

1 RELATING TO RENEWABLE ENERGY PROGRAMS

2 SECTION 1. Section 39-2-1.2 of the General Laws in Chapter 39-2 entitled "Duties of  
3 Utilities and Carriers" is hereby amended to read as follows:

4 **§ 39-2-1.2. Utility base rate – Advertising, demand side management and**  
5 **renewables.** – (a) In addition to costs prohibited in § 39-1-27.4(b), no public utility distributing  
6 or providing heat, electricity, or water to or for the public shall include as part of its base rate any  
7 expenses for advertising, either direct or indirect, which promotes the use of its product or  
8 service, or is designed to promote the public image of the industry. No public utility may furnish  
9 support of any kind, direct, or indirect, to any subsidiary, group, association, or individual for  
10 advertising and include the expense as part of its base rate. Nothing contained in this section shall  
11 be deemed as prohibiting the inclusion in the base rate of expenses incurred for advertising,  
12 informational or educational in nature, which is designed to promote public safety conservation of  
13 the public utility's product or service. The public utilities commission shall promulgate such rules  
14 and regulations as are necessary to require public disclosure of all advertising expenses of any  
15 kind, direct or indirect, and to otherwise effectuate the provisions of this section.

16 (b) Effective as of January 1, 2008, and for a period of fifteen (15) years thereafter, each  
17 electric distribution company shall include a charge per kilowatt-hour delivered to fund demand  
18 side management programs. The 0.3 mills per kilowatt-hour delivered to fund renewable energy  
19 programs shall remain in effect until December 31, ~~2017~~ 2022. The electric distribution company  
20 shall establish and, after July 1, 2007, maintain two (2) separate accounts, one for demand side  
21 management programs (the "demand side account"), which shall be funded by the electric  
22 demand side charge and administered and implemented by the distribution company, subject to  
23 the regulatory reviewing authority of the commission, and one for renewable energy programs,  
24 which shall be administered by the Rhode Island commerce corporation pursuant to § 42-64-13.2  
25 and, shall be held and disbursed by the distribution company as directed by the Rhode Island  
26 commerce corporation for the purposes of developing, promoting and supporting renewable  
27 energy programs.

28 During the time periods established in § 39-2-1.2(b), the commission may, in its  
29 discretion, after notice and public hearing, increase the sums for demand side management and  
30 renewable resources. In addition, the commission shall, after notice and public hearing, determine  
31 the appropriate charge for these programs. The office of energy resources and/or the administrator  
32 of the renewable energy programs may seek to secure for the state an equitable and reasonable  
33 portion of renewable energy credits or certificates created by private projects funded through  
34 those programs. As used in this section, "renewable energy resources" shall mean: (1) power

1 generation technologies as defined in § 39-26-5, "eligible renewable energy resources", including  
2 off-grid and on-grid generating technologies located in Rhode Island as a priority; (2) research  
3 and development activities in Rhode Island pertaining to eligible renewable energy resources and  
4 to other renewable energy technologies for electrical generation; or (3) projects and activities  
5 directly related to implementing eligible renewable energy resources projects in Rhode Island.  
6 Technologies for converting solar energy for space heating or generating domestic hot water may  
7 also be funded through the renewable energy programs. Fuel cells may be considered an energy  
8 efficiency technology to be included in demand sided management programs. Special rates for  
9 low-income customers in effect as of August 7, 1996 shall be continued, and the costs of all of  
10 these discounts shall be included in the distribution rates charged to all other customers. Nothing  
11 in this section shall be construed as prohibiting an electric distribution company from offering  
12 any special rates or programs for low-income customers which are not in effect as of August 7,  
13 1996, subject to the approval by the commission.

14 (1) The renewable energy investment programs shall be administered pursuant to rules  
15 established by the Rhode Island commerce corporation. Said rules shall provide transparent  
16 criteria to rank qualified renewable energy projects, giving consideration to:

- 17 (i) the feasibility of project completion;
  - 18 (ii) the anticipated amount of renewable energy the project will produce;
  - 19 (iii) the potential of the project to mitigate energy costs over the life of the project; and
  - 20 (iv) the estimated cost per kilo-watt hour (kwh) of the energy produced from the project.
- 21 (c) [Deleted by P.L. 2012, ch. 241, art. 4, § 14].

22 (d) The ~~executive director of the economic development~~ commerce corporation is  
23 authorized and may enter into a contract with a contractor for the cost effective administration of  
24 the renewable energy programs funded by this section. A competitive bid and contract award for  
25 administration of the renewable energy programs may occur every three (3) years and shall  
26 include as a condition that after July 1, 2008 the account for the renewable energy programs shall  
27 be maintained and administered by the ~~economic development~~ commerce corporation as provided  
28 for in subdivision (b) above.

29 (e) Effective January 1, 2007, and for a period of sixteen (16) years thereafter, each gas  
30 distribution company shall include, with the approval of the commission, a charge per deca therm  
31 delivered to fund demand side management programs (the "gas demand side charge"), including,  
32 but not limited to, programs for cost-effective energy efficiency, energy conservation, combined  
33 heat and power systems, and weatherization services for low income households.

34 (f) Each gas company shall establish a separate account for demand side management

1 programs (the "gas demand side account"), which shall be funded by the gas demand side charge  
2 and administered and implemented by the distribution company, subject to the regulatory  
3 reviewing authority of the commission. The commission may establish administrative  
4 mechanisms and procedures that are similar to those for electric demand side management  
5 programs administered under the jurisdiction of the commissions and that are designed to achieve  
6 cost-effectiveness and high life-time savings of efficiency measures supported by the program.

7 (g) The commission may, if reasonable and feasible, except from this demand side  
8 management charge:

9 (i) gas used for distribution generation; and

10 (ii) gas used for the manufacturing processes, where the customer has established a self-  
11 directed program to invest in and achieve best effective energy efficiency in accordance with a  
12 plan approved by the commission and subject to periodic review and approval by the  
13 commission, which plan shall require annual reporting of the amount invested and the return on  
14 investments in terms of gas savings.

15 (h) The commission may provide for the coordinated and/or integrated administration of  
16 electric and gas demand side management programs in order to enhance the effectiveness of the  
17 programs. Such coordinated and/or integrated administration may after March 1, 2009, upon the  
18 recommendation of the office of energy resources, be through one or more third-party entities  
19 designated by the commission pursuant to a competitive selection process.

20 (i) Effective January 1, 2007, the commission shall allocate from demand-side  
21 management gas and electric funds authorized pursuant to this § 39-2-1.2, an amount not to  
22 exceed two percent (2%) of such funds on an annual basis for the retention of expert consultants,  
23 and reasonable administrations costs of the energy efficiency and resources management council  
24 associated with planning, management, and evaluation of energy efficiency programs, renewable  
25 energy programs, system reliability least-cost procurement, and with regulatory proceedings,  
26 contested cases, and other actions pertaining to the purposes, powers and duties of the council,  
27 which allocation may by mutual agreement, be used in coordination with the office of energy  
28 resources to support such activities.

29 (j) Effective January 1, 2016, the commission shall annually allocate from the  
30 administrative funding amount allocated in subsection (i) from the demand-side management  
31 program as described in subsection (i) as follows: fifty percent (50%) for the purposes identified  
32 in subsection (i) and fifty percent (50%) annually to the office of energy resources for activities  
33 associated with planning management, and evaluation of energy efficiency programs, renewable  
34 energy programs, system reliability, least-cost procurement, and with regulatory proceedings,

1 contested cases, and other actions pertaining to the purposes, powers and duties of the office of  
2 energy resources.

3 (k) On April 15, of each year the office and the council shall submit to the governor, the  
4 president of the senate, and the speaker of the house of representatives, separate financial and  
5 performance reports regarding the demand-side management programs, including the specific  
6 level of funds that were contributed by the residential, municipal, and commercial and industrial  
7 sectors to the overall programs; the businesses, vendors, and institutions that received funding  
8 from demand-side management gas and electric funds used for the purposes in § 39-2-1.2; and the  
9 businesses, vendors, and institutions that received the administrative funds for the purposes in  
10 sections 39-2-1.2(i) and 39-2-1.2(j). These reports shall be posted electronically on the websites  
11 of the office of energy resources and the energy efficiency resource management council.

12 (l) On or after August 1, 2015, at the request of the Rhode Island infrastructure bank,  
13 each electric distribution company, except for the Pascoag Utility District and Block Island Power  
14 Company, shall remit two percent (2%) of the amount of the 2014 electric demand side charge  
15 collections to the Rhode Island infrastructure bank in accordance with the terms of § 46-12.2-  
16 14.1.

17 (m) On or after August 1, 2015, at the request of the Rhode Island infrastructure bank,  
18 each gas distribution company shall remit two percent (2%) of the amount of the 2014 gas  
19 demand side charge collections to the Rhode Island infrastructure bank in accordance with the  
20 terms of § 46-12.2-14.1.

21 SECTION 2. Section 39-26.4-2 of the General Laws in Chapter 39-26.4 entitled "Net  
22 Metering" is hereby amended to read as follows:

23 **§ 39-26.4-2. Definitions.** – Terms not defined in this section herein shall have the same  
24 meaning as contained in chapter 26 of title 39 of the general laws. When used in this chapter:

25 (1) "Eligible net metering resource" means eligible renewable energy resource as defined  
26 in § 39-26-5 including biogas created as a result of anaerobic digestion, but, specifically  
27 excluding all other listed eligible biomass fuels;

28 (2) "Eligible Net Metering System" means a facility generating electricity using an  
29 eligible net metering resource that is reasonably designed and sized to annually produce  
30 electricity in an amount that is equal to or less than the renewable self-generator's usage at the  
31 eligible net metering system site measured by the three (3) year average annual consumption of  
32 energy over the previous three (3) years at the electric distribution account(s) located at the  
33 eligible net metering system site. A projected annual consumption of energy may be used until  
34 the actual three (3) year average annual consumption of energy over the previous three (3) years

1 at the electric distribution account(s) located at the eligible net metering system site becomes  
2 available for use in determining eligibility of the generating system. The eligible net metering  
3 system ~~may must~~ be owned by the same entity that is the customer of record on the net metered  
4 accounts or by a third-party company through a third-party financing arrangement.  
5 Notwithstanding any other provisions of this chapter, any eligible net metering resource: (i)  
6 owned by a public entity or multi-municipal collaborative or (ii) owned and operated by a  
7 renewable generation developer on behalf of a public entity or multi-municipal collaborative  
8 through public or private entity net metering financing arrangement shall be treated as an eligible  
9 net metering system and all accounts designated by the public entity or multi-municipal  
10 collaborative for net metering shall be treated as accounts eligible for net metering within an  
11 eligible net metering system site.

12 (3) "Eligible Net Metering System Site" means the site where the eligible net metering  
13 system is located or is part of the same campus or complex of sites contiguous to one another and  
14 the site where the eligible net metering system is located or a farm in which the eligible net  
15 metering system is located. Except for an eligible net metering system owned by or operated on  
16 behalf of a public entity or multi-municipal collaborative through a public entity net metering  
17 financing arrangement, the purpose of this definition is to reasonably assure that energy generated  
18 by the eligible net metering system is consumed by net metered electric service account(s) that  
19 are actually located in the same geographical location as the eligible net metering system. Except  
20 for an eligible net metering system owned by or operated on behalf of a public entity or multi-  
21 municipal collaborative through a public entity net metering financing arrangement or through a  
22 third-party financing arrangement, all of the net metered accounts at the eligible net metering  
23 system site must be the accounts of the same customer of record and customers are not permitted  
24 to enter into agreements or arrangements to change the name on accounts for the purpose of  
25 artificially expanding the eligible net metering system site to contiguous sites in an attempt to  
26 avoid this restriction. However, a property owner may change the nature of the metered service at  
27 the accounts at the site to be master metered in the owner's name, or become the customer of  
28 record for each of the accounts, provided that the owner becoming the customer of record actually  
29 owns the property at which the account is located, and, if the net metering system arrangement is  
30 done through a third-party financing arrangement, then the net metering system can be owned by  
31 the third-party company. As long as the net metered accounts meet the requirements set forth in  
32 this definition, there is no limit on the number of accounts that may be net metered within the  
33 eligible net metering system site.

34 (4) "Excess Renewable Net Metering Credit" means a credit that applies to an eligible net

1 metering system for that portion of the renewable self-generator's production of electricity  
2 beyond one hundred percent (100%) and no greater than one hundred twenty-five percent (125%)  
3 of the renewable self-generator's own consumption at the eligible net metering system site during  
4 the applicable billing period. Such excess renewable net metering credit shall be equal to the  
5 electric distribution company's avoided cost rate, which is hereby declared to be the electric  
6 distribution company's standard offer service kilo-watt hour (kWh) charge for the rate class and  
7 time-of-use billing period (if applicable) applicable to the distribution customer account(s) at the  
8 eligible net metering system site. Where there are accounts at the eligible net metering system site  
9 in different rate classes, the electric distribution company may calculate the excess renewable net  
10 metering credit based on the average of the standard offer service rates applicable to those on-site  
11 accounts. The electric distribution company has the option to use the energy received from such  
12 excess generation to serve the standard offer service load. The commission shall have the  
13 authority to make determinations as to the applicability of this credit to specific generation  
14 facilities to the extent there is any uncertainty or disagreement.

15 (5) "Farm" shall be defined in accordance with § 44-27-2, except that all buildings  
16 associated with the farm shall be eligible for net metering credits as long as: (i) The buildings are  
17 owned by the same entity operating the farm or persons associated with operating the farm; and  
18 (ii) The buildings are on the same farmland as the project on either a tract of land contiguous with  
19 or reasonably proximate to such farmland or across a public way from such farmland.

20 (6) "Multi-municipal collaborative" means a group of towns and/or cities that enter into  
21 an agreement for the purpose of co-owning a renewable generation facility or entering into a  
22 financing arrangement pursuant to subdivision (7).

23 (7) "Public and private entity net metering financing arrangement" means arrangements  
24 entered into by a residential, commercial, private, or public institution, public entity or multi-  
25 municipal collaborative with a private entity to facilitate the financing and operation of a net  
26 metering resource, in which the private entity owns and operates an eligible net metering resource  
27 on behalf of a residential, commercial, private, or public institution, public entity or multi-  
28 municipal collaborative, where: (i) The eligible net metering resource is located on property  
29 owned or controlled by the residential, commercial, private, or public institution, public entity or  
30 one of the municipalities, as applicable, and (ii) The production from the eligible net metering  
31 resource and primary compensation paid by the residential, commercial, private, or public  
32 institution, public entity or multi-municipal collaborative to the private entity for such production  
33 is directly tied to the consumption of electricity occurring at the designated net metered accounts.

34 (8) "Net metering" means using electricity generated by an eligible net metering system

1 for the purpose of self-supplying power at the eligible net metering system site and thereby  
2 offsetting consumption at the eligible net metering system site through the netting process  
3 established in this chapter.

4 (9) "Net metering customer" means a customer of the electric distribution company  
5 receiving and being billed for distribution service whose distribution account(s) are being net  
6 metered.

7 (10) "Person" means an individual, firm, corporation, association, partnership, farm, town  
8 or city of the State of Rhode Island, multi-municipal collaborative, or the State of Rhode Island or  
9 any department of the state government, governmental agency or public instrumentality of the  
10 state.

11 (11) "Project" means a distinct installation of an eligible net metering system. An  
12 installation will be considered distinct if it is installed in a different location, or at a different  
13 time, or involves a different type of renewable energy.

14 (12) "Public and private entity" means the state of Rhode Island, municipalities,  
15 wastewater treatment facilities, public transit agencies, residential, commercial, private, or public  
16 institutions or any water distributing plant or system employed for the distribution of water to the  
17 consuming public within this state including the water supply board of the city of Providence.

18 (13) "Renewable Net Metering Credit" means a credit that applies to an Eligible Net  
19 Metering System up to one hundred percent (100%) of the renewable self-generator's usage at the  
20 Eligible Net Metering System Site over the applicable billing period. This credit shall be equal to  
21 the total kilowatt hours of electricity generated and consumed on-site during the billing period  
22 multiplied by the sum of the distribution company's:

23 (i) Standard offer service kilowatt hour charge for the rate class applicable to the net  
24 metering customer;

25 (ii) Distribution kilowatt hour charge;

26 (iii) Transmission kilowatt hour charge; and

27 (iv) Transition kilowatt hour charge.

28 (14) "Renewable self-generator" means an electric distribution service customer who  
29 installs or arranges for an installation of renewable generation that is primarily designed to  
30 produce electricity for consumption by that same customer at its distribution service account(s).

31 (15) "Third-party company" means a company owning or operating a renewable energy  
32 system that is used by a public or private entity to engage in net metering. A third-party company  
33 engaged in a third-party financing arrangement with a public or private entity is not a public  
34 utility as defined in 39-1-2(20).

1           (16) “Third-party financing arrangement” means a financial arrangement that enables the  
2 financing of a renewable energy system through a lease arrangement or power purchase  
3 agreement.

4           ~~(15)~~(17) "Municipality" means any Rhode Island town or city, including any agency or  
5 instrumentality thereof, with the powers set forth in title 45 of the general laws.

6           SECTION 3. Section 44-3-3 of the General Laws in Chapter 44-3 entitled “Property  
7 Subject to Taxation” is hereby amended to read as follows:

8           **§ 44-3-3. Property exempt.** – (a) The following property is exempt from taxation.

9           (1) Property belonging to the state except as provided in § 44-4-4.1;

10          (2) Lands ceded or belonging to the United States;

11          (3) Bonds and other securities issued and exempted from taxation by the government of  
12 the United States or of this state;

13          (4) Real estate, used exclusively for military purposes, owned by chartered or  
14 incorporated organizations approved by the adjutant general and composed of members of the  
15 national guard, the naval militia, or the independent chartered military organizations;

16          (5) Buildings for free public schools, buildings for religious worship, and the land upon  
17 which they stand and immediately surrounding them, to an extent not exceeding five (5) acres so  
18 far as the buildings and land are occupied and used exclusively for religious or educational  
19 purposes;

20          (6) Dwellings houses and the land on which they stand, not exceeding one acre in size, or  
21 the minimum lot size for zone in which the dwelling house is located, whichever is the greater,  
22 owned by, or held in trust for, any religious organization and actually used by its officiating  
23 clergy; provided, further, that in the town of Charlestown, where the property previously  
24 described in this paragraph is exempt in total, along with dwelling houses and the land on which  
25 they stand in Charlestown, not exceeding one acre in size, or the minimum lot size for zone in  
26 which the dwelling house is located, whichever is the greater, owned by, or held in trust for, any  
27 religious organization and actually used by its officiating clergy, or used as a convent, nunnery, or  
28 retreat center by its religious order.

29          (7) Intangible personal property owned by, or held in trust for, any religious or charitable  
30 organization, if the principal or income is used or appropriated for religious or charitable  
31 purposes;

32          (8) Buildings and personal estate owned by any corporation used for a school, academy,  
33 or seminary of learning, and of any incorporated public charitable institution, and the land upon  
34 which the buildings stand and immediately surrounding them to an extent not exceeding one acre,

1 so far as they are used exclusively for educational purposes, but no property or estate whatever is  
2 hereafter exempt from taxation in any case where any part of its income or profits, or of the  
3 business carried on there, is divided among its owners or stockholders; provided, however, that  
4 unless any private nonprofit corporation organized as a college or university located in the town  
5 of Smithfield reaches a memorandum of agreement with the town of Smithfield, the town of  
6 Smithfield shall bill the actual costs for police, fire, and rescue services supplied, unless  
7 otherwise reimbursed, to said corporation commencing March 1, 2014;

8 (9) Estates, persons, and families of the president and professors for the time being of  
9 Brown University for not more than ten thousand dollars (\$10,000) for each officer, the officer's  
10 estate, person, and family included, but only to the extent that any person had claimed and  
11 utilized the exemption prior to, and for a period ending, either on or after December 31, 1996;

12 (10) Property especially exempt by charter unless the exemption has been waived in  
13 whole or in part;

14 (11) Lots of land exclusively for burial grounds;

15 (12) Property, real and personal, held for, or by, an incorporated library, society, or any  
16 free public library, or any free public library society, so far as the property is held exclusively for  
17 library purposes, or for the aid or support of the aged poor, or poor friendless children, or the poor  
18 generally, or for a nonprofit hospital for the sick or disabled;

19 (13) Real or personal estate belonging to, or held in trust for, the benefit of incorporated  
20 organizations of veterans of any war in which the United States has been engaged, the parent  
21 body of which has been incorporated by act of Congress, to the extent of four hundred thousand  
22 dollars (\$400,000) if actually used and occupied by the association; provided, that the city council  
23 of the city of Cranston may by ordinance exempt the real or personal estate as previously  
24 described in this subdivision located within the city of Cranston to the extent of five hundred  
25 thousand dollars (\$500,000);

26 (14) Property, real and personal, held for, or by, the fraternal corporation, association, or  
27 body created to build and maintain a building or buildings for its meetings or the meetings of the  
28 general assembly of its members, or subordinate bodies of the fraternity, and for the  
29 accommodation of other fraternal bodies or associations, the entire net income of which real and  
30 personal property is exclusively applied or to be used to build, furnish, and maintain an asylum or  
31 asylums, a home or homes, a school or schools, for the free education or relief of the members of  
32 the fraternity, or the relief, support, and care of worthy and indigent members of the fraternity,  
33 their wives, widows, or orphans, and any fund given or held for the purpose of public education,  
34 almshouses, and the land and buildings used in connection therewith;

1 (15) Real estate and personal property of any incorporated volunteer fire engine company  
2 or incorporated volunteer ambulance or rescue corps in active service;

3 (16) The estate of any person who, in the judgment of the assessors, is unable from  
4 infirmity or poverty to pay the tax; providing, that in the town of Burrillville the tax shall  
5 constitute a lien for five (5) years on the property where the owner is entitled to the exemption. At  
6 the expiration of five (5) years, the lien shall be abated in full. Provided, if the property is sold or  
7 conveyed, or if debt secured by the property is refinanced during the five (5) year period, the lien  
8 immediately becomes due and payable; any person claiming the exemption aggrieved by an  
9 adverse decision of an assessor shall appeal the decision to the local board of tax review and  
10 thereafter according to the provisions of § 44-5-26;

11 (17) Household furniture and family stores of a housekeeper in the whole, including  
12 clothing, bedding, and other white goods, books, and all other tangible personal property items  
13 that are common to the normal household;

14 (18) Improvements made to any real property to provide a shelter and fallout protection  
15 from nuclear radiation, to the amount of one thousand five hundred dollars (\$1,500); provided,  
16 that the improvements meet applicable standards for shelter construction established from time to  
17 time by the Rhode Island emergency management agency. The improvements are deemed to  
18 comply with the provisions of any building code or ordinance with respect to the materials or the  
19 methods of construction used and any shelter or its establishment is deemed to comply with the  
20 provisions of any zoning code or ordinance;

21 (19) Aircraft for which the fee required by § 1-4-6 has been paid to the tax administrator;

22 (20) *Manufacturer's inventory*

23 (i) For the purposes of §§ 44-4-10, 44-5-3, 44-5-20, and 44-5-38, a person is deemed to  
24 be a manufacturer within a city or town within this state if that person uses any premises, room,  
25 or place in it primarily for the purpose of transforming raw materials into a finished product for  
26 trade through any or all of the following operations: adapting, altering, finishing, making, and  
27 ornamenting; provided, that public utilities; non-regulated power producers commencing  
28 commercial operation by selling electricity at retail or taking title to generating facilities on or  
29 after July 1, 1997; building and construction contractors; warehousing operations, including  
30 distribution bases or outlets of out-of-state manufacturers; and fabricating processes incidental to  
31 warehousing or distribution of raw materials, such as alteration of stock for the convenience of a  
32 customer; are excluded from this definition;

33 (ii) For the purposes of §§ 44-3-3, 44-4-10, and 44-5-38, the term "manufacturer's  
34 inventory" or any similar term means and includes the manufacturer's raw materials, the

1 manufacturer's work in process, and finished products manufactured by the manufacturer in this  
2 state, and not sold, leased, or traded by the manufacturer or its title or right to possession  
3 divested; provided, that the term does not include any finished products held by the manufacturer  
4 in any retail store or other similar selling place operated by the manufacturer whether or not the  
5 retail establishment is located in the same building in which the manufacturer operates the  
6 manufacturing plant;

7 (iii) For the purpose of § 44-11-2, a "manufacturer" is a person whose principal business  
8 in this state consists of transforming raw materials into a finished product for trade through any or  
9 all of the operations described in paragraph (i) of this subdivision. A person will be deemed to be  
10 principally engaged if the gross receipts that person derived from the manufacturing operations in  
11 this state during the calendar year or fiscal year mentioned in § 44-11-1 amounted to more than  
12 fifty percent (50%) of the total gross receipts that person derived from all the business activities  
13 in which that person engaged in this state during the taxable year. For the purpose of computing  
14 the percentage, gross receipts derived by a manufacturer from the sale, lease, or rental of finished  
15 products manufactured by the manufacturer in this state, even though the manufacturer's store or  
16 other selling place may be at a different location from the location of the manufacturer's  
17 manufacturing plant in this state, are deemed to have been derived from manufacturing;

18 (iv) Within the meaning of the preceding paragraphs of this subdivision, the term  
19 "manufacturer" also includes persons who are principally engaged in any of the general activities  
20 coded and listed as establishments engaged in manufacturing in the Standard Industrial  
21 Classification Manual prepared by the Technical Committee on Industrial Classification, Office  
22 of Statistical Standards, Executive Office of the President, United States Bureau of the Budget, as  
23 revised from time to time, but eliminating as manufacturers those persons, who, because of their  
24 limited type of manufacturing activities, are classified in the manual as falling within the trade  
25 rather than an industrial classification of manufacturers. Among those thus eliminated, and  
26 accordingly also excluded as manufacturers within the meaning of this paragraph, are persons  
27 primarily engaged in selling, to the general public, products produced on the premises from which  
28 they are sold, such as neighborhood bakeries, candy stores, ice cream parlors, shade shops, and  
29 custom tailors, except, that a person who manufactures bakery products for sale primarily for  
30 home delivery, or through one or more non-baking retail outlets, and whether or not retail outlets  
31 are operated by person, is a manufacturer within the meaning of this paragraph;

32 (v) The term "Person" means and includes, as appropriate, a person, partnership, or  
33 corporation; and

34 (vi) The department of revenue shall provide to the local assessors any assistance that is

1 necessary in determining the proper application of the definitions in this subdivision.

2 (21) Real and tangible personal property acquired to provide a treatment facility used  
3 primarily to control the pollution or contamination of the waters or the air of the state, as defined  
4 in chapter 12 of title 46 and chapter 25 of title 23, respectively, the facility having been  
5 constructed, reconstructed, erected, installed, or acquired in furtherance of federal or state  
6 requirements or standards for the control of water or air pollution or contamination, and certified  
7 as approved in an order entered by the director of environmental management. The property is  
8 exempt as long as it is operated properly in compliance with the order of approval of the director  
9 of environmental management; provided, that any grant of the exemption by the director of  
10 environmental management in excess of ten (10) years is approved by the city or town in which  
11 the property is situated. This provision applies only to water and air pollution control properties  
12 and facilities installed for the treatment of waste waters and air contaminants resulting from  
13 industrial processing; furthermore, it applies only to water or air pollution control properties and  
14 facilities placed in operation for the first time after April 13, 1970;

15 (22) New manufacturing machinery and equipment acquired or used by a manufacturer  
16 and purchased after December 31, 1974. Manufacturing machinery and equipment is defined as:

17 (i) Machinery and equipment used exclusively in the actual manufacture or conversion of  
18 raw materials or goods in the process of manufacture by a manufacturer, as defined in subdivision  
19 (20) of this section, and machinery, fixtures, and equipment used exclusively by a manufacturer  
20 for research and development or for quality assurance of its manufactured products;

21 (ii) Machinery and equipment that is partially used in the actual manufacture or  
22 conversion of raw materials or goods in process of manufacture by a manufacturer, as defined in  
23 subdivision (20) of this section, and machinery, fixtures, and equipment used by a manufacturer  
24 for research and development or for quality assurance of its manufactured products, to the extent  
25 to which the machinery and equipment is used for the manufacturing processes, research and  
26 development, or quality assurance. In the instances where machinery and equipment is used in  
27 both manufacturing and/or research and development, and/or quality assurance activities and non-  
28 manufacturing activities, the assessment on machinery and equipment is prorated by applying the  
29 percentage of usage of the equipment for the manufacturing, research and development and  
30 quality assurance activity to the value of the machinery and equipment for purposes of taxation,  
31 and the portion of the value used for manufacturing, research and development, and quality  
32 assurance is exempt from taxation. The burden of demonstrating this percentage usage of  
33 machinery and equipment for manufacturing and for research and development, and/or quality  
34 assurance of its manufactured products rests with the manufacturer; and

1 (iii) Machinery and equipment described in § 44-18-30(7) and (22) that was purchased  
2 after July 1, 1997; provided that the city or town council of the city or town in which the  
3 machinery and equipment is located adopts an ordinance exempting the machinery and equipment  
4 from taxation. For purposes of this subsection, city councils and town councils of any  
5 municipality may, by ordinance, wholly or partially exempt from taxation the machinery and  
6 equipment discussed in this subsection for the period of time established in the ordinance and  
7 may, by ordinance, establish the procedures for taxpayers to avail themselves of the benefit of  
8 any exemption permitted under this section; provided, that the ordinance does not apply to any  
9 machinery or equipment of a business, subsidiary, or any affiliated business that locates or  
10 relocates from a city or town in this state to another city or town in the state.

11 (23) Precious metal bullion, meaning any elementary metal that has been put through a  
12 process of melting or refining, and that is in a state or condition that its value depends upon its  
13 content and not its form. The term does not include fabricated precious metal that has been  
14 processed or manufactured for some one or more specific and customary industrial, professional,  
15 or artistic uses;

16 (24) Hydroelectric power generation equipment, which includes, but is not limited to,  
17 turbines, generators, switchgear, controls, monitoring equipment, circuit breakers, transformers,  
18 protective relaying, bus bars, cables, connections, trash racks, headgates, and conduits. The  
19 hydroelectric power generation equipment must have been purchased after July 1, 1979, and  
20 acquired or used by a person or corporation who or that owns or leases a dam and utilizes the  
21 equipment to generate hydroelectric power;

22 (25) Renewable energy resources, as defined in § 39-26-5 and associated equipment,  
23 including but not limited to, modules, panels, blades, towers, DC to AC inverters that  
24 interconnect with utility power lines, monitoring equipment, manufactured mounting racks and  
25 ballast pans for module or panel installation, collectors, pumps, heat exchangers, and storage  
26 facilities, if they are placed in service for the first time after December 31, 2015; have had a final  
27 inspection performed by the local inspector for the city or town where the renewable energy  
28 resource is located; and participate in net metering as defined in § 39-26.4-2.

29 ~~(25)~~(26) Subject to authorization by formal action of the council of any city or town, any  
30 real or personal property owned by, held in trust for, or leased to an organization incorporated  
31 under chapter 6 of title 7, as amended, or an organization meeting the definition of "charitable  
32 trust" set out in § 18-9-4, as amended, or an organization incorporated under the not for profits  
33 statutes of another state or the District of Columbia, the purpose of which is the conserving of  
34 open space, as that term is defined in chapter 36 of title 45, as amended, provided the property is

1 used exclusively for the purposes of the organization;

2 ~~(26)~~(27) Tangible personal property, the primary function of which is the recycling,  
3 reuse, or recovery of materials (other than precious metals, as defined in § 44-18-30(24)(ii) and  
4 (iii)), from or the treatment of "hazardous wastes" as defined in § 23-19.1-4, where the  
5 "hazardous wastes" are generated primarily by the same taxpayer and where the personal property  
6 is located at, in, or adjacent to a generating facility of the taxpayer. The taxpayer may, but need  
7 not, procure an order from the director of the department of environmental management  
8 certifying that the tangible personal property has this function, which order effects a conclusive  
9 presumption that the tangible personal property qualifies for the exemption under this  
10 subdivision. If any information relating to secret processes or methods of manufacture,  
11 production, or treatment is disclosed to the department of environmental management only to  
12 procure an order, and is a "trade secret" as defined in § 28-21-10(b), it shall not be open to public  
13 inspection or publicly disclosed unless disclosure is otherwise required under chapter 21 of title  
14 28 or chapter 24.4 of title 23;

15 ~~(27)~~(28) Motorboats as defined in § 46-22-2 for which the annual fee required in § 46-22-  
16 4 has been paid;

17 ~~(28)~~(29) Real and personal property of the Providence Performing Arts Center, a non-  
18 business corporation as of December 31, 1986;

19 ~~(29)~~(30) Tangible personal property owned by, and used exclusively for the purposes of,  
20 any religious organization located in the city of Cranston;

21 ~~(30)~~(31) Real and personal property of the Travelers Aid Society of Rhode Island, a  
22 nonprofit corporation, the Union Mall Real Estate Corporation, and any limited partnership or  
23 limited liability company that is formed in connection with, or to facilitate the acquisition of, the  
24 Providence YMCA Building; and

25 ~~(31)~~(32) Real and personal property of Meeting Street Center or MSC Realty, Inc., both  
26 not-for-profit Rhode Island corporations, and any other corporation, limited partnership, or  
27 limited liability company that is formed in connection with, or to facilitate the acquisition of, the  
28 properties designated as the Meeting Street National Center of Excellence on Eddy Street in  
29 Providence, Rhode Island.

30 ~~(32)~~(33) The buildings, personal property, and land upon which the buildings stand,  
31 located on Pomham Island, East Providence, currently identified as Assessor's Map 211, Block  
32 01, Parcel 001.00, that consists of approximately twenty-one thousand three hundred (21,300)  
33 square feet and is located approximately eight hundred sixty feet (860'), more or less, from the  
34 shore, and limited exclusively to these said buildings personal estate and land, provided that said

1 property is owned by a qualified 501(c)(3) organization, such as the American Lighthouse  
2 Foundation, and is used exclusively for a lighthouse.

3 ~~(33)~~(34) The Stadium Theatre Performing Arts Center building located in Monument  
4 Square, Woonsocket, Rhode Island, so long as said Stadium Theatre Performing Arts Center is  
5 owned by the Stadium Theatre Foundation, a Rhode Island nonprofit corporation.

6 ~~(34)~~(35) Real and tangible personal property of St. Mary Academy – Bay View, located  
7 in East Providence, Rhode Island.

8 ~~(35)~~(36) Real and personal property of East Bay Community Action Program and its  
9 predecessor, Self Help, Inc; provided, that the organization is qualified as a tax exempt  
10 corporation under § 501(c)(3) of the United States Internal Revenue Code.

11 ~~(36)~~(37) Real and personal property located within the city of East Providence of the  
12 Columbus Club of East Providence, a Rhode Island charitable nonprofit corporation.

13 ~~(37)~~(38) Real and personal property located within the city of East Providence of the  
14 Columbus Club of Barrington, a Rhode Island charitable nonprofit corporation.

15 ~~(38)~~(39) Real and personal property located within the city of East Providence of Lodge  
16 2337 BPO Elks, a Rhode Island nonprofit corporation.

17 ~~(39)~~(40) Real and personal property located within the city of East Providence of the St.  
18 Andrews Lodge No. 39, a Rhode Island charitable nonprofit corporation.

19 ~~(40)~~(41) Real and personal property located within the city of East Providence of the  
20 Trustees of Methodist Health and Welfare service a/k/a United Methodist Elder Care, a Rhode  
21 Island nonprofit corporation.

22 ~~(41)~~(42) Real and personal property located on the first floor of 90 Leonard Avenue  
23 within the city of East Providence of the Zion Gospel Temple, Inc., a religious nonprofit  
24 corporation.

25 ~~(42)~~(43) Real and personal property located within the city of East Providence of the  
26 Cape Verdean Museum Exhibit, a Rhode Island nonprofit corporation.

27 ~~(43)~~(44) The real and personal property owned by a qualified 501(c)(3) organization that  
28 is affiliated and in good standing with a national, congressionally chartered organization and  
29 thereby adheres to that organization's standards and provides activities designed for recreational,  
30 educational, and character building purposes for children from ages six (6) years to seventeen  
31 (17) years.

32 ~~(44)~~(45) Real and personal property of the Rhode Island Philharmonic Orchestra and  
33 Music School; provided, that the organization is qualified as a tax exempt corporation under §  
34 501(c)(3) of the United States Internal Revenue Code.

1           ~~(45)~~(46) The real and personal property located within the town of West Warwick at 211  
2 Cowesett Avenue, Plat 29-Lot 25, which consists of approximately twenty-eight thousand seven  
3 hundred and fifty (28,750) square feet and is owned by the Station Fire Memorial Foundation of  
4 East Greenwich, a Rhode Island nonprofit corporation.

5           ~~(46)~~(47) Real and personal property of the Comprehensive Community Action Program,  
6 a qualified tax exempt corporation under § 501(c)(3) of the United States Internal Revenue Code.

7           ~~(47)~~(48) Real and personal property located at 52 Plain Street, within the city of  
8 Pawtucket of the Pawtucket Youth Soccer Association, a Rhode Island nonprofit corporation.

9           (b) Except as provided below, when a city or town taxes a for-profit hospital facility, the  
10 value of its real property shall be the value determined by the most recent full revaluation or  
11 statistical property update performed by the city or town; provided, however, in the year a  
12 nonprofit hospital facility converts to or otherwise becomes a for-profit hospital facility, or a for-  
13 profit hospital facility is initially established, the value of the real property and personal property  
14 of the for-profit hospital facility shall be determined by a valuation performed by the assessor for  
15 the purpose of determining an initial assessed value of real and personal property, not previously  
16 taxed by the city or town, as of the most recent date of assessment pursuant to § 44-5-1, subject to  
17 a right of appeal by the for-profit hospital facility which shall be made to the city or town tax  
18 assessor with a direct appeal from an adverse decision to the Rhode Island superior court business  
19 calendar.

20           A "for-profit hospital facility" includes all real and personal property affiliated with any  
21 hospital as identified in an application filed pursuant to chapters 23-17 and/or 23-17.14.  
22 Notwithstanding the above, a city or town may enter into a stabilization agreement with a for-  
23 profit hospital facility under § 44-3-9 or other laws specific to the particular city or town relating  
24 to stabilization agreements. In a year in which a nonprofit hospital facility converts to, or  
25 otherwise becomes, a for-profit hospital facility, or a for-profit hospital facility is otherwise  
26 established, in that year only the amount levied by the city or town and/or the amount payable  
27 under the stabilization agreement for that year related to the for-profit hospital facility shall not be  
28 counted towards determining the maximum tax levy permitted under § 44-5-2.

29           SECTION 4. Chapter 44-3 of the General Laws entitled "Property Subject to Taxation" is  
30 hereby amended by adding thereto the following section:

31           § 44-3-21.1. Renewable energy resources – Taxation. The city or town councils of the  
32 various cities and towns may, by ordinance, after consultation with the office of energy resources  
33 and the division of taxation, tax any renewable energy resources and associated equipment that  
34 are exempt pursuant to 44-3-3(a)(25), unless such property would be exempt from taxation

1 [pursuant to another provision of § 44-3-3\(a\).](#)

2 SECTION 5. This article shall take effect upon passage.

3 **ARTICLE 19**

4 RELATING TO DIVISION OF MOTOR VEHICLES

5 SECTION 1. Section 31-3-33 of the General Laws in Chapter 31-3 entitled "Registration  
6 of Vehicles" is hereby amended to read as follows:

7 **§ 31-3-33 Renewal of registration.** – (a) Application for renewal of a vehicle  
8 registration shall be made by the owner on a proper application form and by payment of the  
9 registration fee for the vehicle as provided by law.

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

13 (c) Upon renewal, owners will be issued a renewal sticker for each registration plate  
14 which shall be placed at the bottom right hand corner of the plate. Owners shall be issued a new  
15 fully reflective plate beginning ~~July 1, 2016~~ [April 1, 2017](#) at the time of initial registration or at  
16 the renewal of an existing registration and reissuance will be conducted no less than every ten  
17 (10) years.

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

19 **ARTICLE 20**

20 RELATING TO LOCAL AGRICULTURE AND SEAFOOD ACT

21 SECTION 1. Section 46-23-1 of the General Laws in Chapter 46-23 entitled "Coastal  
22 Resources Management Council" is hereby amended to read as follows:

23 **§ 46-23-1. Legislative findings.** -- (a)(1) Under article 1, § 17 of the Rhode Island  
24 Constitution, the people shall continue to enjoy and freely exercise all the rights of fishery, and  
25 the privileges of the shore, to which they have been heretofore entitled under the charter and  
26 usages of this state, including, but not limited to, fishing from the shore, the gathering of  
27 seaweed, leaving the shore to swim in the sea and passage along the shore; and they shall be  
28 secure in their rights to use and enjoyment of the natural resources of the state with due regard for  
29 the preservation of their values; and it is the duty of the general assembly to provide for the  
30 conservation of the air, land, water, plant, animal, mineral and other natural resources of the state,  
31 and to adopt all means necessary and proper by law to protect the natural environment of the  
32 people of the state by providing adequate resource planning for the control and regulation of the  
33 use of the natural resources of the state and for the preservation, regeneration, and restoration of  
34 the natural environment of the state.