments.~~

5 (b) ~~For federal fiscal year 2019, commencing on October 1, 2018, and ending September~~
6 ~~30, 2019, the executive office of health and human services shall submit to the Secretary of the~~
7 ~~United States Department of Health and Human Services a state plan amendment to the Rhode~~
8 ~~Island Medicaid DSH Plan to provide:~~

9 (1) ~~That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of~~
10 ~~\$142.4 million, shall be allocated by the executive office of health and human services to the Pool~~
11 ~~D component of the DSH Plan; and~~

12 (2) ~~That the Pool D allotment shall be distributed among the participating hospitals in direct~~
13 ~~proportion to the individual participating hospital's uncompensated care costs for the base year,~~
14 ~~inflated by the uncompensated care index to the total uncompensated care costs for the base year~~
15 ~~inflated by uncompensated care index for all participating hospitals. The disproportionate share~~
16 ~~payments shall be made on or before July 10, 2019, and are expressly conditioned upon approval~~
17 ~~on or before July 5, 2019, by the Secretary of the United States Department of Health and Human~~
18 ~~Services, or his or her authorized representative, of all Medicaid state plan amendments necessary~~
19 ~~to secure for the state the benefit of federal financial participation in federal fiscal year 2019 for~~
20 ~~the disproportionate share payments.~~

21 (e) (a) For federal fiscal year 2020, commencing on October 1, 2019, and ending September
22 30, 2020, the executive office of health and human services shall submit to the Secretary of the
23 United States Department of Health and Human Services a state plan amendment to the Rhode
24 Island Medicaid DSH Plan to provide:

25 (1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of
26 ~~\$142.4~~ \$142.3 million, shall be allocated by the executive office of health and human services to
27 the Pool D component of the DSH Plan; and

28 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct
29 proportion to the individual participating hospital's uncompensated-care costs for the base year,
30 inflated by the uncompensated-care index to the total uncompensated-care costs for the base year
31 inflated by uncompensated-care index for all participating hospitals. The disproportionate share
32 payments shall be made on or before July 13, 2020, and are expressly conditioned upon approval
33 on or before July 6, 2020, by the Secretary of the United States Department of Health and Human
34 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 (b) For federal fiscal year 2021, commencing on October 1, 2020, and ending September
4 30, 2021, the executive office of health and human services shall submit to the Secretary of the
5 U.S. Department of Health and Human Services a state plan amendment to the Rhode Island
6 Medicaid 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 12, 2021, and are expressly conditioned upon approval
15 on or before July 5, 2021, by the Secretary of the U.S. Department of Health and Human Services,
16 or his or her authorized representative, of all Medicaid state plan amendments necessary to secure
17 for the state the benefit of federal financial participation in federal fiscal year 2021 for the
18 disproportionate share payments.

19 (c) For federal fiscal year 2022, commencing on October 1, 2021, and ending September
20 30, 2022, the executive office of health and human services shall submit to the Secretary of the
21 U.S. Department of Health and Human Services a state plan amendment to the Rhode Island
22 Medicaid DSH Plan to provide:

23 (1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of
24 \$142.5 million, shall be allocated by the executive office of health and human services to the Pool
25 D component of the DSH Plan; and

26 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct
27 proportion to the individual participating hospital's uncompensated care costs for the base year,
28 inflated by the uncompensated care index to the total uncompensated care costs for the base year
29 inflated by uncompensated care index for all participating hospitals. The disproportionate share
30 payments shall be made on or before July 12, 2022, and are expressly conditioned upon approval
31 on or before July 5, 2022, by the Secretary of the U.S. Department of Health and Human Services,
32 or his or her authorized representative, of all Medicaid state plan amendments necessary to secure
33 for the state the benefit of federal financial participation in federal fiscal year 2022 for the
34 disproportionate share payments.

1 (d) No provision is made pursuant to this chapter for disproportionate-share hospital
2 payments to participating hospitals for uncompensated-care costs related to graduate medical
3 education programs.

4 (e) The executive office of health and human services is directed, on at least a monthly
5 basis, to collect patient-level uninsured information, including, but not limited to, demographics,
6 services rendered, and reason for uninsured status from all hospitals licensed in Rhode Island.

7 SECTION 2. This article shall take effect as of July 1, 2021.

8

1 **ARTICLE 15**

2 **RELATING TO HEALTHCARE REFORM**

3 SECTION 1. Title 5 of the General Laws entitled "Businesses and Professions" is hereby
4 amended by adding thereto the following chapter:

5 CHAPTER 37.8

6 THE INTERSTATE MEDICAL LICENSURE COMPACT

7 **5-37.8-1. Short title.**

8 This chapter shall be known and may be cited as the "interstate medical licensure compact
9 act."

10 **5-37.8-2. Purpose.**

11 In order to strengthen access to health care, and in recognition of the advances in the
12 delivery of health care, the member states of the interstate medical licensure compact have allied
13 in common purpose to develop a comprehensive process that complements the existing licensing
14 and regulatory authority of state medical boards, provides a streamlined process that allows
15 physicians to become licensed in multiple states, thereby enhancing the portability of a medical
16 license and ensuring the safety of patients. The compact creates another pathway for licensure and
17 does not otherwise change a state's existing medical practice act. The compact also adopts the
18 prevailing standard for licensure and affirms that the practice of medicine occurs where the patient
19 is located at the time of the physician-patient encounter, and therefore, requires the physician to be
20 under the jurisdiction of the state medical board where the patient is located. State medical boards
21 that participate in the compact retain the jurisdiction to impose an adverse action against a license
22 to practice medicine in that state issued to a physician through the procedures in the compact.

23 **5-37.8-3. Definitions.**

24 As used in this chapter, the following words and terms shall have the following meanings:

25 (1) "Bylaws" means those bylaws established by the interstate commission pursuant to §5-
26 37.8-12 for its governance, or for directing and controlling its actions and conduct.

27 (2) "Commissioner" means the voting representative designated by each member board
28 pursuant to § 5-37.8-12.

29 (3) "Conviction" means a finding by a court that an individual is guilty of a criminal offense
30 through adjudication, or entry of a plea of guilt, nolo contendere, or no contest to the charge by the
31 offender. Evidence of an entry of a conviction of a criminal offense by the court shall be considered
32 final for purposes of disciplinary action by a member board.

33 (4) "Expedited license" means a full and unrestricted medical license granted by a member
34 state to an eligible physician through the process set forth in the compact.

1 (5) "Interstate commission" means the interstate commission created pursuant to § 5-37.8-
2 12.

3 (6) "Interstate medical licensure compact" or "compact" means the interstate medical
4 licensure compact created pursuant to this chapter.

5 (7) "License" means authorization by a state for a physician to engage in the practice of
6 medicine, which would be unlawful without the authorization.

7 (8) "Medical practice act" means laws and regulations governing the practice of allopathic
8 and osteopathic medicine within a member state.

9 (9) "Member board" means the Rhode Island board of medical licensure and discipline.

10 (10) "Member state" means a state that has enacted the compact.

11 (11) "Practice of medicine" means the clinical prevention, diagnosis, or treatment of human
12 disease, injury, or condition requiring a physician to obtain and maintain a license in compliance
13 with the medical practice act of this state.

14 (12) "Physician" means any person who:

15 (i) Is a graduate of a medical school accredited by the Liaison Committee on Medical
16 Education, the Commission on Osteopathic College Accreditation, or a medical school listed in the
17 International Medical Education Directory or its equivalent;

18 (ii) Passed each component of the United States Medical Licensing Examination (USMLE)
19 or the Comprehensive Osteopathic Medical Licensing Examination (COMLEX-USA) within three
20 (3) attempts, or any of its predecessor examinations accepted by a state medical board as an
21 equivalent examination for licensure purposes;

22 (iii) Successfully completed graduate medical education approved by the Accreditation
23 Council for Graduate Medical Education or the American Osteopathic Association;

24 (iv) Holds specialty certification or a time-unlimited specialty certificate recognized by the
25 American Board of Medical Specialties or the American Osteopathic Association's Bureau of
26 Osteopathic Specialists;

27 (v) Possesses a full and unrestricted license to engage in the practice of medicine issued by
28 a member board;

29 (vi) Has never been convicted, received adjudication, deferred adjudication, community
30 supervision, or deferred disposition for any offense by a court of appropriate jurisdiction;

31 (vii) Has never held a license authorizing the practice of medicine subjected to discipline
32 by a licensing agency in any state, federal, or foreign jurisdiction, excluding any action related to
33 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 in
4 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 license
19 to practice medicine in a member state if the individual complies with all laws and requirements,
20 other than the compact, relating to the issuance of a license to practice medicine in that state.

21 **5-37.8-5. Designation of state principal license.**

22 (a) A physician shall designate a member state as the state of principal license for purposes
23 of registration for expedited licensure through the compact if the physician possesses a full and
24 unrestricted license to practice medicine in that state, and the state is:

25 (1) The state of primary residence for the physician; or

26 (2) The state where at least twenty-five percent (25%) of the practice of medicine occurs;

27 or

28 (3) The location of the physician's employer; or

29 (4) If no state qualifies under §§ 5-37.8-5(a)(1), (2), or (3), the state designated as state of
30 residence for purpose of federal income tax.

31 (b) A physician may redesignate a member state as state of principal license at any time,
32 as long as the state meets the requirements in § 5-37.8-5(a).

33 (c) The interstate commission is authorized to develop rules to facilitate redesignation of
34 another member state as the state of principal license.

1 **5-37.8-6. Application and issuance of expedited licensure.**

2 (a) A physician seeking licensure through the compact shall file an application for an
3 expedited license with the member board of the state selected by the physician as the state of
4 principal license.

5 (b) Upon receipt of an application for an expedited license, the member board within the
6 state selected as the state of principal license shall evaluate whether the physician is eligible for
7 expedited licensure and issue a letter of qualification, verifying or denying the physician's
8 eligibility, to the interstate commission.

9 (1) State qualifications, which include verification of medical education, graduate medical
10 education, results of any medical or licensing examination, and other qualifications as determined
11 by the interstate commission through rule, shall not be subject to additional primary source
12 verification where already primary source verified by the state of principal license.

13 (2) The member board within the state selected as the state of principal license shall, in the
14 course of verifying eligibility, perform a criminal background check of an applicant, including the
15 use of the results of fingerprint or other biometric data checks compliant with the requirements of
16 the Federal Bureau of Investigation, with the exception of federal employees who have suitability
17 determination in accordance with U.S.C.F.R. § 731.202.

18 (3) Appeal on the determination of eligibility shall be made to the member state where the
19 application was filed and shall be subject to the laws of that state.

20 (c) Upon verification in § 5-37.8-6(b), physicians eligible for an expedited license shall
21 complete the registration process established by the interstate commission to receive a license in a
22 member state selected pursuant to § 5-37.8-6(a), including the payment of any applicable fees.

23 (d) After receiving verification of eligibility under § 5-37.8-6(b) and any fees under § 5-
24 37.8-6(c), a member board shall issue an expedited license to the physician. This license shall
25 authorize the physician to practice medicine in the issuing state consistent with the medical practice
26 act and all applicable laws and regulations of the issuing member board and member state.

27 (e) An expedited license shall be valid for a period consistent with the licensure period in
28 the member state and in the same manner as required for other physicians holding a full and
29 unrestricted license within the member state.

30 (f) An expedited license obtained through the compact shall be terminated if a physician
31 fails to maintain a license in the state of principal licensure for a non-disciplinary reason, without
32 redesignation of a new state of principal licensure.

33 (g) The interstate commission is authorized to develop rules regarding the application
34 process, including payment of any applicable fees, and the issuance of an expedited license.

1 **5-37.8-7. Fees for expedited licensure.**

2 (a) A member state issuing an expedited license authorizing the practice of medicine in that
3 state may impose a fee for a license issued or renewed through the compact.

4 (b) The interstate commission is authorized to develop rules regarding fees for expedited
5 licenses.

6 **5-37.8-8. Renewal and continued participation.**

7 (a) A physician seeking to renew an expedited license granted in a member state shall
8 complete a renewal process with the interstate commission if the physician:

9 (1) Maintains a full and unrestricted license in a state of principal license;

10 (2) Has not been convicted, received adjudication, deferred adjudication, community
11 supervision, or deferred disposition for any offense by a court of appropriate jurisdiction;

12 (3) Has not had a license authorizing the practice of medicine subject to discipline by a
13 licensing agency in any state, federal, or foreign jurisdiction, excluding any action related to
14 nonpayment of fees related to a license; and

15 (4) Has not had a controlled substance license or permit suspended or revoked by a state
16 or the United States Drug Enforcement Administration.

17 (b) Physicians shall comply with all continuing professional development or continuing
18 medical education requirements for renewal of a license issued by a member state.

19 (c) The interstate commission shall collect any renewal fees charged for the renewal of a
20 license and distribute the fees to the applicable member board.

21 (d) Upon receipt of any renewal fees collected in § 5-37.8-8(c), a member board shall renew
22 the physician's license.

23 (e) Physician information collected by the interstate commission during the renewal
24 process will be distributed to all member boards.

25 (f) The interstate commission is authorized to develop rules to address renewal of licenses
26 obtained through the compact.

27 **5-37.8-9. Coordinated information system.**

28 (a) The interstate commission shall establish a database of all physicians licensed, or who
29 have applied for licensure, under § 5-37.8-6.

30 (b) Notwithstanding any other provision of law, member boards shall report to the interstate
31 commission any public action or complaints against a licensed physician who has applied or
32 received an expedited license through the compact.

33 (c) Member boards shall report disciplinary or investigatory information determined as
34 necessary and proper by rule of the interstate commission.

1 (d) Member boards may report any non-public complaint, disciplinary, or investigatory
2 information not required by § 5-37.8-6(c) to the interstate commission.

3 (e) Member boards shall share complaint or disciplinary information about a physician
4 upon request of another member board.

5 (f) All information provided to the interstate commission or distributed by member boards
6 shall be confidential, filed under seal, and used only for investigatory or disciplinary matters.

7 (g) The interstate commission is authorized to develop rules for mandated or discretionary
8 sharing of information by member boards.

9 **5-37.8-10. Joint investigations.**

10 (a) Licensure and disciplinary records of physicians are deemed investigative.

11 (b) In addition to the authority granted to a member board by its respective medical practice
12 act or other applicable state law, a member board may participate with other member boards in
13 joint investigations of physicians licensed by the member boards.

14 (c) A subpoena issued by a member state shall be enforceable in other member states.

15 (d) Member boards may share any investigative, litigation, or compliance materials in
16 furtherance of any joint or individual investigation initiated under the compact.

17 (e) Any member state may investigate actual or alleged violations of the statutes
18 authorizing the practice of medicine in any other member state in which a physician holds a license
19 to practice medicine.

20 **5-37.8-11. Disciplinary actions.**

21 (a) Any disciplinary action taken by any member board against a physician licensed
22 through the compact shall be deemed unprofessional conduct which may be subject to discipline
23 by other member boards, in addition to any violation of the medical practice act or regulations in
24 that state.

25 (b) If a license granted to a physician by the member board in the state of principal license
26 is revoked, surrendered or relinquished in lieu of discipline, or suspended, then all licenses issued
27 to the physician by member boards shall automatically be placed, without further action necessary
28 by any member board, on the same status. If the member board in the state of principal license
29 subsequently reinstates the physician's license, a license issued to the physician by any other
30 member board shall remain encumbered until that respective member board takes action to reinstate
31 the license in a manner consistent with the medical practice act of that state.

32 (c) If disciplinary action is taken against a physician by a member board not in the state of
33 principal license, any other member board may deem the action conclusive as to matter of law and
34 fact decided, and:

1 (1) impose the same or lesser sanction(s) against the physician so long as such sanctions
2 are consistent with the medical practice act of that state; or

3 (2) Pursue separate disciplinary action against the physician under its respective medical
4 practice act, regardless of the action taken in other member states.

5 (d) If a license granted to a physician by a member board is revoked, surrendered or
6 relinquished in lieu of discipline, or suspended, then any license(s) issued to the physician by any
7 other member board(s) shall be suspended, automatically and immediately without further action
8 necessary by the other member board(s), for ninety (90) days upon entry of the order by the
9 disciplining board, to permit the member board(s) to investigate the basis for the action under the
10 medical practice act of that state. A member board may terminate the automatic suspension of the
11 license it issued prior to the completion of the ninety (90) day suspension period in a manner
12 consistent with the medical practice act of that state.

13 **5-37.8-12. Interstate medical licensure compact commission.**

14 (a) The member states hereby create the "Interstate Medical Licensure Compact
15 commission".

16 (b) The purpose of the interstate commission is the administration of the interstate medical
17 licensure compact, which is a discretionary state function.

18 (c) The interstate commission shall be a body corporate and joint agency of the member
19 states and shall have all the responsibilities, powers, and duties set forth in the compact, and such
20 additional powers as may be conferred upon it by a subsequent concurrent action of the respective
21 legislatures of the member states in accordance with the terms of the compact.

22 (d) The interstate commission shall consist of two (2) voting representatives designated
23 by each member state who shall serve as commissioners. In states where allopathic and osteopathic
24 physicians are regulated by separate member boards, or if the licensing and disciplinary authority
25 is split between multiple member boards within a member state, the member state shall appoint one
26 representative from each member board. A commissioner shall be a(n):

27 (1) Allopathic or osteopathic physician appointed to a member board;

28 (2) Executive director, executive secretary, or similar executive of a member board; or

29 (3) Member of the public appointed to a member board.

30 (e) The interstate commission shall meet at least once each calendar year. A portion of this
31 meeting shall be a business meeting to address such matters as may properly come before the
32 commission, including the election of officers. The chairperson may call additional meetings and
33 shall call for a meeting upon the request of a majority of the member states.

1 (f) The bylaws may provide for meetings of the interstate commission to be conducted by
2 telecommunication or electronic communication.

3 (g) Each commissioner participating at a meeting of the interstate commission is entitled
4 to one vote. A majority of commissioners shall constitute a quorum for the transaction of business,
5 unless a larger quorum is required by the bylaws of the interstate commission. A commissioner
6 shall not delegate a vote to another commissioner. In the absence of its commissioner, a member
7 state may delegate voting authority for a specified meeting to another person from that state who
8 shall meet the requirements of § 5-37.8-12(d).

9 (h) The interstate commission shall not be subject to the requirements of the Rhode Island
10 Open Meetings Act, R.I. Gen. Laws §§ 42-46-1 et seq., but rather shall adhere to the requirements
11 stated in this chapter. The interstate commission shall provide public notice of all meetings and all
12 meetings shall be open to the public. The interstate commission may close a meeting, in full or in
13 portion, where it determines by a two-thirds (2/3) vote of the commissioners present that an open
14 meeting would be likely to:

15 (1) Relate solely to the internal personnel practices and procedures of the interstate
16 commission;

17 (2) Discuss matters specifically exempted from disclosure by federal statute;

18 (3) Discuss trade secrets, commercial, or financial information that is privileged or
19 confidential;

20 (4) Involve accusing a person of a crime, or formally censuring a person;

21 (5) Discuss information of a personal nature where disclosure would constitute a clearly
22 unwarranted invasion of personal privacy;

23 (6) Discuss investigative records compiled for law enforcement purposes; or

24 (7) Specifically relate to the participation in a civil action or other legal proceeding.

25 (i) The interstate commission shall keep minutes which shall fully describe all matters
26 discussed in a meeting and shall provide a full and accurate summary of actions taken, including
27 record of any roll call votes.

28 (j) The interstate commission shall not be subject to the requirements of the Rhode Island
29 Access to Public Records Act, R.I. Gen. Laws §§ 38-2-1 et seq., but rather shall adhere to the
30 requirements stated in this chapter. The interstate commission shall make its information and
31 official records, to the extent not otherwise designated in the compact or by its rules, available to
32 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 commission
9 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 (such promulgation not being subject to the requirements of the Rhode Island
13 Administrative Procedures Act, R.I. Gen. Laws §§ 42-35-1 *et seq.*, but rather adhering to the
14 requirements stated in this chapter);

15 (3) Issue, upon the request of a member state or member board, advisory opinions
16 concerning the meaning or interpretation of the compact, its bylaws, rules, and actions;

17 (4) Enforce compliance with compact provisions, the rules promulgated by the interstate
18 commission, and the bylaws, using all necessary and proper means, including, but not limited to,
19 the use of judicial process;

20 (5) Establish and appoint committees including, but not limited to, an executive committee
21 as required by § 5-37.8-12, which shall have the power to act on behalf of the interstate commission
22 in carrying out its powers and duties;

23 (6) Pay, or provide for the payment of the expenses related to the establishment,
24 organization, and ongoing activities of the interstate commission;

25 (7) Establish and maintain one or more offices;

26 (8) Borrow, accept, hire, or contract for services of personnel;

27 (9) Purchase and maintain insurance and bonds;

28 (10) Employ an executive director who shall have such powers to employ, select or appoint
29 employees, agents, or consultants, and to determine their qualifications, define their duties, and fix
30 their compensation;

31 (11) Establish personnel policies and programs relating to conflicts of interest, rates of
32 compensation, and qualifications of personnel;

1 (12) Accept donations and grants of money, equipment, supplies, materials and services,
2 and to receive, utilize, and dispose of it in a manner consistent with the conflict of interest policies
3 established by the interstate commission;

4 (13) Lease, purchase, accept contributions or donations of, or otherwise to own, hold,
5 improve or use, any property, real, personal, or mixed;

6 (14) Sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any
7 property, real, personal, or mixed;

8 (15) Establish a budget and make expenditures;

9 (16) Adopt a seal and bylaws governing the management and operation of the interstate
10 commission;

11 (17) Report annually to the legislatures and governors of the member states concerning the
12 activities of the interstate commission during the preceding year. Such reports shall also include
13 reports of financial audits and any recommendations that may have been adopted by the interstate
14 commission;

15 (18) Coordinate education, training, and public awareness regarding the compact, its
16 implementation, and its operation;

17 (19) Maintain records in accordance with the bylaws;

18 (20) Seek and obtain trademarks, copyrights, and patents; and

19 (21) Perform such functions as may be necessary or appropriate to achieve the purposes of
20 the compact.

21 **5-37.8-14. Finance powers.**

22 (a) The interstate commission may levy on and collect an annual assessment from each
23 member state to cover the cost of the operations and activities of the interstate commission and its
24 staff. The total assessment must be sufficient to cover the annual budget approved each year for
25 which revenue is not provided by other sources. The aggregate annual assessment amount shall be
26 allocated upon a formula to be determined by the interstate commission, which shall promulgate a
27 rule binding upon all member states.

28 (b) The interstate commission shall not incur obligations of any kind prior to securing the
29 funds adequate to meet the same.

30 (c) The interstate commission shall not pledge the credit of any of the member states, except
31 by, and with the authority of, the member state.

32 (d) The interstate commission shall be subject to a yearly financial audit conducted by a
33 certified or licensed public accountant and the report of the audit shall be included in the annual
34 report of the interstate commission.

1 **5-37.8-15. Organization and operation of the interstate commission.**

2 (a) The interstate commission shall, by a majority of commissioners present and voting,
3 adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the purposes of
4 the compact within twelve (12) months of the first interstate commission meeting.

5 (b) The interstate commission shall elect or appoint annually from among its
6 commissioners a chairperson, a vice-chairperson, and a treasurer, each of whom shall have such
7 authority and duties as may be specified in the bylaws. The chairperson, or in the chairperson's
8 absence or disability, the vice-chairperson, shall preside at all meetings of the interstate
9 commission.

10 (c) Officers selected in § 5-37.8-15(b) shall serve without remuneration from the interstate
11 commission.

12 (d) The officers and employees of the interstate commission shall be immune from suit and
13 liability, either personally or in their official capacity, for a claim for damage to or loss of property
14 or personal injury or other civil liability caused or arising out of, or relating to, an actual or alleged
15 act, error, or omission that occurred, or that such person had a reasonable basis for believing
16 occurred, within the scope of interstate commission employment, duties, or responsibilities;
17 provided that such person shall not be protected from suit or liability for damage, loss, injury, or
18 liability caused by the intentional or willful and wanton misconduct of such 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, employees,
23 and agents. The interstate commission is considered to be an instrumentality of the states for the
24 purposes of any such action. Nothing in this subsection shall be construed to protect such person
25 from suit or liability for damage, loss, injury, or liability caused by the intentional or willful and
26 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 or
31 alleged act, error or omission that occurred within the scope of interstate commission employment,
32 duties or responsibilities, or that the defendant had a reasonable basis for believing occurred within
33 the scope of interstate commission employment, duties, or responsibilities, provided that the actual

1 or alleged act, error, or omission did not result from intentional or willful and wanton misconduct
2 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 scope
7 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 not be subject to the requirements of the Rhode Island
13 Administrative Procedures Act, R.I. Gen. Laws § 42-35-1 et seq., but rather shall adhere to the
14 requirements stated in this chapter. The interstate commission shall promulgate reasonable rules
15 in order to effectively and efficiently achieve the purposes of the compact. Notwithstanding the
16 foregoing, in the event the interstate commission exercises its rulemaking authority in a manner
17 that is beyond the scope of the purposes of the compact, or the powers granted hereunder, then such
18 an action by the interstate commission shall be invalid and have no force or effect.

19 (b) Rules deemed appropriate for the operations of the interstate commission shall be made
20 pursuant to a rulemaking process that substantially conforms to the "model state administrative
21 procedure act" of 2010, and subsequent amendments thereto.

22 (c) Not later than thirty (30) days after a rule is promulgated, any person may file a petition
23 for judicial review of the rule in the United States District Court for the District of Columbia or the
24 federal district where the interstate commission has its principal offices, provided that the filing of
25 such a petition shall not stay or otherwise prevent the rule from becoming effective unless the court
26 finds that the petitioner has a substantial likelihood of success. The court shall give deference to
27 the actions of the interstate commission consistent with applicable law and shall not find the rule
28 to be unlawful if the rule represents a reasonable exercise of the authority granted to the interstate
29 commission.

30 **5-37.8-17. Oversight of the interstate compact.**

31 (a) The executive, legislative, and judicial branches of state government in each member
32 state shall enforce the compact and shall take all actions necessary and appropriate to effectuate the
33 compact's purposes and intent. Unless otherwise expressly stated herein, the provisions of the

1 compact and the rules promulgated hereunder shall have standing as statutory law but shall not
2 override existing state authority to regulate the practice of medicine.

3 (b) All courts shall take judicial notice of the compact and the rules in any judicial or
4 administrative proceeding in a member state pertaining to the subject matter of the compact which
5 may affect the powers, responsibilities or actions of the interstate commission.

6 (c) The interstate commission shall be entitled to receive all service of process in any such
7 proceeding, and shall have standing to intervene in the proceeding for all purposes. Failure to
8 provide service of process to the interstate commission shall render a judgment or order void as to
9 the interstate commission, the compact, or promulgated rules.

10 **5-37.8-18. Enforcement of interstate compact.**

11 (a) The interstate commission, in the reasonable exercise of its discretion, shall enforce the
12 provisions and rules of the compact.

13 (b) The interstate commission may, by majority vote of the commissioners, initiate legal
14 action in the United States District Court for the District of Columbia, or, at the discretion of the
15 interstate commission, in the federal district where the interstate commission has its principal
16 offices, to enforce compliance with the provisions of the compact, and its promulgated rules and
17 bylaws, against a member state in default. The relief sought may include both injunctive relief and
18 damages. In the event judicial enforcement is necessary, the prevailing party shall be awarded all
19 costs of such litigation including reasonable attorney's fees.

20 (c) The remedies herein shall not be the exclusive remedies of the interstate commission.
21 The interstate commission may avail itself of any other remedies available under state law or the
22 regulation of a profession.

23 **5-37.8-19. Default procedures.**

24 (a) The grounds for default include, but are not limited to, failure of a member state to
25 perform such obligations or responsibilities imposed upon it by the compact, or the rules and bylaws
26 of the interstate commission promulgated under the compact.

27 (b) If the interstate commission determines that a member state has defaulted in the
28 performance of its obligations or responsibilities under the compact, or the bylaws or promulgated
29 rules, the interstate commission shall:

30 (1) Provide written notice to the defaulting state and other member states, of the nature of
31 the default, the means of curing the default, and any action taken by the interstate commission. The
32 interstate commission shall specify the conditions by which the defaulting state must cure its
33 default; and

34 (2) Provide remedial training and specific technical assistance regarding the default.

1 (c) If the defaulting state fails to cure the default, the defaulting state shall be terminated
2 from the compact upon an affirmative vote of a majority of the commissioners and all rights,
3 privileges, and benefits conferred by the compact shall terminate on the effective date of
4 termination. A cure of the default does not relieve the offending state of obligations or liabilities
5 incurred during the period of the default.

6 (d) Termination of membership in the compact shall be imposed only after all other means
7 of securing compliance have been exhausted. Notice of intent to terminate shall be given by the
8 interstate commission to the governor, the speaker, the senate president and minority leaders of the
9 defaulting state's legislature, and each of the member states.

10 (e) The interstate commission shall establish rules and procedures to address licenses and
11 physicians that are materially impacted by the termination of a member state, or the withdrawal of
12 a member state.

13 (f) The member state which has been terminated is responsible for all dues, obligations,
14 and liabilities incurred through the effective date of termination including obligations, the
15 performance of which extends beyond the effective date of termination.

16 (g) The interstate commission shall not bear any costs relating to any state that has been
17 found to be in default or which has been terminated from the compact, unless otherwise mutually
18 agreed upon in writing between the interstate commission and the defaulting state.

19 (h) The defaulting state may appeal the action of the interstate commission by petitioning
20 the United States District Court for the District of Columbia or the federal district where the
21 interstate commission has its principal offices. The prevailing party shall be awarded all costs of
22 such litigation including reasonable attorney's fees.

23 **5-37.8-20. Dispute resolution.**

24 (a) The interstate commission shall attempt, upon the request of a member state, to resolve
25 disputes which are subject to the compact and which may arise among member states or member
26 boards.

27 (b) The interstate commission shall promulgate rules providing for both mediation and
28 binding dispute resolution as appropriate.

29 **5-37.8-21. Member states, effective date and amendment.**

30 (a) Any state is eligible to become a member state of the compact.

31 (b) The compact shall become effective and binding upon legislative enactment of the
32 compact into law by no less than seven (7) states. Thereafter, it shall become effective and binding
33 on a state upon enactment of the compact into law by that state.

1 (c) The governors of non-member states, or their designees, shall be invited to participate
2 in the activities of the interstate commission on a non-voting basis prior to adoption of the compact
3 by all states.

4 (d) The interstate commission may propose amendments to the compact for enactment by
5 the member states. No amendment shall become effective and binding upon the interstate
6 commission and the member states unless and until it is enacted into law by unanimous consent of
7 the member states.

8 **5-37.8-22. Withdrawal.**

9 (a) Once effective, the compact shall continue in force and remain binding upon each and
10 every member state; provided that a member state may withdraw from the compact by specifically
11 repealing the statute which enacted the compact into law.

12 (b) Withdrawal from the compact shall be by the enactment of a statute repealing the same,
13 but shall not take effect until one year after the effective date of such statute and until written notice
14 of the withdrawal has been given by the withdrawing state to the governor of each other member
15 state.

16 (c) The withdrawing state shall immediately notify the chairperson of the interstate
17 commission in writing upon the introduction of legislation repealing the compact in the
18 withdrawing state.

19 (d) The interstate commission shall notify the other member states of the withdrawing
20 state's intent to withdraw within sixty (60) days of its receipt of notice provided under § 5-
21 37.822(c).

22 (e) The withdrawing state is responsible for all dues, obligations and liabilities incurred
23 through the effective date of withdrawal, including obligations, the performance of which extend
24 beyond the effective date of withdrawal.

25 (f) Reinstatement following withdrawal of a member state shall occur upon the
26 withdrawing state reenacting the compact or upon such later date as determined by the interstate
27 commission.

28 (g) The interstate commission is authorized to develop rules to address the impact of the
29 withdrawal of a member state on licenses granted in other member states to physicians who
30 designated the withdrawing member state as the state of principal license.

31 **5-37.8-23. Dissolution.**

32 (a) The compact shall dissolve effective upon the date of the withdrawal or default of the
33 member state which reduces the membership in the compact to one member state.

1 (b) Upon the dissolution of the compact, the compact becomes null and void and shall be
2 of no further force or effect, and the business and affairs of the interstate commission shall be
3 concluded and surplus funds shall be distributed in accordance with the bylaws.

4 **5-37.8-24. Severability and construction.**

5 (a) The provisions of the compact shall be severable, and if any phrase, clause, sentence,
6 or provision is deemed unenforceable, the remaining provisions of the compact shall be
7 enforceable.

8 (b) The provisions of the compact shall be liberally construed to effectuate its purposes.

9 (c) Nothing in the compact shall be construed to prohibit the applicability of other
10 interstate compacts to which the states are members.

11 **5-37.8-25. Binding effect of compact and other laws.**

12 (a) Nothing herein prevents the enforcement of any other law of a member state that is not
13 inconsistent with the compact.

14 (b) All laws in a member state in conflict with the compact are superseded to the extent
15 of the conflict.

16 (c) All lawful actions of the interstate commission, including all rules and bylaws
17 promulgated by the commission, are binding upon the member states.

18 (d) All agreements between the interstate commission and the member states are binding
19 in accordance with their terms.

20 (e) In the event any provision of the compact exceeds the constitutional limits imposed on
21 the legislature of any member state, such provision shall be ineffective to the extent of the conflict
22 with the constitutional provision in question in that member state.

23 SECTION 2. Chapter 5-34.3 of the General Laws entitled "Nurse Licensure Compact" is
24 hereby amended by adding thereto the following sections:

25 **5-34.3-10.1. Rulemaking.**

26 (a) The commission shall exercise its rulemaking powers pursuant to the criteria set forth
27 in this section and the rules adopted thereunder. The commission shall not be subject to the
28 requirements of the Rhode Island Administrative Procedures Act, R.I. Gen. Laws §§ 42-35-1 *et*
29 *seq.*, but rather shall adhere to the requirements stated in this chapter. Rules and amendments shall
30 become binding as of the date specified in each rule or amendment and shall have the same force
31 and effect as provisions of this compact.

32 (b) Rules or amendments to the rules shall be adopted at a regular or special meeting of the
33 commission.

1 (c) Prior to promulgation and adoption of a final rule or rules by the commission, and at
2 least sixty (60) days in advance of the meeting at which the rule will be considered and voted upon,
3 the commission shall file a notice of proposed rulemaking:

4 (1) On the website of the commission; and

5 (2) On the website of each licensing board or the publication in which each state would
6 otherwise publish proposed rules.

7 (d) The notice of proposed rulemaking shall include:

8 (1) The proposed time, date and location of the meeting in which the rule will be
9 considered 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 (e) Prior to adoption of a proposed rule, the commission shall allow persons to submit
15 written data, facts, opinions and arguments, which shall be made available to the public.

16 (f) The commission shall grant an opportunity for a public hearing before it adopts a rule
17 or amendment.

18 (g) The commission shall publish the place, time and date of the scheduled public hearing.

19 (1) Hearings shall be conducted in a manner providing each person who wishes to comment
20 a fair and reasonable opportunity to comment orally or in writing. All hearings will be recorded,
21 and a copy will be made available upon request.

22 (2) Nothing in this section shall be construed as requiring a separate hearing on each rule.
23 Rules may be grouped for the convenience of the commission at hearings required by this section.

24 (h) If no one appears at the public hearing, the commission may proceed with promulgation
25 of the proposed rule.

26 (i) Following the scheduled hearing date, or by the close of business on the scheduled
27 hearing date if the hearing was not held, the commission shall consider all written and oral
28 comments received.

29 (j) The commission shall, by majority vote of all administrators, take final action on the
30 proposed rule and shall determine the effective date of the rule, if any, based on the rulemaking
31 record and the full text of the rule.

32 (k) Upon determination that an emergency exists, the commission may consider and adopt
33 an emergency rule without prior notice, opportunity for comment or hearing, provided that the
34 usual rulemaking procedures provided in this compact and in this section shall be retroactively

1 applied to the rule as soon as reasonably possible, in no event later than ninety (90) days after the
2 effective date of the rule. For the purposes of this provision, an emergency rule is one that must be
3 adopted immediately in order to:

4 (1) Meet an imminent threat to public health, safety or welfare;

5 (2) Prevent a loss of commission or party state funds; or

6 (3) Meet a deadline for the promulgation of an administrative rule that is required by
7 federal law or rule.

8 (l) The commission may direct revisions to a previously adopted rule or amendment for
9 purposes of correcting typographical errors, errors in format, errors in consistency or grammatical
10 errors. Public notice of any revisions shall be posted on the website of the commission. The revision
11 shall be subject to challenge by any person for a period of thirty (30) days after posting. The revision
12 may be challenged only on grounds that the revision results in a material change to a rule. A
13 challenge shall be made in writing, and delivered to the commission, prior to the end of the notice
14 period. If no challenge is made, the revision will take effect without further action. If the revision
15 is challenged, the revision may not take effect without the approval of the commission.

16 **5-34.3-11.1. Oversight, dispute resolution and enforcement.**

17 (a) Oversight.

18 (1) Each party state shall enforce this compact and take all actions necessary and
19 appropriate to effectuate this compact's purposes and intent.

20 (2) The commission shall be entitled to receive service of process in any proceeding that
21 may affect the powers, responsibilities or actions of the commission, and shall have standing to
22 intervene in such a proceeding for all purposes. Failure to provide service of process in such
23 proceeding to the commission shall render a judgment or order void as to the commission, this
24 compact or promulgated rules.

25 (b) Default, technical assistance and termination.

26 (1) If the commission determines that a party state has defaulted in the performance of its
27 obligations or responsibilities under this compact or the promulgated rules, the commission shall:

28 (i) Provide written notice to the defaulting state and other party states of the nature of the
29 default, the proposed means of curing the default or any other action to be taken by the commission;
30 and

31 (ii) Provide remedial training and specific technical assistance regarding the default;

32 (2) If a state in default fails to cure the default, the defaulting state's membership in this
33 compact may be terminated upon an affirmative vote of a majority of the administrators, and all
34 rights, privileges and benefits conferred by this compact may be terminated on the effective date

1 of termination. A cure of the default does not relieve the offending state of obligations or liabilities
2 incurred during the period of default;

3 (3) Termination of membership in this compact shall be imposed only after all other means
4 of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given
5 by the commission to the governor of the defaulting state and to the executive officer of the
6 defaulting state's licensing board and each of the party states;

7 (4) A state whose membership in this compact has been terminated is responsible for all
8 assessments, obligations and liabilities incurred through the effective date of termination, including
9 obligations that extend beyond the effective date of termination;

10 (5) The commission shall not bear any costs related to a state that is found to be in default
11 or whose membership in this compact has been terminated unless agreed upon in writing between
12 the commission and the defaulting state;

13 (6) The defaulting state may appeal the action of the commission by petitioning the U.S.
14 District Court for the District of Columbia or the federal district in which the commission has its
15 principal offices. The prevailing party shall be awarded all costs of such litigation, including
16 reasonable attorneys' fees.

17 (c) Dispute Resolution.

18 (1) Upon request by a party state, the commission shall attempt to resolve disputes related
19 to the compact that arise among party states and between party and non-party states;

20 (2) The commission shall promulgate a rule providing for both mediation and binding
21 dispute resolution for disputes, as appropriate;

22 (3) In the event the commission cannot resolve disputes among party states arising under
23 this compact:

24 (i) The party states may submit the issues in dispute to an arbitration panel, which will be
25 comprised of individuals appointed by the compact administrator in each of the affected party states
26 and an individual mutually agreed upon by the compact administrators of all the party states
27 involved in the dispute;

28 (ii) The decision of a majority of the arbitrators shall be final and binding.

29 (d) Enforcement.

30 (1) The commission, in the reasonable exercise of its discretion, shall enforce the
31 provisions and rules of this compact;

32 (2) By majority vote, the commission may initiate legal action in the U.S. District Court
33 for the District of Columbia or the federal district in which the commission has its principal offices
34 against a party state that is in default to enforce compliance with the provisions of this compact and

1 [its promulgated rules and bylaws. The relief sought may include both injunctive relief and damages.](#)
2 [In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of](#)
3 [such litigation, including reasonable attorneys' fees:](#)

4 [\(3\) The remedies herein shall not be the exclusive remedies of the commission. The](#)
5 [commission may pursue any other remedies available under federal or state law.](#)

6 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,
7 5-34.3-12 and 5-34.3-14 of the General Laws in Chapter 5-34.3 entitled "Nurse Licensure
8 Compact" are hereby amended to read as follows:

9 **5-34.3-3. Legislative findings.**

10 (a) The general assembly finds and declares that:

11 (1) The health and safety of the public are affected by the degree of compliance with and
12 the effectiveness of enforcement activities related to state nurse licensure laws;

13 (2) Violations of nurse licensure and other laws regulating the practice of nursing may
14 result in injury or harm to the public;

15 (3) The expanded mobility of nurses and the use of advanced communication technologies
16 as part of our nation's healthcare delivery system require greater coordination and cooperation
17 among states in the areas of nurse licensure and regulations;

18 (4) New practice modalities and technology make compliance with individual state nurse
19 licensure laws difficult and complex; ~~and~~

20 (5) The current system of duplicative licensure for nurses practicing in multiple states is
21 cumbersome and redundant to both nurses and states; ~~and~~

22 [\(6\) Uniformity of nurse licensure requirements throughout the states promotes public safety](#)
23 [and public health benefits.](#)

24 (b) The general purposes of this compact are to:

25 (1) Facilitate the states' responsibility to protect the public's health and safety;

26 (2) Ensure and encourage the cooperation of party states in the areas of nurse licensure and
27 regulation;

28 (3) Facilitate the exchange of information between party states in the areas of nurse
29 regulation, investigation and adverse actions;

30 (4) Promote compliance with the laws governing the practice of nursing in each
31 jurisdiction; ~~and~~

32 (5) Invest all party states with the authority to hold a nurse accountable for meeting all state
33 practice laws in the state in which the patient is located at the time care is rendered through the
34 mutual recognition of party state licenses; ~~;~~

- 1 (6) Decrease redundancies in the consideration and issuance of nurse licenses; and
2 (7) Provide opportunities for interstate practice by nurses who meet uniform licensure
3 requirements.

4 **5-34.3-4. Definitions.**

5 As used in this chapter:

6 (1) "Adverse action" means ~~a home or remote state action.~~ any administrative, civil,
7 equitable or criminal action permitted by a state's laws which is imposed by a licensing board or
8 other authority against a nurse, including actions against an individual's license or multistate
9 licensure privilege such as revocation, suspension, probation, monitoring of the licensee, limitation
10 on the licensee's practice, or any other encumbrance on licensure affecting a nurse's authorization
11 to practice, including issuance of a cease and desist action.

12 (2) "Alternative program" means a voluntary, nondisciplinary monitoring program
13 approved by a nurse licensing board.

14 (3) "Commission" means the interstate commission of nurse license compact
15 administrators, the governing body of the nurse licensure compact.

16 ~~(3)~~(4) "Coordinated licensure information system" means an integrated process for
17 collecting, storing, and sharing information on nurse licensure and enforcement activities related
18 to nurse licensure laws, which is administered by a nonprofit organization composed of and
19 controlled by state nurse licensing boards.

20 ~~(4)~~(5) "Current significant investigative information" means investigative information that
21 a licensing board, after a preliminary inquiry that includes notification and an opportunity for the
22 nurse to respond if required by state law, has reason to believe is not groundless and, if proved true,
23 would indicate more than a minor infraction; or investigative information that indicates that the
24 nurse represents an immediate threat to public health and safety regardless of whether the nurse has
25 been notified and had an opportunity to respond.

26 (6) "Encumbrance" means a revocation or suspension of, or any limitation on, the full and
27 unrestricted practice of nursing imposed by a licensing board.

28 ~~(5)~~(7) "Home state" means the party state which is the nurse's primary state of residence.

29 ~~(6)~~(8) "Home state action" means any administrative, civil, equitable, or criminal action
30 permitted by the home state's laws which are imposed on a nurse by the home state's licensing
31 board or other authority including actions against an individual's license such as: revocation,
32 suspension, probation or any other action which affects a nurse's authorization to practice.

33 ~~(7)~~(9) "Licensing board" means a party state's regulatory body responsible for issuing nurse
34 licenses.

1 ~~(8)~~(10) "Multistate licensure ~~privilege~~" means ~~current, official authority from a remote~~
2 ~~state permitting the practice of nursing as either a registered nurse or a licensed practical/vocational~~
3 ~~nurse in such party state. All party states have the authority, in accordance with existing state due~~
4 ~~process law, to take actions against the nurse's privilege such as: revocation, suspension, probation~~
5 ~~or any other action which affects a nurse's authorization to practice. a license to practice as a~~
6 ~~registered nurse (RN) or a licensed practical nurse/vocational nurse (LPN/VN) issued by a home~~
7 ~~state licensing board that authorizes the licensed nurse to practice in all party states under a~~
8 ~~multistate licensure privilege.~~

9 (11) "Multistate licensure privilege" means a legal authorization associated with a
10 multistate license permitting the practice of nursing as either a registered nurse (RN) or licensed
11 practical nurse/vocational nurse (LPN/VN) in a remote state.

12 ~~(9)~~(12) "Nurse" means a registered nurse or licensed practical/vocational nurse, as those
13 terms are defined by each party's state practice laws.

14 ~~(10)~~(13) "Party state" means any state that has adopted this compact.

15 ~~(11)~~(14) "Remote state" means a party state, other than the home state, ~~where the patient~~
16 ~~is located at the time nursing care is provided, or, in the case of the practice of nursing not involving~~
17 ~~a patient, in such party state where the recipient of nursing practice is located.~~

18 ~~(12)~~(15) "Remote state action" means any administrative, civil, equitable or criminal action
19 permitted by a remote state's laws which are imposed on a nurse by the remote state's licensing
20 board or other authority including actions against an individual's multistate licensure privilege to
21 practice in the remote state, and cease and desist and other injunctive or equitable orders issued by
22 remote states or the licensing boards thereof.

23 (16) "Single-state license" means a nurse license issued by a party state that authorizes
24 practice only within the issuing state and does not include a multistate licensure privilege to practice
25 in any other party state.

26 ~~(13)~~(17) "State" means a state, territory, or possession of the United States, the District of
27 Columbia.

28 ~~(14)~~(18) "State practice laws" means those individual party's state laws and regulations that
29 govern the practice of nursing, define the scope of nursing practice, and create the methods and
30 grounds for imposing discipline. It does not include the initial qualifications for licensure or
31 requirements necessary to obtain and retain a license, except for qualifications or requirements of
32 the home state.

33 ~~5-34.3-5. Permitted activities and jurisdiction.~~ General provisions and jurisdiction.

1 ~~A license to practice registered nursing issued by a home state to a resident in that state~~
2 ~~will be recognized by each party state as authorizing a multistate licensure privilege to practice as~~
3 ~~a registered nurse in such party state. A license to practice licensed practical/vocational nursing~~
4 ~~issued by a home state to a resident in that state will be recognized by each party state as authorizing~~
5 ~~a multistate licensure privilege to practice as a licensed practical/vocational nurse in such party~~
6 ~~state. In order to obtain or retain a license, an applicant must meet the home state's qualifications~~
7 ~~for licensure and license renewal as well as all other applicable state laws.~~

8 ~~Party states may, in accordance with state due process laws, limit or revoke the multistate~~
9 ~~licensure privilege of any nurse to practice in their state and may take any other actions under their~~
10 ~~applicable state laws necessary to protect the health and safety of their citizens. If a party state takes~~
11 ~~such action, it shall promptly notify the administrator of the coordinated licensure information~~
12 ~~system. The administrator of the coordinated licensure information system shall promptly notify~~
13 ~~the home state of any such actions by remote states.~~

14 ~~Every nurse practicing in a party state must comply with the state practice laws of the state~~
15 ~~in which the patient is located at the time care is rendered. In addition, the practice of nursing is not~~
16 ~~limited to patient care, but shall include all nursing practice as defined by the state practice laws of~~
17 ~~a party state. The practice of nursing will subject a nurse to the jurisdiction of the nurse licensing~~
18 ~~board and courts, as well as the laws, in that party state.~~

19 ~~This compact does not affect additional requirements imposed by states for advanced~~
20 ~~practice registered nursing. However, a multistate licensure privilege to practice registered nursing~~
21 ~~granted by a party shall be recognized by other party states as a license to practice registered nursing~~
22 ~~if one is required by state law as a precondition for qualifying for advanced practice registered~~
23 ~~nurse authorization.~~

24 ~~Individuals not residing in a party state shall continue to be able to apply for nurse licensure~~
25 ~~as provided for under the laws of each party state. However, the license granted to these individuals~~
26 ~~will not be recognized as granting the privilege to practice nursing in any other party~~
27 ~~state unless explicitly agreed to by that party state.~~

28 (a) A multistate license to practice registered or licensed practical nursing/vocational
29 nursing issued by a home state to a resident in that state will be recognized by each party state as
30 authorizing a nurse to practice as a registered nurse (RN) or as a licensed practical nurse/vocational
31 nurse (LPN/VN), under a multistate licensure privilege, in each party state.

32 (b) A state must implement procedures for considering the criminal history records of
33 applicants for initial multistate license or licensure by endorsement. Such procedures shall include
34 the submission of fingerprints or other biometric-based information by applicants for the purpose

1 of obtaining an applicant's criminal history record information from the Federal Bureau of
2 Investigation, and the agency responsible for retaining that state's criminal records.

3 (c) Each party state shall require the following for an applicant to obtain or retain a
4 multistate license in the home state:

5 (1) Meets the home state's qualifications for licensure or renewal of licensure, as well as
6 all other applicable state laws;

7 (2)(i) Has graduated or is eligible to graduate from a licensing board-approved RN or
8 LPN/VN prelicensure education program; or

9 (ii) Has graduated from a foreign RN or LPN/VN prelicensure education program that:

10 (A) Has been approved by the authorized accrediting body in the applicable country; and

11 (B) Has been verified by an independent credentials review agency to be comparable to a
12 licensing board-approved prelicensure education program;

13 (3) Has, if a graduate of a foreign prelicensure education program not taught in English or
14 if English is not the individual's native language, successfully passed an English proficiency
15 examination that includes the components of reading, speaking, writing and listening;

16 (4) Has successfully passed an NCLEX-RN® or NCLEX-PN® Examination or recognized
17 predecessor, as applicable;

18 (5) Is eligible for or holds an active, unencumbered license;

19 (6) Has submitted, in connection with an application for initial licensure or licensure by
20 endorsement, fingerprints or other biometric data for the purpose of obtaining criminal history
21 record information from the Federal Bureau of Investigation and the agency responsible for
22 retaining that state's criminal records;

23 (7) Has not been convicted or found guilty nor entered into an agreed disposition of a felony
24 offense under applicable state or federal criminal law;

25 (8) Has not been convicted or found guilty nor entered into an agreed disposition of a
26 misdemeanor offense related to the practice of nursing as determined on a case-by-case basis;

27 (9) Is not currently enrolled in an alternative program;

28 (10) Is subject to self-disclosure requirements regarding current participation in an
29 alternative program; and

30 (11) Has a valid United States Social Security number.

31 (d) All party states shall be authorized, in accordance with existing state due process law,
32 to take adverse action against a nurse's multistate licensure privilege such as revocation, suspension,
33 probation or any other action that affects a nurse's authorization to practice under a multistate
34 licensure privilege, including cease and desist actions. If a party state takes such action, it shall

1 promptly notify the administrator of the coordinated licensure information system. The
2 administrator of the coordinated licensure information system shall promptly notify the home state
3 of any such actions by remote states.

4 (e) A nurse practicing in a party state must comply with the state practice laws of the state
5 in which the client is located at the time service is provided. The practice of nursing is not limited
6 to patient care, but shall include all nursing practice as defined by the state practice laws of the
7 party state in which the client is located. The practice of nursing in a party state under a multistate
8 licensure privilege will subject a nurse to the jurisdiction of the licensing board, the courts and the
9 laws of the party state in which the client is located at the time service is provided.

10 (f) Individuals not residing in a party state shall continue to be able to apply for a party
11 state's single-state license as provided under the laws of each party state. However, the singlestate
12 license granted to these individuals will not be recognized as granting the privilege to practice
13 nursing in any other party state. Nothing in this compact shall affect the requirements established
14 by a party state for the issuance of a single-state license.

15 (g) Any nurse holding a home state multistate license, on the effective date of this compact,
16 may retain and renew the multistate license issued by the nurse's then-current home state, provided
17 that:

18 (1) A nurse, who changes primary state of residence after this compact's effective date,
19 must meet all applicable requirements to obtain a multistate license from a new home state; and

20 (2) A nurse who fails to satisfy the multistate licensure requirements due to a disqualifying
21 event occurring after this compact's effective date shall be ineligible to retain or renew a multistate
22 license, and the nurse's multistate license shall be revoked or deactivated in accordance with
23 applicable rules adopted by the commission.

24 **5-34.3-6. Applications for licensure in a party state.**

25 ~~(a) Upon application for a license, the licensing board in a party state shall ascertain,~~
26 ~~through the coordinated licensure information system, whether the applicant has ever held, or is the~~
27 ~~holder of, a license issued by any other state, whether there are any restrictions on the multistate~~
28 ~~licensure privilege, and whether any other adverse action by any state has been taken against the~~
29 ~~license.~~

30 ~~(b) A nurse in a party state shall hold licensure in only one party state at a time, issued by~~
31 ~~the home state.~~

32 ~~(c) A nurse who intends to change primary state of residence may apply for licensure in~~
33 ~~the new home state in advance of such change. However, new licenses will not be issued by a party~~

1 ~~state until after a nurse provides evidence of change in primary state of residence satisfactory to the~~
2 ~~new home state's licensing board.~~

3 ~~(d) When a nurse changes primary state of residence by;~~

4 ~~(1) Moving between two party states, and obtains a license from the new home state, the~~
5 ~~license from the former home state is no longer valid;~~

6 ~~(2) Moving from a non party state to a party state, and obtains a license from the new~~
7 ~~home state, the individual state license issued by the non party state is not affected and will remain~~
8 ~~in full force if so provided by the laws of the non party state;~~

9 ~~(3) Moving from a party state to a non party state, the license issued by the prior home~~
10 ~~state converts to an individual state license, valid only in the former home state, without the~~
11 ~~multistate licensure privilege to practice in other party states.~~

12 (a) Upon application for a multistate license, the licensing board in the issuing party state
13 shall ascertain, through the coordinated licensure information system, whether the applicant has
14 ever held, or is the holder of, a license issued by any other state, whether there are any
15 encumbrances on any license or multistate licensure privilege held by the applicant, whether any
16 adverse action has been taken against any license or multistate licensure privilege held by the
17 applicant and whether the applicant is currently participating in an alternative program.

18 (b) A nurse may hold a multistate license, issued by the home state, in only one party state
19 at a time.

20 (c) If a nurse changes primary state of residence by moving between two (2) party states,
21 the nurse must apply for licensure in the new home state, and the multistate license issued by the
22 prior home state will be deactivated in accordance with applicable rules adopted by the commission.

23 (1) The nurse may apply for licensure in advance of a change in primary state of residence.

24 (2) A multistate license shall not be issued by the new home state until the nurse provides
25 satisfactory evidence of a change in primary state of residence to the new home state and satisfies
26 all applicable requirements to obtain a multistate license from the new home state.

27 (d) If a nurse changes primary state of residence by moving from a party state to a nonparty
28 state, the multistate license issued by the prior home state will convert to a single-state license,
29 valid only in the former home state.

30 **5-34.3-8. Additional authorities invested in party state nurse licensing boards.**

31 (a) Notwithstanding any other powers conferred by state law, party state nurse licensing
32 boards shall have the authority to:

33 ~~(1) If otherwise, permitted by state law, recover from the affected nurse the costs of~~
34 ~~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 in~~
6 ~~proceedings pending before it. The issuing authority shall pay any witness fees, travel expenses,~~
7 ~~mileage and other fees required by the service statutes of the state where the witnesses and/or~~
8 ~~evidence are located.~~

9 ~~(3) Issue cease and desist orders to limit or revoke a nurse's authority to practice in their~~
10 ~~state;~~

11 ~~(4) Promulgate uniform rules and regulations as provided for in subsection 5-34.3-10(e).~~

12 (1) Take adverse action against a nurse's multistate licensure privilege to practice within
13 that party state.

14 (i) Only the home state shall have the power to take adverse action against a nurse's license
15 issued by the home state.

16 (ii) For purposes of taking adverse action, the home state licensing board shall give the
17 same priority and effect to reported conduct received from a remote state as it would if such conduct
18 had occurred within the home state. In so doing, the home state shall apply its own state laws to
19 determine appropriate action.

20 (2) Issue cease and desist orders or impose an encumbrance on a nurse's authority to
21 practice within that party state.

22 (3) Complete any pending investigations of a nurse who changes primary state of residence
23 during the course of such investigations. The licensing board shall also have the authority to take
24 appropriate action(s) and shall promptly report the conclusions of such investigations to the
25 administrator of the coordinated licensure information system. The administrator of the coordinated
26 licensure information system shall promptly notify the new home state of any such 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 jurisdiction,
31 according to the practice and procedure of that court applicable to subpoenas issued in proceedings
32 pending before it. The issuing authority shall pay any witness fees, travel expenses, mileage and
33 other fees required by the service statutes of the state in which the witnesses or evidence are located.

1 (5) Obtain and submit, for each nurse licensure applicant, fingerprint or other biometric-
2 based information to the Federal Bureau of Investigation for criminal background checks, receive
3 the 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
10 nurse's multistate licensure privilege to practice in all other party states shall be deactivated until
11 all 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**
20 **information 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 the~~
29 ~~reasons for such denials, to the coordinated licensure information system.~~ The commission, in
30 consultation with the administrator of the coordinated licensure information system, shall formulate
31 necessary and proper procedures for the identification, collection and exchange of information
32 under this compact.

33 (c) All licensing boards shall promptly report to the coordinated licensure information
34 system any adverse action, any current significant investigative information, denials of applications

1 (with 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 under
3 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 individuals
10 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 information.

15 ~~(f)~~(g) Any information contributed to the coordinated licensure information system that is
16 subsequently required to be expunged by the laws of the party state contributing that information,
17 shall also be expunged from the coordinated licensure information system.

18 ~~(g) The compact administrators, acting jointly with each other and in consultation with the~~
19 ~~administrator of the coordinated licensure information system, shall formulate necessary and proper~~
20 ~~procedures for the identification, collection and exchange of information under this compact.~~

21 (h) The compact administrator of each party state shall furnish a uniform data set to the
22 compact administrator of each other party state, which shall include, at a minimum:

23 (1) Identifying information;

24 (2) Licensure data;

25 (3) Information related to alternative program participation; and

26 (4) Other information that may facilitate the administration of this compact, as determined
27 by commission rules.

28 (i) The compact administrator of a party state shall provide all investigative documents and
29 information requested by another party state.

30 ~~5-34.3-10. Compact administration and interchange of information~~ Establishment of
31 the interstate commission of nurse licensure compact administrators.

32 ~~(a) The head of the nurse licensing board, or his/her designee, of each party state shall be~~
33 ~~the administrator of this compact for his/her state.~~

1 ~~(b) The compact administrator of each party shall furnish to the compact administrator of~~
2 ~~each other party state any information and documents including, but not limited to, a uniform data~~
3 ~~set of investigations, identifying information, licensure data, and disclosable alternative program~~
4 ~~participation information to facilitate the administration of this compact.~~

5 ~~(c) Compact administrators shall have the authority to develop uniform rules to facilitate~~
6 ~~and coordinate implementation of this compact. These uniform rules shall be adopted by party~~
7 ~~states, under the authority invested under § 5-34.3-8(4).~~

8 (a) The party states hereby create and establish a joint public entity known as the interstate
9 commission of nurse licensure compact administrators (the "commission").

10 (1) The commission is an instrumentality of the party states.

11 (2) Venue is proper, and judicial proceedings by or against the commission shall be brought
12 solely and exclusively, in a court of competent jurisdiction where the principal office of the
13 commission is located. The commission may waive venue and jurisdictional defenses to the extent
14 it adopts or consents to participate in alternative dispute resolution proceedings.

15 (3) Nothing in this compact shall be construed to be a waiver of sovereign immunity.

16 (b) Membership, voting and meetings:

17 (1) Each party state shall have and be limited to one administrator. The head of the state
18 licensing board or designee shall be the administrator of this compact for each party state. Any
19 administrator may be removed or suspended from office as provided by the law of the state from
20 which the administrator is appointed. Any vacancy occurring in the commission shall be filled in
21 accordance with the laws of the party state in which the vacancy exists.

22 (2) Each administrator 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. An administrator shall vote in person or by such other means as provided
25 in the bylaws. The bylaws may provide for an administrator's participation in meetings by telephone
26 or other means of communication.

27 (3) The commission shall meet at least once during each calendar year. Additional meetings
28 shall be held as set forth in the bylaws or rules of the commission. The commission shall not be
29 subject to the requirements of the Rhode Island Open Meetings Act, R.I. Gen. Laws §§ 42-46-1
30 seq. and/or the Rhode Island Access to Public Records Act, R.I. Gen. Laws §§ 38-2-1 et seq., but
31 rather shall adhere to the requirements stated in this chapter.

32 (4) All meetings shall be open to the public, and public notice of meetings shall be given
33 in the same manner as required under the rulemaking provisions in § 5-34.3-10.1.

1 (5) The commission may convene in a closed, nonpublic meeting if the commission must
2 discuss:

3 (i) Noncompliance of a party state with its obligations under this compact;

4 (ii) The employment, compensation, discipline or other personnel matters, practices or
5 procedures related to specific employees or other matters related to the commission's internal
6 personnel practices and procedures;

7 (iii) Current, threatened or reasonably anticipated litigation;

8 (iv) Negotiation of contracts for the purchase or sale of goods, services or real estate;

9 (v) Accusing any person of a crime or formally censuring any person;

10 (vi) Disclosure of trade secrets or commercial or financial information that is privileged or
11 confidential;

12 (vii) Disclosure of information of a personal nature where disclosure would constitute a
13 clearly unwarranted invasion of personal privacy;

14 (viii) Disclosure of investigatory records compiled for law enforcement purposes;

15 (ix) Disclosure of information related to any reports prepared by or on behalf of the
16 commission for the purpose of investigation of compliance with this compact; or

17 (x) Matters specifically exempted from disclosure by federal or state statute.

18 (6) If a meeting, or portion of a meeting, is closed pursuant to this provision, the
19 commission's legal counsel or designee shall certify that the meeting may be closed and shall
20 reference each relevant exempting provision. The commission shall keep minutes that fully and
21 clearly describe all matters discussed in a meeting and shall provide a full and accurate summary
22 of actions taken, and the reasons therefor, including a description of the views expressed. All
23 documents considered in connection with an action shall be identified in such minutes. All minutes
24 and documents of a closed meeting shall remain under seal, subject to release by a majority vote of
25 the commission or order of a court of competent jurisdiction.

26 (c) The commission shall, by a majority vote of the administrators, prescribe bylaws or
27 rules to govern its conduct as may be necessary or appropriate to carry out the purposes and
28 exercise the powers of this compact, including, but not limited to:

29 (1) Establishing the fiscal year of the commission;

30 (2) Providing reasonable standards and procedures:

31 (i) For the establishment and meetings of other committees; and

32 (ii) Governing any general or specific delegation of any authority or function of the
33 commission;

1 (3) Providing reasonable procedures for calling and conducting meetings of the
2 commission, ensuring reasonable advance notice of all meetings and providing an opportunity for
3 attendance of such meetings by interested parties, with enumerated exceptions designed to protect
4 the public's interest, the privacy of individuals, and proprietary information, including trade secrets.
5 The commission may meet in closed session only after a majority of the administrators vote to close
6 a meeting in whole or in part. As soon as practicable, the commission must make public a copy of
7 the vote to close the meeting revealing the vote of each administrator, with no proxy votes allowed;

8 (4) Establishing the titles, duties and authority and reasonable procedures for the election
9 of the officers of the commission;

10 (5) Providing reasonable standards and procedures for the establishment of the personnel
11 policies and programs of the commission. Notwithstanding any civil service or other similar laws
12 of any party state, the bylaws shall exclusively govern the personnel policies and programs of the
13 commission; and

14 (6) Providing a mechanism for winding up the operations of the commission and the
15 equitable disposition of any surplus funds that may exist after the termination of this compact after
16 the payment or reserving of all of its debts and obligations;

17 (d) The commission shall publish its bylaws and rules, and any amendments thereto, in a
18 convenient form on the website of the commission.

19 (e) The commission shall maintain its financial records in accordance with the bylaws.

20 (f) The commission shall meet and take such actions as are consistent with the provisions
21 of this compact and the bylaws.

22 (g) The commission shall have the following powers:

23 (1) To promulgate uniform rules to facilitate and coordinate implementation and
24 administration of this compact. The rules shall have the force and effect of law and shall be binding
25 in all party states;

26 (2) To bring and prosecute legal proceedings or actions in the name of the commission,
27 provided that the standing of any licensing board to sue or be sued under applicable law shall not
28 be affected;

29 (3) To purchase and maintain insurance and bonds;

30 (4) To borrow, accept or contract for services of personnel, including, but not limited to,
31 employees of a party state or nonprofit organizations;

32 (5) To cooperate with other organizations that administer state compacts related to the
33 regulation of nursing, including, but not limited to, sharing administrative or staff expenses, office
34 space or other resources;

1 (6) To hire employees, elect or appoint officers, fix compensation, define duties, grant such
2 individuals appropriate authority to carry out the purposes of this 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 (7) To accept any and all appropriate donations, grants and gifts of money, equipment,
6 supplies, materials and services, and to receive, utilize and dispose of the same; provided that at all
7 times the commission shall avoid any appearance of impropriety or conflict of interest;

8 (8) To lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold,
9 improve or use, any property, whether real, personal or mixed; provided that at all times the
10 commission shall avoid any appearance of impropriety;

11 (9) To sell, convey, mortgage, pledge, lease, exchange, abandon or otherwise dispose of
12 any property, whether real, personal or mixed;

13 (10) To establish a budget and make expenditures;

14 (11) To borrow money;

15 (12) To appoint committees, including advisory committees comprised of administrators,
16 state nursing regulators, state legislators or their representatives, and consumer representatives, and
17 other such interested persons;

18 (13) To provide and receive information from, and to cooperate with, law enforcement
19 agencies;

20 (14) To adopt and use an official seal; and

21 (15) 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 nurse licensure and practice.

23 (h) Financing of the commission:

24 (1) The commission shall pay, or provide for the payment of, the reasonable expenses of
25 its establishment, organization and ongoing activities;

26 (2) The commission may also levy on and collect an annual assessment from each party
27 state to cover the cost of its operations, activities and staff in its annual budget as approved each
28 year. The aggregate annual assessment amount, if any, shall be allocated based upon a formula to
29 be determined by the commission, which shall promulgate a rule that is binding upon all party
30 states;

31 (3) The commission shall not incur obligations of any kind prior to securing the funds
32 adequate to meet the same; nor shall the commission pledge the credit of any of the party states,
33 except by, and with the authority of, such party state;

1 (4) The commission shall keep accurate accounts of all receipts and disbursements. The
2 receipts and disbursements of the commission shall be subject to the audit and accounting
3 procedures established under its bylaws. However, all receipts and disbursements of funds handled
4 by the commission shall be audited yearly by a certified or licensed public accountant, and the
5 report of the audit shall be included in and become part of the annual report of the commission.

6 (i) Qualified immunity, defense and indemnification:

7 (1) The administrators, officers, executive director, employees and representatives of the
8 commission shall be immune from suit and liability, either personally or in their official capacity,
9 for any claim for damage to or loss of property or personal injury or other civil liability caused by
10 or arising out of any actual or alleged act, error or omission that occurred, or that the person against
11 whom the claim is made had a reasonable basis for believing occurred, within the scope of
12 commission employment, duties or responsibilities; provided that nothing in this paragraph shall
13 be construed to protect any such person from suit or liability for any damage, loss, injury or liability
14 caused by the intentional, willful or wanton misconduct of that person;

15 (2) The commission shall defend any administrator, officer, executive director, employee
16 or representative of the commission in any civil action seeking to impose liability arising out of
17 any actual or alleged act, error or omission that occurred within the scope of commission
18 employment, duties or responsibilities, or that the person against whom the claim is made had a
19 reasonable basis for believing occurred within the scope of commission employment, duties or
20 responsibilities; provided that nothing herein shall be construed to prohibit that person from
21 retaining their own counsel; and provided further that the actual or alleged act, error or omission
22 did not result from that person's intentional, willful or wanton misconduct;

23 (3) The commission shall indemnify and hold harmless any administrator, officer,
24 executive director, employee or representative of the commission for the amount of any settlement
25 or judgment obtained against that person arising out of any actual or alleged act, error or omission
26 that occurred within the scope of commission employment, duties or responsibilities, or that such
27 person had a reasonable basis for believing occurred within the scope of commission employment,
28 duties or responsibilities, provided that the actual or alleged act, error or omission did not result
29 from the intentional, willful or wanton misconduct of that person.

30 **5-34.3-12. ~~Entry into force, withdrawal and amendment~~ Effective date, withdrawal**
31 **and amendment.**

32 ~~(a) This compact shall enter into force and become effective as to any state when it has~~
33 ~~been enacted into the laws of that state. Any party state may withdraw from this compact by~~
34 ~~enacting a statute repealing the same, but no such withdrawal shall take effect until six (6) months~~

1 ~~after the withdrawing state has given notice of the withdrawal to the executive heads of all other~~
2 ~~party states.~~

3 ~~(b) No withdrawal shall affect the validity or applicability by the licensing boards of states~~
4 ~~remaining party to the compact of any report of adverse action occurring prior to the~~
5 ~~withdrawal.~~

6 ~~(c) Nothing contained in this compact shall be construed to invalidate or prevent any nurse~~
7 ~~licensure agreement or other cooperative arrangement between a party state and a non-party state~~
8 ~~that is made in accordance with the other provisions of this compact.~~

9 ~~(d) This compact may be amended by the party states. No amendment to this compact shall~~
10 ~~become effective and binding upon the party states unless and until it is enacted into the laws of all~~
11 ~~party states.~~

12 (a) This compact shall become effective upon passage. All party states to this compact, that
13 also were parties to the prior nurse licensure compact, superseded by this compact, ("prior
14 compact"), shall be deemed to have withdrawn from said prior compact within six (6) months after
15 the effective date of this compact.

16 (b) Each party state to this compact shall continue to recognize a nurse's multistate
17 licensure privilege to practice in that party state issued under the prior compact until such party
18 state has withdrawn from the prior compact.

19 (c) Any party state may withdraw from this compact by enacting a statute repealing the
20 same. A party state's withdrawal shall not take effect until six (6) months after enactment of the
21 repealing statute.

22 (d) A party state's withdrawal or termination shall not affect the continuing requirement of
23 the withdrawing or terminated state's licensing board to report adverse actions and significant
24 investigations occurring prior to the effective date of such withdrawal or termination.

25 (e) Nothing contained in this compact shall be construed to invalidate or prevent any nurse
26 licensure agreement or other cooperative arrangement between a party state and a non-party state
27 that is made in accordance with the other provisions of this compact.

28 (f) This compact may be amended by the party states. No amendment to this compact shall
29 become effective and binding upon the party states unless and until it is enacted into the laws of all
30 party states.

31 (g) Representatives of non-party states to this compact shall be invited to participate in the
32 activities of the commission, on a nonvoting basis, prior to the adoption of this compact by all
33 states.

34 **5-34.3-14. Construction and severability.**

1 (a) This compact shall be liberally construed so as to effectuate the purposes thereof. The
2 provisions of this compact shall be severable and if any phrase, clause, sentence or provision of
3 this compact is declared to be contrary to the constitution of any party state or of the United States
4 or the applicability thereof to any government, agency, person or circumstance is held invalid, the
5 validity of the remainder of this compact and the applicability thereof to any government, agency,
6 person or circumstance shall not be affected thereby. If this compact shall be held contrary to the
7 constitution of any state party thereto, the compact shall remain in full force and effect as to the
8 remaining party states and in full force and effect as to the party state affected as to all severable
9 matters.

10 ~~(b) In the event party states find a need for settling disputes arising under this compact:~~

11 ~~(1) The party states may submit the issues in dispute to an arbitration panel which will be~~
12 ~~comprised of an individual appointed by the compact administrator in the home state; an individual~~
13 ~~appointed by the compact administrator in the remote state(s) involved; and an individual mutually~~
14 ~~agreed upon by the compact administrators of all the party states involved in the dispute.~~

15 ~~(2) The decision of a majority of the arbitrators shall be final and binding.~~

16 SECTION 4. Sections 5-34.3-7 and 5-34.3-11 of the General Laws in Chapter 5-34.3
17 entitled "Nurse Licensure Compact" are hereby repealed.

18 **5-34.3-7. Adverse actions.**

19 ~~In addition to the provisions described in § 5-34.3-5, the following provisions apply:~~

20 ~~(1) The licensing board of a remote state shall promptly report to the administrator of the~~
21 ~~coordinated licensure information system any remote state actions including the factual and legal~~
22 ~~basis for such action, if known. The licensing board of a remote state shall also promptly report any~~
23 ~~significant current investigative information yet to result in a remote state action. The administrator~~
24 ~~of the coordinated licensure information system shall promptly notify the home state of any such~~
25 ~~reports.~~

26 ~~(2) The licensing board of a party state shall have the authority to complete any pending~~
27 ~~investigations for a nurse who changes primary state of residence during the course of such~~
28 ~~investigations. It shall also have the authority to take appropriate action(s), and shall promptly~~
29 ~~report the conclusions of such investigations to the administrator of the coordinated licensure~~
30 ~~information system. The administrator of the coordinated licensure information system shall~~
31 ~~promptly notify the new home state of any such actions.~~

32 ~~(3) A remote state may take adverse action affecting the multistate licensure privilege to~~
33 ~~practice within that party state. However, only the home state shall have the power to impose~~
34 ~~adverse action against the license issued by the home state.~~

1 ~~(4) For purposes of imposing adverse action, the licensing board of the home state shall~~
2 ~~give the same priority and effect to reported conduct received from a remote state as it would if~~
3 ~~such conduct had occurred within the home state. In so doing, it shall apply its own state laws to~~
4 ~~determine appropriate action.~~

5 ~~(5) The home state may take adverse action based on the factual findings of the remote~~
6 ~~state, so long as each state follows its own procedures for imposing such adverse action.~~

7 ~~(6) Nothing in this compact shall override a party state's decision that participation in an~~
8 ~~alternative program may be used in lieu of licensure action and that such participation shall remain~~
9 ~~non-public if required by the party state's laws. Party states must require nurses who enter any~~
10 ~~alternative programs to agree not to practice in any other party state during the term of the~~
11 ~~alternative program without prior authorization from such other party state.~~

12 **5-34.3-11. Immunity.**

13 ~~No party state or the officers or employees or agents of a party state's nurse licensing board~~
14 ~~who acts in accordance with the provisions of this compact shall be liable on account of any act or~~
15 ~~omission in good faith while engaged in the performance of their duties under this compact. Good~~
16 ~~faith in this article shall not include willful misconduct, gross negligence, or recklessness.~~

17 SECTION 5. Title 5 of the General Laws entitled “Business and Professions” is hereby
18 amended by adding thereto the following chapter:

19 CHAPTER 44.1

20 PSYCHOLOGY INTERJURISDICTIONAL COMPACT

21 5-44.1-1. Short title. – This chapter shall be known and may be cited as the psychology
22 interjurisdictional compact act.

23 5.44-1-2. Purpose.

24 WHEREAS, states license psychologists, in order to protect the public through verification
25 of education, training and experience and ensure accountability for professional practice; and

26 WHEREAS, this compact is intended to regulate the day to day practice of telepsychology
27 (i.e. the provision of psychological services using telecommunication technologies) by
28 psychologists across state boundaries in the performance of their psychological practice as assigned
29 by an appropriate authority; and

30 WHEREAS, this compact is intended to regulate the temporary in-person, face-to-face
31 practice of psychology by psychologists across state boundaries for 30 days within a calendar year
32 in the performance of their psychological practice as assigned by an appropriate authority;

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 state
6 regulation will best protect public health and safety;

7 WHEREAS, this compact does not apply when a psychologist is licensed in both the home
8 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
12 purposes and 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 regulatory
29 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 designated 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 that
13 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 database”
16 means an integrated process for collecting, storing, and sharing information on psychologists’
17 licensure and enforcement activities related to psychology licensure laws, which is administered
18 by the recognized membership organization composed of state and provincial psychology
19 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 (not
24 through the use of telecommunications technologies), to provide temporary in-person, face-to-face
25 psychological services.

26 (l) “E.Passport” means a certificate issued by the ASPPB that promotes the standardization
27 in the criteria of interjurisdictional telepsychology practice and facilitates the process for licensed
28 psychologists to provide telepsychological services across state lines.

29 (m) “Executive board” means a group of directors elected or appointed to act on behalf of,
30 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 under
33 the authorization to practice interjurisdictional telepsychology, the home state is the compact state
34 where the psychologist is physically present when the telepsychological services are delivered. If

1 the psychologist is licensed in more than one compact state and is practicing under the temporary
2 authorization to practice, the home state is any compact state where the psychologist is licensed.

3 (o) “Identity history summary” means a summary of information retained by the FBI, or
4 other designee with similar authority, in connection with arrests and, in some instances, federal
5 employment, naturalization, or military service.

6 (p) “In-person, face-to-face” means interactions in which the psychologist and the
7 client/patient are in the same physical space and which does not include interactions that may occur
8 through the use of telecommunication technologies.

9 (q) “Interjurisdictional practice certificate (IPC)” means a certificate issued by the ASPPB
10 that grants temporary authority to practice based on notification to the state psychology regulatory
11 authority of intention to practice temporarily, and verification of one’s qualifications for such
12 practice.

13 (r) “License” means authorization by a state psychology regulatory authority to engage in
14 the independent practice of psychology, which would be unlawful without the authorization.

15 (s) “Non-compact state” means any state which is not at the time a compact state.

16 (t) “Psychologist” means an individual licensed for the independent practice of
17 psychology.

18 (u) “Psychology interjurisdictional compact” means the formal compact authorized in
19 chapter 5-44.1.

20 (v) “Psychology interjurisdictional compact commission” also referred to as “commission”
21 means the national administration of which all compact states are members.

22 (w) “Receiving State” means a compact state where the client/patient is physically located
23 when the telepsychological services are delivered.

24 (x) “Rule” means a written statement by the psychology interjurisdictional compact
25 commission promulgated pursuant to section 5-44.1-12 that is of general applicability, implements,
26 interprets, or prescribes a policy or provision of the compact, or an organizational, procedural, or
27 practice requirement of the commission and has the force and effect of statutory law in a compact
28 state, and includes the amendment, repeal or suspension of an existing rule.

29 (y) “Significant investigatory information” means investigative information that a state
30 psychology regulatory authority, after a preliminary inquiry that includes notification and an
31 opportunity to respond if required by state law, has reason to believe, if proven true, would indicate
32 more than a violation of state statute or ethics code that would be considered more substantial than
33 minor infraction; or investigative information that indicates that the psychologist represents an

1 immediate threat to public health and safety regardless of whether the psychologist has been
2 notified and/or had an opportunity to respond.

3 (z) “State” means a state, commonwealth, territory, or possession of the United States, the
4 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 compact,
11 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 to
14 provide for the practice of psychology for 30 days within a calendar year and based on notification
15 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 where
21 the psychologist is physically present when the services are delivered as authorized by the authority
22 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 or
2 significant investigatory information regarding a licensed individual;

3 (4) Requires an identity history summary of all applicants at initial licensure, including the
4 use of the results of fingerprints or other biometric data checks compliant with the requirements of
5 the Federal Bureau of Investigation (FBI), or other designee with similar authority, no later than
6 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 a
9 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 or
14 significant investigatory information regarding a licensed individual;

15 (4) Requires an identity history summary of all applicants at initial licensure, including the
16 use of the results of fingerprints or other biometric data checks compliant with the requirements of
17 the FBI, or other designee with similar authority, no later than ten years after activation of the
18 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 (receiving
23 states) in which the psychologist is not licensed, under the authority to practice interjurisdictional
24 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, at
28 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 carry
11 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 study
20 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 violates
26 the rules;
- 27 (16) Possess a current, active E.Passport;
- 28 (17) Provide attestations in regard to areas of intended practice, conformity with standards
29 of practice, competence in telepsychology technology; criminal background; and knowledge and
30 adherence to legal requirements in the home and receiving states, and provide a release of
31 information to allow for primary source verification in a manner specified by the commission; and
- 32 (18) Meet other criteria as defined by the rules.
- 33 (c) The home state maintains authority over the license of any psychologist practicing into
34 a Receiving State under the authority to practice interjurisdictional telepsychology.

1 (d) A psychologist practicing into a receiving state under the authority to practice
2 interjurisdictional telepsychology will be subject to the receiving state's scope of practice. A
3 receiving state may, in accordance with that state's due process law, limit or revoke a
4 psychologist's Authority to practice interjurisdictional telepsychology in the receiving state and
5 may take any other necessary actions under the receiving state's applicable law to protect the health
6 and safety of the receiving State's citizens. If a receiving state takes action, the state shall promptly
7 notify the home state and the commission.

8 (e) If a psychologist's license in any home state, another compact state, or any authority to
9 practice interjurisdictional telepsychology in any receiving state, is restricted, suspended or
10 otherwise limited, the E.Passport shall be revoked and therefore the psychologist shall not be
11 eligible to practice telepsychology in a compact state under the authority to practice
12 interjurisdictional telepsychology.

13 **5-44.1-6. – Compact temporary authorization to practice.**

14 (a) Compact states shall also recognize the right of a psychologist, licensed in a compact
15 state in conformance with section 5-44.1-4, to practice temporarily in other compact states (distant
16 states) in which the psychologist is not licensed, as provided in the compact.

17 (b) To exercise the temporary authorization to practice under the terms and provisions of
18 this compact, a psychologist licensed to practice in a compact state must:

19 (1) Hold a graduate degree in psychology from an institute of higher education that was, at
20 the time the degree was awarded:

21 (i) Regionally accredited by an accrediting body recognized by the U.S. department of
22 education to grant graduate degrees, or authorized by provincial statute or royal charter to grant
23 doctoral degrees; or

24 (ii) A foreign college or university deemed to be equivalent to 1 (a) above by a foreign
25 credential evaluation service that is a member of the national association of credential evaluation
26 services (NACES) or by a recognized foreign credential evaluation service; and

27 (2) Hold a graduate degree in psychology that meets the following criteria:

28 (i) The program, wherever it may be administratively housed, must be clearly identified
29 and labeled as a psychology program. Such a program must specify in pertinent institutional
30 catalogues and brochures its intent to educate and train professional psychologists;

31 (ii) The psychology program must stand as a recognizable, coherent, organizational entity
32 within the institution;

33 (iii) There must be a clear authority and primary responsibility for the core and specialty
34 areas whether or not the program cuts across administrative lines;

- 1 (iv) The program must consist of an integrated, organized sequence of study;
- 2 (v) There must be an identifiable psychology faculty sufficient in size and breadth to carry
3 out its responsibilities;
- 4 (vi) The designated director of the program must be a psychologist and a member of the
5 core faculty;
- 6 (vii) The program must have an identifiable body of students who are matriculated in that
7 program for a degree;
- 8 (viii) The program must include supervised practicum, internship, or field training
9 appropriate to the practice of psychology;
- 10 (ix) The curriculum shall encompass a minimum of three academic years of full-time
11 graduate study for doctoral degrees and a minimum of one academic year of full-time graduate
12 study for master's degree;
- 13 (x) The program includes an acceptable residency as defined by the rules.
- 14 (3) Possess a current, full and unrestricted license to practice psychology in a home state
15 which is a compact state;
- 16 (4) No history of adverse action that violate the rules;
- 17 (5) No criminal record history that violates the rules;
- 18 (6) Possess a current, active IPC;
- 19 (7) Provide attestations in regard to areas of intended practice and work experience and
20 provide a release of information to allow for primary source verification in a manner specified by
21 the commission; and
- 22 (8) Meet other criteria as defined by the rules.
- 23 (c) A psychologist practicing into a distant state under the temporary authorization to
24 practice shall practice within the scope of practice authorized by the distant state.
- 25 (d) A psychologist practicing into a distant state under the temporary authorization to
26 practice will be subject to the distant state's authority and law. A distant state may, in accordance
27 with that state's due process law, limit or revoke a psychologist's temporary authorization to
28 practice in the distant state and may take any other necessary actions under the distant state's
29 applicable law to protect the health and safety of the distant state's citizens. If a distant state takes
30 action, the state shall promptly notify the home state and the commission.
- 31 (e) If a psychologist's license in any home state, another compact state, or any temporary
32 authorization to practice in any distant state, is restricted, suspended or otherwise limited, the IPC
33 shall be revoked and therefore the psychologist shall not be eligible to practice in a compact state
34 under the temporary authorization to practice.

1 5-44.1-7. – Conditions of telepsychology practice in a receiving state.

2 (a) A psychologist may practice in a receiving state under the authority to practice
3 interjurisdictional telepsychology only in the performance of the scope of practice for psychology
4 as assigned by an appropriate state psychology regulatory authority, as defined in the rules, and
5 under the following circumstances:

6 (1) The psychologist initiates a client/patient contact in a home state via
7 telecommunications technologies with a client/patient in a receiving state;

8 (2) Other conditions regarding telepsychology as determined in the rules.

9 **5-44.1-8. – Adverse actions.**

10 (a) A home state shall have the power to impose adverse action against a psychologist's
11 license issued by the home state. A distant state shall have the power to take adverse action on a
12 psychologist's temporary authorization to practice within that distant state.

13 (b) A receiving state may take adverse action on a psychologist's authority to practice
14 interjurisdictional telepsychology within that receiving state. A home state may take adverse action
15 against a psychologist based on an adverse action taken by a distant state regarding temporary in-
16 person, face-to-face practice.

17 (c) If a home state takes adverse action against a psychologist's license, that psychologist's
18 authority to practice interjurisdictional telepsychology is terminated and the E.Passport is revoked.
19 Furthermore, that psychologist's temporary authorization to practice is terminated and the IPC is
20 revoked.

21 (1) All home state disciplinary orders which impose adverse action shall be reported to the
22 commission in accordance with the rules. A compact state shall report adverse actions in
23 accordance with the rules.

24 (2) In the event discipline is reported on a psychologist, the psychologist will not be eligible
25 for telepsychology or temporary in-person, face-to-face practice in accordance with the rules.

26 (3) Other actions may be imposed as determined by the rules.

27 (d) A home state's psychology regulatory authority shall investigate and take appropriate
28 action with respect to reported inappropriate conduct engaged in by a licensee which occurred in a
29 Receiving State as it would if such conduct had occurred by a licensee within the home state. In
30 such cases, the home state's law shall control in determining any adverse action against a
31 psychologist's license.

32 (e) A distant state's psychology regulatory authority shall investigate and take appropriate
33 action with respect to reported inappropriate conduct engaged in by a psychologist practicing under
34 temporary authorization practice which occurred in that distant state as it would if such conduct

1 had occurred by a licensee within the home state. In such cases, distant state's law shall control in
2 determining any adverse action against a psychologist's temporary authorization to practice.

3 (f) Nothing in this compact shall override a compact state's decision that a psychologist's
4 participation in an alternative program may be used in lieu of adverse action and that such
5 participation shall remain non-public if required by the compact state's law. Compact states must
6 require psychologists who enter any alternative programs to not provide telepsychology services
7 under the authority to practice interjurisdictional telepsychology or provide temporary
8 psychological services under the temporary authorization to practice in any other compact state
9 during the term of the alternative program.

10 (g) No other judicial or administrative remedies shall be available to a psychologist in the
11 event a compact State imposes an adverse action pursuant to subsection c, above.

12 **5-44.1-9. – Additional authorities invested in a compact state's psychology regulatory**
13 **authority.**

14 (a) In addition to any other powers granted under state law, a compact state's psychology
15 regulatory Authority shall have the authority under this compact to:

16 (1) Issue subpoenas, for both hearings and investigations, which require the attendance and
17 testimony of witnesses and the production of evidence. Subpoenas issued by a compact state's
18 psychology regulatory authority for the attendance and testimony of witnesses, and/or the
19 production of evidence from another compact state shall be enforced in the latter state by any court
20 of competent jurisdiction, according to that court's practice and procedure in considering subpoenas
21 issued in its own proceedings. The issuing state psychology regulatory authority shall pay any
22 witness fees, travel expenses, mileage and other fees required by the service statutes of the state
23 where the witnesses and/or evidence are located; and

24 (2) Issue cease and desist and/or injunctive relief orders to revoke a psychologist's
25 authority to practice interjurisdictional telepsychology and/or temporary authorization to practice.

26 (3) During the course of any investigation, a psychologist may not change his/her home
27 state licensure. A home state psychology regulatory authority is authorized to complete any
28 pending investigations of a psychologist and to take any actions appropriate under its law. The
29 home state psychology regulatory authority shall promptly report the conclusions of such
30 investigations to the commission. Once an investigation has been completed, and pending the
31 outcome of said investigation, the psychologist may change his/her home state licensure. The
32 commission shall promptly notify the new home state of any such decisions as provided in the rules.
33 All information provided to the commission or distributed by compact states pursuant to the
34 psychologist shall be confidential, filed under seal and used for investigatory or disciplinary

1 matters. The commission may create additional rules for mandated or discretionary sharing of
2 information by compact States.

3 **5-44.1-10. – Coordinated licensure information system.**

4 (a) The commission shall provide for the development and maintenance of a coordinated
5 licensure information system and reporting system containing licensure and disciplinary action
6 information on all psychologists to whom this compact is applicable in all compact states as defined
7 by the rules.

8 (b) Notwithstanding any other provision of state law to the contrary, a compact state shall
9 submit a uniform data set to the coordinated database on all licensees as required by the rules,
10 including:

11 (i) Identifying information;

12 (ii) Licensure data;

13 (iii) Significant investigatory information;

14 (iv) Adverse actions against a psychologist's license;

15 (v) An indicator that a psychologist's authority to practice interjurisdictional
16 telepsychology and/or temporary authorization to practice is revoked;

17 (vi) Non-confidential information related to alternative program participation information;

18 (vii) Any denial of application for licensure, and the reasons for such denial; and

19 (viii) Other information which may facilitate the administration of this compact, as
20 determined in the rules.

21 (c) The coordinated database administrator shall promptly notify all compact states of any
22 adverse action taken against, or significant investigative information on, any licensee in a compact
23 state.

24 (d) Compact states reporting information to the coordinated database may designate
25 information that may not be shared with the public without the express permission of the compact
26 state reporting the information.

27 (e) Any information submitted to the coordinated database that is subsequently required to
28 be expunged by the law of the compact State reporting the information shall be removed from the
29 coordinated database.

30 **5-44.1-11. – Establishment of the psychology interjurisdictional compact commission.**

31 (a) The compact states hereby create and establish a joint public agency known as the
32 psychology interjurisdictional compact commission.

33 (1) The commission is a body politic and an instrumentality of the compact states.

1 (2) Venue is proper and judicial proceedings by or against the commission shall be brought
2 solely and exclusively in a court of competent jurisdiction where the principal office of the
3 commission is located. The commission may waive venue and jurisdictional defenses to the extent
4 it adopts or consents to participate in alternative dispute resolution proceedings.

5 (3) Nothing in this compact shall be construed to be a waiver of sovereign immunity.

6 (b) Membership, voting, and meetings

7 (1) The commission shall consist of one voting representative designated by each compact
8 state who shall serve as that state's commissioner. The state psychology regulatory authority shall
9 designate its delegate. This delegate shall be empowered to act on behalf of the compact state.
10 This delegate shall be limited to:

11 (i) Executive director, executive secretary or similar executive;

12 (ii) Current member of the state psychology regulatory authority of a compact State; or

13 (iii) Designee empowered with the appropriate delegate authority to act on behalf of the
14 compact State.

15 (2) Any commissioner may be removed or suspended from office as provided by the law
16 of the state from which the commissioner is appointed. Any vacancy occurring in
17 the commission shall be filled in accordance with the laws of the compact state in which
18 the vacancy exists.

19 (3) Each commissioner shall be entitled to one vote with regard to the promulgation of
20 rules and creation of bylaws and shall otherwise have an opportunity to participate in the business
21 and affairs of the commission. A commissioner shall vote in person or by such other means as
22 provided in the bylaws. The By-Laws may provide for commissioner's participation in meetings
23 by telephone or other means of communication.

24 (4) The commission shall meet at least once during each calendar year. Additional
25 meetings shall be held as set forth in the bylaws.

26 (5) All meetings shall be open to the public, and public notice of meetings shall be given
27 in the same manner as required under the provisions of Chapter 46 of Title 42, but otherwise, the
28 commission shall not be subject to the requirements of the Rhode Island Open Meetings Act, R.I.
29 Gen. Laws § 42-46-1 et seq. and/or the Rhode Island Access to Public Records Act, R.I. Gen. Laws
30 § 38-2-1 et seq. Rather, the commission shall adhere to the requirements stated in this chapter.

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
8 or 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
13 of 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 and
19 clearly describe all matters discussed in a meeting and shall provide a full and accurate summary
20 of actions taken, of any person participating in the meeting, and the reasons therefore, including a
21 description of the views expressed. All documents considered in connection with an action shall be
22 identified in such minutes. All minutes and documents of a closed meeting shall remain under seal,
23 subject to release only by a majority vote of the commission or order of a court of competent
24 jurisdiction.

25 (8) The commission shall, by a majority vote of the commissioners, prescribe bylaws
26 and/or 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
34 commission, ensuring reasonable advance notice of all meetings and providing an opportunity for

1 attendance of such meetings by interested parties, with enumerated exceptions designed to protect
2 the 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, the
5 commission must make public a copy of the vote to close the meeting revealing the vote of each
6 commissioner with no proxy votes allowed;

7 (vi) Establishing the titles, duties and authority and reasonable procedures for the election
8 of 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 after
17 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
19 and 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;
22 and

23 (11) The commission shall meet and take such actions as are consistent with the provisions
24 of this compact and the bylaws.

25 (c) The commission shall have the following powers:

26 (1) The authority to promulgate uniform rules to facilitate and coordinate implementation
27 and administration of this compact. The rule shall have the force and effect of law and shall be
28 binding in all compact states;

29 (2) To bring and prosecute legal proceedings or actions in the name of the commission,
30 provided that the standing of any state psychology regulatory authority or other regulatory body
31 responsible for psychology licensure to sue or be sued under applicable law shall not be affected;

32 (3) To purchase and maintain insurance and bonds;

33 (4) To borrow, accept or contract for services of personnel, including, but not limited to,
34 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 the
7 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
12 any 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
25 shall 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
28 by 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 fees;
- 5 (ii) Ensure compact administration services are appropriately provided, contractual or
6 otherwise;
- 7 (iii) Prepare and recommend the budget;
- 8 (iv) Maintain financial records on behalf of the commission;
- 9 (v) Monitor compact compliance of member states and provide compliance reports to the
10 commission;
- 11 (vi) Establish additional committees as necessary; and
- 12 (vii) Other duties as provided in rules or bylaws.
- 13 (e) Financing of the commission
- 14 (1) The commission shall pay, or provide for the payment of the reasonable expenses of its
15 establishment, organization and ongoing activities.
- 16 (2) The commission may accept any and all appropriate revenue sources, donations and
17 grants of money, equipment, supplies, materials and services.
- 18 (3) The commission may levy on and collect an annual assessment from each compact state
19 or impose fees on other parties to cover the cost of the operations and activities of the commission
20 and its staff which must be in a total amount sufficient to cover its annual budget as approved each
21 year for which revenue is not provided by other sources. The aggregate annual assessment amount
22 shall be allocated based upon a formula to be determined by the commission which shall
23 promulgate a rule binding upon all compact states.
- 24 (1) The commission shall not incur obligations of any kind prior to securing the funds
25 adequate to meet the same; nor shall the commission pledge the credit of any of the compact States,
26 except by and with the authority of the compact state.
- 27 (2) The commission shall keep accurate accounts of all receipts and disbursements. The
28 receipts and disbursements of the commission shall be subject to the audit and accounting
29 procedures established under its bylaws. However, all receipts and disbursements of funds handled
30 by the commission shall be audited yearly by a certified or licensed public accountant and the report
31 of the audit shall be included in and become part of the annual report of the commission.
- 32 (a) Qualified immunity, defense, and indemnification
- 33 (1) The members, officers, executive director, employees and representatives of the
34 commission shall be immune from suit and liability, either personally or in their official capacity,

1 for any claim for damage to or loss of property or personal injury or other civil liability caused by
2 or arising out of any actual or alleged act, error or omission that occurred, or that the person against
3 whom the claim is made had a reasonable basis for believing occurred within the scope of
4 commission employment, duties or responsibilities; provided that nothing in this paragraph shall
5 be construed to protect any such person from suit and/or liability for any damage, loss, injury or
6 liability caused by the intentional or willful or wanton misconduct of that person.

7 (2) The commission shall defend any member, officer, executive director, employee or
8 representative of the commission in any civil action seeking to impose liability arising out of any
9 actual or alleged act, error or omission that occurred within the scope of commission employment,
10 duties or responsibilities, or that the person against whom the claim is made had a reasonable basis
11 for believing occurred within the scope of commission employment, duties or responsibilities;
12 provided that nothing herein shall be construed to prohibit that person from retaining his or her
13 own counsel; and provided further, that the actual or alleged act, error or omission did not result
14 from that person's intentional or willful or wanton misconduct.

15 (3) The commission shall indemnify and hold harmless any member, officer, executive
16 director, employee or representative of the commission for the amount of any settlement or
17 judgment obtained against that person arising out of any actual or alleged act, error or omission
18 that occurred within the scope of commission. employment, duties or responsibilities, or that such
19 person had a reasonable basis for believing occurred within the scope of commission employment,
20 duties or responsibilities, provided that the actual or alleged act, error or omission did not result
21 from the intentional or willful or wanton misconduct of that person.

22 **5-44.1-12. – Rulemaking.**

23 (a) The commission shall exercise its rulemaking powers pursuant to the criteria set forth
24 in section 5-44.1-12 and the rules adopted thereunder. rules and amendments shall become binding
25 as of the date specified in each rule or amendment. The commission shall not be subject to the
26 requirements of the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1et seq.,
27 but rather shall adhere to the requirements stated in this chapter.

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
2 least sixty (60) days in advance of the meeting at which the rule will be considered and voted upon,
3 the 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
6 publication 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
9 considered 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
15 written 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
17 or 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
23 the 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
28 a 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,
30 in 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
4 hearing date if the hearing was not held, the commission shall consider all written and oral
5 comments 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
10 received, the commission may proceed with promulgation of the proposed rule without a public
11 hearing.

12 (l) Upon determination that an emergency exists, the commission may consider and adopt
13 an emergency rule without prior notice, opportunity for comment, or hearing, provided that the
14 usual rulemaking procedures provided in the compact and in this section shall be retroactively
15 applied to the rule as soon as reasonably possible, in no event later than ninety (90) days after the
16 effective date of the rule. For the purposes of this provision, an emergency rule is one that must be
17 adopted immediately in order to:

18 (1) Meet an imminent threat to public health, safety, or welfare;

19 (2) Prevent a loss of commission or compact state funds;

20 (3) Meet a deadline for the promulgation of an administrative rule that is established by
21 federal law or rule; or

22 (4) Protect public health and safety.

23 (m) The commission or an authorized committee of the commission may direct revisions
24 to a previously adopted rule or amendment for purposes of correcting typographical errors, errors
25 in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be
26 posted on the website of the commission. The revision shall be subject to challenge by any person
27 for a period of thirty (30) days after posting. The revision may be challenged only on grounds that
28 the revision results in a material change to a rule. A challenge shall be made in writing, and
29 delivered to the chair of the commission prior to the end of the notice period. If no challenge is
30 made, the revision will take effect without further action. If the revision is challenged, the revision
31 may not take effect without the approval of the commission.

32 **5-44.1-13. -- Oversight, dispute resolution, and enforcement.**

33 (a) Oversight

1 (1) The executive, legislative and judicial branches of state government in each compact
2 state shall enforce this compact and take all actions necessary and appropriate to effectuate the
3 compact’s purposes and intent. The provisions of this compact and the rules promulgated hereunder
4 shall have standing as statutory law.

5 (2) All courts shall take judicial notice of the compact and the rules in any judicial or
6 administrative proceeding in a compact state pertaining to the subject matter of this compact which
7 may affect the powers, responsibilities or actions of the commission.

8 (3) The commission shall be entitled to receive service of process in any such proceeding,
9 and shall have standing to intervene in such a proceeding for all purposes. Failure to provide service
10 of process to the commission shall render a judgment or order void as to the commission, this
11 compact or promulgated rules.

12 (b) Default, technical assistance, and termination

13 (1) If the commission determines that a compact state has defaulted in the performance of
14 its obligations or responsibilities under this compact or the promulgated rules, the commission
15 shall:

16 (a) Provide written notice to the defaulting state and other compact states of the nature of
17 the default, the proposed means of remedying the default and/or any other action to be taken by the
18 commission; and

19 (b) Provide remedial training and specific technical assistance regarding the default.

20 (2) If a state in default fails to remedy the default, the defaulting state may be terminated
21 from the compact upon an affirmative vote of a majority of the compact states, and all rights,
22 privileges and benefits conferred by this compact shall be terminated on the effective date of
23 termination. A remedy of the default does not relieve the offending state of obligations or liabilities
24 incurred during the period of default.

25 (3) Termination of membership in the compact shall be imposed only after all other means
26 of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be
27 submitted by the commission to the governor, the majority and minority leaders of the defaulting
28 state's legislature, and each of the compact states.

29 (4) A compact state which has been terminated is responsible for all assessments,
30 obligations and liabilities incurred through the effective date of termination, including obligations
31 which extend beyond the effective date of termination.

32 (5) The commission shall not bear any costs incurred by the state which is found to be in
33 default or which has been terminated from the compact, unless agreed upon in writing between the
34 commission and the defaulting state.

1 (6) The defaulting state may appeal the action of the commission by petitioning the U.S.
2 district court for the state of Georgia or the federal district where the compact has its principal
3 offices. The prevailing member shall be awarded all costs of such litigation, including reasonable
4 attorney's fees.

5 (c) Dispute resolution

6 (1) Upon request by a compact state, the commission shall attempt to resolve disputes
7 related to the compact which arise among compact states and between compact and non-compact
8 states.

9 (2) The commission shall promulgate a rule providing for both mediation and binding
10 dispute resolution for disputes that arise before the commission.

11 (d) Enforcement

12 (1) The commission, in the reasonable exercise of its discretion, shall enforce the
13 provisions and rules of this compact.

14 (2) By majority vote, the commission may initiate legal action in the United States district
15 court for the State of Georgia or the federal district where the compact has its principal offices
16 against a compact state in default to enforce compliance with the provisions of the compact and its
17 promulgated rules and bylaws. The relief sought may include both injunctive relief and damages.
18 In the event judicial enforcement is necessary, the prevailing member shall be awarded all costs of
19 such litigation, including reasonable attorney's fees.

20 (3) The remedies herein shall not be the exclusive remedies of the commission. The
21 commission may pursue any other remedies available under federal or state law.

22 **5-44.1-14. Date of implementation of the psychology interjurisdictional compact**
23 **commission and associated rules, withdrawal, and amendments.**

24 (a) The compact shall come into effect on the date on which the compact is enacted into
25 law in the seventh compact state. The provisions which become effective at that time shall be
26 limited to the powers granted to the commission relating to assembly and the promulgation of rules.
27 Thereafter, the commission shall meet and exercise rulemaking powers necessary to the
28 implementation and administration of the compact.

29 (b) Any state which joins the compact subsequent to the commission's initial adoption of
30 the rules shall be subject to the rules as they exist on the date on which the compact becomes law
31 in that state. Any rule which has been previously adopted by the commission shall have the full
32 force and effect of law on the day the compact becomes law in that state.

33 (c) Any compact state may withdraw from this compact by enacting a statute repealing the
34 same.

1 (1) A compact state’s withdrawal shall not take effect until six (6) months after enactment
2 of the repealing statute.

3 (2) Withdrawal shall not affect the continuing requirement of the withdrawing state’s
4 psychology regulatory authority to comply with the investigative and adverse action reporting
5 requirements of this act prior to the effective date of withdrawal.

6 (d) Nothing contained in this compact shall be construed to invalidate or prevent any
7 psychology licensure agreement or other cooperative arrangement between a compact state and a
8 non-compact state which does not conflict with the provisions of this compact.

9 (e) This compact may be amended by the compact states. No amendment to this compact
10 shall become effective and binding upon any compact State until it is enacted into the law of all
11 compact states.

12 **5-44.1-15. – Construction and severability.**

13 This compact shall be liberally construed so as to effectuate the purposes thereof. If this
14 compact shall be held contrary to the constitution of any state member thereto, the compact shall
15 remain in full force and effect as to the remaining compact States.

16 SECTION 6. Title 5 of the General Laws entitled “Business and Professions” is hereby
17 amended by adding thereto the following chapter:

18 CHAPTER 40.2

19 RHODE ISLAND PHYSICAL THERAPIST LICENSURE COMPACT

20 **5-40.2-1. Short title – The Rhode Island Physical Therapist Licensure Compact Act.**

21 This chapter shall be known and may be cited as the Rhode Island physical therapist
22 licensure compact act.

23 **5-40.2.-2. Purpose.**

24 (a) The purpose of the physical therapist licensure compact is to facilitate interstate practice
25 of physical therapy with the goal of improving public access to physical therapy services. The
26 practice of physical therapy occurs in the state where the patient/client is located at the time of the
27 patient/client encounter. The compact preserves the regulatory authority of the state to protect
28 public health and safety through the current system of state licensure. The compact is designed to
29 achieve the following objectives:

30 (1) Increase public access to physical therapy services by providing for the mutual
31 recognition of other member state licenses;

32 (2) Enhance the states’ ability to protect the public’s health and safety;

33 (3) Encourage the cooperation of member states in regulating multi-state physical therapy
34 practice;

- 1 (4) Support spouses of relocating military members;
2 (5) Enhance the exchange of licensure, investigative, and disciplinary information between
3 member states; and
4 (6) Allow a remote state to hold a provider of services with a compact privilege in that state
5 accountable to that state’s practice standards.

6 **5-40.2-3. Definitions.**

7 As used in this compact, and except as otherwise provided, the following definitions shall
8 apply:

9 (a) “Active duty military” means full-time duty status in the active uniformed service of
10 the United States, including members of the national guard and reserve on active duty orders
11 pursuant to 10 U.S.C. Section 1209 and 1211.

12 (b) “Adverse action” means disciplinary action taken by a physical therapy licensing board
13 based upon misconduct, unacceptable performance, or a combination of both.

14 (c) “Alternative program” means a non-disciplinary monitoring or practice remediation
15 process approved by a physical therapy licensing board. This includes, but is not limited to,
16 substance abuse issues.

17 (d) “Compact privilege” means the authorization granted by a remote state to allow a
18 licensee from another member state to practice as a physical therapist or work as a physical therapist
19 assistant in the remote state under its laws and rules. The practice of physical therapy occurs in the
20 member state where the patient/client is located at the time of the patient/client encounter.

21 (e) “Continuing competence” means a requirement, as a condition of license renewal, to
22 provide evidence of participation in, and/or completion of, educational and professional activities
23 relevant to practice or area of work.

24 (f) “Data system” means a repository of information about licensees, including
25 examination, licensure, investigative, compact privilege, and adverse action.

26 (g) “Encumbered license” means a license that a physical therapy licensing board has
27 limited in any way.

28 (h) “Executive board” means a group of directors elected or appointed to act on behalf of,
29 and within the powers granted to them by, the commission.

30 (i) “Home state” means the member state that is the licensee’s primary state of residence.

31 (j) “Investigative information” means information, records, and documents received or
32 generated by a physical therapy licensing board pursuant to an investigation.

33 (k) “Jurisprudence requirement” means the assessment of an individual’s knowledge of the
34 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
9 and 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 physical
12 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
17 is 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
22 has 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 on

1 criminal background checks and use the results in making licensure decisions in accordance with
2 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
25 remote 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 the
33 remote state.

1 (c) A licensee providing physical therapy in a remote state under the compact privilege
2 shall 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
4 regulatory authority. A remote state may, in accordance with due process and that state's laws,
5 remove a licensee's compact privilege in the remote state for a specific period of time, impose
6 finest, and/or take any other necessary actions to protect the health and safety of its citizens. The
7 licensee is not eligible for a compact privilege in any state until the specific time for removal has
8 passed and all fines are paid.

9 (e) If a home state license is encumbered, the licensee shall lose the compact privilege in
10 any 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
17 lose 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
25 duty 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
31 issued by the home state.

32 (b) A home state may take adverse action based on the investigative information of a
33 remote 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
2 an 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 enter
4 any alternative programs in lieu of discipline to agree not to practice in any other member state
5 during the term of the alternative program without prior authorization from such other member
6 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 therapist
9 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 production
16 of evidence from another party state, shall be enforced in the latter state by any court of competent
17 jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued in
18 proceedings pending before it. The issuing authority shall pay any witness fees, travel expenses,
19 mileage, and other fees required by the service statutes of the state where the witnesses and/or
20 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 states
26 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 extent
2 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
8 therapist, 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 affairs
14 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
25 the bylaws;

26 (5) Promulgate uniform rules to facilitate and coordinate implementation and
27 administration of this compact. The rules shall have the force and effect of law and shall be binding
28 in all member states;

29 (6) Bring and prosecute legal proceedings or actions in the name of the commission,
30 provided that the standing of any state physical therapy licensing board to sue or be sued under
31 applicable 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 the
7 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
21 purposes of this compact consistent with the state regulation of physical therapy licensure and
22 practice.

23 (d) The executive board shall have the power to act on behalf of the commission according
24 to the terms of this compact. The executive board shall be composed of nine members:

25 (1) Seven voting members who are elected by the commission from the current
26 membership of the commission;

27 (2) One ex-officio, nonvoting member from the recognized national physical therapy
28 professional association; and

29 (3) One ex-officio, nonvoting member from the recognized membership organization of
30 the physical therapy licensing boards.

31 (4) The ex-officio members will be selected by their respective organizations.

32 (5) The commission may remove any member of the executive board as provided in
33 bylaws.

34 (e) The executive board shall meet at least annually.

- 1 (f) The executive board shall have the following duties and responsibilities:
- 2 (1) Recommend to the entire commission changes to the rules or bylaws, changes to this
3 compact legislation, fees paid by compact member states such as annual dues, and any commission
4 compact fee charged to licensees for the compact privilege;
- 5 (2) Ensure compact administration services are appropriately provided, contractual or
6 otherwise;
- 7 (3) Prepare and recommend the budget;
- 8 (4) Maintain financial records on behalf of the commission;
- 9 (5) Monitor compact compliance of member states and provide compliance reports to the
10 commission;
- 11 (6) Establish additional committees as necessary; and
- 12 (7) Other duties as provided in rules or bylaws.
- 13 (g) All meetings of the commission shall be open to the public, and public notice of
14 meetings shall be given in the same manner as required under the provisions of Chapter 46 of Title
15 42, but otherwise, the commission shall not be subject to the requirements of the Rhode Island
16 Open Meetings Act, R.I. Gen. Laws § 42-46-1 et seq. and/or the Rhode Island Access to Public
17 Records Act, R.I. Gen. Laws § 38-2-1 et seq. Rather, the commission shall adhere to the
18 requirements stated in this chapter.
- 19 (1) The commission or the executive board or other committees of the commission may
20 convene in a closed, non-public meeting if the commission or executive board or other committees
21 of the commission must discuss:
- 22 (2) Non-compliance of a member state with its obligations under the compact;
- 23 (3) The employment, compensation, discipline or other matters, practices or procedures
24 related to specific employees or other matters related to the commission's internal personnel
25 practices and procedures;
- 26 (4) Current, threatened, or reasonably anticipated litigation;
- 27 (5) Negotiation of contracts for the purchase, lease, or sale of goods, services, or real estate;
- 28 (6) Accusing any person of a crime or formally censuring any person;
- 29 (7) Disclosure of trade secrets or commercial or financial information that is privileged or
30 confidential;
- 31 (8) Disclosure of information of a personal nature where disclosure would constitute a
32 clearly unwarranted invasion of personal privacy;
- 33 (9) Disclosure of investigative records compiled for law enforcement purposes;

1 (10) Disclosure of information related to any investigative reports prepared by or on behalf
2 of or for use of the commission or other committee charged with responsibility of investigation or
3 determination of compliance issues pursuant to the compact; or

4 (11) Matters specifically exempted from disclosure by federal or member state statute.

5 (h) If a meeting, or portion of a meeting, is closed pursuant to this provision, the
6 commission's legal counsel or designee shall certify that the meeting may be closed and shall
7 reference each relevant exempting provision.

8 (i) The commission shall keep minutes that fully and clearly describe all matters discussed
9 in a meeting and shall provide a full and accurate summary of actions taken, and the reasons
10 therefore, including a description of the views expressed. All documents considered in connection
11 with an action shall be identified in such minutes. All minutes and documents of a closed meeting
12 shall remain under seal, subject to release by a majority vote of the commission or order of a court
13 of competent jurisdiction.

14 (j) The commission shall pay, or provide for the payment of, the reasonable expenses of its
15 establishment, organization, and ongoing activities.

16 (1) The commission may accept any and all appropriate revenue sources, donations, and
17 grants of money, equipment, supplies, materials, and services.

18 (2) The commission may levy on and collect an annual assessment from each member state
19 or impose fees on other parties to cover the cost of the operations and activities of the commission
20 and its staff, which must be in a total amount sufficient to cover its annual budget as approved each
21 year for which revenue is not provided by other sources. The aggregate annual assessment amount
22 shall be allocated based upon a formula to be determined by the commission, which shall
23 promulgate a rule binding upon all member states.

24 (3) The commission shall not incur obligations of any kind prior to securing the funds
25 adequate to meet the same; nor shall the commission pledge the credit of any of the member states,
26 except by and with the authority of the member state.

27 (4) The commission shall keep accurate accounts of all receipts and disbursements. The
28 receipts and disbursements of the commission shall be subject to the audit and accounting
29 procedures established under its bylaws. However, all receipts and disbursements of funds handled
30 by the commission shall be audited yearly by a certified or licensed public accountant, and the
31 report of the audit shall be included in and become part of the annual report of the commission.

32 (k) The members, officers, executive director, employees and representatives of the
33 commission shall be immune from suit and liability, either personally or in their official capacity,
34 for any claim for damage to or loss of property or personal injury or other civil liability caused by

1 or arising out of any actual or alleged act, error or omission that occurred, or that the person against
2 whom the claim is made had a reasonable basis for believing occurred within the scope of
3 commission employment, duties or responsibilities; provided that nothing in this paragraph shall
4 be construed to protect any such person from suit and/or liability for any damage, loss, injury, or
5 liability caused by the intentional or willful or wanton misconduct of that person.

6 (1) The commission shall defend any member, officer, executive director, employee or
7 representative of the commission in any civil action seeking to impose liability arising out of any
8 actual or alleged act, error, or omission that occurred within the scope of commission employment,
9 duties, or responsibilities, or that the person against whom the claim is made had a reasonable basis
10 for believing occurred within the scope of commission employment, duties, or responsibilities;
11 provided that nothing herein shall be construed to prohibit that person from retaining his or her own
12 counsel; and provided further, that the actual or alleged act, error, or omission did not result from
13 that person's intentional or willful or wanton misconduct.

14 (2) The commission shall indemnify and hold harmless any member, officer, executive
15 director, employee, or representative of the commission for the amount of any settlement or
16 judgment obtained against that person arising out of any actual or alleged act, error or omission
17 that occurred within the scope of commission employment, duties, or responsibilities, or that such
18 person had a reasonable basis for believing occurred within the scope of commission employment,
19 duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result
20 from the intentional or willful or wanton misconduct of that person.

21 **5-40-.2-9. Data System.**

22 (a) The commission shall provide for the development, maintenance, and utilization of a
23 coordinated database and reporting system containing licensure, adverse action, and investigative
24 information on all licensed individuals in member states.

25 (b) Notwithstanding any other provision of state law to the contrary, a member state shall
26 submit a uniform data set to the data system on all individuals to whom this compact is applicable
27 as required by the rules of the commission, including:

28 (1) Identifying information;

29 (2) Licensure data;

30 (3) Adverse actions against a license or compact privilege;

31 (4) Non-confidential information related to alternative program participation;

32 (5) Any denial of application for licensure, and the reason(s) for such denial; and

33 (6) Other information that may facilitate the administration of this compact, as determined
34 by the rules of the commission.

1 (c) Investigative information pertaining to a licensee in any member state will only be
2 available to other party states.

3 (d) The commission shall promptly notify all member states of any adverse action taken
4 against a licensee or an individual applying for a license. Adverse action information pertaining to
5 a licensee in any member state will be available to any other member state.

6 (e) Member states contributing information to the data system may designate information
7 that may not be shared with the public without the express permission of the contributing state.

8 (f) Any information submitted to the data system that is subsequently required to be
9 expunged by the laws of the member state contributing the information shall be removed from the
10 data system.

11 **5-40-.2-10. Rulemaking.**

12 (a) The commission shall exercise its rulemaking powers pursuant to the criteria set forth
13 in this Section and the rules adopted thereunder. Rules and amendments shall become binding as
14 of the date specified in each rule or amendment. The commission shall not be subject to the
15 requirements of the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1 et seq.,
16 but rather shall adhere to the requirements stated in this chapter.

17 (b) If a majority of the legislatures of the member states rejects a rule, by enactment of a
18 statute or resolution in the same manner used to adopt the compact within four years of the date of
19 adoption of the rule, then such rule shall have no further force and effect in any member state.

20 (c) Rules or amendments to the rules shall be adopted at a regular or special meeting of the
21 commission.

22 (d) Prior to promulgation and adoption of a final rule or rules by the commission, and at
23 least thirty days in advance of the meeting at which the rule will be considered and voted upon, the
24 commission shall file a notice of proposed Rulemaking:

25 (1) On the website of the commission or other publicly accessible platform; and

26 (2) On the website of each member state physical therapy licensing board or other publicly
27 accessible platform or the publication in which each state would otherwise publish proposed rules.

28 (e) The notice of proposed rulemaking shall include:

29 (1) The proposed time, date, and location of the meeting in which the rule will be
30 considered and voted upon;

31 (2) The text of the proposed rule or amendment and the reason for the proposed rule;

32 (3) A request for comments on the proposed rule from any interested person; and

33 (4) The manner in which interested persons may submit notice to the commission of their
34 intention to attend the public hearing and any written comments.

1 (f) Prior to adoption of a proposed rule, the commission shall allow persons to submit
2 written data, facts, opinions, and arguments, which shall be made available to the public.

3 (g) The commission shall grant an opportunity for a public hearing before it adopts a rule
4 or amendment if a hearing is requested by:

5 (1) At least twenty-five persons;

6 (2) A state or federal governmental subdivision or agency; or

7 (3) An association having at least twenty-five members.

8 (h) If a hearing is held on the proposed rule or amendment, the commission shall publish
9 the place, time, and date of the scheduled public hearing. If the hearing is held via electronic means,
10 the commission shall publish the mechanism for access to the electronic hearing.

11 (1) All persons wishing to be heard at the hearing shall notify the executive director of the
12 commission or other designated member in writing of their desire to appear and testify at the
13 hearing not less than five business days before the scheduled date of the hearing.

14 (2) Hearings shall be conducted in a manner providing each person who wishes to comment
15 a fair and reasonable opportunity to comment orally or in writing.

16 (3) All hearings will be recorded. A copy of the recording will be made available on
17 request.

18 (4) Nothing in this section shall be construed as requiring a separate hearing on each rule.
19 Rules may be grouped for the convenience of the commission at hearings required by this section.

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) If no written notice of intent to attend the public hearing by interested parties is received,
24 the commission may proceed with promulgation of the proposed rule without a public hearing.

25 (k) The commission shall, by majority vote of all members, take final action on the
26 proposed rule and shall determine the effective date of the rule, if any, based on the rulemaking
27 record and the full text of the rule.

28 (l) Upon determination that an emergency exists, the commission may consider and adopt
29 an emergency rule without prior notice, opportunity for comment, or hearing, provided that the
30 usual rulemaking procedures provided in the compact and in this section shall be retroactively
31 applied to the rule as soon as reasonably possible, in no event later than ninety days after the
32 effective date of the rule. For the purposes of this provision, an emergency rule is one that must be
33 adopted immediately in order to:

34 (1) Meet an imminent threat to public health, safety, or welfare;

1 (2) Prevent a loss of commission or member state funds;
2 (3) Meet a deadline for the promulgation of an administrative rule that is established by
3 federal law or rule; or

4 (4) Protect public health and safety.

5 (m) The commission or an authorized committee of the commission may direct revisions
6 to a previously adopted rule or amendment for purposes of correcting typographical errors, errors
7 in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be
8 posted on the website of the commission. The revision shall be subject to challenge by any person
9 for a period of thirty days after posting. The revision may be challenged only on grounds that the
10 revision results in a material change to a rule. A challenge shall be made in writing and delivered
11 to the chair of the commission prior to the end of the notice period. If no challenge is made, the
12 revision will take effect without further action. If the revision is challenged, the revision may not
13 take effect without the approval of the Commission.

14 **5-40-2-11. Oversight, dispute resolution, and enforcement.**

15 (a) The executive, legislative, and judicial branches of state government in each member
16 state shall enforce this compact and take all actions necessary and appropriate to effectuate the
17 compact's purposes and intent. The provisions of this compact and the rules promulgated hereunder
18 shall have standing as statutory law.

19 (b) All courts shall take judicial notice of the compact and the rules in any judicial or
20 administrative proceeding in a member state pertaining to the subject matter of this compact which
21 may affect the powers, responsibilities or actions of the commission.

22 (c) The commission shall be entitled to receive service of process in any such proceeding
23 and shall have standing to intervene in such a proceeding for all purposes. Failure to provide service
24 of process to the commission shall render a judgment or order void as to the commission, this
25 compact, or promulgated rules.

26 (d) If the commission determines that a member state has defaulted in the performance of
27 its obligations or responsibilities under this compact or the promulgated rules, the commission
28 shall:

29 (1) Provide written notice to the defaulting state and other member states of the nature of
30 the default, the proposed means of curing the default and/or any other action to be taken by the
31 commission; and

32 (2) Provide remedial training and specific technical assistance regarding the default.

33 (e) If a state in default fails to cure the default, the defaulting state may be terminated from
34 the compact upon an affirmative vote of a majority of the member states, and all rights, privileges

1 and benefits conferred by this compact may be terminated on the effective date of termination. A
2 cure of the default does not relieve the offending state of obligations or liabilities incurred during
3 the period of default.

4 (f) Termination of membership in the compact shall be imposed only after all other means
5 of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given
6 by the commission to the governor, the majority and minority leaders of the defaulting state's
7 legislature, and each of the member states.

8 (g) A state that has been terminated is responsible for all assessments, obligations, and
9 liabilities incurred through the effective date of termination, including obligations that extend
10 beyond the effective date of termination.

11 (h) The commission shall not bear any costs related to a state that is found to be in default
12 or that has been terminated from the compact, unless agreed upon in writing between the
13 commission and the defaulting state.

14 (i) The defaulting state may appeal the action of the commission by petitioning the U.S.
15 district court for the District of Columbia or the federal district where the commission has its
16 principal offices. The prevailing member shall be awarded all costs of such litigation, including
17 reasonable attorney's fees.

18 (j) Upon request by a member state, the commission shall attempt to resolve disputes
19 related to the compact that arise among member states and between member and non-member
20 states.

21 (k) The commission shall promulgate a rule providing for both mediation and binding
22 dispute resolution for disputes as appropriate.

23 (l) The commission, in the reasonable exercise of its discretion, shall enforce the provisions
24 and rules of this compact.

25 (m) By majority vote, the commission may initiate legal action in the United States district
26 court for the District of Columbia or the federal district where the commission has its principal
27 offices against a member state in default to enforce compliance with the provisions of the compact
28 and its promulgated rules and bylaws. The relief sought may include both injunctive relief and
29 damages. In the event judicial enforcement is necessary, the prevailing member shall be awarded
30 all costs of such litigation, including reasonable attorney's fees.

31 (n) The remedies herein shall not be the exclusive remedies of the commission. The
32 commission may pursue any other remedies available under federal or state law.

33 **5-40-.2-12. Date of implementation of the interstate commission for physical therapy**
34 **practice and associated rules, withdrawal, and amendment**

1 (a) The compact shall come into effect on the date on which the compact statute is enacted
2 into law in the tenth member state. The provisions, which become effective at that time, shall be
3 limited to the powers granted to the commission relating to assembly and the promulgation of rules.
4 Thereafter, the commission shall meet and exercise rulemaking powers necessary to the
5 implementation and administration of the compact.

6 (b) Any state that joins the compact subsequent to the commission's initial adoption of the
7 rules shall be subject to the rules as they exist on the date on which the compact becomes law in
8 that state. Any rule that has been previously adopted by the commission shall have the full force
9 and effect of law on the day the compact becomes law in that state.

10 (c) Any member state may withdraw from this compact by enacting a statute repealing the
11 same.

12 (1) A member state's withdrawal shall not take effect until six months after enactment of
13 the repealing statute.

14 (2) Withdrawal shall not affect the continuing requirement of the withdrawing state's
15 physical therapy licensing board to comply with the investigative and adverse action reporting
16 requirements of this act prior to the effective date of withdrawal.

17 (d) Nothing contained in this compact shall be construed to invalidate or prevent any
18 physical therapy licensure agreement or other cooperative arrangement between a member state
19 and a non-member state that does not conflict with the provisions of this compact.

20 (e) This compact may be amended by the member states. No amendment to this compact
21 shall become effective and binding upon any member state until it is enacted into the laws of all
22 member states.

23 **5-40.2-13. Construction and severability**

24 This compact shall be liberally construed so as to effectuate the purposes thereof. The
25 provisions of this compact shall be severable and if any phrase, clause, sentence or provision of
26 this compact is declared to be contrary to the constitution of any party state or of the United States
27 or the applicability thereof to any government, agency, person or circumstance is held invalid, the
28 validity of the remainder of this compact and the applicability thereof to any government, agency,
29 person or circumstance shall not be affected thereby. If this compact shall be held contrary to the
30 constitution of any party state, the compact shall remain in full force and effect as to the remaining
31 party states and in full force and effect as to the party state affected as to all severable matters.

32 SECTION 7. Title 23 of the General Laws entitled "Health and Safety" is hereby amended
33 by adding thereto the following chapter:

34 **CHAPTER 23-4.2**

1 revocation, suspension, probation, consent agreement, monitoring or other limitation or
2 encumbrance on the individual's practice, letters of reprimand or admonition, fines, criminal
3 convictions and state court judgments enforcing adverse actions by the state EMS authority.

4 (c) "Alternative program" means: a voluntary, non-disciplinary substance abuse recovery
5 program approved by a state EMS authority.

6 (d) "Certification" means the successful verification of entry-level cognitive and
7 psychomotor competency using a reliable, validated, and legally defensible examination.

8 (e) "Commission" means the national administrative body of which all states that have
9 enacted the compact are members.

10 (f) "Emergency medical technician (EMT)" means: an individual licensed with cognitive
11 knowledge and a scope of practice that corresponds to that level in the national EMS education
12 standards and national EMS scope of practice model.

13 (g) "Home state" means a member state where an individual is licensed to practice
14 emergency medical services.

15 (h) "License" means the authorization by a state for an individual to practice as an EMT,
16 AEMT, paramedic, or a level in between EMT and paramedic.

17 (i) "Medical director" means: a physician licensed in a member state who is accountable
18 for the care delivered by EMS personnel.

19 (j) "Member state" means a state that has enacted this compact.

20 (k) "Privilege to practice" means: an individual's authority to deliver emergency medical
21 services in remote states as authorized under this compact.

22 (l) "Paramedic" means an individual licensed with cognitive knowledge and a scope of
23 practice that corresponds to that level in the national EMS education standards and national EMS
24 scope of practice model.

25 (m) "Remote state" means a member state in which an individual is not licensed.

26 (n) "Restricted" means the outcome of an adverse action that limits a license or the
27 privilege to practice.

28 (o) "Rule" means a written statement by the interstate commission promulgated pursuant
29 to section 23-4.2-13 of this compact that is of general applicability; implements, interprets, or
30 prescribes a policy or provision of the compact; or is an organizational, procedural, or practice
31 requirement of the commission and has the force and effect of statutory law in a member state and
32 includes the amendment, repeal, or suspension of an existing rule.

1 (p) “Scope of practice” means defined parameters of various duties or services that may be
2 provided by an individual with specific credentials. Whether regulated by rule, statute, or court
3 decision, it tends to represent the limits of services an individual may perform.

4 (q) “Significant investigatory information” means:

5 (1) investigative information that a state EMS authority, after a preliminary inquiry that
6 includes notification and an opportunity to respond if required by state law, has reason to believe,
7 if proved true, would result in the imposition of an adverse action on a license or privilege to
8 practice; or

9 (2) investigative information that indicates that the individual represents an immediate
10 threat to public health and safety regardless of whether the individual has been notified and had an
11 opportunity to respond.

12 (r) “State” means any state, commonwealth, district, or territory of the United States.

13 (s) “State EMS authority” means: the board, office, or other agency with the legislative
14 mandate to license EMS personnel.

15 **23-4.2-4– Home state licensure.**

16 (a) Any member state in which an individual holds a current license shall be
17 deemed a home state for purposes of this compact.

18 (b) Any member state may require an individual to obtain and retain a license to
19 be authorized to practice in the member state under circumstances not authorized by the privilege
20 to practice under the terms of this compact.

21 (c) A home state’s license authorizes an individual to practice in a remote state
22 under the privilege to practice only if the home state:

23 (1) Currently requires the use of the national registry of emergency medical
24 technicians (NREMT) examination as a condition of issuing initial licenses at the EMT and
25 paramedic levels;

26 (2) Has a mechanism in place for receiving and investigating complaints about
27 individuals;

28 (3) Notifies the commission, in compliance with the terms herein, of any adverse
29 action or significant investigatory information regarding an individual;

30 (4) No later than five years after activation of the compact, requires a criminal
31 background check of all applicants for initial licensure, including the use of the results of fingerprint
32 or other biometric data checks compliant with the requirements of the Federal Bureau of
33 Investigation with the exception of federal employees who have suitability determination in

1 accordance with US CFR §731.202 and submit documentation of such as promulgated in the rules
2 of the commission; and

3 (5) Complies with the rules of the commission.

4 **23-4.2-5– Compact privilege to practice.**

5 (a) Member states shall recognize the privilege to practice of an individual licensed
6 in another member state that is in conformance with section 23-4.2-4.

7 (b) To exercise the privilege to practice under the terms and provisions of this
8 compact, an individual must:

9 (1) Be at least 18 years of age;

10 (2) Possess a current unrestricted license in a member state as an EMT, AEMT,
11 paramedic, or state recognized and licensed level with a scope of practice and authority between
12 EMT and paramedic; and

13 (3) Practice under the supervision of a medical director.

14 (c) An individual providing patient care in a remote state under the privilege to
15 practice shall function within the scope of practice authorized by the home state unless and until
16 modified by an appropriate authority in the remote state as may be defined in the rules of the
17 commission.

18 (d) Except as provided in this subsection, an individual practicing in a remote state
19 will be subject to the remote state’s authority and laws. A remote state may, in accordance with due
20 process and that state’s laws, restrict, suspend, or revoke an individual’s privilege to practice in the
21 remote state and may take any other necessary actions to protect the health and safety of its citizens.
22 If a remote state takes action it shall promptly notify the home state and the Commission.

23 (e) If an individual’s license in any home state is restricted or suspended, the
24 individual shall not be eligible to practice in a remote state under the privilege to practice until the
25 individual’s home state license is restored.

26 (f) If an individual’s privilege to practice in any remote state is restricted,
27 suspended, or revoked the individual shall not be eligible to practice in any remote state until the
28 individual’s privilege to practice is restored.

29 **23-4.2-6– Conditions of practice in a remote site.**

30 An individual may practice in a remote state under a privilege to practice only in the
31 performance of the individual’s EMS duties as assigned by an appropriate authority, as defined in
32 the rules of the Commission, and under the following circumstances:

33 (1) The individual originates a patient transport in a home state and transports the patient
34 to a remote state;

1 (2) The individual originates in the home state and enters a remote state to pick up a patient
2 and provide care and transport of the patient to the home state;

3 (3) The individual enters a remote state to provide patient care and/or transport within that
4 remote state;

5 (4) The individual enters a remote state to pick up a patient and provide care and transport
6 to a third member state;

7 (5) Other conditions as determined in the rules.

8 **23-4.2-7 – Relationship to emergency management assistance compact.**

9 Upon a member state’s governor’s declaration of a state of emergency or disaster that
10 activates the emergency management assistance compact (EMAC), all relevant terms and
11 provisions of EMAC shall apply and to the extent any terms or provisions of this compact conflicts
12 with EMAC, the terms of EMAC shall prevail with respect to any individual practicing in the
13 remote state in response to such declaration.

14 **23-4.2-8– Veterans, service members separating from active duty military, and their**
15 **spouses.**

16 Member states shall consider a veteran, active military service member, and member of the
17 national guard and reserves separating from an active duty tour, and a spouse thereof, who holds a
18 current valid and unrestricted NREMT certification at or above the level of the state license being
19 sought as satisfying the minimum training and examination requirements for such licensure.

20 (b) Member states shall expedite the processing of licensure applications submitted by
21 veterans, active military service members, and members of the national guard and reserves
22 separating from an active duty tour, and their spouses.

23 (c) All individuals functioning with a privilege to practice under this section remain subject
24 to the adverse actions provisions of section 23-4.2-9.

25 **23-4.2-9– Adverse actions.**

26 A home state shall have exclusive power to impose adverse action against an individual’s
27 license issued by the home state.

28 (b) If an individual’s license in any home state is restricted or suspended, the individual
29 shall not be eligible to practice in a remote state under the privilege to practice until the individual’s
30 home state license is restored.

31 (1) All home state adverse action orders shall include a statement that the individual’s
32 compact privileges are inactive. The order may allow the individual to practice in remote states
33 with prior written authorization from both the home state and remote state’s EMS authority.

1 (2) An individual currently subject to adverse action in the home state shall not practice in
2 any remote state without prior written authorization from both the home state and remote state's
3 EMS authority.

4 (3) A member state shall report adverse actions and any occurrences that the individual's
5 compact privileges are restricted, suspended, or revoked to the commission in accordance with the
6 rules.

7 (4) A remote state may take adverse action on an individual's privilege to practice within
8 that state.

9 (5) Any member state may take adverse action against an individual's privilege to practice
10 in that state based on the factual findings of another member state, so long as each state follows its
11 own procedures for imposing such adverse action.

12 (c) A home state's EMS authority shall investigate and take appropriate action with respect
13 to reported conduct in a remote state as it would if such conduct had occurred within the home
14 state. In such cases, the home state's law shall control in determining the appropriate adverse action.

15 (d) Nothing in this compact shall override a member state's decision that participation in
16 an alternative program may be used in lieu of adverse action and that such participation shall remain
17 non-public if required by the member state's laws. Member states must require individuals who
18 enter any alternative programs to agree not to practice in any other member state during the term
19 of the alternative program without prior authorization from such other member state.

20 **23-4.2-10- Additional powers invested in a member state's emergency medical**
21 **services authority.**

22 A member state's EMS authority, in addition to any other powers granted under state law,
23 is authorized under this compact to:

24 (1) Issue subpoenas for both hearings and investigations that require the attendance and
25 testimony of witnesses and the production of evidence. Subpoenas issued by a member state's EMS
26 authority for the attendance and testimony of witnesses, and/or the production of evidence from
27 another member state, shall be enforced in the remote state by any court of competent jurisdiction,
28 according to that court's practice and procedure in considering subpoenas issued in its own
29 proceedings. The issuing state EMS authority shall pay any witness fees, travel expenses, mileage,
30 and other fees required by the service statutes of the state where the witnesses and/or evidence are
31 located; and

32 (2) Issue cease and desist orders to restrict, suspend, or revoke an individual's privilege to
33 practice in the state.

1 23-4.2-11– Establishment of the interstate commission for emergency medical
2 personnel practice.

3 (a) The compact states hereby create and establish a joint public agency known as the
4 interstate commission for EMS personnel practice.

5 (1) The commission is a body politic and an instrumentality of the compact states.

6 (2) Venue is proper and judicial proceedings by or against the commission shall be brought
7 solely and exclusively in a court of competent jurisdiction where the principal office of the
8 commission is located. The commission may waive venue and jurisdictional defenses to the extent
9 it adopts or consents to participate in alternative dispute resolution proceedings.

10 (3) Nothing in this compact shall be construed to be a waiver of sovereign immunity.

11 (b) Membership, voting, and meetings

12 (1) Each member state shall have and be limited to one delegate. The responsible official
13 of the state EMS authority or his designee shall be the delegate to this compact for each member
14 state. Any delegate may be removed or suspended from office as provided by the law of the state
15 from which the delegate is appointed. Any vacancy occurring in the commission shall be filled in
16 accordance with the laws of the member state in which the vacancy exists. In the event that more
17 than one board, office, or other agency with the legislative mandate to license EMS personnel at
18 and above the level of EMT exists, the governor of the state will determine which entity will be
19 responsible for assigning the delegate.

20 (2) Each delegate shall be entitled to one vote with regard to the promulgation of rules and
21 creation of bylaws and shall otherwise have an opportunity to participate in the business and affairs
22 of the commission. A delegate shall vote in person or by such other means as provided in the
23 bylaws. The bylaws may provide for delegates' participation in meetings by telephone or other
24 means of communication.

25 (3) The commission shall meet at least once during each calendar year. Additional meetings
26 shall be held as set forth in the bylaws.

27 (4) All meetings shall be open to the public, and public notice of meetings shall be given
28 in the same manner as required under Chapter 35 of Title 42, but otherwise, the commission shall
29 not be subject to the requirements of the Rhode Island Open Meetings Act, R.I. Gen. Laws § 42-
30 46-1 et seq. and/or the Rhode Island Access to Public Records Act, R.I. Gen. Laws § 38-2-1 et seq.
31 Rather, the commission shall adhere to the requirements stated in this chapter

32 (5) The commission may convene in a closed, non-public meeting if the Commission must
33 discuss:

34 (i) Non-compliance of a member 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;

5 (iv) Negotiation of contracts for the purchase or sale of goods, services, or real estate;

6 (v) Accusing any person of a crime or formally censuring any person;

7 (vi) Disclosure of trade secrets or commercial or financial information that 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
13 of or for use of the commission or other committee charged with responsibility of investigation or
14 determination of compliance issues pursuant to the compact; or

15 (x) Matters specifically exempted from disclosure by federal or member 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 therefore, including a description of the views expressed. All
21 documents considered in connection with an action shall be identified in such minutes. All minutes
22 and documents of a closed meeting shall remain under seal, subject to release by a majority vote of
23 the commission or order of a court of competent jurisdiction.

24 (c) The commission shall, by a majority vote of the delegates, prescribe bylaws and/or rules
25 to govern its conduct as may be necessary or appropriate to carry out the purposes and exercise the
26 powers of the compact, including but not limited to:

27 (1) Establishing the fiscal year of the commission;

28 (2) Providing reasonable standards and procedures;

29 (3) for the establishment and meetings of other committees; and

30 (4) governing any general or specific delegation of any authority or function of the
31 commission;

32 (5) Providing reasonable procedures for calling and conducting meetings of the
33 commission, ensuring reasonable advance notice of all meetings, and providing an opportunity for
34 attendance of such meetings by interested parties, with enumerated exceptions designed to protect

1 the 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 membership votes to close
3 a meeting in whole or in part. As soon as practicable, the commission must make public a copy of
4 the vote to close the meeting revealing the vote of each member with no proxy votes allowed;
5 (6) Establishing the titles, duties and authority, and reasonable procedures for the election
6 of the officers of the commission;
7 (7) Providing reasonable standards and procedures for the establishment of the personnel
8 policies and programs of the commission. Notwithstanding any civil service or other similar laws
9 of any member state, the bylaws shall exclusively govern the personnel policies and programs of
10 the commission;
11 (8) Promulgating a code of ethics to address permissible and prohibited activities of
12 commission members and employees;
13 (9) Providing a mechanism for winding up the operations of the commission and the
14 equitable disposition of any surplus funds that may exist after the termination of the compact after
15 the payment and/or reserving of all of its debts and obligations;
16 (10) The commission shall publish its bylaws and file a copy thereof, and a copy of any
17 amendment thereto, with the appropriate agency or officer in each of the member states, if any.
18 (11) The commission shall maintain its financial records in accordance with the bylaws.
19 (12) The commission shall meet and take such actions as are consistent with the provisions
20 of this compact and the bylaws.
21 (d) The commission shall have the following powers:
22 (1) The authority to promulgate uniform rules to facilitate and coordinate implementation
23 and administration of this compact. The rules shall have the force and effect of law and shall be
24 binding in all member states;
25 (2) To bring and prosecute legal proceedings or actions in the name of the commission,
26 provided that the standing of any state EMS authority or other regulatory body responsible for EMS
27 personnel licensure to sue or be sued under applicable law shall not be affected;
28 (3) To purchase and maintain insurance and bonds;
29 (4) To borrow, accept, or contract for services of personnel, including, but not limited to,
30 employees of a member state;
31 (5) To hire employees, elect or appoint officers, fix compensation, define duties, grant such
32 individuals appropriate authority to carry out the purposes of the compact, and to establish the
33 commission's personnel policies and programs relating to conflicts of interest, qualifications of
34 personnel, and other related personnel matters;

1 (6) To accept any and all appropriate donations and grants of money, equipment, supplies,
2 materials and services, and to receive, utilize and dispose of the same; provided that at all times the
3 commission shall strive to avoid any appearance of impropriety and/or conflict of interest;

4 (7) To lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold,
5 improve or use, any property, real, personal or mixed; provided that at all times the Commission
6 shall strive to avoid any appearance of impropriety;

7 (8) To sell convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of
8 any property real, personal, or mixed;

9 (9) To establish a budget and make expenditures;

10 (10) To borrow money;

11 (11) To appoint committees, including advisory committees comprised of members, state
12 regulators, state legislators or their representatives, and consumer representatives, and such other
13 interested persons as may be designated in this compact and the bylaws;

14 (12) To provide and receive information from, and to cooperate with, law enforcement
15 agencies;

16 (13) To adopt and use an official seal; and

17 (14) To perform such other functions as may be necessary or appropriate to achieve the
18 purposes of this compact consistent with the state regulation of EMS personnel licensure and
19 practice.

20 (e) Financing of the commission

21 (1) The Commission shall pay, or provide for the payment of, the reasonable expenses of
22 its establishment, organization, and ongoing activities.

23 (2) The commission may accept any and all appropriate revenue sources, donations, and
24 grants of money, equipment, supplies, materials, and services.

25 (3) The commission may levy on and collect an annual assessment from each member state
26 or impose fees on other parties to cover the cost of the operations and activities of the commission
27 and its staff, which must be in a total amount sufficient to cover its annual budget as approved each
28 year for which revenue is not provided by other sources. The aggregate annual assessment amount
29 shall be allocated based upon a formula to be determined by the commission, which shall
30 promulgate a rule binding upon all member states.

31 (4) The commission shall not incur obligations of any kind prior to securing the funds
32 adequate to meet the same; nor shall the commission pledge the credit of any of the member states,
33 except by and with the authority of the member state.

1 (5) The commission shall keep accurate accounts of all receipts and disbursements. The
2 receipts and disbursements of the commission shall be subject to the audit and accounting
3 procedures established under its bylaws. However, all receipts and disbursements of funds handled
4 by the commission shall be audited yearly by a certified or licensed public accountant, and the
5 report of the audit shall be included in and become part of the annual report of the commission.

6 (f) Qualified immunity, defense, and indemnification

7 (1) The members, officers, executive director, employees and representatives of the
8 Commission shall be immune from suit and liability, either personally or in their official capacity,
9 for any claim for damage to or loss of property or personal injury or other civil liability caused by
10 or arising out of any actual or alleged act, error or omission that occurred, or that the person against
11 whom the claim is made had a reasonable basis for believing occurred within the scope of
12 commission employment, duties or responsibilities; provided that nothing in this paragraph shall
13 be construed to protect any such person from suit and/or liability for any damage, loss, injury, or
14 liability caused by the intentional or willful or wanton misconduct of that person.

15 (2) The commission shall defend any member, officer, executive director, employee or
16 representative of the commission in any civil action seeking to impose liability arising out of any
17 actual or alleged act, error, or omission that occurred within the scope of commission employment,
18 duties, or responsibilities, or that the person against whom the claim is made had a reasonable basis
19 for believing occurred within the scope of commission employment, duties, or responsibilities;
20 provided that nothing herein shall be construed to prohibit that person from retaining his or her own
21 counsel; and provided further, that the actual or alleged act, error, or omission did not result from
22 that person's intentional or willful or wanton misconduct.

23 (3) The commission shall indemnify and hold harmless any member, officer, executive
24 director, employee, or representative of the commission for the amount of any settlement or
25 judgment obtained against that person arising out of any actual or alleged act, error or omission
26 that occurred within the scope of commission employment, duties, or responsibilities, or that such
27 person had a reasonable basis for believing occurred within the scope of commission employment,
28 duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result
29 from the intentional or willful or wanton misconduct of that person.

30 **23-4.2-12 Coordinated database.**

31 (a) The commission shall provide for the development and maintenance of a coordinated
32 database and reporting system containing licensure, adverse action, and significant investigatory
33 information on all licensed individuals in member states.

1 (b) Notwithstanding any other provision of state law to the contrary, a member state shall
2 submit a uniform data set to the coordinated database on all individuals to whom this compact is
3 applicable as required by the rules of the commission, including:

4 (1) Identifying information;

5 (2) Licensure data;

6 (3) Significant investigatory information;

7 (4) Adverse actions against an individual's license;

8 (5) An indicator that an individual's privilege to practice is restricted, suspended or
9 revoked;

10 (6) Non-confidential information related to alternative program participation;

11 (7) Any denial of application for licensure, and the reason(s) for such denial; and

12 (8) Other information that may facilitate the administration of this Compact, as determined
13 by the rules of the commission.

14 (c) The coordinated database administrator shall promptly notify all member states of any
15 adverse action taken against, or significant investigative information on, any individual in a
16 member state.

17 (d) Member states contributing information to the coordinated database may designate
18 information that may not be shared with the public without the express permission of the
19 contributing state.

20 (e) Any information submitted to the coordinated database that is subsequently required to
21 be expunged by the laws of the member state contributing the information shall be removed from
22 the coordinated database.

23 **23-4.2-13– Rulemaking.**

24 The commission shall exercise its rulemaking powers pursuant to the criteria set forth in
25 this Section and the rules adopted thereunder. The commission shall not be subject to the
26 requirements of the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1et seq.,
27 but rather shall adhere to the requirements stated in this chapter. Rules and amendments shall
28 become binding as of the date specified in each rule or amendment.

29 (b) If a majority of the legislatures of the member states rejects a rule, by enactment of a
30 statute or resolution in the same manner used to adopt the compact, then such rule shall have no
31 further force and effect in any member state.

32 (c) Rules or amendments to the rules shall be adopted at a regular or special meeting of the
33 commission.

1 (d) Prior to promulgation and adoption of a final rule or rules by the commission, and at
2 least sixty (60) days in advance of the meeting at which the rule will be considered and voted upon,
3 the commission shall file a notice of proposed rulemaking:

4 (1) On the website of the commission; and

5 (2) On the website of each member state EMS authority or the publication in which each
6 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
9 considered 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
15 written 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
17 or amendment if a hearing is requested by:

18 (1) At least twenty-five (25) persons;

19 (2) A governmental subdivision or agency; or

20 (3) An association having at least twenty-five (25) members.

21 (h) a hearing is held on the proposed rule or amendment, the commission shall publish the
22 place, time, and date of the scheduled public hearing.

23 (1) All persons wishing to be heard at the hearing shall notify the executive director of the
24 commission or other designated member in writing of their desire to appear and testify at the
25 hearing not less than five business days before the scheduled date of the hearing.

26 (2) Hearings shall be conducted in a manner providing each person who wishes to comment
27 a fair and reasonable opportunity to comment orally or in writing.

28 (3) No transcript of the hearing is required, unless a written request for a transcript is made,
29 in which case the person requesting the transcript shall bear the cost of producing the transcript. A
30 recording may be made in lieu of a transcript under the same terms and conditions as a transcript.
31 This subsection shall not preclude the commission from making a transcript or recording of the
32 hearing if it so chooses.

33 (4) Nothing in this section shall be construed as requiring a separate hearing on each rule.

34 Rules may be grouped for the convenience of the commission at hearings required by this section.

1 (i) Following the scheduled hearing date, or by the close of business on the scheduled
2 hearing date if the hearing was not held, the commission shall consider all written and oral
3 comments received.

4 (j) The commission shall, by majority vote of all members, take final action on the proposed
5 rule and shall determine the effective date of the rule, if any, based on the rulemaking record and
6 the full text of the rule.

7 (k) If no written notice of intent to attend the public hearing by interested parties is
8 received, the commission may proceed with promulgation of the proposed rule without a public
9 hearing.

10 (l) Upon determination that an emergency exists, the commission may consider and adopt
11 an emergency rule without prior notice, opportunity for comment, or hearing, provided that the
12 usual rulemaking procedures provided in the compact and in this section shall be retroactively
13 applied to the rule as soon as reasonably possible, in no event later than ninety (90) days after the
14 effective date of the rule. For the purposes of this provision, an emergency rule is one that must be
15 adopted immediately in order to:

16 (1) Meet an imminent threat to public health, safety, or welfare;

17 (2) Prevent a loss of commission or member state funds;

18 (3) Meet a deadline for the promulgation of an administrative rule that is established by
19 federal law or rule; or

20 (4) Protect public health and safety.

21 (m) The commission or an authorized committee of the Commission may direct revisions
22 to a previously adopted rule or amendment for purposes of correcting typographical errors, errors
23 in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be
24 posted on the website of the commission. The revision shall be subject to challenge by any person
25 for a period of thirty days after posting. The revision may be challenged only on grounds that the
26 revision results in a material change to a rule. A challenge shall be made in writing and delivered
27 to the chair of the commission prior to the end of the notice period. If no challenge is made, the
28 revision will take effect without further action. If the revision is challenged, the revision may not
29 take effect without the approval of the commission.

30 **23-4.2-14– Oversight, dispute resolution, and enforcement.**

31 (a) Oversight

32 (1) The executive, legislative, and judicial branches of state government in each member
33 state 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 hereunder
2 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 member state pertaining to the subject matter of this compact which
5 may affect the powers, responsibilities or actions of the commission.

6 (b) 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 service
8 of process to the commission shall render a judgment or order void as to the commission, this
9 compact, or promulgated rules.

10 (c) Default, technical assistance, and termination

11 (1) If the commission determines that a member state has defaulted in the performance of
12 its obligations or responsibilities under this compact or the promulgated rules, the commission
13 shall:

14 (i) Provide written notice to the defaulting state and other member states of the nature of
15 the default, the proposed means of curing the default and/or any other action to be taken by the
16 commission; and

17 (ii) Provide remedial training and specific technical assistance regarding the default.

18 (iii) If a state in default fails to cure the default, the defaulting state may be terminated from
19 the compact upon an affirmative vote of a majority of the member states, and all rights, privileges
20 and benefits conferred by this compact may be terminated on the effective date of termination. A
21 cure of the default does not relieve the offending state of obligations or liabilities incurred during
22 the period of default.

23 (iv) Termination of membership in the compact shall be imposed only after all other means
24 of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given
25 by the commission to the governor, the majority and minority leaders of the defaulting state's
26 legislature, and each of the member states.

27 (2) A state that has been terminated is responsible for all assessments, obligations, and
28 liabilities incurred through the effective date of termination, including obligations that extend
29 beyond the effective date of termination.

30 (3) The commission shall not bear any costs related to a state that is found to be in default
31 or that has been terminated from the compact, unless agreed upon in writing between the
32 commission and the defaulting state.

33 (4) The defaulting state may appeal the action of the commission by petitioning the U.S.
34 district court for the District of Columbia or the federal district where the commission has its

1 principal offices. The prevailing member shall be awarded all costs of such litigation, including
2 reasonable attorney's fees.

3 (d) Dispute resolution

4 (1) Upon request by a member state, the commission shall attempt to resolve disputes
5 related to the compact that arise among member states and between member and non-member
6 states.

7 (2) The commission shall promulgate a rule providing for both mediation and binding
8 dispute resolution for disputes as appropriate.

9 (e) Enforcement

10 (1) The commission, in the reasonable exercise of its discretion, shall enforce the
11 provisions and rules of this compact.

12 (2) By majority vote, the commission may initiate legal action in the United States district
13 court for the District of Columbia or the federal district where the commission has its principal
14 offices against a member state in default to enforce compliance with the provisions of the compact
15 and its promulgated rules and bylaws. The relief sought may include both injunctive relief and
16 damages. In the event judicial enforcement is necessary, the prevailing member shall be awarded
17 all costs of such litigation, including reasonable attorney's fees.

18 (3) The remedies herein shall not be the exclusive remedies of the commission. The
19 commission may pursue any other remedies available under federal or state law.

20 **23-4.2-15– Date of implementation of the interstate compact commission for**
21 **emergency medical personnel practice and associated rules, withdrawal, and amendment.**

22 The compact shall come into effect on the date on which the compact statute is enacted
23 into law in the tenth member state. The provisions, which become effective at that time, shall be
24 limited to the powers granted to the commission relating to assembly and the promulgation of rules.
25 Thereafter, the commission shall meet and exercise rulemaking powers necessary to the
26 implementation and administration of the compact.

27 (b) Any state that joins the compact subsequent to the commission's initial adoption of the
28 rules shall be subject to the rules as they exist on the date on which the compact becomes law in
29 that state. Any rule that has been previously adopted by the commission shall have the full force
30 and effect of law on the day the compact becomes law in that state.

31 (c) Any member state may withdraw from this compact by enacting a statute repealing the
32 same.

33 (1) A member state's withdrawal shall not take effect until six (6) months after enactment
34 of the repealing statute.

1 (2) Withdrawal shall not affect the continuing requirement of the withdrawing state’s EMS
2 authority to comply with the investigative and adverse action reporting requirements of this act
3 prior to the effective date of withdrawal.

4 (d) Nothing contained in this compact shall be construed to invalidate or prevent any EMS
5 personnel licensure agreement or other cooperative arrangement between a member state and a
6 non-member state that does not conflict with the provisions of this compact.

7 (e) This compact may be amended by the member states. No amendment to this compact
8 shall become effective and binding upon any member state until it is enacted into the laws of all
9 member states.

10 **23-4.2-16– 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 member states. Nothing in this compact
14 supersedes state law or rules related to licensure of EMS agencies.

15 SECTION 8. This section shall take effect upon passage and sunset on July 1, 2026. Title
16 42 of the General Laws entitled “State Affairs and Government” is hereby amended by adding
17 thereto the following chapter:

18 **CHAPTER 42-7.5**

19 **THE HEALTH SPENDING TRANSPARENCY AND CONTAINMENT ACT**

20 **42-7.5-1. Short title.**

21 This chapter shall be known and may be cited as “The Health Spending Transparency and
22 Containment Act.”

23 **42-7.5-2. Background and Purposes.**

24 (a) WHEREAS, in August of 2018, the Cost Trend Steering Committee, composed of
25 stakeholders including business and consumer advocates and health industry leaders, was created
26 to advise the RI health care cost trend project in partnership with the Office of the Health Insurance
27 Commissioner and the Executive Office on Health and Human Services.

28 (b) WHEREAS, the vision of the cost trend steering committee is to provide every Rhode
29 Islander with access to high-quality, affordable healthcare through greater transparency of
30 healthcare performance and increased accountability by key stakeholders to ensure healthcare
31 spending does not increase at a rate that significantly outpaces the projected state domestic product.

32 (c) WHEREAS, the goal of the cost trend work is to use actionable data insights, analytic
33 tools, State authority, and stakeholder engagement to drive meaningful changes in healthcare
34 spending in Rhode Island.

1 (d) WHEREAS, since August 2018, Rhode Island has: (1) convened a diverse group of
2 stakeholders to consider the establishment of a cost growth target; (2) achieved unanimous
3 consensus on the establishment of such a target; and (3) issued an executive order to formalize the
4 cost target.

5 (e) WHEREAS, the cost trend steering committee also convened national experts with RI
6 government officials, advocates, business leaders, and healthcare leaders to share best practices on
7 claims-based analyses, leading to the development of a strategy to track overall healthcare
8 spending, report at several levels, and produce information that will inform and enhance provider
9 decision making.

10 (f) WHEREAS, the values that guide Rhode Island's cost trend efforts include
11 commitments to (1) broad based stakeholder engagement that ensures consensus and support, (2)
12 transparency and actionability of data and reports, and (3) collaboration between experts in state
13 government, the private sector, and academia that results in key decision makers using data in
14 smarter ways to reduce costs while ensuring high quality care.

15 (g) WHEREAS, in the final year of Peterson Center RI health care cost trend project
16 funding (ending August of 2021), the steering committee has committed to work on sustainability
17 planning to codify the cost trend analytics and convenings in the annual practices of the state. This
18 will require reporting in early 2021 on the state's performance against the cost growth target,
19 demonstrating that healthcare cost analytics can catalyze policy and behavior change, and
20 coordinating the cost trend work with the other on-going health reform and data use work in Rhode
21 Island.

22 (h) WHEREAS, the mission of the Executive Office of Health and Human Services is to
23 assure access to high quality and cost-effective services that foster the health, safety, and
24 independence of all Rhode Islanders. The complementary responsibility of the RI Office of the
25 Health Insurance Commissioner includes addressing the affordability of healthcare and viewing the
26 healthcare system as a whole, combining consumer protection and commercial insurer regulation
27 with system reform policy-making.

28 **42-7.5-3 Definitions.**

29 The following words and phrases as used in this chapter shall have the following meaning:

30 (1)(i) "Contribution enrollee" means an individual residing in this state, with respect to
31 whom an insurer administers, provides, pays for, insures, or covers healthcare services, unless
32 excepted by this section.

33 (ii) "Contribution enrollee" shall not include an individual whose healthcare services are
34 paid or reimbursed by Part A or Part B of the Medicare program, a Medicare supplemental policy

1 as defined in section 1882(g)(1) of the Social Security Act, 42 U.S.C. § 1395ss(g)(1), or Medicare
2 managed care policy, the federal employees' health benefit program, the Veterans' healthcare
3 program, the Indian health service program, or any local governmental corporation, district, or
4 agency providing health benefits coverage on a self-insured basis.

5 (2) "Healthcare services funding contribution" means per capita amount each contributing
6 insurer must contribute to support the health spending transparency and containment program
7 funded by the method established under this section, with respect to each contribution enrollee.

8 (3)(i) "Insurer" means all persons offering, administering, and/or insuring healthcare
9 services, including, but not limited to:

10 (A) Policies of accident and sickness insurance, as defined by chapter 18 of title 27;

11 (B) Nonprofit hospital or medical-service plans, as defined by chapters 19 and 20 of title
12 27;

13 (C) Any person whose primary function is to provide diagnostic, therapeutic, or preventive
14 services to a defined population on the basis of a periodic premium;

15 (D) All domestic, foreign, or alien insurance companies, mutual associations, and
16 organizations;

17 (E) Health maintenance organizations, as defined by chapter 41 of title 27;

18 (F) All persons providing health benefits coverage on a self-insurance basis;

19 (G) All third-party administrators described in chapter 20.7 of title 27; and

20 (H) All persons providing health benefit coverage under Title XIX of the Social Security
21 Act (Medicaid) as a Medicaid managed care organization offering managed Medicaid.

22 (ii) "Insurer" shall not include any nonprofit dental service corporation as defined in § 27-
23 20.1-2, nor any insurer offering only those coverages described in § 42-7.5-8.

24 (4) "Person" means any individual, corporation, company, association, partnership, limited
25 liability company, firm, state governmental corporations, districts, and agencies, joint stock
26 associations, trusts, and the legal successor thereof.

27 (5) "Secretary" means the secretary of health and human services.

28 **42-7.5-4. Imposition of health spending transparency and containment funding**
29 **contribution.**

30 (a) Each insurer is required to pay the health spending transparency and containment
31 funding contribution for each contribution enrollee of the insurer as of December 31 of the
32 preceding calendar year, at the rate set forth in this section.

33 (1) Within 7 days of passage of this act, the secretary shall set the health spending

1 transparency and containment funding contribution each fiscal year in an amount not to exceed one
2 dollar (\$1) per contribution enrollee per year of all insurers. The funding contribution shall be
3 established based upon the anticipated spending necessary to administer the program as set forth in
4 section 42-7.5-10. Any amount collected in excess of the actual amount spent for the program
5 pursuant to section 42-7.5-10 shall be used to reduce the funding contribution required for the
6 following assessment period.

7 (2) The assessment set forth herein shall be in addition to any other fees or assessments
8 upon the insurer allowable by law.

9 (b) The contribution shall be paid by the insurer; provided, however, a person providing
10 health benefits coverage on a self-insurance basis that uses the services of a third-party
11 administrator shall not be required to make a contribution for a contribution enrollee where the
12 contribution on that enrollee has been or will be made by the third-party administrator.

13 **42-7.5-5. Returns and payment.**

14 (a) Every insurer required to make a contribution shall, on or before the first day of
15 September of each year, beginning September of 2021, make a return to the secretary together with
16 payment of the annual health spending transparency and containment funding contribution.

17 (b) All returns shall be signed by the insurer required to make the contribution, or by its
18 authorized representative, subject to the pains and penalties of perjury.

19 (c) If a return shows an overpayment of the contribution due, the secretary shall refund or
20 credit the overpayment to the insurer required to make the contribution.

21 **42-7.5-6. Method of payment and deposit of contribution.**

22 (a) The payments required by this chapter may be made by electronic transfer of
23 monies to the general treasurer.

24 (b) The general treasurer shall take all steps necessary to facilitate the transfer of monies
25 to the health spending transparency and containment funding account established in § 42-7.5-9 in
26 the amount described in § 42-7.5-4.

27 (c) The general treasurer shall provide the secretary with a record of any monies transferred
28 and deposited.

29 **42-7.5-7. Rules and regulations.**

30 The secretary is authorized to make and promulgate rules, regulations, and procedures not
31 inconsistent with state law and fiscal procedures as he or she deems necessary for the proper
32 administration of this chapter.

33 **42-7.5-8. Excluded coverage from the health spending transparency and containment**
34 **funding act.**

1 (a) In addition to any exclusion and exemption contained elsewhere in this chapter, this
2 chapter shall not apply to insurance coverage providing benefits for, nor shall an individual be
3 deemed a contribution enrollee solely by virtue of receiving benefits for the following:

4 (1) Hospital confinement indemnity;

5 (2) Disability income;

6 (3) Accident only;

7 (4) Long-term care;

8 (5) Medicare supplement;

9 (6) Limited benefit health;

10 (7) Specified disease indemnity;

11 (8) Sickness or bodily injury or death by accident or both; or

12 (9) Other limited benefit policies.

13 **42-7.5-9. Health Spending Transparency and Containment Account.**

14 (a) There is created a restricted receipt account to be known as the “health spending
15 transparency and containment account.” All money in the account shall be utilized by the Executive
16 Office of Health and Human Services, with the advice of and in coordination with the Office of the
17 Health Insurance Commissioner, to effectuate the program described in § 42-7.5-10.

18 (b) All money received pursuant to this section shall be deposited in the health spending
19 transparency and containment account. The general treasurer is authorized and directed to draw his
20 or her orders on the account upon receipt of properly authenticated vouchers from the Executive
21 Office of Health and Human Services.

22 (c) The health spending transparency and containment account shall be exempt from the
23 indirect cost recovery provisions of § 35-4-27.

24 **42-7.5-10. Health Spending Transparency and Containment Program.**

25 (a) The health spending transparency and containment program (“Program”) is hereby
26 created to utilize health care claims data to help reduce health care costs.

27 (b) The Program, based on the input of the cost trend steering committee, shall:

28 (1) Maintain an annual health care cost growth target that will be used as a voluntary
29 benchmark to measure Rhode Island health care spending performance relative to the target, which
30 performance shall be publicly reported annually.

31 (2) Use data to determine what factors are causing increased health spending in the state,
32 and to create actionable analysis to drive changes in practice and policy and develop cost reduction
33 strategies.

1 [\(c\) Annual reports shall be made public and recommendations shall be issued to the](#)
2 [Governor and the General Assembly. Said annual reports shall be presented at a public meeting to](#)
3 [obtain input and comment prior to submission to the Governor and General Assembly.](#)

4 **[42-7.5-11. Sunset.](#)**

5 [The provision of this chapter shall sunset on July 1, 2026.](#)

6 SECTION 9. Section 40-8.4-12 of the General Laws in Chapter 40-8.4 entitled "Health
7 Care for Families" is hereby amended to read as follows:

8 **40-8.4-12. RIte Share health insurance premium assistance program.**

9 (a) *Basic RIte Share health insurance premium assistance program.* Under the terms of
10 Section 1906 of Title XIX of the U.S. Social Security Act, 42 U.S.C. § 1396e, states are permitted
11 to pay a Medicaid-eligible person's share of the costs for enrolling in employer-sponsored health
12 insurance (ESI) coverage if it is cost-effective to do so. Pursuant to the general assembly's direction
13 in the Rhode Island health reform act of 2000, the Medicaid agency requested and obtained federal
14 approval under § 1916, 42 U.S.C. § 1396o, to establish the RIte Share premium assistance program
15 to subsidize the costs of enrolling Medicaid-eligible persons and families in employer-sponsored
16 health insurance plans that have been approved as meeting certain cost and coverage requirements.
17 The Medicaid agency also obtained, at the general assembly's direction, federal authority to require
18 any such persons with access to [Employer-Sponsored Health Insurance \(ESI\)](#) coverage to enroll as
19 a condition of retaining eligibility providing that doing so meets the criteria established in Title
20 XIX for obtaining federal matching funds.

21 (b) *Definitions.* For the purposes of this section, the following definitions apply:

22 (1) "Cost-effective" means that the portion of the ESI that the state would subsidize, as
23 well as [the costs of](#) wrap-around ~~costs~~ [services and cost sharing](#), would on average cost less to the
24 state than enrolling that same person/family in a managed-care delivery system.

25 (2) "Cost sharing" means any co-payments, deductibles, or co-insurance associated with
26 ESI.

27 (3) "Employee premium" means the monthly premium share a person or family is required
28 to pay to the employer to obtain and maintain ESI coverage.

29 (4) ["Employer" means any individual, partnership, association, corporation, estate, trust,](#)
30 [fiduciary, limited liability company, limited liability partnership, or any other legal entity that](#)
31 [employed at least fifty \(50\) employees during the preceding calendar year. Excluded from this](#)
32 [definition are all charitable, not for profit organizations specifically formed for purposes other than](#)
33 [operating a profit-seeking business and all state or municipal governmental entities.](#)

1 ~~(4)~~(5) "Employer-sponsored [health](#) insurance" or "ESI" means health insurance or a group
2 health plan offered to employees by an employer. This includes plans purchased by small
3 employers through the state health insurance marketplace, healthsource, RI (HSRI).

4 ~~(5)~~(6) "Policy holder" means the person in the household with access to ESI, typically the
5 employee.

6 ~~(6)~~(7) "RIte Share-approved employer-sponsored [health](#) insurance (ESI)" means an
7 employer-sponsored health insurance plan that meets the coverage and cost-effectiveness criteria
8 for RIte Share.

9 ~~(7)~~(8) "RIte Share buy-in" means the monthly amount an Medicaid-ineligible policy
10 holder must pay toward RIte Share-approved ESI that covers the Medicaid-eligible children, young
11 adults, or spouses with access to the ESI. The buy-in only applies in instances when household
12 income is above one hundred fifty percent (150%) of the FPL.

13 ~~(8)~~(9) "RIte Share premium assistance program" ([referred to hereafter as "RIte Share"](#))
14 means the Rhode Island Medicaid premium assistance program in which the State pays the eligible
15 Medicaid member's share of the cost of enrolling in a RIte Share-approved ESI plan, [as well as](#)
16 [coverage of wrap-around services, or those that are covered under Medicaid, but not the ESI plan.](#)
17 This allows the state to share the cost of the health insurance coverage with the employer.

18 ~~(9)~~(10) "RIte Share unit" means the entity within the executive office of health and human
19 services (~~EOHHS~~) responsible for assessing the cost-effectiveness of ESI, contacting employers
20 about ESI as appropriate, initiating the RIte Share enrollment and disenrollment process, handling
21 member communications, and managing the overall operations of the RIte Share program.

22 ~~(10)~~(11) "Third-party liability (TPL)" means other health insurance coverage. This
23 insurance is in addition to Medicaid and is usually provided through an employer. Since Medicaid
24 is always the payer of last resort, the TPL is always the primary coverage.

25 ~~(11)~~(12) "Wrap-around services or coverage" means any healthcare services not included
26 in the ESI plan that would have been covered had the Medicaid member been enrolled in a RIte
27 Care or Rhody Health Partners plan. Coverage of deductibles and co-insurance is included in the
28 [wrap-around services or coverage](#). Co-payments to providers are not covered as part of the wrap-
29 around coverage.

30 (c) *RIte Share populations*. Medicaid beneficiaries subject to RIte Share include: children,
31 families, parent and caretakers eligible for Medicaid or the children's health insurance program
32 (CHIP) under this chapter or chapter 12.3 of title 42; and adults between the ages of nineteen (19)
33 and sixty-four (64) who are eligible under chapter 8.12 of this title, not receiving or eligible to

1 receive Medicare, and are enrolled in managed care delivery systems. The following [additional](#)
2 conditions apply:

3 (1) The income of Medicaid beneficiaries shall affect whether and in what manner they
4 must participate in RItE Share as follows:

5 (i) Income at or below one hundred fifty percent (150%) of FPL – Persons and families
6 determined to have household income at or below one hundred fifty percent (150%) of the federal
7 poverty level (FPL) guidelines based on the modified adjusted gross income (MAGI) standard or
8 other standard approved by the secretary are required to participate in RItE Share if a Medicaid-
9 eligible adult or parent/caretaker has access to cost-effective ESI. Enrolling in ESI through RItE
10 Share shall be a condition of maintaining Medicaid health coverage for any eligible adult with
11 access to such coverage.

12 (ii) Income above one hundred fifty percent (150%) of FPL and policy holder is not
13 Medicaid-eligible – Premium assistance is available when the household includes Medicaid-
14 eligible members, but the ESI policy holder (typically a parent/caretaker, or spouse) is not eligible
15 for Medicaid. Premium assistance for parents/caretakers and other household members who are not
16 Medicaid-eligible may be provided in circumstances when enrollment of the Medicaid-eligible
17 family members in the approved ESI plan is contingent upon enrollment of the ineligible policy
18 holder and the executive office of health and human services (executive office) determines, based
19 on a methodology adopted for such purposes, that it is cost-effective to provide premium assistance
20 for family or spousal coverage.

21 (d) *RItE Share enrollment as a condition of eligibility.* For Medicaid beneficiaries over the
22 age of nineteen (19), enrollment in RItE Share shall be a condition of eligibility except as exempted
23 below and by regulations promulgated by the executive office.

24 (1) Medicaid-eligible children and young adults up to age nineteen (19) shall not be
25 required to enroll in a parent/caretaker relative's ESI as a condition of maintaining Medicaid
26 eligibility if the person with access to RItE Share-approved ESI does not enroll as required. These
27 Medicaid-eligible children and young adults shall remain eligible for Medicaid and shall be
28 enrolled in a RItE Care plan.

29 (2) There shall be a limited six-month (6) exemption from the mandatory enrollment
30 requirement for persons participating in the RI works program pursuant to chapter 5.2 of this title.

31 (e) *Approval of health insurance plans for premium assistance.* ~~The executive office of~~
32 ~~health and human services shall adopt regulations providing for the approval of employer-based~~
33 ~~health insurance plans for premium assistance and shall approve employer-based health insurance~~
34 ~~plans based on these regulations.~~

1 (1) In order for an employer-based health insurance plan to gain approval, the executive
2 office must determine that the benefits offered by the employer-based health insurance plan are
3 substantially similar in amount, scope, and duration to the benefits provided to Medicaid-eligible
4 persons enrolled in a Medicaid managed care plan, when the plan is evaluated in conjunction with
5 available supplemental benefits provided by the executive office of health and human services. The
6 executive office of health and human services shall obtain and make available to persons otherwise
7 eligible for Medicaid, identified in this section as supplemental benefits, those benefits not
8 reasonably available under employer-based health insurance plans that are required for Medicaid
9 beneficiaries by state law or federal law or regulation. Once it has been determined by the ~~Medicaid~~
10 ~~agency~~ executive office of health and human services that the ESI offered by a particular employer
11 is RItE Share-approved, all Medicaid members with access to that employer's plan are required to
12 participate in RItE Share. Failure to meet the mandatory enrollment requirement shall result in the
13 termination of the Medicaid eligibility of the policy holder and other Medicaid members nineteen
14 (19) or older in the household who could be covered under the ESI until the policy holder complies
15 with the RItE Share enrollment procedures established by the executive office.

16 (2) Any employer defined in 40-8.4-12(b)(4) shall be required to:

17 (i) annually provide the executive office of health and human services and the Division of
18 Taxation with sufficient and necessary information for the Medicaid agency to determine employee
19 eligibility for RItE Share in accordance with section 40-8.4-12(e)(1).

20 (ii) include instructions provided by EOHHS for RItE Share determination and enrollment
21 as a part of ESI enrollment materials whenever a new employee is offered ESI and/or during the
22 employer's annual open enrollment period for health insurance coverage.

23 (iii) participate in the executive office of health and human services' employer education
24 and outreach campaign concerning the RItE Share program and all ESI options.

25 (iv) not offer financial incentives for employees to turn down ESI and remain on Medicaid.

26 (3) Any employer defined in 40-8.4-12(b)(4), that does not timely comply with the
27 requirements of section 40-8.4-12(e)(2)(i), shall in accordance with section 44-1-2(9) be assessed
28 a penalty by the Division of Taxation in the amount of twenty-five hundred dollars (\$2500)
29 pursuant to regulations promulgated by the executive office of health and human services in
30 consultation with the division of taxation.

31 (4) Any employer defined in 40-8.4-12(b)(4), 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
34 accordance with the requirements of section 44-1-2 (9) be assessed a penalty by the Division of

1 Taxation in amount of five thousand dollars (\$5000) on such dates and terms to be established
2 pursuant to regulations promulgated by the executive office of health and human services in
3 consultation with the division of taxation.

4 (5) The executive office of health and human services shall adopt regulations providing
5 for the approval of employer-based health insurance plans for premium assistance, the mandatory
6 data and reporting requirements for any employer defined in 40-8.4-12(b)(4).

7 (f) *Premium assistance.* The executive office shall provide premium assistance by paying
8 all 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 amendments
12 from the Secretary of the United States Department of Health and Human Services (DHHS) to
13 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
19 services is authorized and directed to apply for and obtain federal approvals and waivers necessary
20 to maximize the federal contribution for provision of medical assistance coverage under this
21 section, including the authorization to amend the Title XXI state plan and to obtain any waivers
22 necessary to reduce barriers to provide premium assistance to recipients as provided for in Title
23 XXI of the Social Security Act, 42 U.S.C. § 1397aa 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 the
26 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
29 develop a plan to identify Medicaid-eligible individuals who have access to employer-sponsored
30 insurance and increase the use of RItE Share benefits. Beginning October 1, 2019, the executive
31 office shall submit the plan to be included as part of the reporting requirements under § 35-17-1.
32 Starting January 1, 2020, the executive office of health and human services shall include the number
33 of 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 SECTION 10. Section 44-1-2 of the General Laws in Chapter 44-1 entitled “State Tax
4 Officials” is hereby amended to read as follows:

5 **44-1-2. Powers and duties of tax administrator.**

6 The tax administrator is required:

7 (1) To assess and collect all taxes previously assessed by the division of state taxation in
8 the department of revenue and regulation, including the franchise tax on domestic corporations,
9 corporate excess tax, tax upon gross earnings of public service corporations, tax upon interest
10 bearing deposits in national banks, the inheritance tax, tax on gasoline and motor fuels, and tax on
11 the manufacture of alcoholic beverages;

12 (2) To assess and collect the taxes upon banks and insurance companies previously
13 administered by the division of banking and insurance in the department of revenue and regulation,
14 including the tax on foreign and domestic insurance companies, tax on foreign building and loan
15 associations, deposit tax on savings banks, and deposit tax on trust companies;

16 (3) To assess and collect the tax on pari-mutuel or auction mutuel betting, previously
17 administered by the division of horse racing in the department of revenue and regulation;

18 (4) [Deleted by P.L. 2006, ch. 246, art. 38, § 10];

19 (5) To assess and collect the monthly surcharges that are collected by telecommunication
20 services providers pursuant to § 39-21.1-14 and are remitted to the division of taxation;

21 (6) To audit, assess, and collect all unclaimed intangible and tangible property pursuant to
22 chapter 21.1 of title 33;

23 (7) To provide to the department of labor and training any state tax information, state
24 records, or state documents they or the requesting agency certify as necessary to assist the agency
25 in efforts to investigate suspected misclassification of employee status, wage and hour violations,
26 or prevailing wage violations subject to the agency's jurisdiction, even if deemed confidential under
27 applicable law, provided that the confidentiality of such materials shall be maintained, to the extent
28 required of the releasing department by any federal or state law or regulation, by all state
29 departments to which the materials are released and no such information shall be publicly disclosed,
30 except to the extent necessary for the requesting department or agency to adjudicate a violation of
31 applicable law. The certification must include a representation that there is probable cause to
32 believe that a violation has occurred. State departments sharing this information or materials may
33 enter into written agreements via memorandums of understanding to ensure the safeguarding of
34 such released information or materials; and

1 (8) To preserve the Rhode Island tax base under Rhode Island law prior to the December
2 22, 2017, Congressional enactment of Public Law 115-97, The Tax Cuts and Jobs Act, the tax
3 administrator, upon prior written notice to the speaker of the house, senate president, and
4 chairpersons of the house and senate finance committees, is specifically authorized to amend tax
5 forms and related instructions in response to any changes the Internal Revenue Service makes to
6 its forms, regulations, and/or processing which will materially impact state revenues, to the extent
7 that impact is measurable. Any Internal Revenue Service changes to forms, regulations, and/or
8 processing which go into effect during the current tax year or within six (6) months of the beginning
9 of the next tax year and which will materially impact state revenue will be deemed grounds for the
10 promulgation of emergency rules and regulations under § 42-35-2.10. The provisions of this
11 subsection (8) shall sunset on December 31, 2021.

12 (9) To collect the penalties from all Rhode Island employers, as defined in section 40-8.4-
13 12(b)(4), during the preceding calendar year, who fail to provide the information required by the
14 executive office of health and human services pursuant to section 40-8.4-12 of the Rhode Island
15 General Laws and associated rules and regulations. An employer is required to provide such
16 information to the executive office of health and human services on an annual basis if it had at
17 least an average of fifty (50) or more employees during the preceding calendar year. The first
18 submissions under this program will be required to be filed with the executive office of health and
19 human services from employers who had at least an average of fifty (50) or more employees during
20 2020. The required information must be filed with the executive office of health and human
21 services between November 15th and December 15th during the year in which such information is
22 due. The first reports under this program will be due between November 15, 2021 and December
23 15, 2021. The penalties set forth in section 40-8.4-12 may be assessed by the tax administrator.
24 The executive office of health and human services shall transmit to the division of taxation a list of
25 Rhode Island employers and related documentation or information required by Section 40-8.4-12,
26 including the list of employers who are not participating in RItE Share, for the purpose of complying
27 with this chapter as well as chapter 8.4 of title 40. The tax administrator shall collect the penalty
28 assessment with interest in the same manner with the same powers as are prescribed for collection
29 of taxes in title 44.

30 SECTION 11. Section 8 of this article shall take effect upon passage and sunset on July 1,
31 2026. The remaining sections of this article shall take effect upon passage.

32

1 vacancy in the office of a commissioner, other than by expiration, shall be filled in like manner as
2 an original appointment, but only for the unexpired portion of the term. If a vacancy occurs when
3 the senate is not in session, the governor shall appoint a person to fill the vacancy, but only until
4 the senate shall next convene and give its advice and consent to a new appointment. A member
5 shall be eligible to succeed him or herself. The governor shall designate a member of the
6 corporation to serve as chairperson. Any member of the corporation may be removed by the
7 governor for misfeasance, malfeasance, or willful neglect of duty.

8 (c) The commissioners shall elect from among their number a vice-chairperson annually
9 and those other officers as they may determine. Meetings shall be held at the call of the chairperson
10 or whenever two (2) commissioners so request. Four (4) commissioners of the corporation shall
11 constitute a quorum and any action taken by the corporation under the provisions of this chapter
12 may be authorized by resolution approved by a majority but not less than three (3) of the
13 commissioners present at any regular or special meeting. No vacancy in the membership of the
14 corporation shall impair the right of a quorum to exercise all of the rights and perform all of the
15 duties of the corporation.

16 (d) Commissioners shall receive no compensation for the performance of their duties, but
17 each commissioner shall be reimbursed for his or her reasonable expenses incurred in carrying out
18 his or her duties under this chapter.

19 (e) Notwithstanding the provisions of any other law, no officer or employee of the state
20 shall be deemed to have forfeited or shall forfeit his or her office or employment by reason of his
21 or her acceptance of membership of the corporation or his or her service to the corporation.

22 (f) The commissioners shall employ an executive director who shall also be the secretary
23 and who shall administer, manage, and direct the affairs and business of the corporation, subject to
24 the policies, control, and direction of the commissioners. The commissioners may employ technical
25 experts and other officers, agents, and employees, permanent and temporary, and fix their
26 qualifications, duties, and compensation. These employed persons shall not be subject to the
27 provisions of the classified service. The commissioners may delegate to one or more of their agents
28 or employees those administrative duties they may deem proper.

29 (g) The secretary shall keep a record of the proceedings of the corporation and shall be
30 custodian of all books, documents, and papers filed with the corporation and of its minute book and
31 seal. He or she, or his or her designee, or the designee of the board of commissioners, shall have
32 authority to cause to be made copies of all minutes and other records and documents of the
33 corporation and to give certificates under the seal of the corporation to the effect that the copies are
34 true copies and all persons dealing with the corporation may rely upon the certificates.

1 (h) Before entering into his or her duties, each commissioner of the corporation shall
2 execute a surety bond in the penal sum of fifty thousand dollars (\$50,000) and the executive director
3 shall execute a surety bond in the penal sum of one hundred thousand dollars (\$100,000) or, in lieu
4 of this, the chairperson of the corporation shall execute a blanket bond covering each commissioner,
5 the executive director and the employees or other officers of the corporation, each surety bond to
6 be conditioned upon the faithful performance of the duties of the office or offices covered, to be
7 executed by a surety company authorized to transact business in this state as surety and to be
8 approved by the attorney general and filed in the office of the secretary of state. The cost of each
9 bond shall be paid by the corporation.

10 (i) Notwithstanding any other law to the contrary, it shall not be or constitute a conflict of
11 interest for a director, officer, or employee of any financial institution, investment banking firm,
12 brokerage firm, commercial bank or trust company, architecture firm, insurance company, or any
13 other firm, person, or corporation to serve as a member of the corporation. If any commissioner,
14 officer, or employee of the corporation shall be interested either directly or indirectly, or shall be a
15 director, officer, or employee of or have an ownership interest in any firm or corporation interested
16 directly or indirectly in any contract with the corporation, including any loan to any housing
17 sponsor or health care sponsor, that interest shall be disclosed to the corporation and shall be set
18 forth in the minutes of the corporation and the commissioner, officer, or employee having an
19 interest therein shall not participate on behalf of the corporation in the authorization of this contract.

20 SECTION2. Chapter 42-128 of the General Laws entitled "Housing Resources Act of
21 1998" is hereby amended by adding thereto the following sections:

22 **42-128-2.1. Housing Production Fund.**

23 (a) There is hereby established a restricted receipt account within the general fund of the
24 state, to be known as the housing production fund. Funds from this account shall be administered
25 by the Rhode Island housing and mortgage finance corporation, subject to program and reporting
26 guidelines adopted by the coordinating committee of the Rhode Island housing resources
27 commission for housing production initiatives, including:

28 (1) Financial assistance by loan, grant, or otherwise, for the planning, production, or
29 preservation of housing opportunities in Rhode Island, including housing affordable to workers and
30 located near major workforce centers; or

31 (2) Technical and financial assistance for cities and towns to support increased local
32 housing production, including by reducing regulatory barriers and through the housing incentives
33 for municipalities program.

1 42-128-18 Division of Housing and Community Development created – Assignment
2 of contracts and transfer of employees – Offices – Powers and duties. – Organization.

3 (a) Created. There is created within the executive branch a division of housing and
4 community development (“DHCD”) with responsibility for administering plans, policies,
5 standards, programs, and technical assistance for housing and community development.

6 (b) Transfer of Functions, Assignment of contracts and transfer of employees. Any and all
7 functions, contracts and/or agreements to which the office formerly known as the office of housing
8 and community development (“OHCD”) shall be transferred and assigned to DHCD. Any
9 employees of OHCD shall be transferred to DHCD. Any existing rules or regulations promulgated
10 by OHCD shall remain in effect and be transferred to DHCD. Whenever any general law, or public
11 law, rule, regulation and/or bylaw, refers to the "office of housing and community development"
12 or is abbreviated as “OHCD,” the reference shall be deemed to refer to and mean DHCD.

13 (c) Offices. DHCD may establish such offices and committees as it may deem appropriate.

14 (d) Powers and duties. In order to maintain the quality of housing in Rhode Island and
15 provide housing opportunities for all of its residents, DHCD shall have the following powers and
16 duties:

17 (1) To administer programs pertaining to housing, housing services, and community
18 development, including, but not limited to, programs pertaining to:

19 (i) Services for the homeless;

20 (ii) Rental assistance;

21 (iii) Community development;

22 (iv) Disaster assistance;

23 (v) Outreach, education and technical assistance services; and

24 (vi) Assistance, including financial support, to non-profit organizations and community
25 development corporations.

26 (2) To delegate any of its powers as necessary in order to accomplish the purposes of this
27 chapter.

28 (3) To adopt any rules and regulations, including measurable standards, in accordance with
29 the provisions of chapter 35 of this title that may be necessary to carry out the purposes of this
30 chapter.

31 (e) Organization. Consistent with § 42-64.19-7(h), DHCD shall be assigned to the
32 Executive Office of Commerce.

33 SECTION3. Sections 42-128-2, 42-128-6, 42-128-8.1, and 42-128-11 Chapter 42-128 of
34 the General Laws entitled "Housing Resources Act of 1998" is hereby amended to read as follows.

1 42-128-2. Rhode Island housing resources agency created.

2 There is created within the executive department a housing resources agency with the
3 following purposes, organization, and powers:

4 (1) Purposes:

5 (i) To provide coherence to the housing programs of the state of Rhode Island and its
6 departments, agencies, commissions, corporations, and subdivisions.

7 (ii) To provide for the integration and coordination of the activities of the Rhode Island
8 housing and mortgage finance corporation and the Rhode Island housing resources commission.

9 (2) Coordinating committee – Created – Purposes and powers:

10 (i) The coordinating committee of the housing resources agency shall be comprised of the
11 chairperson of the Rhode Island housing and mortgage finance corporations; the chairperson of the
12 Rhode Island housing resources commission; the secretary of commerce, or designee; the secretary
13 of health and human services, or designee; a member of the State of Rhode Island Rhode Island
14 Continuum of Care representing an agency or political subdivision of the state; and two (2)
15 members appointed by the governor, who each also represent an agency or political subdivision of
16 the state. The governor shall designate one of the coordinating committee’s members to be
17 chairperson. ~~the director of the department of administration, or the designee of the director; and~~
18 ~~the executive director of the Rhode Island housing and mortgage finance corporation. The~~
19 ~~chairperson of the Rhode Island housing resources commission shall be chairperson of the~~
20 ~~coordinating committee.~~

21 (ii) The coordinating committee ~~shall develop and shall implement, with the approval of~~
22 ~~the Rhode Island housing and mortgage finance corporation and the Rhode Island housing~~
23 ~~resources commission, a memorandum of agreement describing the fiscal and operational~~
24 ~~relationship between the Rhode Island housing and mortgage finance corporation and the Rhode~~
25 ~~Island housing resources commission and shall define which programs of federal assistance will be~~
26 ~~applied for on behalf of the state by the Rhode Island housing and mortgage finance corporation~~
27 ~~and the Rhode Island housing resources commission.~~ is authorized and empowered to negotiate
28 and to enter into contracts and cooperative agreements with agencies and political subdivisions of
29 the state, not-for-profit corporations, for profit corporations, and other partnerships, associations
30 and persons for any lawful purpose necessary and desirable to effect the purposes of this chapter,
31 subject to the provisions of chapter 2 of title 37 as applicable.

32 (3) There is hereby established a restricted receipt account within the general fund of the
33 state. Funds from this account shall be used to provide for housing and homelessness initiatives
34 including housing production, ~~the~~ lead hazard abatement ~~program~~, housing rental subsidy, housing

1 retention assistance, and homelessness services and prevention assistance ~~with priority given to~~
2 ~~homeless veterans and homeless prevention assistance and housing retention assistance~~ with
3 priority to veterans.

4 **42-128-6. Commission – Membership and terms – Officers – Expenses – Meetings.**

5 (a)(1) Membership. The commission shall have ~~twenty eight (28)~~twenty (20) members as
6 follows: ~~the directors of the departments of administration, business regulation, elderly affairs,~~
7 ~~health, human services, behavioral healthcare, developmental disabilities and hospitals,~~ five ex-
8 officio members consisting of the chairperson of the Rhode Island housing and mortgage finance
9 corporation, or designee; the chairperson of the housing resources commission; the secretary of
10 commerce, or designee; the secretary of health and human services, or designee; a member of the
11 State of Rhode Island Continuum of Care representing an agency or political subdivision of the
12 state, and the attorney general; shall be ex officio members; the president of the Rhode Island
13 ~~Bankers Association, or the designee of the president; the president of the Rhode Island Mortgage~~
14 ~~Banker's Association, or the designee of the president; the president of the Rhode Island Realtors~~
15 ~~Association, or the designee of the president; the executive director of the Rhode Island Housing~~
16 ~~Network; the executive director of the Rhode Island Coalition for the Homeless; the president of~~
17 ~~the Rhode Island Association of Executive Directors for Housing, or the designee of the president;~~
18 ~~the executive director of operation stand down~~ two (2) members representing an agency or political
19 subdivision of the state appointed by the governor; and thirteen (13) members appointed by the
20 governor with the advice and consent of the senate, who have knowledge of, and have a
21 demonstrated interest in, housing issues as they affect low-and moderate-income people, appointed
22 by the governor with the advice and consent of the senate and drawn from the following areas:
23 disability advocacy; homelessness; veterans services and welfare; banking and lending; fair
24 housing and/or civil rights advocacy; education advocacy; healthy housing and/or health equity;
25 the business community; public housing authorities; for-profit development; non-profit
26 development and/or community development corporations; local government; seniors and healthy
27 aging; colleges and universities; realty and homeownership; or any other area deemed necessary to
28 advance the activities of the commission ~~;~~ ~~one of whom shall be the chairperson, one of whom~~
29 ~~shall be the representative of the homeless; one of whom shall be a representative of a community~~
30 ~~development corporation; one of whom shall be the representative of an agency addressing lead~~
31 ~~poisoning issues; one of whom shall be a local planner; one of whom shall be a local building~~
32 ~~official; one of whom shall be a representative of fair housing interests; one of whom shall be~~
33 ~~representative of an agency advocating the interest of racial minorities; one of whom shall be a~~
34 ~~representative of the Rhode Island Builders Association; one of whom shall be a representative of~~

~~1 insurers; one of whom shall be a representative of a community development intermediary that
2 provides financing and technical assistance to housing non-profits; one of whom shall be a non-
3 profit developer; and one of whom shall be a senior housing advocate.~~

4 (2) The terms of appointed members shall be three (3) years, except for the original
5 appointments, the term of four (4) of whom shall be one year and the term of four (4) of whom
6 shall be two (2) years; no member may serve more than two (2) successive terms.

7 (b) Officers. The governor shall appoint the chairperson of the commission, who shall not
8 be an ex officio member, with the advice and consent of the senate. The commission shall elect
9 annually a vice-chairperson, who shall be empowered to preside at meetings in the absence of the
10 chairperson, and a secretary.

11 (c) Expenses. The members of the commission shall serve without compensation, but shall
12 be reimbursed for their reasonable actual expenses necessarily incurred in the performance of their
13 duties.

14 (d) Meetings. Meetings of the commission shall be held upon the call of the chairperson,
15 or five (5) members of the commission, or according to a schedule that may be annually established
16 by the commission; provided, however, that the commission shall meet at least once quarterly. A
17 majority of members of the commission, not including vacancies, shall constitute a quorum, and
18 no vacancy in the membership of the commission shall impair the right of a quorum to exercise all
19 the rights and perform all of the duties of the commission.

20 **42-128-8.1. Housing production and rehabilitation.**

21 (a) Short title. This section shall be known and may be cited as the "Comprehensive
22 Housing Production and Rehabilitation Act of 2004."

23 (b) Findings. The general assembly finds and declares that:

24 (1) The state must maintain a comprehensive housing strategy applicable to all cities and
25 towns that addresses the housing needs of different populations including, but not limited to,
26 workers and their families who earn less than one hundred twenty percent (120%) of median
27 income, older citizens, students attending institutions of higher education, low and very low income
28 individuals and families, and vulnerable populations including, but not limited to, persons with
29 disabilities, homeless individuals and families, and individuals released from correctional
30 institutions.

31 (2) Efforts and programs to increase the production of housing must be sensitive to the
32 distinctive characteristics of cities and towns, neighborhoods and areas and the need to manage
33 growth and to pace and phase development, especially in high growth areas.

1 (3) The state in partnership with local communities must remove barriers to housing
2 development and update and maintain zoning and building regulations to facilitate the construction,
3 rehabilitation of properties and retrofitting of buildings for use as safe affordable housing.

4 (4) Creative funding mechanisms are needed at the local and state levels that provide
5 additional resources for housing development, because there is an inadequate amount of federal
6 and state subsidies to support the affordable housing needs of Rhode Island's current and projected
7 population.

8 (5) Innovative community planning tools, including, but not limited to, density bonuses
9 and permitted accessory dwelling units, are needed to offset escalating land costs and project
10 financing costs that contribute to the overall cost of housing and tend to restrict the development
11 and preservation of housing affordable to very low income, low income and moderate income
12 persons.

13 (6) The gap between the annual increase in personal income and the annual increase in the
14 median sales price of a single-family home is growing, therefore, the construction, rehabilitation
15 and maintenance of affordable, multi-family housing needs to increase to provide more rental
16 housing options to individuals and families, especially those who are unable to afford
17 homeownership of a single-family home.

18 (7) The state needs to foster the formation of cooperative partnerships between
19 communities and institutions of higher education to significantly increase the amount of residential
20 housing options for students.

21 (8) The production of housing for older citizens as well as urban populations must keep
22 pace with the next twenty-year projected increases in those populations of the state.

23 (9) Efforts must be made to balance the needs of Rhode Island residents with the ability of
24 the residents of surrounding states to enter into Rhode Island's housing market with much higher
25 annual incomes at their disposal.

26 (c) Strategic plan. The commission, in conjunction with the statewide planning program,
27 shall develop by July 1, 2006, a ~~five (5)~~ four (4) year strategic plan for housing, which plan shall
28 be adopted as an element of the state guide plan, and which shall include quantified goals,
29 measurable intermediate steps toward the accomplishment of the goals, implementation activities,
30 and standards for the production and/or rehabilitation of year-round housing to meet the housing
31 needs including, but not limited to, the following:

32 (1) Older Rhode Islanders, including senior citizens, appropriate, affordable housing
33 options;

34 (2) Workers, housing affordable at their income level;

- 1 (3) Students, dormitory, student housing and other residential options;
- 2 (4) Low income and very low income households, rental housing;
- 3 (5) Persons with disabilities, appropriate housing; and
- 4 (6) Vulnerable individuals and families, permanent housing, single room occupancy units,
- 5 transitional housing and shelters.

6 (d) As used in this section and for the purposes of the preparation of affordable housing
7 plans as specified in chapter 45-22.2, words and terms shall have the meaning set forth in chapter
8 45-22.2, chapter 45-53, and/or § 42-11-10, unless this section provides a different meaning or
9 unless the context indicates a different meaning or intent.

10 (1) "Affordable housing" means residential housing that has a sales price or rental amount
11 that is within the means of a household that is moderate income or less. In the case of dwelling
12 units for sale, housing that is affordable means housing in which principal, interest, taxes, which
13 may be adjusted by state and local programs for property tax relief, and insurance constitute no
14 more than thirty percent (30%) of the gross household income for a household with less than one
15 hundred and twenty percent (120%) of area median income, adjusted for family size. In the case of
16 dwelling units for rent, housing that is affordable means housing for which the rent, heat, and
17 utilities other than telephone constitute no more than thirty percent (30%) of the gross annual
18 household income for a household with eighty percent (80%) or less of area median income,
19 adjusted for family size. Affordable housing shall include all types of year-round housing,
20 including, but not limited to, manufactured housing, housing originally constructed for workers and
21 their families, accessory dwelling units, housing accepting rental vouchers and/or tenant-based
22 certificates under Section 8 of the United States Housing Act of 1937, as amended, and assisted
23 living housing, where the sales or rental amount of such housing, adjusted for any federal, state, or
24 municipal government subsidy, is less than or equal to thirty percent (30%) of the gross household
25 income of the low and/or moderate income occupants of the housing.

26 (2) "Affordable housing plan" means a plan prepared and adopted by a town or city either
27 to meet the requirements of chapter 45-53 or to meet the requirements of § 45-22.2-10(f), which
28 require that comprehensive plans and the elements thereof be revised to conform with amendments
29 to the state guide plan.

30 (3) "Approved affordable housing plan" means an affordable housing plan that has been
31 reviewed and approved in accordance with § 45-22.2-9.

32 (4) "Moderate income household" means a single person, family, or unrelated persons
33 living together whose adjusted gross income is more than eighty percent (80%) but less than one
34 hundred twenty percent (120%) of the area median income, adjusted for family size.

1 (5) "Seasonal housing" means housing that is intended to be occupied during limited
2 portions of the year.

3 (6) "Year-round housing" means housing that is intended to be occupied by people as their
4 usual residence and/or vacant units that are intended by their owner for occupancy at all times of
5 the year; occupied rooms or suites of rooms in hotels are year-round housing only when occupied
6 by permanent residents as their usual place of residence.

7 (e) The strategic plan shall be updated and/or amended as necessary, but not less than once
8 every ~~five (5)~~ four (4) years.

9 (f) Upon the adoption of the strategic plan as an element of the state guide plan, towns and
10 cities shall bring their comprehensive plans into conformity with its requirements, in accordance
11 with the timetable set forth in § 45-22.2-10(f), provided, however, that any town that has adopted
12 an affordable housing plan in order to comply with the provisions of chapter 45-53, which has been
13 approved for consistency pursuant to § 45-22.2-9, shall be deemed to satisfy the requirements of
14 the strategic plan for low and moderate income housing until such time as the town must complete
15 its next required comprehensive community plan update.

16 (g) Guidelines. The commission shall advise the state planning council and the state
17 planning council shall promulgate and adopt not later than July 1, 2006, guidelines for higher
18 density development, including, but not limited to: (A) inclusionary zoning provisions for low and
19 moderate income housing with appropriate density bonuses and other subsidies that make the
20 development financially feasible; and (B) mixed-use development that includes residential
21 development, which guidelines shall take into account infrastructure availability; soil type and land
22 capacity; environmental protection; water supply protection; and agricultural, open space, historical
23 preservation, and community development pattern constraints.

24 (h) The statewide planning program shall maintain a geographic information system map
25 that identifies, to the extent feasible, areas throughout the state suitable for higher density
26 residential development consistent with the guidelines adopted pursuant to subsection (g).

27 **42-128-11. Executive director – Employees.**

28 The ~~commission~~ governor shall appoint, with the advice of the coordinating committee, an
29 executive director, who shall not be subject to the provisions of chapter 4 of title 36, and who shall
30 serve as the state housing commissioner and may also serve in the executive office of commerce
31 as the deputy secretary of housing and homelessness. ~~The commission shall set the compensation~~
32 ~~and the terms of employment of the executive director~~. The commission shall also cause to be
33 employed such staff and technical and professional consultants as may be required to carry out the
34 powers and duties set forth in this chapter. All staff, including the executive director, may be

1 secured through a memorandum of agreement with the Rhode Island housing and mortgage finance
2 corporation, or any other agency or political subdivision of the state with the approval of the
3 relevant agency or political subdivision, as provided for in § 42-128-2(2)(ii). Any person who is in
4 the civil service and is transferred to the commission may retain civil service status.

5 SECTION 4. Section 42-128-9 of the General Laws in Chapter 42-128 entitled "Housing
6 Resources Act of 1998" is hereby repealed in its entirety.

7 ~~**42-128-9. Offices within the commission.**~~

8 ~~There shall be, as a minimum, the following offices within the commission: the office of~~
9 ~~policy and planning, the office of housing program performance and evaluation, the office of~~
10 ~~homelessness services and emergency assistance, and the office of community development,~~
11 ~~programs and technical assistance. The commission may establish by rule such other offices,~~
12 ~~operating entities, and committees as it may deem appropriate.~~

13 SECTION 5. Title 42 of the General Laws entitled "State Affairs and Government" is
14 hereby amended by adding thereto the following chapter:

15 CHAPTER 42-128.4

16 HOUSING INCENTIVES FOR MUNICIPALITIES

17 **42-128.4. Short title.**

18 This chapter shall be known as "Housing Incentives for Municipalities."

19 **42-128.4-2. Establishment of program.**

20 There is hereby established a housing incentive for municipalities program to be
21 administered as set forth in section 42-128-2.1, in consultation with the division of statewide
22 planning and the Rhode Island housing and mortgage finance corporation.

23 **42-128.4-4. Purposes.**

24 The coordinating committee is authorized and empowered to carry out the program for the
25 following purposes:

26 (a) To foster and maintain strong collaborations with municipalities in the state.

27 (b) To support and assist municipalities in promoting housing production that adequately
28 meets the needs of Rhode Island's current and future residents.

29 (c) To make diverse, high-quality, and accessible housing options readily available to
30 residents within their local communities.

31 (d) To enable residents to live near convenient public transit and other commercial and
32 cultural resources.

33 (e) To make development decisions fair, predictable, and cost effective.

1 (f) To foster distinctive, attractive, and resilient communities, while preserving the state's
2 open space, farmland, and natural beauty.

3 **42-128.4-4. Definitions.**

4 As used in this chapter:

5 (1) "The coordinating committee" means the Rhode Island housing resources coordinating
6 committee established pursuant to § 42-128-2(2).

7 (2) "Eligible locations" means an area designated by the coordinating committee as a
8 suitable site for a housing incentive district by virtue of its infrastructure, existing underutilized
9 facilities, or other advantageous qualities, including (i) proximity to public transit centers, including
10 commuter rail, bus, and ferry terminals; or (ii) proximity to areas of concentrated development,
11 including town and city centers or other existing commercial districts.

12 (3) "Eligible student" means an individual that (i) lives in a newly constructed dwelling
13 unit within a housing incentive district, to the extent that the unit could not have been realized under
14 the underlying zoning, and (ii) attends a school in the city or town.

15 (4) "School impact offset payments" means a payment to a city or town to help offset
16 increased municipal costs of educating eligible students.

17 (5) "Housing incentive district" means an overlay district adopted by a city or town
18 pursuant to this chapter. A housing incentive district is intended to encourage residential
19 development and must permit minimum residential uses. A housing incentive district may
20 accommodate uses complimentary to the primary residential uses, as deemed appropriate by the
21 adopting city or town; however, the majority of development on lots within a housing incentive
22 district must be residential. Land development plans within a housing incentive district shall be
23 treated as minor land development plans, as defined by § 45-23-32, unless otherwise specified by
24 ordinance.

25 **42-128.4-5. Adoption of housing incentive districts.**

26 (a) In its zoning ordinance, a city or town may adopt a housing incentive district in any
27 eligible location.

28 (b) The adoption, amendment, or repeal of such ordinance shall be in accordance with the
29 provisions of chapter 45-24.

30 (c) A housing incentive district shall comply with this chapter and any minimum
31 requirements established by the coordinating committee.

32 (d) The zoning ordinance for each housing incentive district shall specify the procedure for
33 land development and subdivision review within the district in accordance with this chapter and
34 the regulations of the coordinating committee.

1 (e) Nothing in this chapter shall affect a city or town's authority to amend its zoning
2 ordinances under chapter 45-24.

3 **42-128.4-6. Assistance to municipalities.**

4 (a) The coordinating committee is authorized and empowered, at its discretion, to provide
5 all manner of support and assistance to municipalities in connection with fostering local housing
6 production, including, but not limited to:

7 (1) providing technical assistance for the preparation, adoption, or implementation of laws,
8 regulations, or processes related to residential development; and

9 (2) authorizing the Rhode Island housing and mortgage finance corporation to issue school
10 impact offset payments to participating municipalities.

11 **42-128.4-7. Rules and regulations - Reports.**

12 (a) The coordinating committee is hereby authorized to promulgate such rules and
13 regulations as are necessary to fulfill the purposes of this chapter, including, but not limited to,
14 provisions relating to: application criteria; eligible locations for housing incentive districts;
15 minimum requirements for housing incentive districts; eligible students for the calculation
16 of school impact offset payments; and the amount and method of payment to cities and towns
17 for school impact offset payments.

18 (b) The coordinating committee shall include in its annual report information on the
19 commitment and disbursement of funds allocated under the program. The report shall be provided
20 to the governor, the secretary of commerce, speaker of the house of representatives and the
21 president of the senate.

22 **42-128.4-8. Program integrity.**

23 Program integrity being of paramount importance, the coordinating committee shall
24 establish procedures to ensure ongoing compliance with the terms and conditions of the program
25 established herein, including procedures to safeguard the expenditure of public funds and to ensure
26 that the funds further the purposes of the program.

27 **42-128.4-9. Cooperation.**

28 Any department, agency, council, board, or other public instrumentality of the state shall
29 cooperate with the coordinating committee in relation to the implementation, execution and
30 administration of the program created under this chapter.

31 SECTION 6. Effective January 1, 2022, section 44-25-1 of the General Laws in Chapter
32 44-25 entitled "Real Estate Conveyance Tax" is hereby amended to read as follows:

33 **44-25-1. Tax imposed – Payment – Burden.**

1 (a) There is imposed, on each deed, instrument, or writing by which any lands, tenements,
2 or other realty sold is granted, assigned, transferred, or conveyed to, or vested in, the purchaser or
3 purchasers, or any other person or persons, by his or her or their direction, or on any grant,
4 assignment, transfer, or conveyance or such vesting, by such persons which has the effect of making
5 any real estate company an acquired real estate company, when the consideration paid exceeds one
6 hundred dollars (\$100), a tax at the rate of two dollars and thirty cents (\$2.30) for each five hundred
7 dollars (\$500), or fractional part of it, that is paid for the purchase of property or the interest in an
8 acquired real estate company (inclusive of the value of any lien or encumbrance remaining at the
9 time of the sale, grant, assignment, transfer or conveyance or vesting occurs, or in the case of an
10 interest in an acquired real estate company, a percentage of the value of such lien or encumbrance
11 equivalent to the percentage interest in the acquired real estate company being granted, assigned,
12 transferred, conveyed or vested), ~~which~~. The tax is payable at the time of making, the execution,
13 delivery, acceptance or presentation for recording of any instrument affecting such transfer grant,
14 assignment, transfer, conveyance or vesting. In the absence of an agreement to the contrary, the tax
15 shall be paid by the grantor, assignor, transferor or person making the conveyance or vesting.

16 (b) In addition to the tax imposed by paragraph (a), there is imposed, on each deed,
17 instrument, or writing by which any residential real property sold is granted, assigned, transferred,
18 or conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his or
19 her or their direction, or on any grant, assignment, transfer, or conveyance or such vesting, by such
20 persons which has the effect of making any real estate company an acquired real estate company,
21 when the consideration paid exceeds seven hundred thousand dollars (\$700,000), a tax at the rate
22 of two dollars and thirty cents (\$2.30) for each five hundred dollars (\$500), or fractional part of it,
23 of the consideration in excess of seven hundred thousand dollars (\$700,000) that is paid for the
24 purchase of property or the interest in an acquired real estate company (inclusive of the value of
25 any lien or encumbrance remaining at the time of the sale, grant, assignment, transfer or conveyance
26 or vesting occurs, or in the case of an interest in an acquired real estate company, a percentage of
27 the value of such lien or encumbrance equivalent to the percentage interest in the acquired real
28 estate company being granted, assigned, transferred, conveyed or vested). The tax imposed by this
29 paragraph shall be paid at the same time and in the same manner as the tax imposed by paragraph
30 (a).

31 ~~(b)~~ (c) In the event no consideration is actually paid for the lands, tenements, or realty, the
32 instrument or interest in an acquired real estate company of conveyance shall contain a statement
33 to the effect that the consideration is such that no documentary stamps are required.

34 ~~(e) The tax administrator shall contribute~~

1 (d) The tax shall be distributed as follows:

2 (i) With respect to the tax imposed by paragraph (a): the tax administrator shall contribute

3 to the distressed community relief program the sum of thirty cents (\$.30) per two dollars and thirty
4 cents (\$2.30) of the face value of the stamps to be distributed pursuant to § 45-13-12, and to the
5 housing resources commission restricted receipts account the sum of thirty cents (\$.30) per two
6 dollars and thirty cents (\$2.30) of the face value of the stamps. Funds will be administered by the
7 office of housing and community development, through the housing resources commission. The
8 state shall retain sixty cents (\$.60) for state use provided that sixteen cents (\$.16) per sixty cents
9 (\$.60) shall be contributed to the housing production fund established pursuant to § 42-128-2.1.

10 The balance of the tax shall be retained by the municipality collecting the tax.

11 (ii) With respect to the tax imposed by paragraph (b): the tax administrator shall contribute
12 to the entire tax to the housing production fund established pursuant to § 42-128-2.1.

13 (iii) Notwithstanding the above, in the case of the tax on the grant, transfer, assignment or
14 conveyance or vesting with respect to an acquired real estate company, the tax shall be collected
15 by the tax administrator and shall be distributed to the municipality where the real estate owned by
16 the acquired real estate company is located provided, however, in the case of any such tax collected
17 by the tax administrator, if the acquired real estate company owns property located in more than
18 one municipality, the proceeds of the tax shall be allocated amongst said municipalities in the
19 proportion the assessed value of said real estate in each such municipality bears to the total of the
20 assessed values of all of the real estate owned by the acquired real estate company in Rhode Island.
21 Provided, however, in fiscal years 2004 and 2005, from the proceeds of this tax, the tax
22 administrator shall deposit as general revenues the sum of ninety cents (\$.90) per two dollars and
23 thirty cents (\$2.30) of the face value of the stamps. The balance of the tax on the purchase of
24 property shall be retained by the municipality collecting the tax. The balance of the tax on the
25 transfer with respect to an acquired real estate company, shall be collected by the tax administrator
26 and shall be distributed to the municipality where the property for which interest is sold is
27 physically located. Provided, however, that in the case of any tax collected by the tax administrator
28 with respect to an acquired real estate company where the acquired real estate company owns
29 property located in more than one municipality, the proceeds of the tax shall be allocated amongst
30 the municipalities in proportion that the assessed value in any such municipality bears to the
31 assessed values of all of the real estate owned by the acquired real estate company in Rhode Island.

32 (d) For purposes of this section, the term "acquired real estate company" means a real
33 estate company that has undergone a change in ownership interest if (i) such change does not affect
34 the continuity of the operations of the company; and (ii) the change, whether alone or together with

1 prior changes has the effect of granting, transferring, assigning or conveying or vesting, transferring
2 directly or indirectly, 50% or more of the total ownership in the company within a period of three
3 (3) years. For purposes of the foregoing subsection (ii) hereof, a grant, transfer, assignment or
4 conveyance or vesting, shall be deemed to have occurred within a period of three (3) years of
5 another grant(s), transfer(s), assignment(s) or conveyance(s) or vesting(s) if during the period the
6 granting, transferring, assigning or conveying or party provides the receiving party a legally binding
7 document granting, transferring, assigning or conveying or vesting said realty or a commitment or
8 option enforceable at a future date to execute the grant, transfer, assignment or conveyance or
9 vesting.

10 (e) A real estate company is a corporation, limited liability company, partnership or other
11 legal entity which meets any of the following:

12 (i) Is primarily engaged in the business of holding, selling or leasing real estate, where 90%
13 or more of the ownership of said real estate is held by 35 or fewer persons and which company
14 either (a) derives 60% or more of its annual gross receipts from the ownership or disposition of real
15 estate; or (b) owns real estate the value of which comprises 90% or more of the value of the entity's
16 entire tangible asset holdings exclusive of tangible assets which are fairly transferrable and actively
17 traded on an established market; or

18 (ii) 90% or more of the ownership interest in such entity is held by 35 or fewer persons and
19 the entity owns as 90% or more of the fair market value of its assets a direct or indirect interest in
20 a real estate company. An indirect ownership interest is an interest in an entity 90% or more of
21 which is held by 35 or fewer persons and the purpose of the entity is the ownership of a real estate
22 company.

23 (f) In the case of a grant, assignment, transfer or conveyance or vesting which results in a
24 real estate company becoming an acquired real estate company, the grantor, assignor, transferor, or
25 person making the conveyance or causing the vesting, shall file or cause to be filed with the division
26 of taxation, at least five (5) days prior to the grant, transfer, assignment or conveyance or vesting,
27 notification of the proposed grant, transfer, assignment, or conveyance or vesting, the price, terms
28 and conditions of thereof, and the character and location of all of the real estate assets held by real
29 estate company and shall remit the tax imposed and owed pursuant to subsection (a) hereof. Any
30 such grant, transfer, assignment or conveyance or vesting which results in a real estate company
31 becoming an acquired real estate company shall be fraudulent and void as against the state unless
32 the entity notifies the tax administrator in writing of the grant, transfer, assignment or conveyance
33 or vesting as herein required in subsection (f) hereof and has paid the tax as required in subsection
34 (a) hereof. Upon the payment of the tax by the transferor, the tax administrator shall issue a

1 certificate of the payment of the tax which certificate shall be recordable in the land evidence
2 records in each municipality in which such real estate company owns real estate. Where the real
3 estate company has assets other than interests in real estate located in Rhode Island, the tax shall
4 be based upon the assessed value of each parcel of property located in each municipality in the state
5 of Rhode Island.

6 SECTION 7. Section 6 of this article shall take effect on January 1, 2022. All other sections
7 of this article shall take effect upon passage.

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ARTICLE 17

RELATING TO EFFECTIVE DATE

SECTION 1. This act shall take effect as of July 1, 2021, except as otherwise provided herein.

SECTION 2. This article shall take effect upon passage.

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