

**House Fiscal  
Advisory Staff**

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**FY 2020 Revised Budget  
2020-H 7170, Substitute A**

**House Finance Committee Hearing  
June 16, 2020**





## Introduction

This document provides information concerning the FY 2020 revised budget contained in 2020-H 7170, Substitute A to be considered by the House Finance Committee on June 16. The sections that follow contain descriptions of the changes to the Governor and current law.

Section I contains brief descriptions of the sections contained in 2020-H 7170, Substitute A.

Section II presents the changes to the Governor's revised recommendations for FY 2020 introduced and referred to House Finance on January 16. It is followed by explanations of the corresponding items in the table.

Section III contains an explanation of Education Aid changes.

Section IV contains summary tables, expenditures by agency, by fund source, and full-time equivalent positions. The expenditure and full-time equivalent positions tables show values for FY 2019, the FY 2020 enacted budget, the Governor's FY 2020 revised recommendations and the values contained in 2020-H 7170, Substitute A.

**Note to Reader.** It is important to note that the changes to appropriations that appear in the text of 2020-H 7170, Substitute A, represent change to the FY 2020 budget originally enacted by the 2019 Assembly. A full analysis by agency of the Governor's proposals for revisions to those appropriations, as contained in 2020-H 7170 can be found in the House Fiscal Advisory Staff *Budget Analysis* publication beginning on page 507.

<http://www.rilegislature.gov/housefiscalreport/Budget%20Analyses/2020%20Session/FY%202021%20Governor%27s%20Budget%20Analysis/FY%202021%20Budget%20Analysis%20%20Section%20V%20FY%202020%20Revised%20Budget.pdf>

Incremental changes to those Governor's recommendations are spelled out in Section II of this explanatory document for 2020-H 7170, Substitute A.



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# **Section I**

## **Section Explanations**

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## Explanation of Legislation by Section

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### 2020-H 7170 Substitute A

**Section 1. Appropriations.** This section contains the revised appropriations for FY 2020.

As shown in the table below, the Governor’s revised recommendation as initially submitted in 2020-H 7170 increased enacted expenditures by \$91.1 million including \$8.7 million from general revenues. Expenditures included in 2020-H 7170, Substitute A add \$1,731.8 million to that recommendation, with most of the resources coming from federal funds available from several recent federal actions in response to the COVID-19 emergency, the largest of which is unemployment benefit support. General revenue expenses are \$127.6 million less than the Governor’s recommendation.

FY 2020 Revised	General				
	Revenue	Federal	Restricted	Other	All Funds
FY 2020 Enacted	\$ 4,077.6	\$ 3,325.4	\$ 311.4	\$ 2,256.3	\$ 9,970.6
Governor's FY 2020 Revised	4,086.3	3,325.2	383.2	2,267.1	10,061.8
Governor's Change to Enacted	\$ 8.7	\$ (0.2)	\$ 71.9	\$ 10.8	\$ 91.1
Percent Change	0.2%	0.0%	23.1%	0.5%	0.9%
<b>FY 2020: 2020-H 7170 Sub. A</b>	<b>\$ 3,958.7</b>	<b>\$ 4,840.3</b>	<b>\$ 365.2</b>	<b>\$ 2,629.4</b>	<b>\$ 11,793.5</b>
Change to Enacted	(118.9)	1,514.9	53.8	373.1	1,822.9
Percent Change	-2.9%	45.6%	17.3%	16.5%	18.3%
Change to Governor	\$ (127.6)	\$ 1,515.1	\$ (18.1)	\$ 362.3	\$ 1,731.8

This reduction reflects accommodating the significant revenue decline adopted at the May revenue estimating conference, as well as projected overspending of enacted appropriations through extensive use of federal and other sources to alleviate general revenue spending along with increases to available resources through a \$120 million transfer from the “Rainy Day Fund” and other resource transfers noted in the sections below.

**Section 2. Line Item Appropriations.** This section establishes that each line in Section 1 constitutes an appropriation.

**Section 3. Transfer of Functions.** This section authorizes the Governor to transfer appropriations and full-time equivalent position authorizations associated with transfers of functions.

**Section 4. Contingency Fund.** This section allows for expenditures from the contingency account located within the Office of the Governor’s budget for unexpected expenditures or for those departments and agencies where appropriations are insufficient. The Governor must approve all expenditures and transfers from this account.

**Section 5. Internal Service Funds.** This section authorizes the establishment of limited and specific internal service accounts to implement the cases in which state agencies provide services to other state agencies, institutions and other governmental units on a cost reimbursement basis.

**Section 6. Legislative Intent.** This section authorizes the chairpersons of the finance committees of the two chambers to provide a “statement of legislative intent” for specifying the purpose of the appropriations contained in Section 1 of this article.

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## Explanation of Legislation by Section

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**Section 7. Temporary Disability Insurance Funds.** This section appropriates all funds required for benefit payments from the Temporary Disability Insurance Fund and the Temporary Disability Insurance Reserve Fund for FY 2020.

**Section 8. Employment Security Funds.** This section appropriates all funds required for benefit payments to unemployed individuals from the Employment Security Fund for FY 2020.

**Section 9. Lottery.** This section appropriates to the Lottery Division any funds required for the payment of prizes and commissions.

**Section 10. Appropriation of CollegeBound Saver Funds.** This section appropriates the funds received by the Office of the General Treasurer from the CollegeBound Saver program for transfer to the Office of Postsecondary Commissioner to support student financial aid for FY 2020; 2020-H 7170, Substitute A, includes \$7.9 million from these sources for state grant programs.

**Section 11. Full-Time Equivalent Positions.** This section of Article 1 limits the maximum number of full-time equivalent positions authorized for the departments and agencies during any payroll period in FY 2020. In addition, this section provides that the Governor or designee, Speaker of the House or designee, and President of the Senate or designee may jointly adjust the authorization. Total staffing is 15,074.7 full-time equivalent positions, consistent with the enacted budget.

Consistent with the Governor's recommendation, the section lowers the number of higher education positions supported by third-party funds from 788.8 to 523.8 positions, a 265.0 reduction for the University of Rhode Island to remove auxiliary enterprise positions previously reported as third-party. For the last few years, the University had been reporting not only sponsored research positions but also auxiliary enterprise positions as third party, causing these positions to appear far greater than usual. For FY 2020, all positions at the University are being reported correctly, causing the University to exceed its regular authorization.

**Section 12. Rhode Island Capital Fund.** This section repeals future commitments for all Rhode Island Capital Plan Fund projects listed in Section 12 of Article 5151, Substitute A, as amended, for fiscal years ending June 30, 2021 through June 30, 2024. It contains a revised list of projects for which commitments would be included for FY 2021 to account for projects currently underway.

**Section 13. Commerce Rebuild RI Transfer.** This section requires the transfer of \$5.0 million from Rebuild Rhode Island Tax Credit Fund reserves to state general revenues by June 30, 2020.

**Section 14. Commerce Air Service Transfer.** This section requires the transfer of \$0.5 million from Air Service Development Fund reserves to state general revenues by June 30, 2020.

**Section 15. Infrastructure Bank Transfer.** This section requires the transfer of \$21.8 million from the Infrastructure Bank to state general revenues by June 30, 2020, an increase of \$17.8 million from the enacted budget. To the extent a portion of those funds have been committed, at least \$12.8 million is required to be transferred from the Municipal Road and Bridge Revolving Fund; the balance would come from other Bank resources. During FY 2020, \$17.8 million in bond premiums were issued for the Municipal Road and Bridge Revolving Fund.



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## Explanation of Legislation by Section

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**Section 16. BHDDH Asset Forfeiture Funds.** This section requires the transfer of \$500,000 from asset forfeiture funds in the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals to state general revenues by June 30, 2020.

**Sections 17 and 18. Department of Environmental Management Unexpended Bond Funds.** These sections require the transfer of unexpended bond funds totaling \$0.3 million from two different Department of Environmental Management issuances to state general revenues by June 30, 2020.

**Section 19. Education Aid.** This section allows for the distribution of \$91.7 million from new federal funds authorized under the Coronavirus Aid, Relief, and Economic Security (CARES) Act to local education agencies. This includes \$41.7 million from education stabilization funds and \$50.0 million from the Coronavirus Relief Fund. For FY 2020, state education aid to local education agencies will be reduced in an amount equivalent to the distribution of federal education stabilization funds. If by June 18, 2020, any local education agency has received more general revenue aid than that amount, the excess shall be booked as a debt owed to the state. Federal funds will be distributed to local education agencies in proportion to funds distributed under Title I, Part A of the Elementary and Secondary Education Act for FY 2019. Local education agencies that received funds from the Paycheck Protection Program would have the value of that support deducted from any additional aid authorized through this section.

This section also requires local education agencies receiving federal funds to comply with all federal laws, regulations, and applicable terms and conditions, as well as any other terms and conditions the Commissioner of Elementary and Secondary Education may add. The Commissioner may also withhold funds if he or she is not satisfied that a local education agency's proposed use of funds is permissible.

**Section 20. Restricted Receipts.** This section authorizes the State Budget Officer to create restricted receipt accounts in any department or agency where funds will be appropriated, for FY 2020 only. The FY 2020 revised budget includes expenditures in the following agencies: Departments of Children, Youth and Families, Behavioral Healthcare, Developmental Disabilities and Hospitals, and Corrections.

**Section 21. Budget Stabilization.** This section would transfer \$120.0 million from the Budget Stabilization and Cash Reserve Account for FY 2020. This section reflects the constitutional requirement for legislative appropriation of those funds.

**Section 22. Effective Date.** This section provides that the bill shall take effect upon passage.

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## **Explanation of Legislation by Section**

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# **Section II**

## **FY 2020 Revised Changes to Governor**

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<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>Revenue Changes</b>					
May Revenue Estimate	(282,589,028)	-	-	-	(282,589,028)
Infrastructure Bank - Bond Premiums for MRBRF	8,895,000	-	-	-	8,895,000
Rebuild RI Balance Transfer	5,000,000	-	-	-	5,000,000
Resource Recovery Corporation Transfer	(5,000,000)	-	-	-	(5,000,000)
OSPAR Fund Transfer	(1,000,000)	-	-	-	(1,000,000)
Underground Storage Tank Transfer	(1,000,000)	-	-	-	(1,000,000)
Air Service Development Transfer	486,668	-	-	-	486,668
Interest on Federal Funds	425,000	-	-	-	425,000
License Plates Reissuance Delay	(330,000)	-	-	-	(330,000)
Medical Marijuana Excess	129,830	-	-	-	129,830
Unemployment Support	-	1,050,000,000	-	340,000,000	1,390,000,000
COVID Relief & Other Non-General Revenues	-	465,110,991	(18,085,691)	22,309,365	469,334,665
<b>Total</b>	<b>(274,982,530)</b>	<b>1,515,110,991</b>	<b>(18,085,691)</b>	<b>362,309,365</b>	<b>1,584,352,135</b>
<b>Statewide</b>					
Medical Benefits Holiday/Workshare	(2,000,000)	-	-	-	(2,000,000)
<b>Administration</b>					
Capital - Accessibility - Facilities Renovations	-	-	-	(300,000)	(300,000)
Capital - Big River Management Area	-	-	-	(55,000)	(55,000)
Capital - Cannon Building	-	-	-	(420,000)	(420,000)
Capital - Chapin Health Lab.	-	-	-	(100,000)	(100,000)
Capital - Cranston Street Armory	-	-	-	(70,000)	(70,000)
Capital - Energy Efficiency	-	-	-	(30,000)	(30,000)
Capital - Hospital Consolidation	-	-	-	(2,800,000)	(2,800,000)
Capital - IT Enterprise Operations Center	-	-	-	(200,000)	(200,000)
Capital - McCoy Stadium	-	-	-	(101,000)	(101,000)
Capital - Old Colony House	-	-	-	(50,000)	(50,000)
Capital - Pastore Center Medical Bldgs. Asset Protection	-	-	-	(1,600,000)	(1,600,000)
Capital - Security Measures/State Buildings	-	-	-	(75,000)	(75,000)
Capital - Shepard Building	-	-	-	(180,000)	(180,000)
Capital - State House Renovations	-	-	-	(120,000)	(120,000)
Capital - State Office Building	-	-	-	(300,000)	(300,000)
Capital - Washington County Government Center	-	-	-	(300,000)	(300,000)
Capital - William Powers Building	-	-	-	(400,000)	(400,000)
Centralized Services - Distributed	(7,885,000)	-	(1,000,000)	-	(8,885,000)
COVID-19 Expenses	-	40,000,000	-	-	40,000,000
COVID Related Personnel Costs	(1,012,390)	1,036,934	(24,544)	-	-
Debt Service	(908,115)	-	-	(535,781)	(1,443,896)
HealthSource RI - Expenses to Available Restricted Receipts	(600,000)	-	600,000	-	-

<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
HealthSource RI Turnover Savings	-	-	(200,000)	-	(200,000)
Information Technology Fund Adjustment	-	-	(5,000,000)	-	(5,000,000)
Market Stability and Reinsurance Implementation	(149,788)	-	-	-	(149,788)
Short Term Borrowing Costs	-	357,709	-	-	357,709
Tort Court Awards	(400,000)	-	-	-	(400,000)
Transportation Planning Grants	-	-	-	(1,000,000)	(1,000,000)
Turnover	(1,300,000)	-	-	-	(1,300,000)
Volkswagen Settlement Funds	-	-	(1,200,000)	-	(1,200,000)
<b>Business Regulation</b>					
Capital – Fire Academy	-	-	-	(88,700)	(88,700)
Centralized Services Distribution	331,547	1,971	179,101	-	512,619
COVID-19 Expenses	-	60,000	-	-	60,000
COVID Related Personnel Costs	(515,849)	646,031	(130,182)	-	-
Operations (Q3)	(75,000)	(300,000)	(600,000)	-	(975,000)
Turnover (Q3)	(604,000)	-	(355,000)	-	(959,000)
<b>Executive Office of Commerce</b>					
Centralized Services Distribution	35,918	(239)	-	-	35,679
COVID Related Personnel Costs	(280,792)	280,792	-	-	-
COVID-19 Expenses	-	20,000	-	-	20,000
Federal Grant Funds Alignment	-	(7,000,000)	-	-	(7,000,000)
Industry Cluster Grants 2020	(100,000)	-	-	-	(100,000)
P-Tech 2020	(158,783)	-	-	-	(158,783)
Rebuild RI - FY 2020 appropriation	(10,000,000)	-	-	-	(10,000,000)
Rental Assistance - COVID	-	2,500,000	-	-	2,500,000
<b>Labor and Training</b>					
Centralized Services Distribution	(459,435)	543,012	(172,415)	(63,999)	(152,837)
TDI/TCI Benefits & Adjustments	-	-	-	49,650,000	49,650,000
Unemployment Administration	-	5,700,000	-	-	5,700,000
Unemployment Benefits	-	1,050,000,000	-	340,000,000	1,390,000,000
Work Immersion and Non Trade Apprenticeships	(100,000)	-	-	-	(100,000)
<b>Department of Revenue</b>					
Centralized Services Distribution	500,770	3,381	3,282	(21,577)	485,856
COVID-19 Expenses	-	115,000	-	-	115,000
COVID Related Personnel Costs	(74,025)	159,222	-	(85,197)	-
License Plates Reissuance Delay	(398,000)	-	-	-	(398,000)
Operations (Q3)	(650,000)	-	-	-	(650,000)
Turnover (Q3)	(2,390,000)	-	-	-	(2,390,000)
<b>Legislature</b>					
Reappropriation	(7,158,948)	-	-	-	(7,158,948)

<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>Lieutenant Governor</b>					
Centralized Services Distribution	5,011	-	-	-	5,011
<b>Secretary of State</b>					
Centralized Services Distribution	22,350	-	-	-	22,350
Mail Ballot Expenses	(200,000)	1,000,000	-	-	800,000
<b>Office of the General Treasurer</b>					
COVID-19 Expenses	-	25,000	-	-	25,000
Unclaimed Property	-	-	(600,000)	-	(600,000)
<b>Board of Elections</b>					
Centralized Services Distribution	184,989	-	-	-	184,989
Election Expenses	(100,000)	100,000	-	-	-
<b>Ethics Commission</b>					
Centralized Services Distribution	4,960	-	-	-	4,960
<b>Office of the Governor</b>					
Centralized Services Distribution	9,860	-	-	-	9,860
COVID Related Personnel Costs	(588,877)	588,877	-	-	-
COVID expenses	-	14,500	-	-	14,500
<b>Commission for Human Rights</b>					
Turnover Savings	(53,175)	-	-	-	(53,175)
<b>Public Utilities Commission</b>					
COVID-19 Expenses	-	30,000	-	-	30,000
<b>Executive Office of Health and Human Services</b>					
Centralized Services Distribution	120,357	(74,187)	23,902	-	70,072
CNE Settlement	956,856	-	-	-	956,856
Consent Decree Monitor	(100,000)	(100,000)	-	-	(200,000)
COVID-19 Expenses	-	850,000	-	-	850,000
COVID Related Personnel Costs	(183,803)	183,803	-	-	-
Electronic Visit Verification	(69,949)	-	-	-	(69,949)
Long Term Care Services and Supports Redesign	(287,500)	(287,500)	-	-	(575,000)
Medicaid Caseload - May Conference	(38,608,446)	104,835,010	-	-	66,226,564
MMIS Reprocurement	(215,769)	(1,941,920)	-	-	(2,157,689)
<b>Children, Youth and Families</b>					
Capital - Training School Asset Protection	-	-	-	(300,000)	(300,000)
Capital - Training School Generators	-	-	-	40,000	40,000
Centralized Services Distribution	535,352	542,983	-	-	1,078,335
Child Care to Block Grant Funds	(2,225,908)	2,225,908	-	-	-





<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
LIHEAP - CARES Act	-	5,876,445	-	-	5,876,445
Ombudsman Program - CARES Act	-	100,000	-	-	100,000
RI Works Emergency Payment	-	1,693,600	-	-	1,693,600
Veterans' Home Per Diem	-	(81,850)	-	-	(81,850)
<b>BHDDH</b>					
Centralized Services Distribution	891,102	(129,446)	-	-	761,656
Contracted Legal and Finance Services	300,000	-	-	-	300,000
COVID-19 Expenses	-	1,220,776	-	-	1,220,776
Eleanor Slater Hospital Federal Compliance and Billing Issues	50,076,706	(42,568,553)	(3,431,295)	-	4,076,858
Eleanor Slater Hospital UHIP Receivable Compliance	14,647,698	-	-	-	14,647,698
FMAP Relief - Eleanor Slater Hospital	(1,279,606)	1,279,606	-	-	-
FMAP Relief - Developmental Disabilities	(7,891,839)	7,891,839	-	-	-
Person Centered Supported Employment	(2,500,000)	(2,500,000)	-	-	(5,000,000)
Turnover and Operations - Q3	(600,000)	(2,700,000)	-	-	(3,300,000)
<b>Office of the Child Advocate</b>					
Centralized Services Distribution	23,772	-	-	-	23,772
Turnover	(123,826)	(63,843)	-	-	(187,669)
<b>Deaf and Hard of Hearing</b>					
Community Project Coordinator to Available Funding	(30,000)	-	30,000	-	-
COVID-19 Expenses	-	30,000	-	-	30,000
<b>Governor's Commission on Disabilities</b>					
Third Quarter Adjustments	(5,000)	2,000	-	-	(3,000)
<b>Office of the Mental Health Advocate</b>					
Centralized Services Distribution	7,681	-	-	-	7,681
<b>Elementary and Secondary Education</b>					
Capital - Davies Advanced Manufacturing	-	-	-	(21,700)	(21,700)
Capital - Davies Asset Protection	-	-	-	(45,000)	(45,000)
Capital - Davies HVAC	-	-	-	(161,499)	(161,499)
Centralized Services Distribution	(39,155)	-	-	-	(39,155)
COVID-19 Expenses	-	135,000	-	-	135,000
COVID Related Personnel Costs	(186,428)	186,428	-	-	-
Education Stabilization Funds - Aid to Districts	(41,715,400)	91,715,400	-	-	50,000,000
Education Stabilization Funds - Department/Other	(231,750)	4,635,044	-	-	4,403,294
Pre-K Program Support	(144,803)	-	-	-	(144,803)
PSAT/SAT	(500,000)	(133,612)	-	-	(633,612)

<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
School Construction Excess	(335,785)	-	-	-	(335,785)
Statewide Transportation System (Q3)	-	-	(3,832,741)	-	(3,832,741)
Turnover and Operating	(200,000)	-	-	-	(200,000)
<b>Higher Education</b>					
Centralized Services Distribution	25,572	-	-	-	25,572
Higher Education Stabilization Funds - GR to MOE	(15,000,000)	29,534,541	-	-	14,534,541
Promise May Update	(117,729)	-	-	-	(117,729)
<b>Arts Council</b>					
Centralized Services Distribution	9,720	-	-	-	9,720
COVID-19 Expenses	-	355,000	-	-	355,000
Percent for Arts Alignment	-	-	-	(100,000)	(100,000)
<b>Commission</b>					
Centralized Services Distribution	157,103	-	-	-	157,103
<b>Attorney General</b>					
Capital - Building Renovations and Repairs	-	-	-	(80,000)	(80,000)
Centralized Services Distribution	2,586	-	-	-	2,586
<b>Corrections</b>					
Capital - Asset Protection	-	-	-	(975,000)	(975,000)
Centralized Services Distribution	2,055,214	-	-	-	2,055,214
Corrections Class	(282,222)	-	-	-	(282,222)
COVID Operating	-	1,200,000	-	-	1,200,000
COVID Related Personnel Costs	(1,359,091)	2,059,091	-	-	700,000
Population Savings	(475,347)	-	-	-	(475,347)
State Criminal Alien Assistance Program	(1,075,286)	1,075,286	-	-	-
Turnover	(1,665,243)	-	-	-	(1,665,243)
<b>Judicial</b>					
Capital - Noel Shelled Courtroom Build Out	-	-	-	400,000	400,000
COVID-19 Expenses	-	1,500,000	-	-	1,500,000
Indigent Defense	(300,000)	-	-	-	(300,000)
Shift Expenditures to Available Restricted Receipts	(500,000)	-	500,000	-	-
Turnover	(700,000)	-	-	-	(700,000)
<b>Military Staff</b>					
Capital - Asset Protection	-	-	-	(335,000)	(335,000)
Capital - Middletown Armory Addition	-	-	-	(4,000)	(4,000)
Centralized Services Distribution	(1,813)	(10,026)	-	-	(11,839)
COVID-19 Expenses	-	1,800,000	-	-	1,800,000
COVID Related Personnel Costs	(84,324)	84,324	-	-	-

<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
Turnover and Operating	(560,902)	(750,000)	-	-	(1,310,902)
<b>Public Safety</b>					
Capital - Asset Protection	-	-	-	(120,000)	(120,000)
Capital - State Police Training Academy Upgrades	-	-	-	(250,000)	(250,000)
Centralized Services Distribution	147,912	-	13,076	-	160,988
COVID Related Personnel Costs	(22,481,434)	22,481,434	(176,932)	-	(176,932)
COVID-19 Expenses	-	200,000	-	-	200,000
Road Construction Reimbursements	-	-	-	101,643	101,643
Turnover and Overtime	(1,600,000)	-	-	-	(1,600,000)
<b>Public Defender</b>					
Caseload Backlog	(100,000)	-	-	-	(100,000)
COVID-19 Expenses	-	80,000	-	-	80,000
COVID Related Personnel Costs	(49,081)	49,081	-	-	-
<b>Emergency Management</b>					
Centralized Services Distribution	175,223	-	-	-	175,223
COVID Related Personnel Costs	(230,756)	230,756	-	-	-
COVID-19 Expenses	-	130,000,000	-	-	130,000,000
<b>Environmental Management</b>					
Centralized Services Distribution	573,166	-	-	-	573,166
COVID Related Personnel Costs	(1,166,863)	1,166,863	-	-	-
Eastern Equine Encephalitis (EEE)	386,000	-	-	-	386,000
Other COVID - Related	-	500,000	-	-	500,000
Turnover	(400,000)	-	-	-	(400,000)
<b>Coastal Resources Management Council</b>					
Capital - Narragansett Bay SAMP	-	-	-	(75,115)	(75,115)
Centralized Services Distribution	1,487	-	-	-	1,487
<b>Transportation</b>					
Capital - Maintenance Capital Equipment Replacement	-	-	-	(100,000)	(100,000)
Capital - Maintenance Facilities Improvement	-	-	-	(300,000)	(300,000)
Capital - RIPTA College Hill Bus Tunnel	-	-	-	(800,000)	(800,000)
Capital - Train Station Maintenance & Repairs	-	-	-	(250,000)	(250,000)
Centralized Services	-	-	-	(1,000,000)	(1,000,000)
COVID Expenses	-	500,000	-	-	500,000
COVID Related Personnel Costs	-	155,504	-	(155,504)	-
Gas Tax GARVEE Bonds Yield	-	-	-	(696,585)	(696,585)
Gas Tax TBA Yield	-	-	-	(1,219,024)	(1,219,024)
Public Utilities Access Permit Fee	-	-	-	(500,000)	(500,000)
RIPTA - Gas Tax Yield and HMA Adjustments	-	-	-	(3,697,597)	(3,697,597)

<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
Turnover Savings	-	(200,000)	-	(1,800,000)	(2,000,000)
Winter Maintenance	-	-	-	(6,000,000)	(6,000,000)
<b>Total</b>	<b>(127,553,956)</b>	<b>1,515,110,991</b>	<b>(18,085,691)</b>	<b>362,309,365</b>	<b>1,731,780,709</b>

## **FY 2020 Changes to Governor as Contained in 2020-H 7170, Substitute A**

### **Revenue Changes**

**May Revenue Estimate.** The Revenue Estimating Conference concluded May 8 and revised the FY 2020 estimate to \$3,897.9 million, which is \$280.9 million less than the revenues included in the November estimate and \$282.6 million less than the Governor's budget, revised for her changes included in the estimate.

**Infrastructure Bank - Bond Premiums for MRBRF.** The state has been allocating premiums it receives on issuance of general obligation bonds to the Municipal Road and Bridge Revolving Fund for several years. It has also allocated proceeds from tobacco bonds to the fund which has been further supplemented by the Bank's own funds as well as revolved capital from loan payments. State support from FY 2014 through FY 2019 totals \$43.6 million. FY 2020 bond premiums total \$17.8 million and the Governor's revised budget proposed transferring half of that to general revenues. H 7170, Substitute A provides that the Bank transfer the equivalent of the whole amount to the state in addition to the \$4.0 million transfer from Bank resources included in the enacted budget that has already occurred. In the event a portion of those funds have been committed, the recommendation assumes at least \$12.8 million comes from the bond premiums and the balance would come from other Bank resources.

**Rebuild RI Balance Transfer.** H 7170, Substitute A includes recapturing \$5.0 million of funds previously appropriated for the Rebuild Rhode Island Tax Credit program. There is sufficient funding to support the program's expected redemptions through FY 2021. The budgets enacted from FY 2016 through FY 2019 included appropriations totaling \$49.7 million to pre-fund the redemption of tax credits that are taken over time. Anticipated disbursements through FY 2021 total \$31.0 million.

**Resource Recovery Corporation Transfer.** H 7170, Substitute A does not include the Governor's proposal requiring that the Resource Recovery Corporation transfer \$5.0 million to general revenues by June 30, 2020.

**OSPAR Fund Transfer.** H 7170, Substitute A does not include with the Governor's proposal to transfer \$1.0 million from the Oil Spill, Prevention, Administration and Response Fund to general revenues by June 30, 2020.

**Underground Storage Tank Transfer.** H 7170, Substitute A does not include the Governor's proposal requiring the transfer of \$1.0 million from the Underground Storage Tank Fund to general revenues by June 30, 2020.

**Air Service Development Transfer.** H 7170, Substitute A requires the Commerce Corporation transfer \$0.5 million from excess Air Service Development program funds to state general revenues by June 30, 2020.

**Interest on Federal Funds.** The CARES Act provides \$150.0 billion for FY 2020 for states, tribal governments, and local governments and Rhode Island received \$1,250.0 million of that. The funds were made available up front and Rhode Island received all of its allocation by April 24. Guidance released by the Treasury Department noted that recipients may deposit payments into interest bearing accounts and retain the interest. The Office of the General Treasurer estimates that the state will earn \$0.4 million on these funds in both FY 2020 and FY 2021 and H 7170, Substitute A includes these new revenues.

**License Plates Reissuance Delay.** The Governor's office did not approve a new plate design which is required for the statutorily required license plate reissuance to begin June 1, 2020. The Department of Revenue reports that the earliest it can begin the reissuance is now December 1, 2020. H 7170, Substitute

A adjusts expenditures and revenues accordingly. For FY 2020, this reduces estimated revenues generated from the \$8 fee by \$0.3 million.

**Medical Marijuana Excess.** Current law requires the transfer of any remaining balances from medical marijuana receipts collected by the Departments of Business Regulation and Health to state general revenues. Based on corresponding reductions to final budgeted expenditures for the two departments, H 7170, Substitute A assumes an additional \$129,830 in revenues.

**Unemployment Support.** The Families First Coronavirus Response Act and Coronavirus Aid, Relief, and Economic Security (CARES) Act signed into law by the President on March 18 and 27, 2020, respectively, contain significant changes to unemployment benefits and workers eligibility for them. The changes shift some of the burden to cover costs from employers to federal funds and expand benefits to workers not previously eligible. Beneficiaries also receive a \$600 per week payment in addition to the regular benefit through July. Assuming similar receipts of federal funding as seen through May, \$1,050.0 million will be provided for unemployment benefits for FY 2020. Additionally, in order to cover the state share of benefit payments, \$340.0 million more will be required from the Employment Security Trust Fund than included in the Governor’s recommendation. H 7170, Substitute A shows this \$1,390.0 million increase in resources and expenditures.

**COVID Relief & Other Non-General Revenues.** The state received funding from a variety of sources, most of it in response to the COVID-19 emergency. Adjustments were also made based on spending to date and available resources including changes to Rhode Island Capital Plan funded projects. H 7170, Substitute A shows this \$194.4 million increase in resources and expenditures.

## **Expenditures Changes**

### **Statewide**

**Medical Benefits Holiday/Workshare.** H 7170, Substitute A includes general revenue savings of \$2.0 million from two recent initiatives affecting FY 2020. First is a “medical benefits holiday” where agencies and employees will not be assessed for half of one pay period. Because of delays in medical appointments and procedures, the state’s self-insured health fund will end the year with a surplus. This is projected to save \$1.5 million.

The Administration has also instituted a program to allow non-essential state employees to participate in a program, whereby they work 60 percent of their regular weekly hours from June 14, 2020 through September 5, 2020 and claim federal WorkShare benefits for the remaining time. Benefits for such programs are fully paid with federal funds. Because of the extra \$600 weekly payment that accompanies all unemployment claims through the end of July, participants earning less than \$69,500 are not adversely impacted and may see increased compensation. Most of the savings will occur in FY 2021 but the recommendation assumes \$0.4 million will be saved in FY 2020.

### **Administration**

**Capital - Accessibility - Facilities Renovations.** The capital budget includes \$1.0 million annually from Rhode Island Capital Plan funds for renovations to state-owned long-term care and community-based facilities, health centers, group homes, fire safety improvements, accessibility renovations to state administrative and higher education institutions and other renovations to buildings throughout the state where open meetings are held, such as senior citizen centers. H 7170, Substitute A includes \$0.3 million less for FY 2020 based on projected expenditures.

**Capital - Big River Management Area.** The FY 2020 revised budget includes \$143,140 from Rhode Island Capital Plan funds for infrastructure repairs and improvements at the Big River Management Area. This project includes funding for security, litter/dumping enforcement and demolition of vacant homes and it appears that \$55,000 of the total will not be spent. H 7170, Substitute A includes the savings.

**Capital - Cannon Building.** The capital budget includes \$12.8 million from Rhode Island Capital Plan funds for repairs and renovations to the Cannon Building from FY 2020 through FY 2025. The project involves renovations to restrooms and the auditorium, upgrade heating, ventilation and air conditioning and electrical systems. This includes \$0.5 million for FY 2020; however, it appears that only \$0.1 million will be spent, resulting in a balance of \$0.4 million. H 7170, Substitute A reduces expenditures accordingly.

**Capital - Chapin Health Lab.** The capital budget includes \$0.8 million from Rhode Island Capital Plan funds, of which \$321,379 is for FY 2020 to replace air control units in the Chapin Health Laboratory. It appears that \$0.1 million will not be spent. H 7170, Substitute A adjusts expenditures accordingly.

**Capital - Cranston Street Armory.** The capital budget includes \$0.5 million from Rhode Island Capital Plan funds for use in FY 2020 for repairs to the Cranston Street Armory. H 7170, Substitute A includes \$0.1 million less to reflect anticipated expenditures.

**Capital - Energy Efficiency.** The Governor's FY 2020 revised budget includes \$658,752 from Rhode Island Capital Plan funds for energy efficiency projects, including indoor and outdoor lighting projects, new heating, ventilation and air conditioning, renewable energy and building automation systems. Based on projected expenditures, the H 7170, Substitute A includes \$30,000 less.

**Capital - Hospital Consolidation.** The revised budget includes \$3.0 million from Rhode Island Capital Plan funds as part of a multi-year plan to reorganize hospital operations for the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. Based on anticipated expenditures, H 7170, Substitute A includes \$0.2 million or \$2.8 million less for FY 2020.

**Capital - IT Enterprise Operations Center.** The capital budget includes \$7.2 million from Rhode Island Capital Plan funds to be used from FY 2020 through FY 2025 for various projects, including replacing the chiller and boiler, and improving the heating, ventilation and air conditioning system at the Division of Information Technology operations center in Warwick. H 7170, Substitute A includes \$0.2 million less, which would provide \$0.3 million for FY 2020.

**Capital - McCoy Stadium.** The FY 2020 revised budget includes \$0.3 million from Rhode Island Capital Plan funds for asset protection projects, including preventative maintenance, concrete restoration and repaving. H 7170, Substitute A reduces that by \$0.1 million based on anticipated expenses. The current lease agreement with the Pawtucket Red Sox expires in January 2021.

**Capital - Old Colony House.** The FY 2020 revised budget includes \$50,000 from Rhode Island Capital Plan funds for asset protection projects at the Old Colony House. No major renovations are anticipated and it appears that the funds will not be used. H 7170, Substitute A adjusts expenditures accordingly.

**Capital - Pastore Center Medical Bldgs. Asset Protection.** The FY 2020 revised budget includes \$1.8 million from Rhode Island Capital Plan funds for asset protection projects at medical buildings at the Pastore Center. H 7170, Substitute A reduces expenditures by \$1.6 million based on anticipated expenses.

**Capital - Security Measures/State Buildings.** H 7170, Substitute A includes \$0.5 million or \$0.1 million less from Rhode Island Capital Plan funds for FY 2020 to address security issues throughout state facilities.

**Capital - Shepard Building.** The capital budget assumes expenditures of \$450,000 from Rhode Island Capital Plan funds, including \$200,000 for FY 2020 and \$250,000 for FY 2021 for elevator repairs and securing the roof overhangs of the Shepard Building. No funding was included beyond FY 2021 based on a recommendation of the Efficiency Commission to sell the building. H 7170, Substitute A includes \$180,000 less for FY 2020 based on anticipated expenditures.

**Capital - State House Renovations.** The capital budget includes \$3.5 million from Rhode Island Capital Plan funds for FY 2020 for asset protection, elevator and roof repairs at the State House. It appears that \$2.5 million has been spent and expenditures for the second elevator is estimated at \$0.9 million, resulting in a balance of \$0.1 million. H 7170, Substitute A reduces expenditures to reflect this savings.

**Capital - State Office Building.** The approved capital plan does not include any funding beyond FY 2020 as the administration is in the process of conducting a feasibility study to determine if the State Office Building is suitable for the state archives facility; funding for the study is included in the Statewide Facility Master Plan project. Of the \$0.6 million included for FY 2020, it appears that only \$0.3 million will be used and H 7170, Substitute A reduces expenditures accordingly.

**Capital - Washington County Government Center.** The capital budget includes \$4.0 million from Rhode Island Capital Plan funds to be used through FY 2025 for asset protection projects at the Washington County Government Center, including bathroom renovations and installation of a generator. Of the \$1.3 million included for FY 2020, it appears that \$0.3 million will not be spent. H 7170, Substitute A adjusts expenditures to reflect this.

**Capital - William Powers Building.** The capital budget includes \$13.8 million from Rhode Island Capital Plan funds to be used from FY 2020 through FY 2025 for repairs and renovations at the William Powers Building, including \$1.3 million for FY 2020. H 7170, Substitute A includes \$0.4 million less based on anticipated expenditures.

**Centralized Services - Distributed.** The Governor's revised budget includes \$21.1 million from all sources or \$7.7 million more than enacted, including \$7.6 million from general revenues for centralized facilities management, human resources support and information technology services. This includes funding for agencies that are overspending in other areas, rather than budgeting the costs in the appropriate agency. This is inconsistent with the idea of internal service funds which are billed to user agencies and the reason they were created. H 7170, Substitute A includes adjustments to all affected agencies so that costs are accurately shown where they are occurring. This results in reducing proposed expenditures in the Department of Administration's budget by \$8.9 million, including \$7.9 million from general revenues.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. As June 12, the Department had spent \$25.4 million and encumbered \$11.5 million of expenses. The majority of expenses have been for construction of alternate hospital sites and related lease expenses. H 7170, Substitute A adds \$40.0 million from federal funds to account for these expenses and potential additional commitments.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate



compliance with COVID-19 related public health measures. H 7170, Substitute A shifts a total of \$1.0 million of personnel costs from general revenues and restricted receipts to federal funds based on the Department's staff time responding directly to the COVID-19 emergency.

**Debt Service.** Based on updated debt service projections, H 7170, Substitute A includes savings of \$1.4 million from all sources, including \$0.9 million from general revenues. This includes \$0.2 million less for the I-195 land acquisition based on available proceeds from a recent land and \$1.4 million less for payments under the Fidelity Job Rent Credits agreement based on actual average filled positions, the basis for the incentive calculation. Additional general revenue adjustments include \$42,640 for the Garrahy Garage debt and \$0.7 million for the Convention Center, based on lower revenues. There is also \$0.5 million of savings from gasoline tax proceeds for Department of Transportation debt.

**HealthSource RI - Expenses to Available Restricted Receipts.** Based on anticipated receipts from health reform assessment funds and budgeted expenditures, a surplus balance of \$0.6 million is projected. H 7170, Substitute A shifts \$0.6 million of general revenue expenditures to these receipts.

**HealthSource RI Turnover Savings.** The FY 2020 revised budget includes \$1.9 million from restricted receipts to fund 14.0 full-time equivalent positions for HealthSource RI. Through the last pay period of April, HealthSource RI has averaged 12.4 filled positions. H 7170, Substitute A reduces expenditures by \$0.2 million to reflect the turnover savings.

**Information Technology Fund Adjustment.** The revised budget includes expenditures of \$17.7 million from the Information Technology Investment Fund, \$11.1 million more than enacted. That recommendation assumes new resources of \$10.0 million, including \$6.3 million from the sale of Price and the Ace buildings in Cranston. In anticipation of the proposed property sales, the enacted budget shifted a number of technology related expenses to the fund to achieve general revenue savings. Land sale receipts through the end of April, were \$1.0 million from the sale of various surplus properties, but none of which are from the properties noted above. H 7170, Substitute A reduces expenditures by \$5.0 million based on projected resources.

**Market Stability and Reinsurance Implementation.** The enacted budget includes \$0.4 million from general revenues for HealthSource RI to implement the Market Stability and Reinsurance initiative. This includes \$150,000 for marketing and \$250,000 to support two positions and other operating expenses that the Division of Taxation will incur. Based on projected expenditures, it appears that \$0.3 million will be spent. H 7170, Substitute A includes \$0.1 million to reflect the savings.

**Short Term Borrowing Costs.** H 7170, Substitute A includes \$0.4 million from federal coronavirus relief funds to pay interest and related issuance costs for the short term borrowing line of credit that the state obtained in March. The Rhode Island Disaster Emergency Funding Board approved \$300.0 million of short term borrowing authority on March 26. The state drew down \$25.0 million on March 31 and another \$10.0 million on April 13. It had repaid \$25.0 million as of May 15 leaving a balance of \$10.0 million.

**Tort Court Awards.** The Department receives an annual appropriation to pay for liability claims against any state department or state employee. The 2019 Assembly provided an additional \$0.5 million from general revenues to ensure funds would be available pending passage of legislation for future compensation of individuals, wrongfully convicted of crimes and incarcerated bringing the total allocation to \$0.9 million. The legislation did not become law and based on projected expenditures, H 7170, Substitute A reduces budgeted expenditures by \$0.4 million.

**Transportation Planning Grants.** The revised budget includes \$3.3 million or \$1.2 million more than enacted from other funds passed through the Department of Transportation to the Division of Statewide Planning for transportation planning related projects. The Division historically overstates its ability to

spend these funds. It appears that expenses will be \$1.0 million less than recommended; H 7170, Substitute A adjusts expenditures accordingly.

**Turnover.** H 7170, Substitute A reduces general revenue expenditures by \$1.3 million to reflect additional turnover savings from the Office of Legal Services, Office of Management and Budget, Capital Asset Management and Maintenance, Division of Statewide Planning, and Office of Diversity, Equity and Opportunity. Through the end of April, the Department has averaged 16.7 vacancies below the revised budget, which had assumed turnover savings for approximately 10 non-internal service fund programs.

**Volkswagen Settlement Funds.** The Governor's revised budget had assumed expenditures of \$1.6 million on from Volkswagen settlement funds for the Electric Vehicle Charging Station Incentive Program, which provides incentives to purchase and install electric vehicle charging station equipment. Based on reported delays, H 7170, Substitute A reduces expenditures by \$1.2 million.

### **Business Regulation**

**Capital - Fire Academy.** The Governor's recommendation includes \$0.4 million for the Fire Training Academy's ongoing project for FY 2020. The Department has spent \$0.2 million, and has encumbered an additional \$0.1 million through May 2020. H 7170, Substitute A reduces the FY 2020 funding by \$0.1 million based on projected expenditures.

**Centralized Services Distribution.** The Governor's revised recommendation includes \$1.3 million for centralized service expenses, including human resources, information technology, and facilities management in the Department's budget as well as excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocates expenditures where they occur by adding \$0.5 million from all sources of funds, including \$0.3 million from general revenues based on spending through the third quarter.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. As of June 12, the Department has spent or encumbered \$55,000 for sanitation, hygiene products and telecom expenses. H 7170, Substitute A adds \$60,000 from federal funds to account for these expenses and potential additional commitments.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts a total of \$0.6 million of personnel costs from general revenues and restricted receipts to federal funds based on the Department's staff time responding directly to the COVID-19 emergency.

**Operations (Q3).** H 7170, Substitute A includes \$1.0 million of savings other than staffing from all sources of funds for FY 2020 based on the Department's projected expenditure level through the end of the year. Savings from general revenues total \$75,000 from reduced fleet, postal and other expenses. The federal funds savings of \$0.3 million is to account for federal grant equipment expenses reimbursed by the Rhode Island Emergency Management Agency. Restricted receipts savings total \$0.6 million including \$0.3

million for overestimated actuarial expenses, \$0.2 million for programming expenses, \$60,000 less for real estate fraud recovery, and \$59,000 for other expenses.

**Turnover (Q3).** H 7170, Substitute A includes turnover savings of \$1.0 million for FY 2020 based on the Department's current staffing and projected spending through the end of the year. These savings included \$0.6 million from general revenues and \$0.4 million from restricted receipts. The Department has averaged 6.5 vacancies for FY 2020 as of the May 9 period.

### **Executive Office of Commerce**

**Centralized Services Distribution.** The Governor's revised recommendation includes \$0.2 million for centralized service expenses, including human resources, information technology, and facilities management in the Executive Office's budget as well as excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocates expenditures where they occur by adding \$35,679 mostly from general revenues based on spending through the third quarter.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts a total of \$0.3 million of personnel costs from general revenues to federal funds based on the Executive Office's staff time responding directly to the COVID-19 emergency.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. The Executive Office has spent \$15,000 for remote working expenses. H 7170, Substitute A includes \$20,000 from federal funds based on expenditures and encumbrances as of June 12.

**Federal Grant Funds Alignment.** H 7170, Substitute A reduces expenditures by \$7.0 million from several federal grant programs, primarily the Community Development Block Grant to align the FY 2020 budget with projected expenses.

**Industry Cluster Grants 2020.** The enacted budget includes \$0.1 million from general revenues for the Industry Cluster Grant program. Three prior budgets have provided a total of \$1.4 million in support for the program to develop geographic concentrations of industries to create a collective competitive advantage through concentrated knowledge and workforce capabilities with shared common supply chains, markets, and/or technological competencies. The Corporation has awarded \$1.2 million to 10 entities and has made no additional awards for FY 2020. H 7170, Substitute A eliminates the FY 2020 appropriation.

**P-Tech 2020.** H 7170, Substitute A reduces the FY 2020 appropriation for the High School, College, and Employer Partnerships program commonly referred to as P-Tech from \$200,000 to \$41,217. Previous appropriations are sufficient to cover current programs which have not expanded this year, and it appears the only expense is the assessment to support current Commerce staffing.

**Rebuild RI - FY 2020 Appropriation.** The enacted budget included \$10.0 million to pre-fund the redemption of tax credits that are taken over time. H 7170, Substitute A eliminates that appropriation as there is sufficient funding to support the program's commitments at least through FY 2021. The budgets enacted from FY 2016 through FY 2019 included appropriations totaling \$49.7 million to pre-fund the redemption of tax credits that are taken over time. Anticipated disbursements through FY 2021 total \$31.0 million

**Rental Assistance - COVID.** H 7170, Substitute A adds \$2.5 million from federal funds to reflect anticipated FY 2020 disbursements from new support for rental assistance during the coronavirus pandemic. The Office of Housing and Community Development announced on May 3, 2020 that it was establishing a new emergency rental assistance program, named Housing Help RI, an initiative to provide emergency housing assistance to very low-income renters at immediate risk of homelessness funded with \$1.5 million from federal homelessness assistance grant funding. On May 28, the Governor announced a commitment of an additional \$5.0 million from the state's allocation of federal Coronavirus Relief Funds to the program including an expansion of eligible renters. Rhode Island ceased hearing eviction cases in mid-March. On June 1, the courts began hearing cases that were initiated prior to March 17. No COVID-related evictions will be heard before July 1.

### **Labor and Training**

**Centralized Services Distribution.** The Governor's revised recommendation includes \$5.6 million from all sources for centralized service expenses, including human resources, information technology, and facilities management as well as excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces funding for the Department by \$0.2 million, including \$0.5 million from general revenues, based on spending through the third quarter.

**TDI/TCI Benefits & Adjustments.** H 7170, Substitute A increases the budgeted expenditures for temporary disability and temporary caregiver programs by \$49.7 million. This reflects an increase of \$50.0 million for increased claims experience related to the COVID-19 pandemic. This is offset by a technical correction to remove a duplicated \$350,000 expense.

**Unemployment Administration.** H 7170, Substitute A adds \$5.7 million from federal funds for the Department of Labor and Training's unemployment administration based on information provided by the Department. The increase reflects additional staffing to assist with the surge of claims as a result of the health crisis.

**Unemployment Benefits.** H 7170, Substitute A increases the budgeted expenditures for unemployment benefits by \$1,390.0 million to reflect claims experienced since the COVID-19 pandemic began. This includes \$1,050.0 million from federal funding through the CARES Act which covers a variety of new and amended benefits and expands worker eligibility and \$340.0 million from the Employment Security Trust Fund for traditional claims for covered employment.

**Work Immersion and Non Trade Apprenticeships.** H 7170, Substitute A reduces the \$0.7 million enacted general revenue appropriation for the non-trade apprenticeship and work immersion program by \$0.1 million based on actual spending. The program has underspent by similar amounts in the past two years.

### **Department of Revenue**

**Centralized Services Distribution.** The Governor's revised recommendation includes \$4.9 million for centralized service expenses, including human resources, information technology, and facilities management well as excess funding in the Department of Administration's budget for expected increased

costs in other agencies. H 7170, Substitute A reduces the excess funding and allocates expenditures where they occur by adding \$0.5 million essentially all from general revenues, on spending through the third quarter.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. As of June 12, the Department has incurred \$85,000 of expenses for cleaner, hand sanitizer, and hand sanitizer stations; the largest anticipated expenditure reported is for tent rental for the Division of Motor Vehicles to maintain its provision of services consistent with government mandates. H 7170, Substitute A includes an additional \$0.1 million from federal funds for these expenses.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts a total of \$0.2 million of personnel costs from general revenues and lottery funds to federal funds based on the Department’s staff time responding directly to the COVID-19 emergency.

**License Plates Reissuance Delay.** The Governor’s revised recommendation includes \$0.4 million for the statutorily required license plate reissuance required to begin June 1, 2020. However, the Governor’s Office never approved a plate design for the production. The Department of Revenue reports that the earliest it can begin reissuance is December 1, 2020; which delays the two year process. H 7170, Substitute A adjusts expenditures and revenues according. For FY 2020, this includes expenditure and revenue reductions of \$0.4 million and \$0.3 million, respectively.

**Operations (Q3).** H 7170, Substitute A includes \$0.7 million less from general revenues for FY 2020 based on the Department’s projected spending through the end of the year. This reflects lower than anticipated expenditures for information technology in the Division of Taxation, lower credential printing costs in the Division of Motor Vehicles, and other savings.

**Turnover (Q3).** H 7170, Substitute A includes general revenue turnover savings of \$2.4 million for FY 2020 based on the Department’s projected expenditures. The Department has averaged 45.8 vacancies for FY 2020, including 16.7 positions in the Division of Taxation, and 21.9 positions at the Division of Motor Vehicles.

## **Legislature**

**Reappropriation.** Under current law, any unspent funding from the Legislature’s budget is automatically reappropriated for use in the following year. The Governor’s budget includes the Legislature’s revised budget request to retain \$7.2 million of its \$9.7 million reappropriation, adjusted for statewide medical benefits savings. H 7170, Substitute A excludes the \$7.2 million.

## **Lieutenant Governor**

**Centralized Services Distribution.** The Governor recommends \$0.1 million for the Office's share of centralized services. H 7170, Substitute A adjusts these funds by \$5,011 to properly reflect the Office's share of these services based on spending through the third quarter.

## **Secretary of State**

**Centralized Services Distribution.** The Governor's revised recommendation includes \$23,477 from general revenues for centralized information technology expenses as well as excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur by adding \$22,350 from general revenues, based on spending through the third quarter.

**Mail Ballot Expenses.** H 7170, Substitute A shifts \$0.2 million of general revenue expenditures to federal funds awarded through the CARES Act and adding \$0.8 million from that source for expenses expected as a result of shifting to a mail ballot centric election as required by Executive Order 20-11. The Office indicates this shift will require a significant amount for printing and postage. As this need is directly a result of the pandemic, the federal funding is an eligible source for expenditure and can be used in lieu of general revenues.

## **Office of the General Treasurer**

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A adds \$25,000 from federal funds to account for these expenses. As of June 12, the Office had spent \$22,106. The majority of expenses have been computers for working remotely.

**Unclaimed Property.** H 7170, Substitute A reduces restricted receipts by \$0.6 million to adjust the unclaimed property program transfer to the state to reflect the May Revenue Estimating Conference estimate of \$12.2 million.

## **Board of Elections**

**Centralized Services Distribution.** The Governor's revised recommendation includes \$0.1 million from general revenues for centralized information technology and facilities management expenses as well as excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocates expenditures where they occur by adding \$0.2 million from general revenues, based on spending through the third quarter.

**Election Expenses.** H 7170, Substitute A shifts \$0.1 million of general revenue expenditures for the presidential preference primary to federal funds awarded through the CARES Act. As a result of shifting to a mail ballot-centric election as required by Executive Order 20-11, the Board is opened only about a quarter of total polling places. The Board indicated the savings from this decrease would likely be needed to fund staffing for the large increase in mail ballot processing. Of the roughly 125,000 votes cast in the presidential primary, approximately 103,000 were mail ballot votes. As this is directly a result of the pandemic, federal funding is eligible for use in lieu of general revenues.

## **Ethics Commission**

**Centralized Services Distribution.** The Governor’s revised budget includes \$42,920 from general revenues for centralized information technology services well as excess funding in the Department of Administration’s budget for expected increased costs in other agencies. This is inconsistent with the idea of internal service funds which are billed to user agencies and the reason they were created. H 7170, Substitute A reduces the excess funding and allocates expenditures where they occur by adding \$4,960 from general revenues.

## **Office of the Governor**

**Centralized Services Distribution.** The Governor’s revised budget includes \$42,920 from general revenues for centralized information technology services well as excess funding in the Department of Administration’s budget for expected increased costs in other agencies. This is inconsistent with the idea of internal service funds which are billed to user agencies and the reason they were created. H 7170, Substitute A includes adjustments to all affected agencies so that costs are accurately shown where they are occurring and includes \$9,860 more for the Office of the Governor.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$0.6 million of personnel costs from general revenues to federal funds based on the Office’s staff time responding directly to the COVID-19 emergency.

**COVID Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. Based on expenses through June 12, H 7170, Substitute A includes \$14,500 from federal relief funds for interpreter services needed during relief efforts.

## **Commission for Human Rights**

**Turnover Savings.** The Governor’s revised budget includes \$38,912 of turnover savings for the Commission for Human Rights based on one vacant position assuming it would be filled in February. H 7170, Substitute A reduces general revenues by \$53,175 to reflect additional turnover savings from the same position continuing to be vacant for the remainder of the year. As of the pay period ending May 23, the Commission has averaged 1.2 vacancies for FY 2020.

## **Public Utilities Commission**

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A includes \$30,000 from federal funds for

additional cleaning supplies and services for the Public Utilities Commission based on spending through June 12.

### **Executive Office of Health and Human Services**

**Centralized Services Distribution.** The Governor’s revised recommendation includes \$2.5 million for centralized service expenses, including human resources, information technology, and facilities management in the Executive Office’s budget as well as excess funding in the Department of Administration’s budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur by adding \$0.1 million from all sources of funds, primarily from general revenues, based on spending through the third quarter.

**CNE Settlement.** During its Caseload Estimating Conference testimony, the Executive Office of Health and Human Services disclosed a \$1.0 million general revenue payment it made in March to Care New England to settle unpaid claims for services provided to 154 individuals over a period of several years. It appears that claims were not paid because either Medicaid eligibility could not be verified or there were issues with the claims that went unresolved. As such these were not appropriate for inclusion in the caseload estimate. Additional questions regarding the basis for the agreement to pay have not been answered, but the expense has been incurred, and H 7170, Substitute A accounts for this payment.

**Consent Decree Monitor.** H 7170, Substitute A reduces enacted funding for the consent decree monitor from \$450,000 to \$250,000 to reflect current year spending. The original court monitor retired and was replaced but a few months later resulting in savings in FY 2020.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A adds \$0.9 million from federal funds to account for these expenses. As of June 12, the Executive Office had spent \$0.8 million. The majority of expenses have been for contracted and other financial services to assist with COVID related activities.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$0.2 million of personnel costs from general revenues to federal funds based on the Executive Office’s staff time responding directly to the COVID-19 emergency.

**Electronic Visit Verification.** The Governor reappropriated of \$69,949 from general revenues in August for electronic visit verification activities but inadvertently included \$139,598 in her revised recommendation in January, or double the amount. H 7170, Substitute A reduces funding consistent with the intent.

**Long Term Care Services and Supports Redesign.** The FY 2020 enacted budget includes \$2.3 million, of which \$1.1 million is from general revenues, for a care management and coordination services contract with Rhode Island Parent Information Network. Because of an error in the Executive Office’s revised request, the Governor’s recommendation added \$0.6 million, including \$0.3 million from general revenues,



based on the erroneous assumption that this would bring total funding to \$2.0 million. H 7170, Substitute A includes funding as enacted and reduces the Governor's recommendation accordingly.

**Medicaid Caseload - May Conference.** H 7170, Substitute A increases medical assistance expenses by \$66.2 million for FY 2020. Recent legislation increased the federal share of these expenses providing direct general revenue relief to states; the FY 2020 adopted estimate assumes general revenue savings of \$58.9 million from this change. A projected uptick in enrollment based on economic conditions as well as the federal prohibition on most enrollment terminations account for some of the increase. Also, projections suggest that managed care rates are not supporting expenses and result in the need to increase the payments. Accounting for the savings already assumed in the Governor's budget, FY 2020 spending is estimated to be \$38.6 million less from general revenues and \$104.8 million more from federal funds.

**MMIS Reprocurement.** The Governor's revised budget adds \$2.2 million, including \$0.2 million from general revenues, to assist with a new Medicaid Management Information System technology project. This includes \$1.6 million to hire a contractor to assist with the re-procurement of the new system and \$0.6 million for an independent validation and verification vendor. The Governor did not, however, recommend the \$2.4 million requested by the Executive Office for continued funding for these services in FY 2021 or \$21.1 million to replace the current system. H 7170, Substitute A does not include the revised recommendation and reduces funding accordingly.

### **Children, Youth and Families**

**Capital - Training School Asset Protection.** H 7170, Substitute A reduces Rhode Island Capital Plan funds for asset protection projects at the Training School by \$0.3 million based on updated spending projections and consistent with the Department's third quarter report.

**Capital - Training School Generators.** H 7170, Substitute A adds \$40,000 from the Rhode Island Capital Plan funds to cover increased costs for FY 2020 for generator installation at the Training School based on updated project costs.

**Centralized Services Distribution.** The Governor's revised recommendation includes \$5.5 million for centralized services, including human resources, information technology and facilities management as well as excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur, including \$0.5 million more from general revenues and \$0.5 million more from federal funds based on spending through the third quarter.

**Child Care to Block Grant Funds.** The revised budget recommendation includes \$7.2 million from all sources, including \$3.4 million from general revenues, for child care subsidies for children in foster care. H 7170, Substitute A includes \$2.2 million of general revenue expenditures be shifted to Temporary Assistance for Needy Families funds available through the Department of Human Services.

**COVID-19 - Isolation, Intake Placements.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A includes \$1.5 million for placements for youth or families who need to be quarantined prior to placement or who may have been exposed to coronavirus, and is consistent with the projection in the Budget Office's third quarter report.

**COVID-19 - Foster Care.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. The Governor authorized foster care stipends to provide support for foster families who are unable to receive traditional child care during the pandemic effectively provided from March 15 through June 30, 2020. H 7170, Substitute A includes \$0.3 million from federal funds to account for the enhanced stipends, consistent with the projection in the Budget Office’s third quarter report.

**COVID-19 - Operating.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A includes \$0.1 million for expenses incurred as the result of coronavirus, such as cleaning services at the Training School and for personnel protective equipment based on spending as of June 12.

**COVID-19 - VEC.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. With Executive Order 20-26, the Governor authorized services to continue after a youth ages out of the Voluntary Extension of Care program at age 21 for three extra months, effective through June 30, 2020. H 7170, Substitute A includes \$0.1 million from federal funds to account for services to the estimated 12 young adults impacted, consistent with the projection in the Budget Office’s third quarter report.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$46,015 of personnel costs from general revenues to federal funds based on the agency’s staff time responding directly to the COVID-19 emergency.

**FMAP Relief.** On March 18, 2020, President Trump signed into law the Families First Coronavirus Response Act which temporarily increased a state’s Medicaid match rate by 6.2 percent for services provided from January 1, 2020 until the end of the public health emergency. Rhode Island’s Medicaid match rate is increased to 59.15 percent from 52.95 percent with general revenue savings of \$66.6 million realized in the state’s health and human service agencies, primarily in the medical assistance program. Of that amount, H 7170, Substitute A includes general revenue savings of \$2.3 million for community based programs in the Department of Children, Youth and Families.

**Placement Savings.** The Governor’s revised recommendation includes \$107.4 million which is \$15.6 million more than enacted for placement costs for the Department. H 7170, Substitute A includes \$1.1 million less from general revenues for placement costs which have been lower than anticipated in the Governor’s revised budget, consistent with the Budget Office’s third quarter report.

**Turnover Savings.** The Governor includes \$6.0 million more than enacted, including \$6.8 million more from general revenues in her revised recommendation for staffing at the Department of Children, Youth and Families. The Department had requested funding for a hiring surge to bolster its frontline staff and several savings initiatives that included hiring additional staff. The Governor’s recommendation assumed filling many of the Department’s vacant positions which has not occurred. H 7170, Substitute A includes \$3.1 million in turnover savings, including \$3.8 million less from general revenues and \$0.7 million more from federal funds based on spending through the third quarter.

## **Health**

**CDC COVID-19 Public Health Response.** On March 13, 2020, President Trump declared that a nationwide emergency exists as a result of COVID-19. Subsequently, the Department received two federal grant awards totaling \$11.5 million from the Centers for Disease Control and Prevention to respond to the public health crisis. The funds can be used to expand capacity for testing and contact tracing, improve morbidity and mortality surveillance, and implement appropriate containment measures. H 7170, Substitute A adds \$3.4 million from federal funds to account for projected FY 2020 expenses.

**COVID-19 Response.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A adds \$30.8 million from federal funds to account for these expenses. As of June 12, the Department had spent \$10.5 million. The majority of expenses have been medical laboratory supplies and staffing expenses.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$6.3 million of personnel costs from general revenues to federal funds based on the Department’s staff time responding directly to the COVID-19 emergency.

**Health Professional Loan Repayment Program.** Based on projected expenditures, H 7170, Substitute A includes \$0.5 million less from restricted receipts for the health professional loan repayment program, for which the revised budget included \$1.7 million from federal funds and restricted receipts. The program pays a portion of an eligible health care professional’s student loan if the participant agrees to work for two years in a health professional shortage area.

**Home Asthma Response Program.** The Department administers a Home Asthma Response program, which is designed to reduce emergency department visits and hospitalization. The program seeks to improve asthma outcomes for high risk pediatric asthma patients in the state. The Department entered into a memorandum of understanding with the Attorney General to provide the Department with \$0.3 million from Volkswagen settlement funds. It appears that \$0.1 million will be spent and H 7170, Substitute A adjusts expenditures accordingly.

**Hospital Preparedness and Public Health Emergency Response.** The Department’s third quarter report projects expenditures of \$6.4 million from federal funds, or \$2.7 million less than the FY 2020 revised budget for hospital preparedness and public health emergency response, which provides financial support to develop and expand capabilities in three key areas of bioterrorism preparedness and response. The

program monitors disease patterns to detect changes that signal bioterrorism acts, and improving laboratory ability and conducts assessment, planning, and response for a wide range of emergencies. H 7170, Substitute A includes funding consistent with the agency's third quarter report.

**Immunization Programs.** The FY 2020 revised budget includes \$49.9 million from all sources for immunization expenses for the children and adults immunization programs. Based on the Department's third quarter projections for vaccine purchases and other program expenses, H 7170, Substitute A includes \$3.6 million less from restricted receipts.

**Indirect Cost Recovery.** The Department uses its indirect cost recovery restricted receipts to offset costs associated with administering federally funded programs. H 7170, Substitute A shifts \$1.1 million of general revenue expenses to these available receipts and reduces budgeted expenses by \$0.6 million reflective of the Department's updated staffing allocations and operating expenses as expenses for several positions will be covered by federal coronavirus relief funds.

**Medical Marijuana Program.** H 7170, Substitute A includes \$0.2 million less from restricted receipts for costs associated with the medical marijuana program, based on the Department's updated staffing allocations and operating expenses. The revised budget assumed expenditures of \$0.7 million.

**Opioid Overdose Prevention.** The Department's third quarter report projects expenditures of \$3.0 million from federal funds and restricted receipts for various opioid overdose prevention programs for which the revised budget included \$3.9 million. H 7170, Substitute A reduces expenses accordingly.

**Prescription Drug Overdose Prevention.** The Prescription Drug Overdose Prevention program provides assistance to various organizations and municipalities on a competitive basis and information regarding prescription of controlled substances in order to prevent improper or illegal use of controlled substances. The revised budget assumes federal fund expenses of \$4.3 million and it appears \$3.8 million will be spent, resulting in a surplus of \$0.5 million. H 7170, Substitute A adjusts expenditures to reflect updated program expenses.

**Turnover and Operating - 3rd Quarter.** H 7170, Substitute A is consistent with the Budget Office's third quarter report and includes \$0.4 million less from general revenues based on operating and turnover savings; general revenue funded positions were allocated to work on COVID-19 related tasks.

**WIC Nutrition Assistance.** The revised budget includes \$24.7 million from federal funds for the Women, Infants, and Children nutrition assistance program. H 7170, Substitute A reduces expenditures by \$1.0 million based on projected expenditures. It should be noted that the Families First Coronavirus Response Act provides an additional \$1.3 million for the program; the Department's third quarter projection does not assume using these funds in FY 2020.

## **Human Services**

**Adult Day Care Utilization.** Based on the Department's third quarter report, H 7170, Substitute A includes \$0.2 million less from all sources, including \$0.1 million less from general revenues for the adult day care program, reflecting a decline in utilization as a result of the coronavirus.

**Aging and Disability Resource Center CARES Act.** H 7170, Substitute A includes \$0.3 million from new federal funds awarded to the Office of Healthy Aging to launch and support the state's aging and disability center. The enacted budget assumes \$0.2 million from federal Money Follows the Person funds in the Executive Office of Health and Human Services for a website; however, the revised budget excludes the funds.

**Cash Assistance Caseload - May Conference.** H 7170, Substitute A reduces expenditures for cash assistance caseloads by \$1.4 million, including \$0.3 million more from general revenues, to reflect the May Caseload Estimating Conference estimates for Rhode Island Works, subsidized child care, supplemental security income and general public assistance bridge programs.

**Centralized Services Distribution.** The Governor's revised recommendation includes \$8.4 million, including \$5.5 million from general revenues for centralized service expenses, including human resources, information technology, and facilities management in the Department's budget as well as excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocates expenditures where they occur by adding \$0.5 million from all sources of funds, including \$0.7 million from general revenues based on spending through the third quarter.

**Child Care Support for Healthcare Workers.** On March 24, the Governor announced that five child care providers would reopen during the coronavirus pandemic to service healthcare workers in need of child care. This order also temporarily the Child Care Assistance Program through May 3 in order to provide financial assistance to eligible healthcare workers. Families continued to pay for services at the rate of their regular day care provider; if the rate of the temporary provider was greater, the Department of Human Services paid the difference. Based on actual expenses reported through May, H 7170, Substitute A includes \$0.2 million from federal funds to account for the provision of child care assistance to healthcare workers.

**Child Care Temporary Rate Increase.** On May 27, the Governor signed Executive Order 20-39 authorizing the Department of Human Services to temporarily increase child care reimbursement rates for Child Care Assistance Program providers to assist with the cost of new regulations. Rates announced by the Department are effective beginning June 1 and are anticipated to increase program expenditures by \$0.3 million each week. The new rates will expire on either June 26, unless the executive order is extended, or when the state of emergency is terminated, whichever is first. Based on this estimate, H 7170, Substitute A includes \$1.2 million more from federal funds to account for the first month of enhanced rates.

**Community Services Block Grant - CARES Act.** H 7170, Substitute A includes \$5.5 million from new federal funds to support programs and services through the Community Services Block Grant, including those targeting low-income families. The supplemental appropriation is in addition to the state's annual \$4.1 million block grant award, nearly all of which is distributed to providers, including community action agencies.

**Congregate & Home Delivered Meals - CARES Act.** H 7170, Substitute A includes \$3.6 million from new federal funds for congregate and home delivered meals. This is in addition to \$2.9 million included in the Governor's revised budget for elderly nutrition, including \$0.6 million from general revenues.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$0.1 million of personnel costs from general revenues to federal funds based on the Department's staff time responding directly to the COVID-19 emergency.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related

expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. Based on expenses through June 12, H 7170, Substitute A includes \$120,000 from federal relief funds for information technology and personnel expenses for the Department of Human Services.

**Elderly & Disabled Supportive Services - CARES Act.** H 7170, Substitute A includes \$1.0 million from new federal funds for supportive services to the elderly and disabled. Funds can be used for program administration and distributed to providers for a variety of activities outlined in Title III-B of the Older Americans Act. These activities include health education, counseling, screenings, housing services, home modification, home security, transportation, elder abuse prevention and response activities, and in-home services, among others.

**Emergency Food Assistance Program - CARES Act.** H 7170, Substitute A includes \$2.7 million from new federal funds for the emergency food assistance program. Funds are distributed to the Rhode Island Food Bank, which administers the program.

**Expenses to Available Deloitte Settlement.** H 7170, Substitute A shifts \$1.1 million of general revenue expenses related to the Unified Health Infrastructure Project to available restricted receipts. The enacted budget assumes a total of \$33.2 million from restricted receipts from a settlement reached with Deloitte across the Executive Office of Health and Human Services, Department of Human Services and HealthSource RI. For the Department, the enacted budget assumes use of \$24.7 million from Deloitte restricted receipts. As part of contract negotiations with the vendor, a \$50.0 million settlement was reached in March 2019; at the time of the Governor’s revised FY 2020 budget submission, the federal government had not determined the state’s share of the settlement. Her recommendation reduces expenses by \$4.8 million across the three agencies, including \$2.9 million for the Department. On February 6, the state was notified that its share of settlement funds is \$30.0 million, \$1.1 million more than assumed in the revised budget.

**Family Caregivers CARES Act.** H 7170, Substitute A includes \$0.5 million from new federal funds for family caregivers. Funds can be used for activities outlined in Title III-E of the Older Americans Act, including providing information to caregivers on available support, assisting caregivers in accessing that support, individual counseling and caregiver training, respite care, and, on a limited basis, services that supplement the care provided by caregivers.

**Family Violence Prevention - CARES Act.** H 7170, Substitute A includes \$0.2 million from new federal funds made available through the CARES Act for family violence prevention activities. Funds are distributed to local organizations to provide temporary housing and assistance to victims of family, domestic, and dating violence.

**FMAP Relief.** On March 18, 2020, President Trump signed into law the Families First Coronavirus Response Act which temporarily increased a state’s Medicaid match rate by 6.2 percent for services provided from January 1, 2020 until the end of the public health emergency. Rhode Island’s Medicaid match rate is increased to 59.15 percent from 52.95 percent with general revenue savings of \$66.6 million realized in the state’s health and human service agencies, primarily in the medical assistance program. Of that amount, H 7170, Substitute A includes general revenue savings of \$0.3 million for the Department of Human Services.

**Indirect Cost Recovery.** The enacted budget assumes use of \$200,000 from indirect cost recovery funds, for central management personnel expenses. The Governor’s revised budget recommendation excluded those funds and provided general revenues instead. H 7170, Substitute A shifts \$200,000 of general revenue expenditures to indirect cost recovery restricted receipts, consistent with the enacted budget.

**LIHEAP - CARES Act.** The Governor’s revised budget includes \$31.6 million for the Low Income Home Energy Assistance Program (LIHEAP). H 7170, Substitute A includes an additional \$5.9 million from new federal funds available through the CARES Act. The program assists low income households to meet the increasing costs of home energy and reduce the severity of an energy related crisis.

**Ombudsman Program - CARES Act.** H 7170, Substitute A includes \$0.1 million from new federal funds available through the CARES Act for the state ombudsman program. This includes reimbursement of expenses related to remote work, purchasing equipment and other technology that allows the ombudsman to work remotely and enhancing the ombudsman presence in facilities while they cannot physically visit during the COVID-19 crisis.

**RI Works Emergency Payment.** On June 10, the Governor announced that the Department of Human Services would issue an emergency payment to families currently receiving Rhode Island Works benefits. Participants will receive one extra month of benefits consistent with their current monthly benefit. H 7170, Substitute A includes \$1.7 million from federal Coronavirus Relief funds for the emergency payment.

**Veterans' Home Per Diem.** The Governor’s revised budget recommendation includes \$10.2 million from federal per diem reimbursements for residents at the Veterans’ Home. Since March 13, the Home has not admitted new residents due to the coronavirus pandemic and its occupancy has declined. Based on the Department’s third quarter report, H 7170, Substitute A includes \$0.1 million less from federal funds.

#### **BHDDH**

**Centralized Services Distribution.** The Governor’s revised recommendation includes \$12.2 million for centralized service expenses, including human resources, information technology, and facilities management in the Department’s budget as well as excess funding in the Department of Administration’s budget for expected increased costs in other agencies. H 7170, Substitute A adds \$0.8 million, including \$0.9 million more from general revenues and \$0.1 million less from federal funds, and allocating expenditures where they occur based on spending through the third quarter.

**Contracted Legal and Finance Services.** H 7170, Substitute A adds \$300,000 from general revenues for contracted legal and finance services included in the Department’s third quarter report to address the Medicaid billing and compliance issues at Eleanor Slater Hospital.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A adds \$1.2 million from federal funds to account for these expenses. As of June 12, the Office had spent \$0.5 million. The majority of expenses have been for personal protective and other medical equipment, furniture, and technology upgrades in the 24-hour facilities.

**Eleanor Slater Hospital Federal Compliance and Billing Issues.** In March, the Office of Management and Budget notified the House Finance Committee that Eleanor Slater Hospital was not in compliance with federal rules regarding Medicaid funding for facilities that have more psychiatric patients than medical ones. The notice indicated that the hospital was out of compliance from August through early February causing an estimated loss of \$20.6 million from federal funds for FY 2020 that would have to be replaced with general revenues. It was then revealed in May that the state could also not claim Medicaid for forensic patients, bringing the total loss to \$35.0 million. In June, the Department testified to the House Finance Committee that it could also not bill Medicaid, or Medicare, for an unidentified number of patients who

were likely to not meet the level of care required to be in a hospital setting. Such patients should be in other placements, such as a nursing home for which reimbursements are considerably lower. Further analysis, including information that some funds had been returned to the federal government, suggest the total loss of federal and other revenue to be \$50.1 million.

H 7170, Substitute A provides sufficient funding to address this issue, which also includes \$4.1 million in overspending also reported in May. The recommendation adds \$50.1 million from general revenues, reduces federal Medicaid funds by \$42.6 million and third party payments, primarily Medicare by \$3.4 million. These changes assume the Executive Office of Health and Human Services successfully meets a June 30 deadline to submit a state plan amendment to bill for some patients at different levels of care for the final quarter of FY 2020. If that plan is not executed, the cost to the state will be an additional \$12.2 million.

**Eleanor Slater Hospital UHIP Receivable Compliance.** Based on information from the Department, the state has been expecting to receive federal funds totaling \$14.6 million for services provided in several prior years to patients at the state hospital whose Medicaid eligibility was inadvertently terminated through UHIP/RI Bridges. With the updated guidance on billing and compliance with federal regulation, it appears the disallowance of current year expenses likely extends to this pending receivable making the funds uncollectable. H 7170, Substitute A adds sufficient general revenues to account for the additional lost federal funds.

**FMAP Relief - Eleanor Slater Hospital.** On March 18, 2020, President Trump signed into law the Families First Coronavirus Response Act which temporarily increased a state's Medicaid match rate by 6.2 percent for services provided from January 1, 2020 until the end of the public health emergency. Rhode Island's Medicaid match rate is increased to 59.15 percent from 52.95 percent with general revenue savings of \$66.6 million realized in the state's health and human service agencies, primarily in the medical assistance program. Of that amount, H 7170, Substitute A includes general revenue savings of \$1.3 million for direct care services at Eleanor Slater Hospital.

**FMAP Relief - Developmental Disabilities.** On March 18, 2020, President Trump signed into law the Families First Coronavirus Response Act which temporarily increased a state's Medicaid match rate by 6.2 percent for services provided from January 1, 2020 until the end of the public health emergency. Rhode Island's Medicaid match rate is increased to 59.15 percent from 52.95 percent with general revenue savings of \$66.6 million realized in the state's health and human service agencies, primarily in the medical assistance program. Of that amount, H 7170, Substitute A includes general revenue savings of \$7.9 million for community based programs in the Division of Developmental Disabilities.

**Person Centered Supported Employment Performance Program.** The enacted budget assumes the use of \$5.0 million, including \$2.5 million from general revenues, for payments to community-based providers participating in the Person Centered Supported Employment Performance Program. This includes certification payments, supplemental authorization and payments for meeting benchmarks in the consent decree. The program has been delayed and consistent with the Department's third quarter report that projects no expenses will be made in the current year, H 7170, Substitute A reduces funding accordingly.

**Turnover and Operations - Q3.** H 7170, Substitute A reduces expenses by \$3.3 million from all sources, including \$0.6 million from general revenues, based on the Department's third quarter report. The Department reduced Medicaid funds for health homes case management services for adults with developmental disabilities and includes administrative savings based on current year projections.



## Office of the Child Advocate

**Centralized Services Distribution.** H 7170, Substitute A includes \$23,772 more from general revenues than recommended by the Governor, for the Office's share of centralized services, based on spending through the third quarter.

**Turnover.** H 7170, Substitute A provides \$0.2 million less, including \$0.1 million from general revenues and \$0.1 million from federal funds to reflect additional turnover savings based on spending through the third quarter. This is essentially consistent with the Office's third quarter report projections.

## Deaf and Hard of Hearing

**Community Project Coordinator to Available Funding.** Based on anticipated expenditures, the Governor's revised budget includes an additional \$35,723 from all sources, including \$30,000 more from general revenues for a contracted part-time community project coordinator, who assists the director of operations in installing communication assistive devices within state-owned walk-in facilities. H 7170, Substitute A includes use of restricted receipts in lieu of general revenues based on available receipts from the emergency and public communication access account.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A adds \$30,000 from federal funds for interpreter services of the Governor's briefings on the coronavirus.

## Governor's Commission on Disabilities

**Third Quarter Adjustments.** H 7170, Substitute A includes \$3,000 less from all sources based on projected FY 2020 expenses for the Governor's Commission on Disabilities. This includes \$2,000 from federal funds for COVID related meeting expenses, offset by savings of \$5,000 from general revenues.

## Office of the Mental Health Advocate

**Centralized Services Distribution.** H 7170, Substitute A adds \$7,681 from general revenues for centralized information technology services in the Office of the Mental Health Advocate, based on billings through the third quarter.

## Elementary and Secondary Education

**Capital - Davies Advanced Manufacturing.** The Governor recommends total funding of \$3.7 million from Rhode Island Capital Plan funds for renovations to the Advanced Manufacturing program at Davies Career and Technical School, consistent with the approved capital plan. While renovations were completed in FY 2019, the Governor includes \$0.6 million for FY 2020 for remaining project invoices. Based on projections, H 7170, Substitute A reduces funding by \$21,700.

**Capital - Davies Asset Protection.** The Governor recommends \$2.0 million from Rhode Island Capital Plan funds for FY 2020 through FY 2025 for asset protection projects at Davies Career and Technical School. Based on anticipated FY 2020 expenditures of \$0.1 million, H 7170, Substitute A reduces funding by \$45,000.

**Capital - Davies HVAC.** The Governor recommends \$2.5 million from Rhode Island Capital Plan funds from FY 2020 through FY 2023 to repair the HVAC system at the Davies Career and Technical School. Work on the third-floor freshman wing was completed in FY 2018; remaining repairs have been contingent upon funding for more significant renovations. As the project is not expected to incur any expenses in FY 2020, H 7170, Substitute A reduces funding by \$0.2 million.

**Centralized Services Distribution.** For the Department, the enacted budget includes \$122,618 from general revenues for information technology services. H 7170, Substitute A includes \$39,155 less from general revenues based on billings through May.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. Based on expenses through June 12, H 7170, Substitute A includes \$135,000 from federal relief funds for information technology expenses for the Department of Elementary and Secondary Education.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$0.2 million of personnel costs from general revenues to federal funds based on the Department’s staff time responding directly to the COVID-19 emergency.

**Education Stabilization Funds - Aid to Districts.** H 7170, Substitute A includes \$50.0 million more from all sources for aid to local education agencies. This includes \$41.7 million from new federal education stabilization funds available through the CARES Act, offset by a like reduction to general revenues. Funds will be distributed to local education agencies in proportion to the FY 2019 distribution of Title-I A funds. It also includes \$50.0 million from the state’s share of federal coronavirus relief funds, which would be distributed to local education agencies in the same manner.

**Education Stabilization Funds - Department/Other.** H 7170, Substitute A adds the \$4.4 million from all sources for administration of the new federal education stabilization funds available through the CARES Act. This includes \$0.2 million for administrative expenses, offset by a similar reduction of general revenues. Remaining funds may be used for other emergency needs in response to the coronavirus pandemic or awarded to districts.

**Pre-K Program Support.** Based on the Department’s third quart report, H 7170, Substitute A includes \$0.1 million less for the early education category of education aid, reflecting fewer anticipated Department program expenses.

**PSAT/SAT.** Based on the Department’s third quarter report, H 7170, Substitute A excludes \$0.6 million for administration of the PSAT and SAT tests including \$0.5 million from general revenues. The coronavirus epidemic led to the shift of elementary and secondary instruction to virtual learning and cancelation of spring state testing.

**School Construction Excess.** Consistent with the enacted budget, the Governor recommends \$80.0 million from general revenues for school construction aid, including \$78.9 million for the traditional program and

\$1.1 million for the School Building Authority Capital Fund. Actual project reimbursements through the traditional program are now expected to be \$78.6 million, and H 7170, Substitute A reduces expenses by \$0.3 million to capture these savings.

**Statewide Transportation System (Q3).** Restricted receipts are collected from school districts for transportation expenditures incurred through the statewide transportation system, less aid provided through the non-public transportation category of education aid. School districts reimburse the state for its share of costs, offsetting this expenditure, which are paid into a restricted receipt account. As schools have moved to virtual learning through the end of June, transportation expenses are expected to be less than projected in the Governor’s revised budget. Based on the Department’s third quarter report, H 7170, Substitute A reduces restricted receipt expenses for the statewide student transportation system by \$3.8 million.

**Turnover and Operating.** Based on the Budget Office third quarter report, H 7170, Substitute A includes general revenue savings of \$0.2 million from turnover and operating expenses for FY 2020.

### Higher Education

**Centralized Services Distribution.** The Governor’s revised recommendation includes \$10,324 from general revenues for centralized information technology expenses as well as excess funding in the Department of Administration’s budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur by adding \$25,572 from general revenues, based on spending through the third quarter.

**Higher Education Stabilization Funds - GR to MOE.** As part of the Coronavirus Aid, Relief, and Economic Security Act Higher Education Relief Fund, the three public higher education institutions, the Community College of Rhode Island, Rhode Island College, and the University of Rhode Island, are to receive \$29.5 million in federal aid for use as student aid and institutional needs. Other funds awarded by the CARES Act require a maintenance of effort for higher education of the past three year average. Excluding debt service, the Governor’s recommendations for FY 2020 revised and FY 2021 exceed the average support for higher education by \$15.9 million and \$17.5 million respectively. H 7170, Substitute A shifts \$15.0 million for FY 2020 revised from general revenues to \$29.5 million in new federal relief funding and other available sources. This includes net increases of \$5.7 million for the University, \$3.8 million for the College, and \$5.1 million for the Community College.

**Promise May Update.** Based on the May update from the Community College, H 7170, Substitute A includes \$0.1 million less from general revenues for the Promise program. This reflects a payment of \$3.6 million for the fall 2019 semester and a payment of \$3.2 million for the spring 2020 semester.

### Arts Council

**Centralized Services Distribution.** The Governor’s revised recommendation includes \$45,750 for centralized service expenses, including human resources, information technology, and facilities management in the Council’s budget as well as excess funding in the Department of Administration’s budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur by adding \$9,720 from general revenues based on spending through the third quarter.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from

employment or business interruptions. The Governor's recommended budget included \$0.6 million from federal funds for grants to artists and arts organizations. As of June 12, the Council has spent over \$1.0 million, including more than \$0.3 million for its artist relief fund and grants for operating support to nonprofit arts organizations. H 7170, Substitute A includes \$0.4 million more from federal funds.

**Percent for Arts Alignment.** The Governor's recommended budget included \$0.6 million of Percent for Arts spending for public works of art at state facilities. Based on projected expenditures, H 7170, Substitute A reduces that amount by \$0.1 million.

### **Historical Preservation & Heritage Commission**

**Centralized Services Distribution.** For the Historical Preservation and Heritage Commission, the enacted budget includes \$0.2 million from all sources for its share of centralized services, including \$0.1 million for facilities management, and \$0.1 million for information technology services. The Governor's revised budget is essentially consistent with the enacted budget but there is excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur by adding \$0.2 million more from general revenues based on billings through the third quarter.

### **Attorney General**

**Capital - Building Renovations and Repairs.** The Governor recommends \$150,000 from Rhode Island Capital Plan funds for asset protection projects for FY 2020. Based on anticipated expenditures, H 7170, Substitute A includes \$80,000 less.

**Centralized Services Distribution.** H 7170, Substitute A adds \$2,586 from general revenues to the Governor's revised recommendation for centralized information technology services in the Office of the Attorney General. This brings total funding to \$41,076 based on billings through the third quarter.

### **Corrections**

**Capital - Asset Protection.** H 7170, Substitute A includes \$4.0 million from Rhode Island Capital Plan funds for asset protection work in FY 2020, which is \$1.0 million less than the Governor's revised recommendation reflecting the Department's third quarter projections.

**Centralized Services Distribution.** The Governor's revised recommendation includes \$11.5 million for centralized services expenses, including human resources, information technology and facilities management in the Department's budget as well as excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur by adding \$2.1 million from general revenues based on spending through the third quarter.

**Corrections Class.** The Department's third quarter report indicated that Correctional Officer Class 83, for which the Governor's budget includes \$0.3 million based on a March start, would be delayed until FY 2021 because of the COVID-19 emergency. H 7170, Substitute A reduces general revenues by \$0.3 million to reflect the delay.

**COVID Operating.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from

employment or business interruptions. H 7170, Substitute A includes \$1.2 million from federal funds for operating expenses incurred as the result of the coronavirus based on spending through June 12. This includes costs for cleaning and personal protective equipment.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A includes \$2.1 million from federal funds from the coronavirus relief fund for staffing costs for correctional officers which includes reimbursing \$1.4 million of general revenue staffing costs that were incurred as the result of coronavirus and \$0.8 million in overtime costs.

**Population Savings.** The Governor's FY 2020 budget recommendation assumes a population of 2,671 inmates. Through the third quarter, the Department has averaged 2,646 inmates, 25 fewer than assumed in the Governor's budget. Based on spending through the third quarter, H 7170, Substitute A includes \$0.5 million less for inpatient and outpatient care, janitorial services, and medical testing based on a lower population. This includes \$0.1 million for the release of 52 inmates in the final quarter of FY 2020 related to the coronavirus.

**State Criminal Alien Assistance Program.** H 7170, Substitute A adds \$1.1 million for FY 2020 from State Criminal Alien Assistance Program federal funds based on the FY 2020 actual award from the Department of Justice. The Governor's recommendation is consistent with the FY 2019 award, but the actual award was provided in the spring and was noted in the Department's third quarter report. As these funds are used to substitute for state support, H 7170, Substitute A reduces general revenues by a like amount.

**Turnover.** H 7170, Substitute A includes \$1.7 million less from general revenues for staffing at the Department, including \$1.2 million related to correctional officers and \$0.5 million from other positions based on spending through the third quarter, largely the result of the hiring freeze implemented in response to the coronavirus.

## Judicial

**Capital - Noel Shelled Courtroom Build Out.** H 7170, Substitute A adds \$0.4 million from Rhode Island Capital Plan funds to FY 2020 for the Judiciary's Noel Shelled Courtroom Build Out project based on spending and encumbrances for the year. The Governor's capital budget recommendation was \$1.2 million less than the approved plan. This would provide \$1.4 million for FY 2020 to complete the project.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A adds \$1.5 million from federal funds to account for these expenses. As of June 12, the Judiciary had spent \$0.9 million and had encumbered another \$0.6 million. The majority of expenses have been computers and related technology for working remotely.

**Indigent Defense.** H 7170, Substitute A reduces general revenue expenditures for indigent defense services by \$0.3 million based on projected expenditures. This program assigns private attorneys to clients that the

Office of the Public Defender is unable to provide legal representation services to because of conflicts of interest. The courts were closed because of the COVID-19 emergency for most of April and May, except for emergency hearings. This would provide \$4.4 million for FY 2020.

**Shift Expenditures to Available Restricted Receipts.** Based on available balances in the Judiciary's indirect cost recovery account, H 7170, Substitute A shifts \$0.5 million of general revenue expenditures to restricted receipts in the current year. The Judiciary ended FY 2019 with a balance of \$1.9 million. Based on projected revenues and expenditures, the Judiciary would end FY 2020 with a balance of \$1.5 million instead of \$2.0 million under the Governor's proposal.

**Turnover.** Based on spending through the third quarter of FY 2020, H 7170, Substitute A includes general revenue turnover savings of \$0.7 million for the Judiciary. This is equivalent to approximately six full-time equivalent positions. As of the pay period ending April 25, the Judiciary had 41.4 vacant positions. The Governor's budget assumed turnover equivalent to 19.8 full-time equivalent positions.

### **Military Staff**

**Capital - Asset Protection.** The Governor's revised budget includes \$0.9 million from Rhode Island Capital Plan funds in the current year for asset protection projects. H 7170, Substitute A includes \$0.3 million less, consistent with projections in the agency's third quarter report.

**Capital - Middletown Armory Addition.** The Governor recommends \$1.0 million from Rhode Island Capital Plan funds for the purchase of land near the Middletown Armory. H 7170, Substitute A includes \$4,000 less based on the actual cost of the land purchase.

**Centralized Services Distribution.** The Governor recommends \$0.2 million for the Military Staff's share of centralized services. H 7170, Substitute A adjusts these funds to properly reflect the Military Staff's share of these services. Based on spending through the third quarter, the Military Staff is projected to spend \$11,839 less than recommended, including \$10,026 less from federal funds and \$1,813 less from general revenues.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. The state active duty National Guard was activated by the Governor on March 20, 2020 and the agency's third quarter report projects the state share of those costs to be \$1.8 million. H 7170, Substitute A includes \$1.8 million from federal funds for this expense.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$84,324 of personnel costs from general revenues to federal funds based on the Military Staff's staff time responding directly to the COVID-19 emergency.

**Turnover and Operating.** H 7170, Substitute A includes \$1.3 million less than the Governor's revised recommendation for staffing and other expenses, including \$0.6 million from general revenues and \$0.8 million from federal funds to reflect spending through the third quarter.

## Public Safety

**Capital - Asset Protection.** H 7170, Substitute A reduces Rhode Island Capital Plan funds by \$0.1 million for the Department of Public Safety's asset protection project based estimated spending, which would provide \$0.7 million for FY 2020.

**Capital - State Police Training Academy Upgrades.** H 7170, Substitute A reduces Rhode Island Capital Plan funds by \$0.3 million for the Training Academy Upgrade project based estimated spending, which would provide \$0.4 million for FY 2020.

**Centralized Services Distribution.** For the Department of Public Safety, the enacted budget includes \$1.3 million from all sources for its share of centralized services, including \$0.1 million for facilities management, \$0.4 million for information technology services, and \$0.8 million for human resources. The Governor's revised budget is \$0.1 million more than the enacted budget as well as excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur including \$0.2 million more from all sources of which \$0.1 million is from general revenues based on billings through the third quarter.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$22.5 million of salary and benefit expenses from general revenues to federal COVID-19 funding for the Department of Public Safety.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. Based on actual and projected spending as of June 12, H 7170, Substitute A includes \$0.2 million from federal funds for cleaning supplies, protective equipment, and additional supplies for the Department of Public Safety.

**Road Construction Reimbursements.** H 7170, Substitute A includes \$0.1 million more from road construction reimbursements from the Department of Transportation to reflect technical corrections to the Governor's recommended budget.

**Turnover and Overtime.** H 7170, Substitute A includes \$1.6 million in general revenue turnover and overtime savings based on the Budget Office's third quarter report. The Department is experiencing a higher than anticipated level of vacancies.

## Public Defender

**Caseload Backlog.** The Governor's recommendation includes \$100,000 from general revenues for the Public Defender to assist the Office of the Attorney General in clearing a backlog of cases that it reported in April 2019. The backlog has been cleared without the need for the additional funding and H 7170, Substitute A reduces general revenues accordingly.

**COVID-19 Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A adds \$80,000 from federal funds to account for these expenses. As of June 12, the Office had spent \$73,120. The majority of expenses have been computers for working remotely.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$49,081 of personnel costs from general revenues to federal funds based on the Office’s staff time responding directly to the COVID-19 emergency.

### **Emergency Management**

**Centralized Services Distribution.** The Governor’s revised recommendation includes \$0.1 million for centralized service expenses, including human resources, information technology, and facilities management in the Agency’s budget as well as excess funding in the Department of Administration’s budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur by adding \$175,223 from general revenues based on spending through the third quarter.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$0.2 million of personnel costs from general revenues to federal funds based on the agency’s staff time responding directly to the COVID-19 emergency.

**COVID-19 Expenses.** Under current federal law, the Stafford Act authorizes the President to provide federal assistance when the magnitude of an incident exceeds a government’s capabilities to respond or recover. On March 13, 2020, the President declared that an emergency exists nationwide as a result of COVID-19 beginning on January 20, 2020. The Stafford Act constitutes the statutory authority for most federal disaster response activities as they pertain to Federal Emergency Management Agency (FEMA) programs. Under this declaration, Rhode Island would qualify for reimbursement of 75 percent of certain expenses. According to the state’s accounting system, as of June 12, \$123.0 million has been spent or encumbered by the Rhode Island Emergency Management Agency, the majority on ventilators and personal protective equipment. H 7170, Substitute A adds \$130.0 million from federal funds to account for these expenses.

### **Environmental Management**

**Centralized Services Distribution.** For the Department of Environmental Management, the enacted budget includes \$2.3 million from all sources for its share of centralized services, including \$45,000 for facilities management, \$1.6 million for information technology services, and \$0.6 million for human



resources. The Governor's revised budget is essentially consistent with the enacted budget but there is excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur, by adding \$0.6 million more from general revenues based on billings through the third quarter.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A includes \$1.2 million from federal funds from the coronavirus relief fund to offset general revenues for staffing costs for the Department incurred as the result of the coronavirus.

**Eastern Equine Encephalitis (EEE).** As part of its revised request, the Department requested \$0.4 million from general revenues for Eastern Equine Encephalitis Prevention efforts that occurred earlier in FY 2020 for which the enacted budget included no funding. The Department conducted aerial spraying throughout the state in September 2019. The Governor did not recommend funding assuming the Department is reducing its costs elsewhere to cover this expense. H 7170, Substitute A adds \$0.4 million from general revenues.

**Other COVID-Related.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. Based on projected and actual spending as of June 12, H 7170, Substitute A includes \$0.5 million from federal relief funds for signs informing visitors to state parks and beaches of social distancing guidelines and cleaning supplies.

**Turnover.** H 7170, Substitute A includes general revenue turnover savings of \$0.4 million for FY 2020 based on the Department of Environmental Management's current staffing and projected spending through the third quarter.

### **Coastal Resources Management Council**

**Capital - Narragansett Bay SAMP.** H 7170, Substitute A removes \$0.1 million from Rhode Island Capital Plan funds for FY 2020 for the Narragansett Bay Special Area Management Plan. The Council expects total expenditures to not exceed \$0.1 million of the \$0.2 million recommended by the Governor.

**Centralized Services Distribution.** The Governor's revised recommendation includes \$17,366 from general revenues for centralized information technology expenses as well as excess funding in the Department of Administration's budget for expected increased costs in other agencies. H 7170, Substitute A reduces the excess funding and allocating expenditures where they occur by adding \$1,487 from general revenues, based on spending through the third quarter.

### **Transportation**

**Capital - Maintenance Capital Equipment Replacement.** The capital budget includes a total of \$7.1 million from all sources, of which \$1.5 million is from Rhode Island Capital Plan funds and \$5.6 million is from gasoline tax proceeds to replace capital equipment in FY 2020. This project involves the purchase of heavy trucks, sweepers, loaders, backhoes and tractors to replace the Maintenance Division's existing fleet.

H 7170, Substitute A includes \$0.1 million less from Rhode Island Capital Plan funds based on projected expenditures.

**Capital - Maintenance Facilities Improvement.** The revised budget includes \$0.9 million from Rhode Island Capital Plan funds for FY 2020 to make repairs at its seven maintenance facilities throughout the state and its headquarters in Warwick. Improvements would include pavement repair, replacement and repairs of heating, ventilation and air conditioning systems, roof repairs and improvements to windows and garage doors at several facilities. Based on projected expenditures, H 7170, Substitute A includes \$0.6 million.

**Capital - RIPTA College Hill Bus Tunnel.** The capital budget includes \$1.9 million from Rhode Island Capital Plan funds, including \$0.8 million for FY 2020 to match \$7.7 million from federal funds to make structural and drainage repairs, and safety improvements to the College Hill Bus Tunnel. The Authority will receive \$91.2 million from the CARES Act for transit projects, and will now be able to free up other resources to use as match for this project. H 7170, Substitute A removes the Rhode Island Capital Plan funds to reflect this.

**Capital - Train Station Maintenance & Repairs.** Based on anticipated expenditures, H 7170, Substitute A includes \$0.1 million or \$250,000 less from Rhode Island Capital Plan funds for FY 2020 for repairs at three train stations: Woonsocket, Kingston and Westerly.

**Centralized Services.** Based on projected expenditures, H 7170, Substitute A reduces expenses for the Department of Transportation's share of centralized facilities management, human resources support and information technology services by \$1.0 million, for which the revised budget included \$7.3 million. At the end of April, expenditures were \$4.2 million, \$3.1 million below the revised budget. FY 2019 expenditures were \$4.6 million and the revised budget is \$2.7 million above that.

**COVID Expenses.** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to "second-order" effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A adds \$0.5 million from federal funds to account for these expenses. As of June 12, the Department had spent \$0.3 million. The majority of expenses have been for cleaning supplies for the Maintenance Division and other expenses in the Department.

**COVID Related Personnel Costs.** The federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are allowable expenses as are those to facilitate compliance with COVID-19 related public health measures. H 7170, Substitute A shifts \$0.2 million of personnel costs from gasoline tax proceeds to federal funds based on the Department's staff time responding directly to the COVID-19 emergency.

**Gas Tax GARVEE Bonds Yield.** H 7170, Substitute A decreases gasoline tax expenditures for the Department of Transportation by \$0.7 million to reflect a downward revision of the gasoline tax yield estimate. The adjustment will decrease the debt service payment for the Department's GARVEE bonds, which are paid for with the equivalent of two cents of the gasoline tax.

**Gas Tax TBA Yield.** H 7170, Substitute A adjusts available gasoline tax in the Department of Transportation based on a decreased transfer to the Rhode Island Turnpike and Bridge Authority of \$1.2 million to reflect a downward revision to the gasoline tax yield estimate.

**Public Utilities Access Permit Fee.** The revised budget includes the enacted amount of \$500,000 in receipts charged to utility companies for accessing the Department's rights-of-way. Subsequently, the Department indicated that utility companies are now fixing rights-of-way to its standards; a fee will not be implemented at this time. H 7170, Substitute A adjusts expenditures accordingly.

**RIPTA - Gas Tax Yield and HMA Adjustments.** H 7170, Substitute A transfers of \$51.0 million from gasoline tax proceeds and highway maintenance funds to the Rhode Island Public Transit Authority. This is \$3.7 million less than the revised budget, including \$3.4 million less to reflect a downward revision to the gasoline tax yield estimate and \$0.3 million less for the Authority's share of the highway maintenance account based on updated estimates.

**Turnover Savings.** H 7170, Substitute A includes \$2.0 million in turnover savings from federal funds based on projected salary and benefit costs for which the FY 2020 revised budget included \$92.0 million from all sources. The turnover savings is equivalent to approximately 17 vacancies. Average filled positions through the pay period ending March 14 were 729.5 full-time equivalent positions, or 25.5 positions below the authorized level of staffing. The revised budget assumed turnover savings of 12.5 positions.

**Winter Maintenance.** Based on projected expenditures, H 7170, Substitute A reduces expenses for winter maintenance operations by \$6.0 million for which the FY 2020 revised budget includes \$21.3 million from gasoline tax proceeds. Expenditures through the end of May totaled \$15.0 million, \$6.3 million below the revised budget.



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# **Section III**

## **Education Aid**

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## Education Aid

The revised budget contained in 2020-H 7170, Substitute A includes a total of \$1,259.8 million for FY 2020 education aid from all sources of funds for distribution to districts including charter and state schools. The budget adjusts for updated group home and charter school aid consistent with current law requirements, and includes adjustment to two categories of education based on projected expenses. H 7170, Substitute A shifts \$41.7 million from general revenues to federal education stabilization funds authorized under the Coronavirus Aid, Relief and Economic Security (CARES) Act. It also includes an additional \$50.0 million from federal COVID-19 relief funds to be distributed to local education agencies in proportion with federal education stabilization funds.

Education Aid	FY 2020 Enacted	FY 2020 Revised	H 7170 Sub. A	Sub. A Chg. to Enacted	Sub. A Chg. to Revised
<b>Operating Aid</b>					
Local Districts	\$ 807,609,544	\$ 807,609,544	\$ 807,609,544	\$ -	\$ -
Central Falls	41,476,650	41,976,650	41,976,650	500,000	-
Met School*	9,342,007	9,342,007	9,342,007	-	-
Davies Career & Technical*	13,694,981	13,694,981	13,694,981	-	-
Charter Schools	100,979,327	101,063,056	101,063,056	83,729	-
UCAP	1,539,913	1,539,913	1,539,913	-	-
Group Homes Funding	3,233,153	3,267,153	3,267,153	34,000	-
<b>Subtotal</b>	<b>\$ 977,875,576</b>	<b>\$ 978,493,305</b>	<b>\$ 978,493,306</b>	<b>\$ 617,729</b>	<b>\$ -</b>
<b>Other Adjustments</b>					
Audit Adjustment	\$ 1,850,065	\$ 1,850,065	\$ 1,850,065	\$ -	\$ -
COVID-19 Relief Funds	-	-	49,968,307	49,968,307	49,968,307
<b>Adjusted Subtotal</b>	<b>\$ 979,725,641</b>	<b>\$ 980,343,370</b>	<b>\$ 1,030,311,679</b>	<b>\$ 50,586,036</b>	<b>\$ 49,968,307</b>
<b>Categorical Funding</b>					
High Cost Special Education	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	\$ -	\$ -
Career and Technical	4,500,000	4,500,000	4,500,000	-	-
Early Childhood	14,850,000	14,850,000	14,705,197	(144,803)	(144,803)
Non-Public Transportation	3,038,684	3,038,684	3,038,684	-	-
Regional District Transportation	4,622,676	4,622,676	4,622,676	-	-
Multilingual Learners	5,000,000	5,000,000	5,000,000	-	-
School Resource Officer Support	1,000,000	325,000	325,000	(675,000)	-
<b>Subtotal</b>	<b>\$ 37,511,360</b>	<b>\$ 36,836,360</b>	<b>\$ 36,691,557</b>	<b>\$ (819,803)</b>	<b>\$ (144,803)</b>
<b>Set-Aside Funds</b>					
Textbook Loans	\$ 240,000	\$ 56,251	\$ 56,251	(183,749)	\$ -
School Breakfast	270,000	270,000	270,000	-	-
Recovery High School	500,000	500,000	500,000	-	-
<b>Subtotal</b>	<b>\$ 1,010,000</b>	<b>\$ 826,251</b>	<b>\$ 826,251</b>	<b>\$ (183,749)</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 1,018,247,001</b>	<b>\$ 1,018,005,981</b>	<b>\$ 1,067,829,487</b>	<b>\$ 49,582,484</b>	<b>\$ 49,823,504</b>
<b>Other Aid</b>					
Teacher Retirement	\$ 112,337,502	\$ 112,337,502	\$ 112,337,502	\$ -	\$ -
Construction Aid	78,984,971	78,984,971	78,649,186	(335,785)	(335,785)
School Building Authority Fund	1,015,029	1,015,029	1,015,029	-	-
<b>Statewide Total</b>	<b>\$ 1,210,584,504</b>	<b>\$ 1,210,343,484</b>	<b>\$ 1,259,831,201</b>	<b>\$ 49,246,699</b>	<b>\$ 49,487,719</b>

*\*Only reflects operating support consistent with other school districts. Capital projects funded from Rhode Island Capital Plan funds appear in the Department of Elementary and Secondary Education's operating budget.*

The total aid to districts and changes to the FY 2020 enacted budget are shown in the tables at the end of this section. The major changes that correspond to the table above are described in the paragraphs that follow.

## General Revenue Changes

**Charter School Update.** State law provides for a mid-year adjustment for charter schools that experience a 10.0 percent or greater change in enrollment as of October of each year. Consistent with the revised recommendation, H 7170, Substitute A includes \$83,729 more than enacted for that adjustment.

**Group Home Aid.** Current law requires the count of beds that are open as of December 31 for the budget year's aid, meaning if additional beds open, a supplemental appropriation is required. Consistent with the revised recommendation, H 7170, Substitute A includes \$34,000 more than enacted based on the bed count as of December 31 to reflect new beds in Bristol-Warren.

**Central Falls School District.** The Council on Elementary and Secondary Education requested \$0.5 million more than enacted from general revenues for Central Falls School District stabilization funding. The school district reportedly experienced an unexpected influx of approximately 300 new students subsequent to enactment of the FY 2020 budget. The revised request notes that the issue is compounded by a reported structural deficit, which had not been previously disclosed. Consistent with the revised recommendation, H 7170, Substitute A includes the funding.

**Early Childhood Education Aid.** The enacted budget includes \$14.9 million for the early childhood category of education aid which supports the state prekindergarten program. This includes \$14.1 million for classrooms and \$0.8 million for contracted services that support the program, such as professional development. Based on the Department's third quarter report, H 7170, Substitute A includes \$0.1 million less for program related expenses.

**School Resource Officer Aid.** The enacted budget includes \$1.0 million for the school resource officer category of education aid. The 2018 Assembly established a voluntary pilot program for a new category of education aid to support new school resource officers for a period of three years beginning in FY 2019; FY 2020 is the second year of funding. Consistent with the revised recommendation, H 7170, Substitute A includes \$0.7 million less for school resource officer aid based on current reimbursement requests. The remaining \$0.3 million of funds will support the state's share of seven officers in six districts.

**Textbook Loans.** The state currently reimburses districts for the cost of providing textbooks to non-public school students in the areas of English/language arts and history/social studies in kindergarten through 12<sup>th</sup> grade. Consistent with the revised recommendation, H 7170, Substitute A includes \$0.2 million less than enacted for textbook reimbursements reflecting actual requests from districts.

**School Construction Aid.** The enacted budget includes \$80.0 million for school construction aid, including \$79.0 million for traditional housing aid and \$1.4 million for the School Building Authority Capital Fund. Based on actual FY 2020 reimbursements of \$78.6 million, H 7170, Substitute A includes \$0.3 million less for traditional housing aid.

**General Revenues to Stabilization Funds.** H 7170, Substitute A reduces general revenues by \$41.7 million, which are offset with \$41.7 million from federal funds available through the Coronavirus Aid, Relief and Emergency Stability Act of 2020. The distribution of these funds are described separately.

## Federal Fund Change

**Stabilization Funds in lieu of General Revenues.** On March 27, President Trump signed the Coronavirus Aid, Relief and Economic Security (CARES) Act. The act requires that the state maintain support for both elementary and secondary education and public higher education at no less than the average level of aid from FY 2017 through FY 2019 for both FY 2020 and FY 2021 in order to be eligible for stabilization funds. H 7170, Substitute A includes use of \$41.7 million from federal education stabilization funds in lieu



of a like amount from general revenues. Local education agencies will receive funding based on their share of federal funds distributed under Title I, Part A of the Elementary and Secondary Education Act (ESEA) in FY 2019, consistent with federal requirements. Funding in H 7170, Substitute A exceeds the maintenance of effort requirement by \$36.0 million.

***COVID-19 Relief Funds.*** Rhode Island qualifies for at least a 75 percent reimbursement of certain expenses from the federal disaster declaration granted because of the COVID-19 pandemic. Additionally, the federal CARES Act adopted in response to the crisis provided \$1,250.0 million to Rhode Island for related expenditures incurred between March 1, 2020 and December 30, 2020, including responding directly to the emergency as well as to “second-order” effects, such as providing economic support to those suffering from employment or business interruptions. H 7170, Substitute A includes use of \$50.0 million to be distributed to local education agencies in proportion to new federal education stabilization funds, noted above. Local education agencies that received funds from the Paycheck Protection Program would have the value of that support deducted from any additional aid authorized through this section. None of the distribution tables show any such potential deductions.

### **Distribution Tables**

The following tables show the enacted distribution of FY 2020 aid by community, including charter and state schools, as well as new funds provided for in H 7170, Substitute A.

<i>District</i>	<i>FY 2020 Enacted Aid*</i>	<i>Current Law Updates</i>	<i>Central Falls Stabilization</i>	<i>General Revenues to Stabilization Funds</i>
Barrington	\$ 5,872,943	\$ -	\$ -	\$ (79,799)
Burrillville	13,164,631	-	-	(394,852)
Charlestown	1,543,508	-	-	-
Coventry	24,463,006	-	-	(623,392)
Cranston	65,623,892	-	-	(2,304,283)
Cumberland	21,686,834	-	-	(530,621)
East Greenwich	2,724,747	-	-	(69,858)
East Providence	36,282,710	-	-	(1,343,727)
Foster	1,214,958	-	-	(52,429)
Glocester	2,272,359	-	-	(149,926)
Hopkinton	5,170,111	-	-	-
Jamestown	465,975	-	-	(98,636)
Johnston	18,288,991	-	-	(660,667)
Lincoln	14,418,820	-	-	(476,313)
Little Compton	403,595	-	-	(33,278)
Middletown	7,592,462	-	-	(263,613)
Narragansett	2,255,835	-	-	(184,416)
Newport	12,580,979	-	-	(795,683)
New Shoreham	132,830	-	-	(12,538)
North Kingstown	10,492,830	-	-	(452,552)
North Providence	23,382,239	-	-	(720,309)
North Smithfield	5,884,223	-	-	(182,153)
Pawtucket	91,306,394	-	-	(3,618,740)
Portsmouth	4,048,900	-	-	(243,247)
Providence	263,818,881	-	-	(14,390,236)
Richmond	4,640,811	-	-	-
Scituate	2,824,310	-	-	(211,568)
Smithfield	6,457,531	-	-	(202,518)
South Kingstown	5,433,317	-	-	(352,990)
Tiverton	7,239,775	-	-	(194,599)
Warwick	38,761,116	-	-	(1,488,005)
Westerly	8,656,589	-	-	(552,501)
West Warwick	27,094,132	-	-	(961,349)
Woonsocket	63,980,831	-	-	(3,308,150)
Bristol-Warren	14,821,717	34,000	-	(485,476)
Exeter-West Greenwich	2,147,804	-	-	(142,555)
Chariho	6,419,481	-	-	(315,655)
Foster-Glocester	5,268,060	-	-	(90,511)
Central Falls	41,998,528	-	500,000	(1,575,794)
<b><i>District Subtotal</i></b>	<b>\$ 870,836,655</b>	<b>\$ 34,000</b>	<b>\$ 500,000</b>	<b>\$ (37,562,936)</b>
Charter Schools	101,454,547	83,729	-	(3,454,925)
State Schools	24,595,802	-	-	(671,097)
<b>Total</b>	<b>\$ 996,887,004</b>	<b>\$ 117,729</b>	<b>\$ 500,000</b>	<b>\$ (41,688,959)</b>

\*Includes adjustment for FY 2019 funding formula audit

<i>Stabilization</i>				
<i>Funds in lieu of</i>				
<i>District</i>	<i>General Revenues</i>	<i>COVID-19 Relief Funds</i>	<i>Total FY 2020 Revised Aid</i>	<i>Revised Change to Enacted</i>
Barrington	\$ 79,799	\$ 95,647	\$ 5,968,590	\$ 95,647
Burrillville	394,852	473,269	13,637,900	473,269
Charlestown	-	-	1,543,508	-
Coventry	623,392	747,197	25,210,202	747,197
Cranston	2,304,283	2,761,910	68,385,801	2,761,910
Cumberland	530,621	636,001	22,322,835	636,001
East Greenwich	69,858	83,732	2,808,479	83,732
East Providence	1,343,727	1,610,588	37,893,298	1,610,588
Foster	52,429	62,841	1,277,800	62,841
Glocester	149,926	179,701	2,452,059	179,701
Hopkinton	-	-	5,170,111	-
Jamestown	98,636	118,225	584,201	118,225
Johnston	660,667	791,875	19,080,865	791,875
Lincoln	476,313	570,908	14,989,728	570,908
Little Compton	33,278	39,886	443,482	39,886
Middletown	263,613	315,966	7,908,428	315,966
Narragansett	184,416	221,040	2,476,876	221,040
Newport	795,683	953,704	13,534,682	953,704
New Shoreham	12,538	15,028	147,858	15,028
North Kingstown	452,552	542,428	11,035,258	542,428
North Providence	720,309	863,361	24,245,600	863,361
North Smithfield	182,153	218,329	6,102,552	218,329
Pawtucket	3,618,740	4,337,415	95,643,809	4,337,415
Portsmouth	243,247	291,555	4,340,455	291,555
Providence	14,390,236	17,248,110	281,066,991	17,248,110
Richmond	-	-	4,640,811	-
Scituate	211,568	253,585	3,077,896	253,585
Smithfield	202,518	242,737	6,700,269	242,737
South Kingstown	352,990	423,093	5,856,410	423,093
Tiverton	194,599	233,246	7,473,020	233,246
Warwick	1,488,005	1,783,520	40,544,636	1,783,520
Westerly	552,501	662,227	9,318,816	662,227
West Warwick	961,349	1,152,271	28,246,403	1,152,271
Woonsocket	3,308,150	3,965,142	67,945,973	3,965,142
Bristol-Warren	485,476	581,891	15,437,608	615,891
Exeter-West Greenwich	142,555	170,866	2,318,669	170,866
Chariho	315,655	378,344	6,797,825	378,344
Foster-Glocester	90,511	108,486	5,376,546	108,486
Central Falls	1,575,794	1,888,743	44,387,271	2,388,743
<b>District Subtotal</b>	<b>\$ 37,562,936</b>	<b>\$ 45,022,865</b>	<b>\$ 916,393,520</b>	<b>\$ 45,556,865</b>
Charter Schools	3,454,925	4,141,067	105,679,343	4,224,796
State Schools	671,097	804,375	25,400,177	804,375
<b>Total</b>	<b>\$ 41,688,959</b>	<b>\$ 49,968,307</b>	<b>\$ 1,047,473,039</b>	<b>\$ 50,586,036</b>



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# **Section IV**

## **Summary Tables**

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## Expenditures from All Funds

	FY 2019 Spent	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>General Government</b>				
Administration	\$ 266,429,354	\$ 327,880,776	\$ 350,706,747	\$ 362,384,772
Business Regulation	22,926,425	26,363,657	26,402,274	24,952,193
Executive Office of Commerce	53,240,311	59,996,451	56,768,113	42,065,009
Labor and Training	433,781,694	449,014,095	459,193,877	1,904,291,040
Revenue	577,205,401	643,187,244	656,228,411	653,391,267
Legislature	40,798,614	45,636,115	52,768,810	45,609,862
Lieutenant Governor	1,108,949	1,147,816	1,145,892	1,150,903
Secretary of State	11,131,156	11,001,157	11,755,090	12,577,440
General Treasurer	42,045,578	42,655,641	42,420,937	41,845,937
Board of Elections	4,272,724	2,748,855	2,717,647	2,902,636
Rhode Island Ethics Commission	1,719,160	1,845,298	1,843,445	1,848,405
Governor's Office	5,624,462	6,093,211	6,086,325	6,110,685
Human Rights	1,743,539	1,917,005	1,907,748	1,854,573
Public Utilities Commission	9,125,173	11,382,980	11,369,924	11,399,924
<b>Subtotal - General Government</b>	<b>\$ 1,471,152,540</b>	<b>\$ 1,630,870,301</b>	<b>\$ 1,681,315,240</b>	<b>\$ 3,112,384,646</b>
<b>Human Services</b>				
Health and Human Services	\$ 2,601,568,379	\$ 2,690,732,762	\$ 2,668,890,776	\$ 2,733,991,630
Children, Youth and Families	248,168,752	229,859,090	256,223,531	254,891,280
Health	167,007,954	186,637,844	192,098,855	215,720,638
Human Services	594,233,703	638,343,380	618,533,697	640,377,135
BHDDH	422,854,603	463,195,456	467,752,247	480,459,235
Child Advocate	958,019	1,234,057	1,149,476	985,579
Deaf and Hard of Hearing	521,007	663,338	656,326	686,326
Commission on Disabilities	1,167,621	1,558,659	1,536,797	1,533,797
Mental Health Advocate	578,693	602,411	619,370	627,051
<b>Subtotal - Human Services</b>	<b>\$ 4,037,058,731</b>	<b>\$ 4,212,826,997</b>	<b>\$ 4,207,461,075</b>	<b>\$ 4,329,272,671</b>
<b>Education</b>				
Elementary and Secondary	\$ 1,436,464,723	\$ 1,491,082,208	\$ 1,506,053,093	\$ 1,555,177,092
Higher Education	1,190,951,203	1,247,926,398	1,256,096,148	1,270,538,532
Arts Council	3,021,503	3,438,248	3,376,559	3,641,279
Atomic Energy	1,350,027	1,495,094	1,423,754	1,423,754
Historical Preservation	2,087,992	2,595,330	2,595,475	2,752,578
<b>Subtotal - Education</b>	<b>\$ 2,633,875,448</b>	<b>\$ 2,746,537,278</b>	<b>\$ 2,769,545,029</b>	<b>\$ 2,833,533,235</b>



## Expenditures from All Funds

	FY 2019 Spent	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>Public Safety</b>				
Attorney General	\$ 44,034,948	\$ 33,287,718	\$ 36,820,501	\$ 36,743,087
Corrections	247,380,965	257,611,700	267,234,227	267,791,629
Judicial	119,750,863	127,492,559	126,698,912	127,598,912
Military Staff	36,306,284	41,148,960	42,639,287	42,777,546
Emergency Management	19,850,370	13,622,589	18,366,733	148,541,956
Public Safety	123,255,848	138,208,356	141,861,091	140,176,790
Public Defender	11,969,257	12,900,536	12,874,501	12,854,501
<b>Subtotal-Public Safety</b>	<b>\$ 602,548,535</b>	<b>\$ 624,272,418</b>	<b>\$ 646,495,252</b>	<b>\$ 776,484,421</b>
<b>Natural Resources</b>				
Environmental Management	\$ 77,221,763	\$ 102,118,898	\$ 103,530,687	\$ 104,589,853
CRMC	7,532,372	5,220,930	6,382,522	6,308,894
<b>Subtotal-Natural Resources</b>	<b>\$ 84,754,135</b>	<b>\$ 107,339,828</b>	<b>\$ 109,913,209</b>	<b>\$ 110,898,747</b>
<b>Transportation</b>				
Transportation	\$ 548,339,286	\$ 648,773,516	\$ 647,028,365	\$ 630,965,159
<b>Subtotal-Transportation</b>	<b>\$ 548,339,286</b>	<b>\$ 648,773,516</b>	<b>\$ 647,028,365</b>	<b>\$ 630,965,159</b>
<b>Total</b>	<b>\$ 9,377,728,675</b>	<b>\$ 9,970,620,338</b>	<b>\$ 10,061,758,170</b>	<b>\$ 11,793,538,879</b>

## Expenditures from General Revenues

	FY 2019 Spent	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>General Government</b>				
Administration	\$ 174,086,181	\$ 206,638,425	\$ 208,871,535	\$ 194,616,242
Business Regulation	16,364,148	17,896,681	17,815,293	16,951,991
Executive Office of Commerce	30,235,022	28,181,129	28,179,484	17,675,827
Labor and Training	15,403,217	14,679,932	14,673,124	14,113,689
Revenue	179,734,169	216,254,237	214,537,942	211,526,687
Legislature	39,348,617	43,804,101	50,963,049	43,804,101
Lieutenant Governor	1,108,949	1,147,816	1,145,892	1,150,903
Secretary of State	9,796,149	9,533,255	9,489,047	9,311,397
General Treasurer	2,926,332	3,037,551	2,965,993	2,965,993
Board of Elections	4,272,724	2,748,855	2,717,647	2,802,636
Rhode Island Ethics Commission	1,719,160	1,845,298	1,843,445	1,848,405
Governor's Office	5,624,462	6,093,211	6,086,325	5,507,308
Human Rights	1,298,536	1,353,591	1,350,221	1,297,046
Public Utilities Commission	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 481,917,666</b>	<b>\$ 553,214,082</b>	<b>\$ 560,638,997</b>	<b>\$ 523,572,225</b>
<b>Human Services</b>				
Health and Human Services	\$ 972,457,072	\$ 1,002,282,411	\$ 985,967,831	\$ 947,579,577
Children, Youth and Families	180,711,210	165,124,585	185,731,369	176,775,082
Health	30,324,520	30,968,921	30,925,000	23,130,443
Human Services	113,957,594	92,178,627	92,200,297	91,304,952
BHDDH	191,570,579	196,381,240	195,276,093	248,920,154
Child Advocate	815,011	986,701	970,275	870,221
Deaf and Hard of Hearing	447,102	533,338	524,519	494,519
Commission on Disabilities	864,209	1,055,069	1,080,665	1,075,665
Mental Health Advocate	578,693	602,411	619,370	627,051
<b>Subtotal - Human Services</b>	<b>\$ 1,491,725,990</b>	<b>\$ 1,490,113,303</b>	<b>\$ 1,493,295,419</b>	<b>\$ 1,490,777,664</b>
<b>Education</b>				
Elementary and Secondary	\$ 1,186,515,425	\$ 1,239,252,258	\$ 1,238,976,176	\$ 1,195,622,855
Higher Education	233,580,831	243,650,858	246,847,417	231,755,260
Arts Council	1,977,428	2,004,748	1,993,137	2,002,857
Atomic Energy	1,018,455	1,059,094	1,055,815	1,055,815
Historical Preservation	1,191,271	1,488,293	1,464,425	1,621,528
<b>Subtotal - Education</b>	<b>\$ 1,424,283,410</b>	<b>\$ 1,487,455,251</b>	<b>\$ 1,490,336,970</b>	<b>\$ 1,432,058,315</b>

## Expenditures from General Revenues

	FY 2019 Spent	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>Public Safety</b>				
Attorney General	\$ 25,581,021	\$ 28,675,203	\$ 28,633,277	\$ 28,635,863
Corrections	235,714,454	242,088,059	238,288,920	235,486,945
Judicial	99,950,290	105,213,960	105,318,280	103,818,280
Military Staff	2,836,265	3,219,493	2,914,664	2,267,625
Emergency Management	2,276,138	2,364,647	2,362,651	2,307,118
Public Safety	103,724,264	105,918,952	105,267,826	81,334,304
Public Defender	11,940,555	12,824,871	12,798,836	12,649,755
<b>Subtotal-Public Safety</b>	<b>\$ 482,022,987</b>	<b>\$ 500,305,185</b>	<b>\$ 495,584,454</b>	<b>\$ 466,499,890</b>
<b>Natural Resources</b>				
Environmental Management	\$ 41,449,798	\$ 43,623,975	\$ 43,542,012	\$ 42,934,315
CRMC	2,650,012	2,883,195	2,870,443	2,871,930
<b>Subtotal-Natural Resources</b>	<b>\$ 44,099,810</b>	<b>\$ 46,507,170</b>	<b>\$ 46,412,455</b>	<b>\$ 45,806,245</b>
<b>Transportation</b>				
Transportation	\$ -	\$ -	\$ -	\$ -
<b>Subtotal-Transportation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 3,924,049,863</b>	<b>\$ 4,077,594,991</b>	<b>\$ 4,086,268,295</b>	<b>\$ 3,958,714,339</b>

## Expenditures from Federal Grants

	FY 2019 Spent	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>General Government</b>				
Administration	\$ 4,361,893	\$ 4,152,873	\$ 4,078,271	\$ 45,472,914
Business Regulation	1,007,602	755,788	1,045,501	1,453,503
Executive Office of Commerce	11,267,298	17,611,003	14,384,462	10,185,015
Labor and Training	34,053,979	38,284,651	45,312,943	1,101,555,955
Revenue	1,490,088	1,969,581	2,272,923	2,550,526
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	885,018	1,016,230	1,810,000	2,810,000
General Treasurer	857,917	998,974	995,090	1,020,090
Board of Elections	-	-	-	100,000
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	603,377
Human Rights	445,003	563,414	557,527	557,527
Public Utilities Commission	177,972	178,002	175,928	205,928
<b>Subtotal - General Government</b>	<b>\$ 54,546,770</b>	<b>\$ 65,530,516</b>	<b>\$ 70,632,645</b>	<b>\$ 1,166,514,835</b>
<b>Human Services</b>				
Health and Human Services	\$ 1,601,101,956	\$ 1,664,521,164	\$ 1,623,177,530	\$ 1,726,642,736
Children, Youth and Families	65,129,697	59,986,948	66,785,484	74,669,520
Health	97,671,699	105,815,939	110,723,265	146,029,605
Human Services	471,030,698	514,400,576	496,475,895	518,036,621
BHDDH	223,313,113	260,425,869	264,661,112	227,155,334
Child Advocate	143,008	247,356	179,201	115,358
Deaf and Hard of Hearing	-	-	-	30,000
Commission on Disabilities	280,462	458,689	389,455	391,455
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 2,458,670,633</b>	<b>\$ 2,605,856,541</b>	<b>\$ 2,562,391,942</b>	<b>\$ 2,693,070,629</b>
<b>Education</b>				
Elementary and Secondary	\$ 207,170,775	\$ 213,293,458	\$ 224,414,365	\$ 320,952,625
Higher Education	7,973,800	8,000,000	8,240,807	37,775,348
Arts Council	690,648	762,500	743,422	1,098,422
Atomic Energy	-	-	-	-
Historical Preservation	721,863	557,028	566,643	566,643
<b>Subtotal - Education</b>	<b>\$ 216,557,086</b>	<b>\$ 222,612,986</b>	<b>\$ 233,965,237</b>	<b>\$ 360,393,038</b>

## Expenditures from Federal Grants

	FY 2019 Spent	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>Public Safety</b>				
Attorney General	\$ 12,936,592	\$ 3,552,999	\$ 7,006,860	\$ 7,006,860
Corrections	1,356,241	2,010,944	2,533,346	6,867,723
Judicial	3,055,636	3,144,740	3,470,252	4,970,252
Military Staff	27,534,473	34,354,996	33,913,980	35,038,278
Emergency Management	15,703,893	9,295,523	13,874,981	144,105,737
Public Safety	16,020,609	19,986,405	24,843,073	47,524,507
Public Defender	28,702	75,665	75,665	204,746
<b>Subtotal-Public Safety</b>	<b>\$ 76,636,146</b>	<b>\$ 72,421,272</b>	<b>\$ 85,718,157</b>	<b>\$ 245,718,103</b>
<b>Natural Resources</b>				
Environmental Management	\$ 20,965,162	\$ 32,309,520	\$ 32,166,793	\$ 33,833,656
CRMC	3,988,909	1,557,735	2,556,655	2,556,655
<b>Subtotal-Natural Resources</b>	<b>\$ 24,954,071</b>	<b>\$ 33,867,255</b>	<b>\$ 34,723,448</b>	<b>\$ 36,390,311</b>
<b>Transportation</b>				
Transportation	\$ 287,308,363	\$ 325,075,495	\$ 337,759,470	\$ 338,214,974
<b>Subtotal-Transportation</b>	<b>\$ 287,308,363</b>	<b>\$ 325,075,495</b>	<b>\$ 337,759,470</b>	<b>\$ 338,214,974</b>
<b>Total</b>	<b>\$ 3,118,673,069</b>	<b>\$ 3,325,364,065</b>	<b>\$ 3,325,190,899</b>	<b>\$ 4,840,301,890</b>

## Expenditures from Restricted Receipts

	FY 2019 Spent	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>General Government</b>				
Administration	\$ 13,988,611	\$ 24,412,178	\$ 45,320,414	\$ 38,495,870
Business Regulation	5,130,698	7,144,829	7,030,407	6,124,326
Executive Office of Commerce	4,312,991	4,754,319	4,754,167	4,754,167
Labor and Training	33,482,928	30,022,846	36,379,619	36,207,204
Revenue	1,957,888	3,605,253	3,705,613	3,708,895
Legislature	1,449,997	1,832,014	1,805,761	1,805,761
Lieutenant Governor	-	-	-	-
Secretary of State	449,989	451,672	456,043	456,043
General Treasurer	37,665,681	37,955,257	37,828,125	37,228,125
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	8,947,201	11,204,978	11,193,996	11,193,996
<b>Subtotal - General Government</b>	<b>\$ 107,385,984</b>	<b>\$ 121,383,346</b>	<b>\$ 148,474,145</b>	<b>\$ 139,974,387</b>
<b>Human Services</b>				
Health and Human Services	\$ 28,009,351	\$ 23,929,187	\$ 59,745,415	\$ 59,769,317
Children, Youth and Families	1,929,609	1,887,557	2,339,616	2,339,616
Health	39,011,735	49,452,984	50,050,590	46,160,590
Human Services	4,491,317	26,750,699	25,146,367	26,324,424
BHDDH	5,817,033	6,088,347	7,496,246	4,064,951
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	73,905	130,000	131,807	161,807
Commission on Disabilities	22,950	44,901	66,677	66,677
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 79,355,900</b>	<b>\$ 108,283,675</b>	<b>\$ 144,976,718</b>	<b>\$ 138,887,382</b>
<b>Education</b>				
Elementary and Secondary	\$ 38,321,218	\$ 37,427,492	\$ 40,978,695	\$ 37,145,954
Higher Education	2,468,913	3,767,896	3,679,334	3,679,334
Arts Council	5,776	45,000	45,000	45,000
Atomic Energy	10,075	99,000	25,036	25,036
Historical Preservation	29,972	421,439	422,100	422,100
<b>Subtotal - Education</b>	<b>\$ 40,835,954</b>	<b>\$ 41,760,827</b>	<b>\$ 45,150,165</b>	<b>\$ 41,317,424</b>

## Expenditures from Restricted Receipts

	FY 2019 Spent	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>Public Safety</b>				
Attorney General	\$ 5,367,335	\$ 909,516	\$ 1,030,364	\$ 1,030,364
Corrections	46,800	59,369	3,531,961	3,531,961
Judicial	10,581,559	13,007,786	12,942,436	13,442,436
Military Staff	34,908	55,000	55,000	55,000
Emergency Management	375,925	468,005	634,687	634,687
Public Safety	505,802	6,136,198	6,348,890	6,185,034
Public Defender	-	-	-	-
<b>Subtotal-Public Safety</b>	<b>\$ 16,912,329</b>	<b>\$ 20,635,874</b>	<b>\$ 24,543,338</b>	<b>\$ 24,879,482</b>
<b>Natural Resources</b>				
Environmental Management	\$ 12,221,760	\$ 16,060,848	\$ 17,189,655	\$ 17,189,655
CRMC	265,000	250,000	250,000	250,000
<b>Subtotal-Natural Resources</b>	<b>\$ 12,486,760</b>	<b>\$ 16,310,848</b>	<b>\$ 17,439,655</b>	<b>\$ 17,439,655</b>
<b>Transportation</b>				
Transportation	\$ 2,626,919	\$ 3,007,550	\$ 2,656,328	\$ 2,656,328
<b>Subtotal-Transportation</b>	<b>\$ 2,626,919</b>	<b>\$ 3,007,550</b>	<b>\$ 2,656,328</b>	<b>\$ 2,656,328</b>
<b>Total</b>	<b>\$ 259,603,846</b>	<b>\$ 311,382,120</b>	<b>\$ 383,240,349</b>	<b>\$ 365,154,658</b>

## Expenditures from Other Funds

	FY 2019 Spent	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>General Government</b>				
Administration	\$ 73,992,669	\$ 92,677,300	\$ 92,436,527	\$ 83,799,746
Business Regulation	423,977	566,359	511,073	422,373
Executive Office of Commerce	7,425,000	9,450,000	9,450,000	9,450,000
Labor and Training	350,841,570	366,026,666	362,828,191	752,414,192
Revenue	394,023,256	421,358,173	435,711,933	435,605,159
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	-	-	-	-
General Treasurer	595,648	663,859	631,729	631,729
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 827,302,120</b>	<b>\$ 890,742,357</b>	<b>\$ 901,569,453</b>	<b>\$ 1,282,323,199</b>
<b>Human Services</b>				
Health and Human Services	\$ -	\$ -	\$ -	\$ -
Children, Youth and Families	398,236	2,860,000	1,367,062	1,107,062
Health	-	400,000	400,000	400,000
Human Services	4,754,094	5,013,478	4,711,138	4,711,138
BHDDH	2,153,878	300,000	318,796	318,796
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	-	-	-	-
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 7,306,208</b>	<b>\$ 8,573,478</b>	<b>\$ 6,796,996</b>	<b>\$ 6,536,996</b>
<b>Education</b>				
Elementary and Secondary	\$ 4,457,305	\$ 1,109,000	\$ 1,683,857	\$ 1,455,658
Higher Education	946,927,659	992,507,644	997,328,590	997,328,590
Arts Council	347,651	626,000	595,000	495,000
Atomic Energy	321,497	337,000	342,903	342,903
Historical Preservation	144,886	128,570	142,307	142,307
<b>Subtotal - Education</b>	<b>\$ 952,198,998</b>	<b>\$ 994,708,214</b>	<b>\$ 1,000,092,657</b>	<b>\$ 999,764,458</b>



## Expenditures from Other Funds

	FY 2019 Spent	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>Public Safety</b>				
Attorney General	\$ 150,000	\$ 150,000	\$ 150,000	\$ 70,000
Corrections	10,263,470	13,453,328	22,880,000	21,905,000
Judicial	6,163,378	6,126,073	4,967,944	5,367,944
Military Staff	5,900,638	3,519,471	5,755,643	5,416,643
Emergency Management	1,494,414	1,494,414	1,494,414	1,494,414
Public Safety	3,005,173	6,166,801	5,401,302	5,132,945
Public Defender	-	-	-	-
<b>Subtotal-Public Safety</b>	<b>\$ 26,977,073</b>	<b>\$ 30,910,087</b>	<b>\$ 40,649,303</b>	<b>\$ 39,386,946</b>
<b>Natural Resources</b>				
Environmental Management	\$ 2,585,043	\$ 10,124,555	\$ 10,632,227	\$ 10,632,227
CRMC	628,451	530,000	705,424	630,309
<b>Subtotal-Natural Resources</b>	<b>\$ 3,213,494</b>	<b>\$ 10,654,555</b>	<b>\$ 11,337,651</b>	<b>\$ 11,262,536</b>
<b>Transportation</b>				
Transportation	\$ 258,404,004	\$ 320,690,471	\$ 306,612,567	\$ 290,093,857
<b>Subtotal-Transportation</b>	<b>\$ 258,404,004</b>	<b>\$ 320,690,471</b>	<b>\$ 306,612,567</b>	<b>\$ 290,093,857</b>
<b>Total</b>	<b>\$ 2,075,401,897</b>	<b>\$ 2,256,279,162</b>	<b>\$ 2,267,058,627</b>	<b>\$ 2,629,367,992</b>

## Full-Time Equivalent Positions

	FY 2019 Final	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>General Government</b>				
Administration	655.7	647.7	647.7	647.7
Business Regulation	161.0	161.0	161.0	161.0
Executive Office of Commerce	16.0	14.0	14.0	14.0
Labor and Training	409.7	390.7	390.7	390.7
Revenue	604.5	602.5	602.5	602.5
Legislature	298.5	298.5	298.5	298.5
Lieutenant Governor	8.0	8.0	8.0	8.0
Secretary of State	59.0	59.0	59.0	59.0
General Treasurer	89.0	89.0	89.0	89.0
Board of Elections	13.0	13.0	13.0	13.0
Rhode Island Ethics Commission	12.0	12.0	12.0	12.0
Governor's Office	45.0	45.0	45.0	45.0
Human Rights	14.5	14.5	14.5	14.5
Public Utilities Commission	53.0	52.0	52.0	52.0
<b>Subtotal - General Government</b>	<b>2,438.9</b>	<b>2,406.9</b>	<b>2,406.9</b>	<b>2,406.9</b>
<b>Human Services</b>				
Health and Human Services	192.0	186.0	186.0	186.0
Children, Youth and Families	629.5	621.5	642.5	621.5
Health	517.6	499.6	499.6	499.6
Human Services	1,030.1	1,038.1	1,038.1	1,038.1
BHDDH	1,304.4	1,189.4	1,189.4	1,189.4
Child Advocate	10.0	10.0	10.0	10.0
Deaf and Hard of Hearing	4.0	4.0	4.0	4.0
Commission on Disabilities	4.0	4.0	4.0	4.0
Mental Health Advocate	4.0	4.0	4.0	4.0
<b>Subtotal - Human Services</b>	<b>3,695.6</b>	<b>3,556.6</b>	<b>3,577.6</b>	<b>3,556.6</b>
<b>Education</b>				
Elementary and Secondary	321.1	325.1	325.1	325.1
Higher Education	4,394.3	4,384.3	4,384.3	4,384.3
Arts Council	8.6	8.6	8.6	8.6
Atomic Energy	8.6	8.6	8.6	8.6
Historical Preservation	15.6	15.6	15.6	15.6
<b>Subtotal - Education</b>	<b>4,748.2</b>	<b>4,742.2</b>	<b>4,742.2</b>	<b>4,742.2</b>

## Full-Time Equivalent Positions

	FY 2019 Final	FY 2020 Enacted	FY 2020 Gov. Rev.	H 7170 Sub. A
<b>Public Safety</b>				
Attorney General	237.1	239.1	239.1	239.1
Corrections	1,416.0	1,411.0	1,411.0	1,411.0
Judicial	723.3	726.3	726.3	726.3
Military Staff	92.0	92.0	92.0	92.0
Emergency Management	32.0	32.0	32.0	32.0
Public Safety	563.6	593.6	593.6	593.6
Public Defender	95.0	96.0	96.0	96.0
<b>Subtotal-Public Safety</b>	<b>3,159.0</b>	<b>3,190.0</b>	<b>3,190.0</b>	<b>3,190.0</b>
<b>Natural Resources</b>				
Environmental Management	395.0	394.0	394.0	394.0
CRMC	30.0	30.0	30.0	30.0
<b>Subtotal-Natural Resources</b>	<b>425.0</b>	<b>424.0</b>	<b>424.0</b>	<b>424.0</b>
<b>Transportation</b>				
Transportation	755.0	755.0	755.0	755.0
<b>Subtotal-Transportation</b>	<b>755.0</b>	<b>755.0</b>	<b>755.0</b>	<b>755.0</b>
<b>Total Positions</b>	<b>15,221.7</b>	<b>15,074.7</b>	<b>15,095.7</b>	<b>15,074.7</b>