

# House Fiscal Advisory Staff

---

## 2016-H 7454 Substitute A As Recommended by the House Finance Committee



Submitted to the 2016 House of Representatives

---

## House Committee on Finance

Hon. Hon. Marvin L. Abney  
Chair

Hon. Eileen S. Naughton  
Deputy Chair  
*Chair, Subcommittee on  
Human Services*

Hon. John M. Carnevale  
Vice Chair  
*Chair, Subcommittee on  
Public Safety*

Hon. Robert B. Jacquard  
Secretary  
*Chair, Subcommittee on  
Education*

Hon. Scott A. Slater  
*Chair, Subcommittee on  
General Government*

Hon. Deborah Ruggiero  
*Chair, Subcommittee on  
Environment/Transportation*

Hon. Gregg Amore

Hon. Jean-Phillipe Barros

Hon. Antonio Giarrusso

Hon. Joy Hearn

Hon. Jan Malik

Hon. Kenneth A. Marshall

Hon. Patricia L. Morgan

Hon. Michael Morin

Hon. Daniel P. Reilly

Hon. Patricia A. Serpa

Hon. Teresa Ann Tanzi

Hon. Carlos E. Tobon

---

## Table of Contents

---

<b>Introduction</b> .....	1
<b>Section I. Overview</b> .....	3
<b>Section II. Adjustments to Governor’s FY 2017 Budget</b>	
FY 2017 Expenditure Changes Table .....	21
Changes to Governor’s FY 2017 Budget.....	27
<b>Section III. Special Reports</b>	
State Aid to Cities and Towns .....	51
FY 2017 Education Aid .....	69
<b>Section IV. Adjustments to Governor’s Revised Budget</b>	
FY 2016 Expenditure Changes Table .....	75
Changes to Governor’s FY 2016 Revised Budget.....	79
<b>Section V. Summary Tables</b>	
Expenditures by All Funds.....	94
Expenditures from General Revenue .....	96
Expenditures from Federal Grants .....	98
Expenditures from Restricted Receipts.....	100
Expenditures from Other Funds .....	102
Full-Time Equivalent Positions .....	104
<b>Section VI. Article Explanations</b> .....	107



---

# **Introduction**

---



## Introduction

This document provides information concerning the FY 2017 budget contained in 2016-H7454, Substitute A as passed out of House Finance Committee on June 7. The sections that follow contain descriptions of the Committee's recommended changes to the Governor and current law. Section I, beginning on page 3, is a short summary of the budget.

Section II, beginning on page 21, presents the changes to the Governor's recommendations for FY 2017 introduced and referred to House Finance on February 3. It is followed by explanations of the items in the table. The explanations are numbered to correspond to the item numbers shown in the table.

Section III, beginning on page 51, contains State Aid to Cities and Towns and Education Aid.

Section IV, beginning on page 75, contains the changes to the Governor's revised budget which was included as Article 10 of 2016-H 7454. It is followed by explanations of the items in the table. The explanations are numbered to correspond to the item numbers shown in the table.

Section V, beginning on page 94, contains summary tables of general revenues by source, expenditures by agency by fund source, and full-time equivalent positions. The expenditure and full-time equivalent positions tables show values for the FY 2017 enacted budget, the final FY 2016 budget as reported by the House Finance Committee, the Governor's FY 2017 recommendations and the House Finance Committee's recommendations.

Section VI, beginning on page 107, contains brief descriptions of the articles contained in 2016-H 7454, Substitute A.

The names and telephone numbers of the House Fiscal Staff are listed below by their assignments. Please feel free to allow staff to assist you with any questions you may have concerning the budget.

### General Government Agencies

### Analyst and Phone Number (222)

Department of Administration .....	Chantale Sarrasin (2485)
Executive Office of Commerce .....	Abby E. McQuade (1303)
Department of Business Regulation.....	Abby E. McQuade (1303)
Department of Labor and Training .....	Liza Pinto (2059)
Department of Revenue .....	Abby E. McQuade (1303)
Legislature .....	Liza Pinto (2059)
Office of the Lieutenant Governor.....	John H. Hart (1386)
Office of the Secretary of State.....	Sharon Reynolds Ferland (1163)
Office of the General Treasurer .....	Liza Pinto (2457)
Rhode Island Board of Elections .....	Sharon Reynolds Ferland (1163)
Rhode Island Ethics Commission .....	Linda M. Haley (1164)
Office of the Governor.....	Chantale Sarrasin (2485)
Rhode Island Commission for Human Rights .....	John H. Hart (1386)
Public Utilities Commission .....	Abby E. McQuade (1303)

## Human Services Agencies

Office of Health and Human Services .....	Linda M. Haley (1164)
Department of Children, Youth and Families .....	Kyle Patterson (1162)
Department of Health.....	Chantale Sarrasin (2485)
Department of Human Services .....	Linda M. Haley (1164)
Behavioral Healthcare, Developmental Disabilities and Hospitals .....	Linda M. Haley (1164)
Office of the Child Advocate.....	Kyle Patterson (1162)
Commission on the Deaf and Hard of Hearing.....	Chantale Sarrasin (2485)
Governor’s Commission on Disabilities .....	Chantale Sarrasin (2485)
Office of the Mental Health Advocate.....	Linda M. Haley (1164)

## Education Agencies

Department of Elementary and Secondary Education .....	Liza Pinto (2059)
Public Higher Education .....	Kyle Patterson (1162)
Rhode Island Council on the Arts .....	Abby E. McQuade (1303)
Rhode Island Atomic Energy Commission .....	Kyle Patterson (1162)
Historical Preservation and Heritage Commission .....	Abby E. McQuade (1303)

## Public Safety Agencies

Office of the Attorney General .....	Linda M. Haley (1164)
Department of Corrections.....	Liza Pinto (2059)
Judicial Department .....	John H. Hart (1386)
Military Staff.....	John H. Hart (1386)
Rhode Island Emergency Management Agency .....	John H. Hart (1386)
Department of Public Safety .....	Abby E. McQuade (1303)
Office of the Public Defender .....	John H. Hart (1386)

## Natural Resources Agencies

Department of Environmental Management.....	John H. Hart (1386)
Coastal Resources Management Council.....	John H. Hart (1386)
Clean Water Finance Agency .....	John H. Hart (1386)
Narragansett Bay Commission .....	John H. Hart (1386)
Rhode Island Resource Recovery Corporation.....	John H. Hart (1386)

## Transportation Agencies

Department of Transportation.....	Chantale Sarrasin (2485)
Rhode Island Public Transit Authority .....	Chantale Sarrasin (2485)
Rhode Island Airport Corporation .....	Chantale Sarrasin (2485)



---

# **Section I**

## **Overview**

---



## Summary

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>Expenditures by Function*</b>				
General Government	\$ 1,432.5	\$ 1,523.2	\$ 1,533.9	\$ 1,503.9
Human Services	3,721.4	3,825.1	3,763.5	3,768.6
Education	2,408.0	2,445.3	2,520.7	2,521.9
Public Safety	534.7	560.2	560.0	556.8
Natural Resources	105.0	106.4	107.1	110.1
Transportation	463.8	480.9	479.5	478.5
<b>Total</b>	<b>\$ 8,665.4</b>	<b>\$ 8,941.1</b>	<b>\$ 8,964.8</b>	<b>\$ 8,939.7</b>
<b>Expenditures by Category*</b>				
Salaries and Benefits	\$ 1,638.9	\$ 1,638.1	\$ 1,684.8	\$ 1,685.7
Contracted Services	282.1	395.3	303.0	301.4
<b>Subtotal</b>	<b>\$ 1,921.0</b>	<b>\$ 2,033.4</b>	<b>\$ 1,987.8</b>	<b>\$ 1,987.0</b>
Other State Operations	775.9	843.7	879.8	859.9
Aid to Local Units of Government	1,248.4	1,240.1	1,282.1	1,294.2
Assistance, Grants, and Benefits	3,963.7	4,023.7	3,994.5	3,977.2
Capital	335.4	399.4	415.6	426.5
Capital Debt Service	203.5	201.9	227.5	224.8
Operating Transfers	217.5	198.8	177.4	170.1
<b>Total</b>	<b>\$ 8,665.4</b>	<b>\$ 8,941.1</b>	<b>\$ 8,964.8</b>	<b>\$ 8,939.7</b>
<b>Sources of Funds*</b>				
General Revenue	\$ 3,552.0	\$ 3,572.6	\$ 3,676.8	\$ 3,684.5
Federal Aid	2,947.3	3,085.3	2,967.2	2,957.3
Restricted Receipts	245.5	309.1	261.9	257.0
Other	1,920.7	1,974.2	2,058.9	2,040.9
<b>Total</b>	<b>\$ 8,665.4</b>	<b>\$ 8,941.1</b>	<b>\$ 8,964.8</b>	<b>\$ 8,939.7</b>
<b>FTE Authorization</b>	<b>15,118.4</b>	<b>15,116.3</b>	<b>15,227.3</b>	<b>14,944.6</b>

*\*Data in millions*

## Summary

The Governor's budget recommendations for FY 2017, along with her revisions to the FY 2016 enacted budget, are contained in 2016-H 7454, introduced on February 3, 2016. While most supporting documents were made available with the introduction, the Capital Budget was not provided until two weeks later, on February 17. By law the budget is due by the third Thursday in January, which was January 21, 2016 this year.

The 2004 Assembly amended the budget submission dates for the budget to be due on the third Thursday in January, or the first Thursday in February when a new Governor takes office. In prior years, it had been due the third Thursday in February. Governor Raimondo has included a proposal contained in Article 14 to delay the submission three weeks with an extra five weeks for new Governors.

The Governor recommended a total FY 2017 budget of \$8,964.8 million. Total expenditures increase \$299.3 million from the FY 2016 budget enacted by the 2015 Assembly, or 3.5 percent. Her FY 2016 revised budget totals \$8,975.1 million; FY 2015 expenditures were \$8,392.6 million.

The Governor's Budget includes \$3,676.8 million of expenditures funded from general revenues, \$124.8 million, or 3.5 percent more than the enacted general revenue funded budget. They are also \$100.3 million more than her revised recommendations.

The House Finance Committee recommends total expenditures of \$8,939.7 million, which is \$25.1 million less than the Governor recommended. It contains \$3,684.5 million from general revenues, which is \$7.8 million more than the Governor recommended.

<b>FY 2017</b>	<b>General</b>				
	<b>Revenue</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>All Funds</b>
FY 2016 Enacted	\$ 3,552.0	\$ 2,947.3	\$ 245.5	\$ 1,920.7	\$ 8,665.4
Governor	3,676.8	2,967.2	261.9	2,058.9	8,964.8
Change to Enacted	\$ 124.8	\$ 20.0	\$ 16.4	\$ 138.2	\$ 299.3
Percent Change	3.5%	0.7%	6.7%	7.2%	3.5%
<b>House Finance</b>	<b>\$ 3,684.5</b>	<b>\$ 2,957.3</b>	<b>\$ 257.0</b>	<b>\$ 2,040.9</b>	<b>\$ 8,939.7</b>
Change to Enacted	132.5	10.0	11.5	120.2	274.3
Percent Change	3.7%	0.3%	4.7%	6.3%	3.2%
Change to Governor	\$ 7.8	\$ (10.0)	\$ (4.9)	\$ (18.0)	\$ (25.1)
HFC Change to FY 2016	\$ 111.9	\$ (128.0)	\$ (52.1)	\$ 66.7	\$ (1.4)
Percent Change to FY 2016	3.1%	-4.1%	-16.8%	3.4%	0.0%
HFC Change to FY 2015	\$ 230.6	\$ 62.0	\$ 21.0	\$ 233.6	\$ 547.2
Percent Change to FY 2015	6.7%	2.1%	8.9%	12.9%	6.5%

General revenue expenditures recommended by the Committee are \$132.5 million, or 3.7 percent more than general revenues appropriated for FY 2016 by the 2015 Assembly. General revenue expenditures are \$111.9 million more than the FY 2016 revised budget also contained in 2016-H 7454, Substitute A.

The Budget Office estimates that in preparing the FY 2017 budget, the Governor faced a projected revenue-expenditure gap of about \$190 million. This was higher than the House Fiscal Staff projections based on differing Budget Office assumptions. That gap was significantly reduced by increased resources from the FY 2015 closing and consensus revenue estimates, partially offset by overspending.

The Governor's budget resolves much of the deficit through revenue items, a majority of which are non-recurring. There are numerous spending changes in human service agencies which amount to a reduction that appears to be structural in nature.

The House Finance Committee's Budget does not resolve the out-year budget gaps, though like the Governor's budget, it does continue investment in programs designed to position the state for more growth than currently assumed in the five-year economic forecast. While it does include an additional revenue item with a greater out year cost, it does reduce the total debt put before the voters by \$50 million and decline to fund many new programs that would increase out year spending. This limits the number of items for which there are growing out-year costs compared to the Governor's budget.

Additionally, because of the increase in available resources in FY 2016 following the May revenue and caseload conferences, an even larger surplus is carried forward to FY 2017. These one-time funds were first used to substitute for many of the one-time resources the Governor had proposed using to balance her budget.

The items that follow represent a selection of items of interest regarding the budget. Additional information is contained in the sections describing the changes to the Governor's budget, budget article explanations and aid reports.

- ***Earned Income Tax Credit.*** The Governor proposes increasing the Earned Income Tax Credit for low and moderate wage earners from 12.5 percent of the federal credit to 15.0 percent effective for tax year 2017. The Governor's budget assumes an associated revenue loss of \$2.7 million for FY 2017. The loss would annualize to \$5.5 million in FY 2018. The House Finance Committee concurs.
- ***Cigarette Tax.*** The Governor's budget assumes \$7.1 million in revenues associated with proposed legislation to increase the cigarette excise tax by \$0.25 per pack, to \$4.00 per 20-pack, effective August 1, 2016. The total price per pack in Rhode Island remains lower than in Massachusetts because of minimum markup provisions. The Office of Revenue Analysis estimates that the final retail price per pack in Rhode Island would be approximately \$0.40 less per pack; it reports Rhode Island's price is currently \$0.69 less. The House Finance Committee rejects this proposal.
- ***Pension Exemption.*** The House Finance Committee recommends exempting up to \$15,000 of pension and annuity benefits from state personal income tax for single and head of household filers who have reached full social security retirement age and have federal adjusted gross incomes of \$80,000 or less and married joint and qualifying widow or widower filers with joint federal adjusted gross incomes of \$100,000 or less. This would include income from federal, state, and local government retirement plans, military pensions, railroad retirement benefits, and private pension plans, from the public and private sectors, which is deemed taxable income and is included in a filer's adjusted gross income. The fiscal impact of the expansion would be a total revenue loss of \$6.3 million for FY 2017, which annualizes to \$13.0 million in FY 2018.
- ***Minimum Corp Tax to \$400.*** The House Finance Committee recommends reducing the minimum corporate tax from \$450 to \$400 per year, effective January 1, 2017. The fiscal impact for this reduction is a revenue loss of \$1.6 million for FY 2017; the loss annualizes to \$3.2 million for FY 2018.
- ***Veterans Plates.*** The House Finance Committee recommends exempting veterans from the \$20 service fee and \$5 transfer fee for veterans' license plates, effective July 1, 2016. The Committee also recommends the creation of a plate for Gold Star Parents, whose children served in the armed forces and were killed in the line of duty. The Budget assumes an associated revenue loss of \$35,000.
- ***Intercompany Transaction Audit.*** The Governor's budget assumes collecting an additional \$6.7 million in corporate income taxes owed to the state from transactions between related companies that are not part of a combined group, but are affiliated, and transactions between commonly controlled companies that may not have been taxed accurately prior to the institution of combined reporting. The project would permit the Division of Taxation to work with a vendor to analyze existing data to determine taxes owed. These revenues are expected to be non-recurring. The House Finance Committee concurs.
- ***Fraud and Waste Data Tool Revenue Enhancement.*** The Governor's budget assumes net revenues of \$3.5 million by investing a total of \$1.5 million for annual service agreements and purchasing a fraud and waste data tool that will combine data across agencies, including Department of Labor and Training,

Department of Revenue and health and human service agencies to detect fraud and waste. The House Finance Committee concurs.

- **Revenue Agents and Officers.** The Governor's budget assumes a net budget impact of \$3.0 million from the addition of five new positions in the Division of Taxation to increase compliance efforts. The House Finance Committee concurs.
- **Nexus Program.** The Governor's budget assumes new revenue collections of \$1.0 million from the reinstatement of the Division of Taxation Nexus Program, which would identify and register businesses with a physical presence in the state to ensure that they pay all taxes owed. The Governor's recommended budget includes 1.0 new associated full-time position and assumes costs of \$0.1 million for the program. The net increase to the state would be \$0.9 million. The House Finance Committee concurs.
- **Retaliatory Assessments.** The Governor's budget assumes \$1.1 million in new insurance company gross premiums tax collections from increased enforcement of retaliatory tax structures for insurance policies, which require that policies written for Rhode Island residents by out-of-state insurers are subject to the higher of the Rhode Island tax rate or that of the state where the insurer is domiciled. The House Finance Committee concurs.
- **Hospital Licensing Fee.** The Governor's budget includes \$169.1 million in revenues from extending the hospital licensing fee into FY 2017 using the same two-tiered fee as included in FY 2016. The licensing fee appears annually in the Appropriations Act. The House Finance Committee includes a license fee of 5.652 percent yielding the same amount.
- **Rhode Island Airport Corporation Transfer.** The Governor proposes that the Rhode Island Airport Corporation transfer \$275,000 to state general revenues by June 30, 2017. The House Finance Committee rejects this proposal.
- **Infrastructure Bank Transfer.** The Governor proposes that the Infrastructure Bank transfer \$8.0 million to state general revenues by June 30, 2017. The House Finance Committee rejects this proposal.
- **Resource Recovery Corporation Transfer.** The Governor proposes that the Resource Recovery Corporation transfer \$1.5 million to state general revenues by June 30, 2017. The House Finance Committee rejects this proposal.
- **Narragansett Bay Commission Transfer.** The Governor proposes that the Narragansett Bay Commission transfer \$1.5 million to state general revenues by June 30, 2017. The House Finance Committee rejects this proposal.
- **RIHEBC Transfer.** The Governor's budget transfers \$5.0 million from Rhode Island Health and Educational Building Corporation reserves to state general revenues in FY 2017. The House Finance Committee rejects this proposal.
- **Forward Capacity Market Revenue.** The Governor's budget includes \$0.1 million in revenues from the state's participation in a Forward Capacity Market agreement, in which the state commits to a one hour twice per year test to demonstrate its ability to decrease demand for electricity. If successful, an incentive payment is made. The last four year agreement, which ended in FY 2014, yielded a total of \$0.4 million. The House Finance Committee concurs.

- ***State Fleet Passenger Vehicles.*** The Governor's budget assumes \$1.0 million in revenues from the sale of current vehicles. The Governor's budget proposes leasing approximately 250 light-duty passenger vehicles that are currently used by employees in numerous departments. A third party administrator would be responsible for maintenance and replacement with the leasing cost offset by the current costs to operate and maintain. The House Finance Committee concurs.
- ***Tax Stabilization Incentives.*** The 2015 Assembly enacted legislation authorizing the Commerce Corporation to reimburse municipalities up to 10.0 percent of foregone revenue resulting from tax stabilization agreements, subject to appropriation. The Governor's budget proposes allowing the Commerce Corporation to enter into up to five incentive agreements with municipalities for state reimbursement of up to 50.0 percent of foregone property tax revenue per year. Municipalities would be selected for the larger agreements via a competitive process. The House Finance Committee rejects this proposal.
- ***Main Street Streetscape Improvement Fund.*** The Governor recommends an additional \$1.0 million for the Main Street Streetscape Improvement Fund. The 2015 Assembly provided \$1.0 million for the fund and authorized the Commerce Corporation to award loans, matching grants and other forms of financing to enhance sidewalks, signage of public space and lighting in order to create an attractive environment in local business districts. The recommendation is consistent with documents supporting the Governor's FY 2016 budget that indicated the use of an additional \$1.0 million from general revenues available from debt refinancing in FY 2017. The House Finance Committee concurs.
- ***Housing Bond.*** The Governor recommends \$40.0 million of new general obligation bonds to be submitted to the voters on the November 2016 ballot for affordable housing. The House Finance Committee concurs and adds \$10.0 million to revitalize blighted properties including residential, commercial and public spaces.
- ***Innovate RI Small Business Programs.*** The Governor's budget includes \$2.0 million, \$1.0 million more than enacted from general revenues, to support Small Business Innovation Research grants and the Bioscience and Engineering Internship Programs. The House Finance Committee recommends the enacted level of \$1.0 million from general revenues.
- ***38 Studios Debt Service.*** The Governor includes \$2.5 million in FY 2017 for debt service relating to 38 Studios, \$10.0 million less than enacted. This assumes use of settlement proceeds that the Corporation received. The Governor's budget also includes the enacted amount of \$12.5 million in FY 2016. The House Finance Committee concurs.
- ***Commerce Corporation - Operations.*** The Governor's budget includes \$7.5 million from general revenues to support general operations of the Corporation, which is \$0.1 million more than enacted. The House Finance Committee recommends the enacted level of \$7.4 million.
- ***Impact Faculty.*** The Governor recommends the creation of a program to assist the state's institutions of higher education to attract and secure the hiring of faculty members who have had professional success commercializing their research. The Governor's budget includes \$2.8 million for the program, including \$1.5 million from debt refinancing proceeds. The House Finance Committee does not concur.
- ***Minimum Wage.*** The Governor's budget includes legislation increasing the minimum wage from \$9.60 per hour to \$10.10 per hour, effective January 1, 2017. The 2015 Assembly increased the minimum wage from \$9.00 per hour to the current \$9.60, effective January 1, 2016. The House Finance Committee does not concur.

- ***Air Service Development.*** The Governor’s budget includes \$1.5 million from general revenues for an initiative to support additional direct routes to major metropolitan areas. The House Finance Committee concurs.
- ***Rhody Rail Commuter Pass.*** The Governor’s budget includes \$1.5 million to create a Rhody Rail Pass program, which will offer users discounted fare options and rail information. The program is intended to improve rail connectivity between Rhode Island and the metropolitan Boston area. The House Finance Committee does not concur.
- ***Quonset Piers.*** The Governor recommends a total of \$90.0 million from bond proceeds for extension and renovation of the Quonset Business Park’s piers. This includes \$70.0 million from new general obligation bonds to be put before the voters on the November 2016 ballot and up to \$20.0 million from revenue bonds to be issued by the Commerce Corporation. The House Finance Committee recommends total funding as recommended; however, includes \$50.0 million from new general obligation bond funds, up to \$25.0 million from Quonset Development Corporation revenue bonds, and \$15.0 million from Rhode Island Capital Plan Funds.
- ***Innovation Campus Bond.*** The Governor recommends \$20.0 million of new general obligation bonds to be submitted to the voters on the November 2016 ballot for the construction of one or more innovation campuses. Documents supporting the Governor’s budget indicate that state funds would be used to leverage resources from the state’s higher education institutions, industry partners, federal funds, and philanthropic donations. The House Finance Committee concurs and requires that the campus be affiliated with the University of Rhode Island.
- ***Distressed Communities Relief Fund.*** The Governor recommends the enacted level of \$10.4 million for the Distressed Communities Relief Fund, but with redistribution of funding among qualifying communities. Distribution is based on updated tax levies. In the first year a community qualifies, it receives a transition payment of half its proportional share; in the year a community no longer qualifies, it also receives a transition payment of half its proportional share. The FY 2017 recommendation reflects the inclusion of Cranston as a qualifying community and includes a transition payment out of the program for East Providence, which no longer qualifies. The House Finance Committee adds \$2.0 million for total funding of \$12.4 million.
- ***Payment in Lieu of Taxes Program.*** The Governor recommends \$42.0 million for the Payment in Lieu of Taxes program that reimburses cities and towns for property taxes that would have been due on real property exempted from taxation by state law. Municipalities may be reimbursed up to 27.0 percent of the tax that would have been collected if the property had been taxable, subject to appropriation. The recommendation is \$1.9 million more than enacted and represents full funding for the program. The FY 2016 enacted amount of \$40.1 million represents 23.7 percent of the foregone tax. The House Finance Committee concurs.
- ***Motor Vehicles Excise Tax.*** The Governor’s budget funds the Motor Vehicles Excise Tax program at the enacted amount of \$10.0 million. The 2010 Assembly enacted legislation lowering the mandated exemption to \$500, for which the state will reimburse municipalities an amount subject to appropriation. Municipalities may provide an additional exemption; however, it will not be subject to reimbursement. The House Finance Committee concurs.
- ***Library Resource Sharing Aid.*** The Governor recommends \$8.5 million for library aid. Current law allows 25.0 percent reimbursement of second prior year expenditures. This reflects a reduction of \$0.3 million or 30.8 percent to the statewide reference Library Resource grant, of which \$212,500 is for



tutoring sessions, citizenship tests, and prepping for General Education Diplomas; \$63,826 is for the Heritage Quest and African American Heritage research databases, and \$35,000 is for business and marketing reference databases. The House Finance Committee recommends an additional \$0.9 million from general revenues to increase library aid support to municipalities to 23.65 percent.

- **Library Construction Aid.** The Governor recommends \$2.2 million to fully fund library construction aid requirements. The state reimburses libraries up to half the total costs for eligible projects on an installment basis for a period of up to 20 years. The payments do not begin until the state fiscal year following the completion, acceptance, and audit of the project. The three-year moratorium on the acceptance of applications for library construction aid projects ended June 30, 2014. The House Finance Committee concurs.

- **Property Valuation Reimbursement.** The Governor recommends \$1.8 million for FY 2016 and \$0.6 million for FY 2017 to reimburse communities conducting property valuation updates. The Budget includes legislation to alter the current property revaluation schedule that requires valuation updates every third and sixth year and a full revaluation every ninth year. The legislation would require updates to property valuations every fifth and tenth year, with full revaluations occurring every fifteenth year. The House Finance Committee recommends \$0.4 million less for FY 2016 to reflect actual expenditures and concurs with the Governor's FY 2017 recommendation.

- **Airport Impact Aid.** The Governor recommends the enacted level of \$1.0 million for FY 2017 to the Commerce Corporation so that the Airport Corporation can provide impact aid payments to the seven communities that host the six state airports. The community payments are made proportionately based on the number of total landings and takeoffs. The House Finance Committee concurs.

- **Municipal Incentive Aid.** The Governor's budget does not include funding for the Municipal Incentive Aid program, for which FY 2016 was the third and final year of a \$5.0 million annual appropriation. The House Finance Committee concurs.

- **Community Services Grants.** The Governor's recommended budget includes the enacted level of \$9.8 million from general revenues for community services grants. The House Finance Committee eliminates the community services grants and includes \$6.1 million to be awarded through the two new transparent methods of funding: itemized appropriations and competitive programs administered by state agencies.

- **Funding Formula Assumptions.** The Governor funds the sixth year of the education funding formula adopted by the 2010 Assembly. The calculation for FY 2017 uses March 15, 2015 student enrollment data adjusted for FY 2017 projected charter school enrollments, a per pupil core instruction amount of \$8,979 and state share ratio variables updated with June 30, 2015 data. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years. Aid amounts are subject to final student enrollment data collected in March 2016. The House Finance Committee updated aid for March enrollments.

- **Early Childhood Funds.** The education funding formula allows for additional resources from the state to increase access to voluntary, free, high-quality pre-kindergarten programs. The Governor recommends \$5.2 million for FY 2017. This is \$1.2 million more than enacted and represents the plan to gradually increase funds annually. Early childhood categorical funds are used as a match for a federal grant; the corresponding increase in federal grant funds is \$3.2 million. The total additional money of \$4.4 million will provide funds to increase the pre-kindergarten classes by 20 from 33 to 53. The House Finance Committee concurs.

- ***Transportation Funds.*** The education funding formula allows for additional resources from the state to districts for transportation costs. The Governor recommends \$4.4 million for FY 2017 which is consistent with the FY 2016 enacted level. The state currently provides funding to mitigate a portion of the excess costs associated with transporting students to out-of-district non-public schools and within regional school districts. The House Finance Committee recommends adding \$2.0 million to the Governor's budget.
- ***Career and Technical Education Funds.*** The education funding formula allows for additional resources from the state to help meet the initial capital investment needs to transform existing or create new comprehensive career and technical education programs and offset the higher than average costs of maintaining highly specialized programs. The Governor recommends \$3.5 million for FY 2017, which is consistent with the enacted budget. The House Finance Committee recommends adding \$1.0 million to the Governor's budget.
- ***English Language Learner Funds.*** The Governor's budget includes \$2.5 million for a new category of funding to support English language learners that are in the most intensive programs. The funding shall be used on evidence-based programs proven to increase outcomes and will be monitored by the Department of Elementary and Secondary Education. This is intended to be the first of a two-year phase up to a total of \$5.0 million for FY 2018 and beyond. The House Finance Committee includes \$2.5 million for FY 2017.
- ***School Construction Aid.*** The Governor recommends a total of \$80.0 million to fund projected costs of school housing aid to local districts for FY 2017, which is \$10.9 million less than enacted for FY 2016. This includes the enacted level of \$70.9 million for the traditional program and \$9.1 million for the new School Building Authority. The enacted budget included \$20.0 million from general revenues derived from bond refinancing proceeds to seed the new fund. The Governor also proposes placing \$40.0 million on the November 2016 ballot for voter approval of general obligation bond debt to support school construction aid. The House Finance Committee concurs with the \$80.0 million but does not recommend the bond, pending the outcome of the statewide assessment currently being conducted.
- ***Local Maintenance of Effort.*** The Governor recommends legislation to change the maintenance of effort requirement for local communities' contribution to education beginning in FY 2018. It would require the annual contribution to increase by the greater of inflation or consistent per pupil growth, defined as at least one percent for two consecutive years. Under current law, communities must contribute as much as they did the previous year. The proposal does not change the exemptions for high local contribution communities, high per pupil expenditure communities and non-recurring expenditures. The House Finance Committee does not concur with this proposal.
- ***Full-Day K Transition Funding.*** The Governor's budget includes legislation that repeals the requirement that beginning in FY 2017, the state will provide full funding, rather than transitioned aid, for any district converting from a half-day to a full-day kindergarten for the 2014-2015 school year or after. The Governor's budget excludes \$2.5 million in funding to the 13 districts that converted to full-day kindergarten in FY 2015 or after based on this repeal. The House Finance Committee rejects this proposal consistent with the Governor's requested budget amendment.
- ***Group Home Aid.*** The Governor's budget reflects \$4.0 million for group home aid consistent with current law that requires that aid be paid for all beds opened as of December 31, 2015. The FY 2017 budget is \$1.1 million less than the FY 2016 enacted budget. The House Finance Committee recommends adding \$2,000 per bed and \$4,000 per bed associated with Bradley Hospital's CRAFT program for a total increase of \$836,000.

- ***DMV Extended Hours.*** The Governor’s budget includes \$40,000 for FY 2016 and \$107,000 for FY 2017 for a pilot program that would allow the Division of Motor Vehicles to offer extended hours on certain days at a registry location, which has yet to be determined. The House Finance Committee concurs.
- ***DMV Information Technology Modernization.*** The Governor’s revised FY 2016 and FY 2017 recommendations include \$3.3 million and \$2.7 million from all sources, respectively, for Division of Motor Vehicles’ information technology modernization, for which a new contract amendment was signed in November 2015. The project is scheduled to be completed in December 2016, with some user modules available for customer service representatives’ use earlier in FY 2017. The House Finance Committee concurs.
- ***Municipal Portal.*** The Governor’s budget includes legislation to establish a Municipal Finance Transparency Portal to allow access to municipalities’ financial reports and contracts in a standardized format. The Governor includes \$0.2 million and 1.0 new full-time position for the Division of Municipal Finance for this initiative. The House Finance Committee concurs.
- ***Cybersecurity Unit.*** The Governor’s budget includes \$0.8 million to fund a Cybersecurity Unit within the Department of Administration. This includes funding for a director of cybersecurity position as well as funding for consultants and providing cybersecurity training for employees in the Executive Branch. The House Finance Committee concurs.
- ***Renewable Energy Fund Surcharge.*** The Governor proposes legislation to extend the Renewable Energy Fund surcharge by five years. The surcharge of 0.3 mills per kilowatt-hour generates \$2.5 million annually and is set to expire on December 31, 2017. The Fund is administered by the Commerce Corporation. The Governor requested an amendment to further extend the surcharge by an additional five years, for a total of 10 years. The House Finance Committee extends the surcharge by five years.
- ***Consolidation of Internal Audit.*** The Governor’s budget reflects the consolidation of internal auditing functions, which are currently performed in several agencies, into the Office of Management and Budget. This consolidation reflects the merger of staff from the Bureau of Audits, the Department of Transportation, the Department of Human Services and auditors from higher education in a new office of internal audit. The Governor’s budget assumes \$0.1 million in personnel savings. The House Finance Committee concurs.
- ***Diversity Equity and Opportunity.*** The Governor recommends a new Office of Supplier Diversity, which will work in conjunction with the current Minority Business Enterprise Compliance Office to support minority, women, and disability business enterprises. The House Finance Committee concurs.
- ***Unemployment Insurance Benefits.*** The Governor’s budget includes \$156.3 million in FY 2017 from the Unemployment Insurance Trust Fund for the payment of unemployment insurance benefits. This is \$17.7 million less than enacted to reflect current benefit recipients. The House Finance Committee concurs.
- ***UI Taxes.*** The Governor’s budget includes a proposal to make changes to the unemployment insurance taxes that some employers pay and lowers the amount the trust fund must hold in reserve in order to save Rhode Island employers an estimated \$30 million in 2017 from a reduction in unemployment insurance taxes. The House Finance Committee concurs.

- ***TDI Fraud and Program Integrity Task Force.*** The Governor proposes legislation to establish a Temporary Disability Insurance Fraud and Integrity Task Force charged with educating workers, employers and healthcare professionals about the program. The House Finance Committee concurs.
- ***TDI Benefits.*** The Governor proposes legislation that would reduce the amount of time a claimant has to apply for temporary disability insurance benefits from 52 weeks to 90 days. The Governor's budget includes total benefits of \$168.0 million for FY 2017, which is \$7.0 million less than enacted. The House Finance Committee concurs.
- ***Temporary Caregiver Insurance.*** The Governor's budget includes \$9.5 million from the Temporary Disability Insurance Trust Fund for benefit payments and administration of the temporary caregiver insurance program. This is \$0.5 million less than enacted. The House Finance Committee concurs.
- ***Police and Fire Relief Fund.*** The Governor's budget includes \$4.0 million from general revenues for the Police and Fire Relief program for annuity payments and in-state tuition to eligible spouses, domestic partners and dependents of certain injured or deceased police officers and fire fighters. This is \$0.1 million less than enacted. The House Finance Committee concurs.
- ***TechHire Initiative.*** The Governor's budget includes \$2.0 million from general revenues for a new initiative to provide online courses and other nontraditional approaches to rapidly train workers in the field of information technology. The stated goal is to train and place 2,000 Rhode Islanders in the next five years. The House Finance Committee concurs with the Governor's requested amendment to remove this funding as the Department is seeking federal and private sources for this initiative.
- ***Office of Debt Management.*** The Governor's budget includes an additional \$0.3 million in revenues from removing the exemption to the fee paid for debt issuances for taxable issues and refundings and by municipalities. The revenues would support a new Office of Debt Management within the Office of the General Treasurer. The Office will be responsible for monitoring the process by which the state and other governmental units issue and manage public debt. Funding will support 1.0 new position and technology upgrades including a web portal to track all public debt. The House Finance Committee concurs.
- ***New Voting Equipment.*** The Governor's budget adds a total of \$1.0 million from general revenues for a multi-year purchase and maintenance agreement for new voting equipment. The House Finance Committee concurs and adds \$195,000 for electronic poll books.
- ***Online Voter Registration.*** The Governor's budget includes \$0.1 million from general revenues for FY 2017 for implementation of an online voter registration portal that would allow residents to register to vote and/or change their voter registration information online. The House Finance Committee concurs.
- ***License Plate Reissuance.*** The Governor proposes a delay in the start of license plate reissuance from July 2016 to April 2017. Documents supporting the Governor's recommended budget note that the reissuance should occur after the anticipated December 2016 deployment of the Registry's modernized information technology system for administrative ease. The House Finance Committee concurs.
- ***Home Care Rates.*** The Governor proposes \$4.1 million, \$2.0 million from general revenues in the Office of Health and Human Services budget to raise the rates paid to personal care attendants and home care workers. This impacts services in both the managed care and fee-for-service system. The House Finance Committee concurs.

- ***Overdose Task Force Recommendations.*** The Governor includes \$1.4 million, \$0.7 million from general revenues in the Executive Office of Health and Human Services' budget to address the problem of opioid dependency. She also includes \$2.5 million in the Department of Corrections' budget to provide treatment and skills training for total support of \$4.0 million. The House Finance Committee concurs with the proposals and adjusts funding to \$3.5 million based on updated estimates.
- ***Hospital and Nursing Home Incentive Programs.*** The Budget reallocates reductions to hospital payment programs to serve as the \$21.3 million state match for the incentive programs. Supporting documents suggest that the reductions to hospitals would not occur if alternate match were found. The House Finance Committee does not reallocate the funding and instead concurs with the Executive Office's plan submitted for federal approval that uses existing state funds for the match.
- ***Hospital Payments.*** The Governor eliminates \$27.9 million, \$13.8 million from general revenues, for the inpatient and outpatient upper payment limit reimbursements to be made to the community hospitals in FY 2017. Supporting documents suggest that the reductions to hospitals would not occur if alternate match for the hospital and nursing home incentive programs were found. The House Finance Committee does not concur and restores the funding. The House Finance Committee does not reallocate the funding and instead concurs with the Executive Office's plan submitted for federal approval that uses existing state funds for the match.
- ***Uncompensated Care Payments.*** The Governor lowers the uncompensated care payments made to community hospitals by \$15.2 million, including \$7.5 million from general revenues in FY 2017. Supporting documents suggest that the reductions to hospitals would not occur if alternate match for the hospital and nursing home incentive programs were found. The House Finance Committee does not reallocate the funding and instead concurs with the Executive Office's plan submitted for federal approval that uses existing state funds for the match.
- ***Graduate Medical Education.*** The Governor eliminates the \$2.0 million state payment to Lifespan for graduate medical education activities in FY 2016 and FY 2017. The House Finance Committee does not concur and adds \$2.0 million in both fiscal years.
- ***Managed Care Contracts.*** The Governor's budget assumes savings of \$6.8 million, including \$2.0 million from general revenues from re-procuring the state's contract for its RIte Care and Rhody Health Partners managed care plans, including benefits for the Medicaid expansion population. The House Finance Committee does not concur and restores the funding.
- ***Managed Care Organizations Administrative Rate.*** The Governor's budget proposes savings of \$8.8 million, including \$3.3 million for nine months of savings in FY 2017 from reducing the administrative rate paid for the managed care plans providing Medicaid services. The House Finance Committee does not concur and restores the funding.
- ***Primary Care Settlement.*** The Governor includes savings of \$2.5 million from a one-time, not-yet-finalized, settlement relating to medical assistance payment to primary care providers as savings against operating costs in the Executive Office of Health and Human Services. Such settlements would typically appear in the caseload estimate or as adjustments to closing caseload expenditures. The request instead underfunds administrative expenses by \$1.0 million in FY 2016 and \$1.5 million in FY 2017 in expectation of excess funds. The House Finance Committee includes the savings in the medical assistance program in both fiscal years and restores funding for administrative expenses.

- **Medicaid Transportation Contract.** The Governor includes savings of \$2.4 million, including \$1.0 million from general revenues, from her recommendation to re-negotiate the current three-year transportation contract in the medical assistance program. The House Finance Committee concurs.
- **Children's Health Account.** The Governor's budget includes \$4.0 million in general revenue savings from increasing to \$12,500 from \$7,500 the assessment charged to commercial insurers that offsets the state cost for certain services provided to children with special health care needs. The House Finance Committee does not concur.
- **Project Sustainability – Direct Care Worker Rates.** The Governor includes \$2.5 million from general revenues matched by Medicaid to support a \$0.45 hourly rate increase to direct care workers in the privately operated system for adults with developmental disabilities. The House Finance Committee concurs with the Governor's requested amendment to add another \$2.0 million for a total increase of \$4.5 million from general revenues.
- **Office of Health Analytics and Policy.** The budget includes \$0.8 million, \$0.4 million from general revenues, for the Executive Office to hire a contractor with claims analysis and health care actuarial experience, consistent with the recommendation made by the Governor's Working Group for Healthcare Innovation. The Working Group also recommended creating a central office to oversee health policy initiatives and coordinate public hearings that inform the state's understanding of its health care spending, the associated drivers, and possible solutions for cost containment. The Governor's budget does not add staff for a new Office. The House Finance Committee does not concur.
- **Child Care Providers Union Agreement.** The Governor recommends \$0.7 million from federal funds over FY 2016 and FY 2017 for the provisions of the collective bargaining agreement that includes home computers, orientation and training session, direct deposits and certification bonuses. The House Finance Committee concurs.
- **Volunteer Guardianship Program.** The Budget eliminates the Volunteer Guardianship Program in the Division of Elderly Affairs for general revenues savings of \$81,512. The House Finance Committee does not concur and restores the general revenues and includes another \$81,512 assuming a Medicaid match can be leveraged for the program.
- **Long Term Care Ombudsman.** The Budget reduces funding for the long term care ombudsman from \$320,900 to \$230,900 from all sources; this is a \$90,000 reduction, including \$45,000 from general revenues. The House Finance Committee does not concur and restores the funding.
- **Medicaid Rehabilitation Services.** The Budget eliminates the personal care attendants program and the home modification program in the Office of Rehabilitation Services for savings of \$0.6 million, including \$0.3 million from general revenues. Services to approximately 40 people would still be available but the individual would have to pay instead of the state Medicaid program. The House Finance Committee does not concur and restores the funding.
- **Eleanor Slater Hospital Study.** The Budget includes \$1.0 million from Rhode Island Capital Plan funds for a feasibility study to determine the next step in the Eleanor Slater Hospital re-organization plan. The House Finance Committee concurs.
- **Developmental Disabilities Caseload Growth.** The Governor adds \$5.8 million, \$2.9 million from general revenues, for anticipated caseload growth over FY 2016, based on increasing awareness of the state's program for developmentally disabled adults through the consent decree. The House Finance Committee does not included funding for caseload growth. The number of individuals receiving services

has remained fairly consistent even with awareness of the consent decree.

- ***Residential Placements.*** The Governor includes all funds savings of \$3.1 million in the revised budget and \$16.6 million in FY 2017 from transitioning developmentally disabled adults in both the state-run RICLAS and privately operated systems from 24 hour residential placements to less intensive shared living arrangements in the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee concurs with the Governor's requested amendment to add back \$3.4 million in FY 2016 and \$10.2 million in FY 2017 from a delay in transitioning individuals to other less restrictive settings.
- ***Eleanor Slater Hospital Reorganization.*** The Governor's budget assumes FY 2017 savings of \$8.4 million, including \$4.1 million from general revenues from efficiencies at state-run hospital, the specifics of which are not identified. The House Finance Committee includes the savings.
- ***System of Care.*** The Governor's FY 2016 revised budget includes \$79.5 million from all sources including \$53.6 million from general revenues for services provided to children in the care of the Department of Children, Youth and Families provided through the System of Care networks. This is \$4.9 million more than enacted from all sources, including \$1.0 million from general revenues. The Governor's recommended budget includes an initiative to return responsibility for administrative functions associated with the System of Care back under Department control. The House Finance Committee concurs.
- ***Foster Care Support.*** The Governor's budget includes \$27.1 million for foster care and adoption assistance subsidies, including \$1.0 million from general revenues to fund a foster care rate increase included in the enacted budget. This increase brings the average daily foster care rate up by 15.8 percent from \$16.05 per day to \$18.59 per day. The House Finance Committee concurs.
- ***DCYF Daycare.*** The Governor's budget includes \$5.4 million for daycare subsidies provided to children in the care of the Department of Children, Youth and Families, including \$4.7 million from general revenues and \$0.7 million from federal funds. The Governor's revised and recommended budgets assume the same caseload as FY 2015, adjusted to reflect the 3.0 percent childcare provider rate increase in the enacted budget that became effective July 1, 2015. The House Finance Committee concurs.
- ***Race to the Top – Early Childhood Development.*** The Governor's budget adds \$1.1 million from general revenues to fund staff and programs at the Department of Human Services to replace Race to the Top federal funds that will expire December 31, 2016. The House Finance Committee does not concur.
- ***Lead Poisoning Prevention.*** The Governor's budget includes \$187,000 from general revenues to backfill the loss of one-time funding from the Providence Water Supply Board for lead poisoning prevention efforts. Funds will be used to support certified lead centers, which provide case management to lead poisoned children, and for data analysis. The House Finance Committee concurs.
- ***New Interpreter Position.*** The Governor's budget includes \$0.1 million to fund a new staff interpreter position for public hearings, informational sessions, and interoffice communication for the Commission on the Deaf and Hard of Hearing. The House Finance Committee concurs.
- ***Women, Infants, and Children Nutrition Program Transfer.*** The Governor's budget reflects the transfer of the Women, Infants, and Children Nutrition Program from the Department of Human Services to the Department of Health to comply with federal statutes. The Governor's budget includes \$26.1

million from federal funds and 13.0 full-time equivalent positions to support the program. The House Finance Committee concurs.

- **Poison Control Center.** The Governor recommends the FY 2016 enacted level of \$200,000 from general revenues for FY 2017 to fund the Poison Control Center, which provides assistance and medical diagnosis of poisonings. The House Finance Committee concurs.
- **New Veterans' Home – Bond Authorization.** The Governor proposes new bond language to ensure that there are sufficient resources to build the new Veterans' Home, which will still cost the state less than originally anticipated. The voters approved a \$94 million bond that would be reduced by federal reimbursements. The federal Veterans Administration approved a different project design than anticipated a new cost of \$121.0 million, but also authorized a larger reimbursement. The House Finance Committee concurs.
- **Public Higher Education Tuition and Fees.** The Governor's budget prohibits tuition increases for the three public higher education institutions. The House Finance Committee concurs.
- **University Engineering Building Referendum.** The Governor recommends \$25.5 million of new general obligation bonds to be submitted to the voters on the November 2016 ballot for the second phase of a project to renovate and build additions to the College of Engineering complex at the University of Rhode Island. Annual debt service would be \$2.1 million; total debt service would be \$40.8 million. The House Finance Committee concurs.
- **Westerly Campus Construction Support.** The House Finance Committee recommends adding \$750,000 from general revenues to support securing a long term lease at the new Westerly Higher. Current estimates project a \$5.1 million cost for the campus, to be funded through a combination of private and public sources. There is also \$2.0 million from Rhode Island Capital Plan funds for furnishings and equipment.
- **Westerly Campus Personnel Funding (3.0 FTE).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.4 million from restricted receipts and 3.0 full-time equivalent positions to the Office of the Postsecondary Commissioner, including an Executive Director, Marketing Director, and Operations Coordinator.
- **Coastal Resiliency Initiative.** The Governor's FY 2017 budget includes \$0.1 million for a new Coastal Resiliency Initiative at the University's Graduate School of Oceanography to assist shoreline communities in preparing for and managing climate change impacts. The House Finance Committee concurs.
- **Dual Enrollment Initiative.** The Governor recommends the enacted level of \$1.3 million from tuition savings fees for the dual and concurrent enrollment initiative to allow qualified high school students to earn college credit at no cost to the student. The House Finance Committee concurs.
- **Last Dollar Scholarship.** The Governor recommends the enacted level of \$10.1 million from tuition savings fees and federal loan reserve funds for the Last Dollar Scholarship program for students with proven academic performance and financial need to attend Rhode Island's public higher education institutions. The House Finance Committee concurs.
- **Advanced Coursework Pilot Program.** The Governor's budget proposes using \$0.6 million previously dedicated to supporting underperforming schools for an advanced course work pilot program



to support high school students in accessing personalized advanced coursework opportunities. Funding would support approximately 1,000 students. The House Finance Committee concurs.

- **Computer Science Education.** The Governor's budget includes \$260,000 from general revenues to expand access to computer science courses for elementary and secondary students. The House Finance Committee concurs.
- **PSAT/SAT.** The Governor's budget includes \$500,000 from general revenues to provide the SAT and PSAT for free to all Rhode Island public school students and during the school day. The House Finance Committee concurs.
- **Correctional Officer Training Class.** The Governor recommends \$0.6 million for recruiting and training costs for a correctional officer training class to be held in FY 2017; the class is delayed from FY 2016 pending an outcome of litigation with the Department of Justice concerning the correctional officer examination process. She also recommends \$51,400 to acquire expert legal services to make sure the issue is resolved. The House Finance Committee concurs.
- **Weapons Requalification.** The Governor recommends the enacted level of \$0.5 million from general revenues to conduct annual weapons requalification for correctional officers. The House Finance Committee concurs.
- **New Correctional Facility Study.** The Governor recommends \$250,000 from Rhode Island Capital Plan funds for FY 2017 to conduct a cost-benefit analysis and study options for replacing the Maximum Security and High Security facilities with a new facility for both populations. The House Finance Committee concurs.
- **Discharge Planning.** The Governor's budget adds \$0.1 million from shifting inmate discharge planning from contracted services to direct personnel. She adds authorization for 8.0 new full-time equivalent positions. The House Finance Committee does not concur.
- **Medication/Mediation Assisted Treatment Program.** The Governor recommends \$2.5 million to begin a medication-assisted treatment program of opioid users in the Adult Correctional Institutions. The funds would be used to screen for opioid use disorders and conduct an assessment of new inmates to determine treatment options. The initiative would also start medication-assisted treatment prior to release with community referral for ongoing treatment. The House Finance Committee recommends \$2.0 million which would fully fund this initiative based on updated population estimates.
- **Justice Reinvestment Initiative/Pretrial Population Management.** The Governor's budget includes \$1.3 million and 5.0 new probation officer positions to fund a proposal of the Justice Reinvestment Working Group that would allow the closure of one double module at the Intake Service Center and the budget assumes savings of \$1.4 million from this closure. It assumes that changes in the management of the pre-trial population, through the use of diversion tools at various points, would result in decreasing the length of stay for failure to appear or failure to pay; however, there is no proposed legislation. The House Finance Committee rejects this proposal pending a final report.
- **Transitional Employment Grant.** The Governor's budget includes \$0.5 million from general revenues for transitional employment grants to be administered by the Office of Management and Budget. This initiative is intended to increase employment and reduce recidivism of formerly incarcerated individuals. The House Finance Committee concurs.

- ***Indigent Defense Program.*** The Governor’s budget includes \$3.8 million from general revenues in FY 2017 for the Judiciary’s indigent defense program, which is \$0.2 million more than enacted. The House Finance Committee concurs.
- ***Rhode Island Statewide Communications Network.*** The Governor’s capital recommendation includes \$10.0 million from all sources for FY 2017 through FY 2021 for the Rhode Island Statewide Communications Network. This includes \$5.0 million from Rhode Island Capital Plan funds, \$2.5 million from federal sources, and \$2.5 million from restricted receipts. The Budget also includes \$1.1 million from general revenues each year in FY 2016 and FY 2017 for the contract with Motorola to maintain the radio system. The House Finance Committee concurs.
- ***Recreation, Green Spaces, and Healthy Communities Bonds.*** The Governor’s budget includes \$35.0 million of new general obligation bonds to be submitted to the voters on the November 2016 ballot for facilities and infrastructure improvements at state parks, stormwater pollution prevention, brownfield remediation, bikeways development, open space acquisition, and recreation acquisition and development grants. Annual debt service would be \$2.8 million. The House Finance Committee includes \$35.0 million for the November 2016 ballot.
- ***Local Agriculture and Seafood Program.*** The Governor’s budget requires deposit of lease payments from renewable energy projects costing \$5.0 million or more into the Local Agriculture and Seafood Fund. This would result in Deepwater Wind’s \$150,000 annual lease payment being deposited to restricted receipts instead of general revenues. The Assembly did not concur with similar legislation proposed during last year’s budget process. The House Finance Committee rejects the proposal. It instead includes \$0.1 million from general revenues for the Local Agriculture and Seafood Program.
- ***DMV Fees.*** The Governor’s budget maintains the current law provision requiring the transfer of 75.0 percent of motor vehicles fees into the Highway Maintenance Account or \$25.4 million more than FY 2016. In FY 2018, all of the fees will be transferred into the Account. The House Finance Committee concurs.
- ***Winter Maintenance.*** The Governor’s revised FY 2016 budget includes \$20.6 million for winter maintenance expenditures, \$3.5 million more than enacted to reflect increased operations during the winter of 2016. The Governor’s budget assumes \$21.7 million of winter maintenance expenditures in FY 2017. The House Finance Committee concurs.
- ***Highway Drainage.*** The Governor’s budget includes \$5.0 million for catch basin inspection and cleaning. Pursuant to the state’s sewer systems permit, the Department of Transportation must inspect and clean the state’s 25,000 catch basins annually. The Department is currently required by a consent decree with the U.S. Department of Justice to maintain storm drains and address pollutants that are going into the Narragansett Bay and other waterways. The House Finance Committee concurs.
- ***RhodeWorks Program.*** The Governor’s budget includes \$850,000 in expenditures relating to RhodeWorks, an initiative to accelerate the replacement and reconstruction of state bridges with the goal of reducing the percentage of deficient bridges. This includes \$100,000 for public relations, \$300,000 for engineering services and \$450,000 for outside legal services. The House Finance Committee concurs.
- ***Increase Maintenance Staff.*** The Governor’s budget reflects the reclassification of 40 existing vacant positions as maintenance staff. These positions will be used for increased state operations in the areas of drainage, road striping, and bridge maintenance. The House Finance Committee concurs.

- **Rhode Island Public Transit Authority.** The Governor’s budget includes an additional \$1.9 million from the growing Highway Maintenance Account and \$1.2 million from general revenues to pay for debt service in FY 2017. The House Finance Committee concurs and provides \$0.9 million in FY 2017 for operational support.

### General Revenue Surplus Statement

The following table shows the general revenue balances as recommended by the House Finance Committee. The Committee recommends an FY 2017 surplus of \$0.5 million, and has an operating deficit of \$122.8 million reflecting use of the FY 2016 surplus. The FY 2017 surplus is revenues minus the transfer to the Budget Reserve Fund minus expenditures. It represents the gap between useable revenues and expenditures. The budget reserve and cash stabilization account, the “rainy day fund” would have ending balances of \$185.4 million in FY 2015, \$190.2 million in FY 2016, and \$189.9 million in FY 2017. The account receives 3.0 percent of general revenues plus free surplus.

	FY 2015	FY 2016	FY 2017
<b>Opening Surplus</b>			
Free Surplus	\$ 67,806,737	\$ 168,038,072	\$ 123,283,301
Reappropriated Surplus	7,378,665	6,890,273	-
<b>Subtotal</b>	<b>\$ 75,185,402</b>	<b>\$ 174,928,345</b>	<b>\$ 123,283,301</b>
<b>Revenues</b>			
Enacted/Actual/Estimated	3,616,745,454	3,543,756,465	3,493,016,001
Governor	-	5,000	216,315,809
Closing	24,363,189	-	-
Assembly	-	91,267,535	(33,687,494)
<b>Revenues</b>	<b>3,641,108,643</b>	<b>3,635,029,000</b>	<b>3,675,644,316</b>
Cash Stabilization Fund	(111,267,461)	(114,092,012)	(113,967,829)
From Cash Stabilization Fund	-	-	-
<b>Total Available Resources</b>	<b>\$ 3,605,026,584</b>	<b>\$ 3,695,865,333</b>	<b>\$ 3,684,959,788</b>
<b>Expenditures</b>			
Enacted/Actual/Estimated	3,453,892,741	3,551,988,738	3,676,761,000
Reappropriations	-	6,890,273	-
Governor	-	17,631,470	-
Assembly	-	(3,928,449)	7,751,867
<b>Total Expenditures</b>	<b>\$ 3,453,892,741</b>	<b>\$ 3,572,582,032</b>	<b>\$ 3,684,512,867</b>
<b>Total Surplus</b>	<b>\$ 151,133,843</b>	<b>\$ 123,283,301</b>	<b>\$ 446,921</b>
Transfers: Depreciation, Retirement	23,794,502	-	-
Reappropriations	(6,890,273)	-	-
<b>Free Surplus</b>	<b>\$ 168,038,072</b>	<b>\$ 123,283,301</b>	<b>\$ 446,921</b>
<i>Operating Surplus/(Deficit)</i>	<i>83,327,106</i>	<i>(44,754,771)</i>	<i>(122,836,380)</i>
<b>Budget Stabilization and Cash Reserve</b>	<b>\$ 185,445,769</b>	<b>\$ 190,153,354</b>	<b>\$ 189,946,381</b>
Percent of Revenues	5.1%	5.2%	5.2%



---

## **Section II**

# **Adjustments to Governor's FY 2016 Budget**

---



	<b>FY 2017 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	<b>Revenue Changes</b>					
<b>1</b>	May Conference	7,676,914	-	-	-	7,676,914
<b>2</b>	Beach Fees and Local Shares to 2011 Levels	(1,284,000)	-	-	-	(1,284,000)
<b>3</b>	Cigarette Tax	(7,139,351)	-	-	-	(7,139,351)
<b>4</b>	Corporate Filing Fee Parity	(30,000)	-	-	-	(30,000)
<b>5</b>	Deepwater Lease Payment to Current Law	150,000	-	-	-	150,000
<b>6</b>	Hospital License Fee at 5.652%	(91,778)	-	-	-	(91,778)
<b>7</b>	Medicaid Changes	797,291	-	-	-	797,291
<b>8</b>	Medical Marijuana Regulation	(9,556,426)	-	-	-	(9,556,426)
<b>9</b>	Minimum Corp Tax to \$400	(1,579,348)	-	-	-	(1,579,348)
<b>10</b>	Pension Exemption of \$15,000 - Same Eligibility as Social Security Exemption	(6,340,796)	-	-	-	(6,340,796)
<b>11</b>	Small Distilleries	(30,000)	-	-	-	(30,000)
<b>12</b>	Veterans Plates	(35,000)	-	-	-	(35,000)
<b>13</b>	Airport Corporation Transfer	(275,000)	-	-	-	(275,000)
<b>14</b>	Infrastructure Bank Fund Transfer	(8,000,000)	-	-	-	(8,000,000)
<b>15</b>	Narragansett Bay Commission Fund Transfer	(1,450,000)	-	-	-	(1,450,000)
<b>16</b>	Resource Recovery Fund Transfer	(1,500,000)	-	-	-	(1,500,000)
<b>17</b>	RIHEBC Funds Transfer	(5,000,000)	-	-	-	(5,000,000)
	<b>Total</b>	<b>(33,687,494)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33,687,494)</b>
	<b>Expenditures Changes</b>					
	<b>Administration</b>					
<b>18</b>	Audit Personnel from DHS to DOA	28,771	-	-	102,005	130,776
<b>19</b>	Capital - Chapin Health Lab	-	-	-	362,000	362,000
<b>20</b>	Capital - Cranston Street Armory	-	-	-	1,150,000	1,150,000
<b>21</b>	Capital - Pastore Center Parking	-	-	-	(430,000)	(430,000)
<b>22</b>	Capital - Pastore Center Rehab	-	-	-	(932,000)	(932,000)
<b>23</b>	Capital - Pastore Center Strategic Plan	-	-	-	850,000	850,000
<b>24</b>	Capital - Pastore Utilities Upgrade	-	-	-	378,000	378,000
<b>25</b>	Capital - State House Renovations	-	-	-	150,000	150,000
<b>26</b>	Capital - State Office Building	-	-	-	170,000	170,000
<b>27</b>	Capital - Virks Building Renovation	-	-	-	1,130,000	1,130,000
<b>28</b>	Capital - William Powers Administration Building	-	-	-	(500,000)	(500,000)
<b>29</b>	Capital - Zambarano Buildings & Utilities	-	-	-	785,000	785,000
<b>30</b>	Capital Asset Management and Maintenance - (4.0 New FTE)	(658,380)	-	-	-	(658,380)
<b>31</b>	Capital Staffing Shift	1,312,970	-	-	(1,312,970)	-
<b>32</b>	Central Management 1.0 New Billing Specialist	(128,994)	-	-	-	(128,994)
<b>33</b>	Community Service Grants	(96,049)	-	-	-	(96,049)
<b>34</b>	Delivered Fuels Energy Efficiency Program (1.0 New FTE)	-	-	(1,500,000)	-	(1,500,000)
<b>35</b>	Electronic Local Permitting Excess	(500,000)	-	-	-	(500,000)
<b>36</b>	Debt Service	(2,700,000)	-	-	-	(2,700,000)
<b>37</b>	Lean Government Grant	-	-	55,000	-	55,000
<b>38</b>	Lean Initiatives	(100,000)	-	-	-	(100,000)
<b>39</b>	Library Aid	900,000	-	-	-	900,000
<b>40</b>	Office of Performance Management - (3.0 New FTE)	(361,947)	-	-	-	(361,947)

	<b>FY 2017 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>41</b>	Office of Regulatory Reform - Staffing Enhancements	(131,237)	-	-	-	(131,237)
<b>42</b>	Parental Leave	(750,000)	-	-	-	(750,000)
<b>43</b>	Purchasing 1.0 New Implementation Aide	(87,986)	-	-	-	(87,986)
<b>44</b>	Reconciliation Funding	-	-	(150,000)	-	(150,000)
<b>45</b>	Regional Greenhouse Gas Staffing (1.0 New FTE)	-	-	(124,312)	-	(124,312)
<b>46</b>	RIFANS Database Administrator	(103,844)	-	-	-	(103,844)
<b>47</b>	RIPTA Operating Support	900,000	-	-	-	900,000
<b>48</b>	Staff Training Initiatives (CAMM and HR)	(228,417)	-	-	-	(228,417)
<b>49</b>	Statewide Operational Savings - Delayed from FY 2016	(1,850,000)	-	-	-	(1,850,000)
<b>50</b>	Turnover	(1,300,000)	-	-	-	(1,300,000)
	<b>Business Regulation</b>					
<b>51</b>	OHIC - Rate Review Staff (9 FTEs)	(1,032,302)	-	-	-	(1,032,302)
<b>52</b>	Staff Training and Technology Enhancements	(134,900)	-	-	-	(134,900)
<b>53</b>	Medical Marijuana Staff and Software	(1,300,000)	-	1,021,558	-	(278,442)
	<b>Executive Office of Commerce</b>					
<b>54</b>	Affordable Housing	(1,000,000)	-	-	-	(1,000,000)
<b>55</b>	Anchor Institution Tax Credit	700,000	-	-	-	700,000
<b>56</b>	Building and Fire Code - Commerce Corp	(250,000)	-	-	-	(250,000)
<b>57</b>	Capital - Quonset Piers	-	-	-	1,000,000	1,000,000
<b>58</b>	Closing Fund	2,000,000	-	-	-	2,000,000
<b>59</b>	Commerce Corporation - Base Appropriation	(141,612)	-	-	-	(141,612)
<b>60</b>	Community Service Grants	(589,492)	-	-	-	(589,492)
<b>61</b>	Community Development Block Grant	-	2,500,000	-	-	2,500,000
<b>62</b>	Impact Faculty	(2,750,000)	-	-	-	(2,750,000)
<b>63</b>	Industry Cluster Grants	(750,000)	-	-	-	(750,000)
<b>64</b>	New I-195 Project Manager	(111,200)	-	-	-	(111,200)
<b>65</b>	P-Tech	(200,000)	-	-	-	(200,000)
<b>66</b>	Rebuild RI	4,400,000	-	-	-	4,400,000
<b>67</b>	Refundable R&D Tax Credit	(5,000,000)	-	-	-	(5,000,000)
<b>68</b>	Rhody Pass	(1,500,000)	-	-	-	(1,500,000)
<b>69</b>	Small Business Innovation Research	(1,000,000)	-	-	-	(1,000,000)
<b>70</b>	University and College Research Collaborative	(165,000)	-	-	-	(165,000)
<b>71</b>	Wavemaker Fellowships	(1,500,000)	-	-	-	(1,500,000)
	<b>Labor and Training</b>					
<b>72</b>	Grant Monitoring & Evaluation (3.0 FTE)	-	(122,292)	(183,430)	-	(305,722)
<b>73</b>	Misclassification Task Force (3.0 FTEs)	(110,143)	-	(110,143)	-	(220,286)
<b>74</b>	State Workforce & Education Alignment Project (1.0 FTE)	-	-	-	(94,331)	(94,331)
<b>75</b>	TechHire Initiative to Other Sources	(2,000,000)	-	-	-	(2,000,000)
<b>76</b>	Women's Paid Leave Federal Grant	-	58,934	-	-	58,934
	<b>Revenue</b>					
<b>77</b>	Distressed Communities Aid	2,000,000	-	-	-	2,000,000
<b>78</b>	Taxation - Motor Fuel Tax Evasion	-	-	-	160,000	160,000
<b>79</b>	Lottery Commission Payments - May REC	-	-	-	(19,904,646)	(19,904,646)
<b>80</b>	Central Falls Retiree Payments	250,703	-	-	-	250,703
<b>81</b>	Central Falls Local Support	600,000	-	-	-	600,000



	<b>FY 2017 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	<b>Lieutenant Governor</b>					
<b>82</b>	Legal Services	(30,000)	-	-	-	(30,000)
	<b>Secretary of State</b>					
<b>83</b>	Community Service Grants	(24,635)	-	-	-	(24,635)
<b>84</b>	E- Poll Books	195,000	-	-	-	195,000
	<b>Office of the General Treasurer</b>					
<b>85</b>	CollegeBoundfund (1.0 FTE)	-	-	-	(124,837)	(124,837)
<b>86</b>	Crime Victim Compensation Grants	(120,000)	-	-	-	(120,000)
<b>87</b>	Retirement System (2.0 FTEs)	-	-	(198,623)	-	(198,623)
<b>88</b>	Unclaimed Property	-	-	1,232,738	-	1,232,738
	<b>Office of Health and Human Services</b>					
<b>89</b>	Children's Health Account Insurance Assessment	3,180,000	-	(3,180,000)	-	-
<b>90</b>	Graduate Medical Education	2,000,000	-	-	-	2,000,000
<b>91</b>	Health Analytics and Policy	(400,000)	(400,000)	-	-	(800,000)
<b>92</b>	Hospital Incentive Program State Match to Other Sources	(10,349,566)	-	-	-	(10,349,566)
<b>93</b>	Hospitals Upper Payment Limit	9,457,259	9,792,199	-	-	19,249,458
<b>94</b>	Managed Care Reductions	5,372,973	10,231,884	-	-	15,604,857
<b>95</b>	Medicaid Caseload - May Conference	8,614,915	(58,158,768)	(1,790,000)	-	(51,333,853)
<b>96</b>	Nursing Home Incentive State Match to Other Sources	(6,567,192)	-	-	-	(6,567,192)
<b>97</b>	Nursing Homes - COLA and Direct Care	3,899,008	4,037,097	-	-	7,936,105
<b>98</b>	Reinventing Medicaid - Restore Administrative Savings	(250,000)	(250,000)	-	-	(500,000)
<b>99</b>	Settlement Reversal	1,496,900	-	-	-	1,496,900
<b>100</b>	Turnover	(1,246,900)	(996,900)	-	-	(2,243,800)
<b>101</b>	Uncompensated Care	7,459,500	7,723,687	-	-	15,183,187
	<b>Children, Youth and Families</b>					
<b>102</b>	Capital - Youth Group Homes - Firecode Upgrades	-	-	-	590,000	590,000
<b>103</b>	Community Service Grants	(210,256)	-	-	-	(210,256)
	<b>Health</b>					
<b>104</b>	Community Service Grants	(319,445)	-	-	-	(319,445)
<b>105</b>	Medical Marijuana Staff Costs	-	-	122,295	-	122,295
<b>106</b>	New Associate Director of Customer Services	(157,884)	-	-	-	(157,884)
<b>107</b>	New Scene Investigator Position	(92,843)	-	-	-	(92,843)
	<b>Human Services</b>					
<b>108</b>	Audit Personnel to DOA	(28,771)	(102,005)	-	-	(130,776)
<b>109</b>	Cash Assistance Caseload - May Conference	(3,470,174)	(2,082,252)	-	-	(5,552,426)
<b>110</b>	Community Service Grants	(460,632)	-	-	-	(460,632)
<b>111</b>	Disability Determination Services	-	1,999,996	-	-	1,999,996
<b>112</b>	Independent Living Program to Commission on Disabilities	(26,400)	(228,750)	-	-	(255,150)
<b>113</b>	Long Term Care Ombudsman - Restore	45,000	45,000	-	-	90,000
<b>114</b>	Office of Veterans Affairs New Positions (3.0 FTE)	(80,431)	(200,000)	-	-	(280,431)
<b>115</b>	ORS Rehabilitation Programs - Restore	294,101	321,175	-	-	615,276
<b>116</b>	Race to the Top - Federal Funds Replacement	(1,050,000)	-	-	-	(1,050,000)

	<b>FY 2017 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>117</b>	Reinventing Medicaid - Restore Administrative Savings	(250,000)	(250,000)	-	-	(500,000)
<b>118</b>	Unspecified Senior Center Grants	(600,000)	-	-	-	(600,000)
<b>119</b>	Veterans' Affairs Operations	-	-	430,217	-	430,217
<b>120</b>	Veterans' Home	-	10,000,000	-	-	10,000,000
<b>121</b>	Volunteer Guardianship - Restore	81,512	81,512	-	-	163,024
	<b>BHDDH</b>					
<b>122</b>	Capital - Administrative Buildings	-	-	-	237,736	237,736
<b>123</b>	Capital - MH Community Facilities	-	-	-	(200,000)	(200,000)
<b>124</b>	Caseload Growth	(2,873,368)	(2,975,132)	-	-	(5,848,500)
<b>125</b>	Community Service Grants	(260,148)	-	-	-	(260,148)
<b>126</b>	Consent Decree Related Services	2,000,000	2,083,299	-	-	4,083,299
<b>127</b>	DD - Home Health Aides Shifted to OHHS Caseload	(900,000)	(931,874)	-	-	(1,831,874)
<b>128</b>	Eleanor Slater Hospital License Fee	(91,778)	(78,518)	-	-	(170,296)
<b>129</b>	Group Home Placements	5,000,000	5,208,248	-	-	10,208,248
<b>130</b>	Professional Supports	2,165,755	2,242,459	-	-	4,408,214
	<b>Child Advocate</b>					
<b>131</b>	Child Victim Services Federal Grant	-	100,000	-	-	100,000
	<b>Governor's Commission on Disabilities</b>					
<b>132</b>	Independent Living Program from DHS	26,400	228,750	-	-	255,150
<b>133</b>	Federal HAVA Grant Adjustment	-	(10,297)	-	-	(10,297)
	<b>Elementary &amp; Secondary Education</b>					
<b>134</b>	Capital - Davies HVAC	-	-	-	(900,000)	(900,000)
<b>135</b>	Capital - Met HVAC	-	-	-	1,000,000	1,000,000
<b>136</b>	Capital - Shepard Building Air Quality	-	-	-	(95,000)	(95,000)
<b>137</b>	Career and Tech Categorical	1,000,000	-	-	-	1,000,000
<b>138</b>	Community Service Grants	(1,289,359)	-	-	-	(1,289,359)
<b>139</b>	Education Specialist (RTTT - 1.0 FTE)	(107,843)	-	-	-	(107,843)
<b>140</b>	Education Telecommunications Access Fund	(500,000)	-	-	-	(500,000)
<b>141</b>	Fellowships for Instructional Excellence	(750,000)	-	-	-	(750,000)
<b>142</b>	Group Homes Aid	828,000	-	-	-	828,000
<b>143</b>	Innovation/Empowerment Fund	(1,000,000)	-	-	-	(1,000,000)
<b>144</b>	March Data Update	3,284,140	-	-	-	3,284,140
<b>145</b>	New Charter Density Categorical	(1,142,267)	-	-	-	(1,142,267)
<b>146</b>	Performance Management (RTTT - 1.0 FTE)	(72,491)	-	-	-	(72,491)
<b>147</b>	Principal Empowerment and Training	(1,000,000)	-	-	-	(1,000,000)
<b>148</b>	Race to the Top Early Learning (3.3 FTEs)	(219,700)	-	-	-	(219,700)
<b>149</b>	Race to the Top Early Learning Challenge	(350,000)	-	-	-	(350,000)
<b>150</b>	Recovery High School	500,000	-	-	-	500,000
<b>151</b>	Restore Full Day K Transition aid	2,592,758	-	-	-	2,592,758
<b>152</b>	State Schools Stabilization Funding	(394,971)	-	-	-	(394,971)
<b>153</b>	Teacher Evaluation and Assessment Tools (RTTT)	(290,000)	-	-	-	(290,000)
<b>154</b>	Transportation Categorical	2,000,000	-	-	-	2,000,000
	<b>Higher Education</b>					
<b>155</b>	Capital - CCRI Asset Protection	-	-	-	548,000	548,000

<b>FY 2017 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>156</b>	Capital - Shepard Building (Shift from ElSec)	-	-	-	95,000	95,000
<b>157</b>	Community Service Grants	(519,302)	-	-	-	(519,302)
<b>158</b>	Nursing Education Center Occupancy Delay	(3,421,859)	-	-	-	(3,421,859)
<b>159</b>	OPC - Westerly Education Center Personnel 3.0 FTE	-	-	361,925	-	361,925
<b>160</b>	OPC - Westerly Education Center Lease	750,000	-	-	-	750,000
<b>Arts Council</b>						
<b>161</b>	Community Service Grants	80,426	-	-	-	80,426
<b>162</b>	Film and Television Office (2.6 FTE)	331,838	-	-	-	331,838
<b>Atomic Energy Commission</b>						
<b>163</b>	Reactor Instrumentation Upgrades	-	(17,886)	-	-	(17,886)
<b>Historical Preservation &amp; Heritage Commission</b>						
<b>164</b>	Community Service Grants	(171,301)	-	-	-	(171,301)
<b>Attorney General</b>						
<b>165</b>	Crime Lab Equipment	-	-	260,000	-	260,000
<b>Corrections</b>						
<b>166</b>	Capital - Bernadette Guay	-	-	-	(650,000)	(650,000)
<b>167</b>	Capital - Maximum General Renovations	-	-	-	300,000	300,000
<b>168</b>	Discharge Planning to Direct Staff (8.0 FTEs)	(92,701)	-	-	-	(92,701)
<b>169</b>	Sex Offender Discharge Planning	250,000	-	-	-	250,000
<b>170</b>	Medication/Mediation Assisted Treatment (Opioids)	(500,000)	-	-	-	(500,000)
<b>171</b>	New Electronic Weapons Simulator	(80,000)	-	-	-	(80,000)
<b>172</b>	Pharmaceutical Savings	(400,000)	-	-	-	(400,000)
<b>173</b>	Pretrial Population Initiative (5.0 FTE)	150,706	-	-	-	150,706
<b>Judicial</b>						
<b>174</b>	Community Service Grants	(35,319)	-	-	-	(35,319)
<b>175</b>	Judicial Appointments	750,000	-	-	-	750,000
<b>176</b>	Veterans' Treatment Calendar Federal Grant	-	137,726	-	-	137,726
<b>Military Staff</b>						
<b>177</b>	Capital - Joint Force Headquarters Building	-	-	-	(1,500,000)	(1,500,000)
<b>Public Safety</b>						
<b>178</b>	Pre-1987 Pensions	366,372	-	(1,000,000)	-	(633,628)
<b>179</b>	Reimbursements from State Agencies	-	-	-	(453,443)	(453,443)
<b>180</b>	Turnover	(750,000)	-	-	-	(750,000)
<b>Environmental Management</b>						
<b>181</b>	Building Code Commission to Foundry Building	(54,805)	-	-	-	(54,805)
<b>182</b>	Capital - Dam Repair (GBA)	-	-	-	230,000	230,000
<b>183</b>	Capital - Fort Adams Sailing Improvements	-	-	-	700,000	700,000
<b>184</b>	Capital - Marine Infrastructure/Pier Development	-	-	-	(400,000)	(400,000)
<b>185</b>	Capital - Natural Resources Offices/Visitor's Center	-	-	-	500,000	500,000
<b>186</b>	Clean Diesel Program	2,000,000	-	-	-	2,000,000
<b>187</b>	Community Service Grants	128,572	-	-	-	128,572

	<b>FY 2017 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>188</b>	Local Agriculture & Seafood Fund	100,000	-	(100,000)	-	-
<b>189</b>	New Enforcement and Compliance Positions (2.0 FTE)	(207,868)	-	-	-	(207,868)
	<b>Coastal Resources Management Council</b>					
<b>190</b>	New Federal Grant	-	50,000	-	-	50,000
<b>191</b>	Capital - South Coast Restoration Project	-	-	-	61,118	61,118
	<b>Transportation</b>					
<b>192</b>	Capital - Maintenance Equipment Replacement	-	-	-	(1,000,000)	(1,000,000)
	<b>Total</b>	<b>7,751,867</b>	<b>(9,962,708)</b>	<b>(4,852,775)</b>	<b>(17,998,368)</b>	<b>(25,061,984)</b>

## FY 2017 Changes to Governor

### Revenue Changes

- 1. May Conference.** The May 2016 Revenue Estimating Conference increased the FY 2017 forecast to \$3,501.7 million based on its FY 2016 revisions and the new economic forecast. The estimate is \$8.6 million more than the November estimate, and \$7.7 million more than the Governor's proposed budget, which recommended changes that could not be included in the estimate.
- 2. Beach Fees and Local Shares to 2011 Levels.** The House Finance Committee recommends decreasing the beach parking fees collected by the Department of Environmental Management to the rates previously charged before July 1, 2011. The revenue sharing percentage for the host beach communities would also revert back to the previous, higher level. The Department estimates this would result in a \$1.3 million loss to state general revenues in FY 2017.
- 3. Cigarette Tax.** The House Finance Committee does not concur with the Governor's proposal to generate \$7.1 million by increasing the cigarette tax from \$3.75 to \$4.00 per pack. The 2015 Assembly increased the cigarette tax from \$3.50 to \$3.75 per pack, effective August 1, 2015. The FY 2017 budget adjusts revenues accordingly.
- 4. Corporate Filing Fee Parity.** The House Finance Committee recommends changing the application and renewal fees for registered limited liability partnerships from \$100 for each partner to a flat fee of \$150 for the original application and \$50 for the renewal application. This ensures that all entities pay the same application and renewal fees regardless of the number of partners. The Budget assumes an associated revenue loss of \$30,000.
- 5. Deepwater Lease Payment to Current Law.** The House Finance Committee does not concur with the Governor's proposal to require the deposit of lease payments from renewable energy projects costing \$5.0 million or more into the Local Agriculture and Seafood Small Grants and Technical Assistance Fund. The proposal would have resulted in Deepwater Wind's \$150,000 annual lease payment being deposited to restricted receipts with a corresponding loss to general revenues. The Committee retains current law and includes the enacted level of \$100,000 from general revenue to support the fund in FY 2017.
- 6. Hospital License Fee at 5.652%.** The House Finance Committee reduces revenue by \$0.1 million from lowering the hospital license fee from 5.862 percent to 5.652 percent in FY 2017. Total license fees collected would be \$168.9 million including \$162.4 million from community hospital payments and \$6.5 million from state payments for Eleanor Slater Hospital.
- 7. Medicaid Changes.** The House Finance Committee adds \$0.8 million in revenues based on the restoration of \$15.6 million to the managed care plans and \$7.9 million to nursing homes to reflect savings initiatives included the Governor's budget that were not accepted; this increases the amount the state collects from the premium tax paid by these providers.
- 8. Medical Marijuana Regulation.** The Governor's proposed significant restructuring of the state's medical marijuana program includes the institution of a plant tagging system with tag costs ranging from \$150 to \$350 per tag per plant as well as a reduction to the compassion center surcharge. The House Finance Committee does not concur with the change to compassion center surcharges or the Governor's proposed tag prices. The Committee recommends that tag prices not exceed \$25 per plant, are free to those who are disabled or Medicaid eligible and that the tag revenues and existing licensing fees be treated as restricted receipts to support regulation of the program. The Budget adjusts revenues downward by \$9.6 million to account for these changes.

**9. Minimum Corp Tax to \$400.** The House Finance Committee recommends reducing the minimum corporate tax from \$450 to \$400 per year, effective January 1, 2017. The fiscal impact for this reduction is a revenue loss of \$1.6 million for FY 2017; the loss annualizes to \$3.2 million for FY 2018.

**10. Pension Exemption of \$15,000 - Same Eligibility as Social Security Exemption.** The House Finance Committee recommends exempting up to \$15,000 of pension and annuity benefits from state personal income tax for single and head of household filers who have reached full social security retirement age and have federal adjusted gross incomes of \$80,000 or less and married joint and qualifying widow or widower filers with joint federal adjusted gross incomes of \$100,000 or less. This would include income from federal, state, and local government retirement plans, military pensions, railroad retirement benefits, and private pension plans, from the public and private sectors, which is deemed taxable income and is included in a filer's adjusted gross income. The fiscal impact of the expansion would be a total revenue loss of \$6.3 million for FY 2017, which annualizes to \$13.0 million in FY 2018.

**11. Small Distilleries.** The House Finance Committee recommends establishing a two-tiered licensing fee system for alcohol distilleries in the state. Distilleries producing more than 50,000 gallons per year would pay a licensing fee of \$3,000; those producing less than 50,000 would pay \$500 per year. The Committee also recommends granting a tax exemption for the first 49,999 gallons of distilled spirits produced in the state by distilleries that have been operated within the state for at least twelve months. The Budget assumes total revenue loss of \$30,000 from the changes.

**12. Veterans Plates.** The House Finance Committee recommends exempting veterans from the \$20 service fee and \$5 transfer fee for veterans' license plates, effective July 1, 2016. The Committee also recommends the creation of a plate for Gold Star Parents, whose children served in the armed forces and were killed in the line of duty. The Budget assumes an associated revenue loss of \$35,000.

**13. Airport Corporation Transfer.** The House Finance Committee does not concur with the Governor's recommendation to transfer \$275,000 from the Rhode Island Airport Corporation to general revenues by June 30, 2017.

**14. Infrastructure Bank Fund Transfer.** The House Finance Committee does not concur with the Governor's recommendation to transfer \$8.0 million from the Infrastructure Bank to state general revenues by June 30, 2017.

**15. Narragansett Bay Commission Fund Transfer.** The House Finance Committee does not concur with the Governor's recommendation to transfer \$1.5 million from the Narragansett Bay Commission to state general revenues by June 30, 2017.

**16. Resource Recovery Fund Transfer.** The House Finance Committee does not concur with the Governor's recommendation to transfer \$1.5 million from the Resource Recovery Corporation to state general revenues by June 30, 2017.

**17. RIHEBC Funds Transfer.** The House Finance Committee does not concur with the Governor's recommendation to transfer \$5.0 million from the Rhode Island Health and Educational Building Corporation to general revenues by June 30, 2017.

#### **Administration**

**18. Audit Personnel from DHS to DOA.** The Governor's recommended budget reflects the consolidation of auditing functions in the Office of Management and Budget and numerous positions from several agencies were transferred to the Department of Administration. The House Finance Committee concurs with that change and the Governor's requested amendment to transfer a supervising eligibility

technician position, and associated costs from the Department of Human Services. This includes \$130,776 from all funds, of which \$28,771 is from general revenues.

**19. Capital - Chapin Health Lab.** The House Finance Committee concurs with the Governor's requested amendment to shift \$362,000 from Rhode Island Capital Plan funds for the Chapin Health Lab project from FY 2016 to FY 2017 to reflect a project delay. The capital budget includes \$7.1 million to replace chillers and the cooling tower, as well as upgrading the heating, ventilation and air conditioning system of the building.

**20. Capital - Cranston Street Armory.** The House Finance Committee recommends advancing \$1.2 million from Rhode Island Capital Plan funds from FY 2018 to FY 2017, reflective of the Department's revised spending plan for the Cranston Street Armory project.

**21. Capital - Pastore Center Parking.** The capital budget includes a total of \$3.9 million from Rhode Island Capital Plan funds to construct additional parking spaces in the Pastore Center. The House Finance Committee concurs with the Governor's requested amendment to remove \$170,000 from FY 2016 and it also reduces FY 2017 expenditures by \$430,000 pending updated plans.

**22. Capital - Pastore Center Rehab.** The House Finance Committee concurs with the Governor's requested amendment to reduce Rhode Island Capital Plan funds for the Pastore Center Rehab project by \$1.2 million, including \$0.2 million less in FY 2016 and \$0.9 million less in FY 2017 to reflect projected costs. The five-year plan includes a total of \$17.3 million to fund major maintenance and capital repairs for buildings at the Pastore Center.

**23. Capital - Pastore Center Strategic Plan.** The House Finance Committee concurs with the Governor's requested amendment to provide an additional \$850,000 from Rhode Island Capital Plan funds to perform facility condition assessments of all properties under the purview of the Division of Capital Asset Management and Maintenance. The Department indicates that the assessments will be used as a basis for identifying future capital asset needs throughout the state.

**24. Capital - Pastore Utilities Upgrade.** The House Finance Committee concurs with the Governor's requested amendment to shift \$0.4 million from Rhode Island Capital Plan funds from FY 2016 to FY 2017 to reflect a project delay.

**25. Capital - State House Renovations.** The House Finance Committee concurs with the Governor's requested amendment to add \$200,000 from Rhode Island Capital Plan funds, including \$50,000 in FY 2016 to reflect anticipated expenditures for maintenance and \$150,000 in FY 2017 for preservation and display of battle flags and markers in the State House.

**26. Capital - State Office Building.** The House Finance Committee concurs with the Governor's amendment request to adjust Rhode Island Capital Plan funds for the State Office Building project to reflect projected costs. This includes reducing costs in FY 2016 by \$0.5 million and adding \$170,000 in FY 2017. The five-year plan includes \$4.4 million to upgrade the heating, ventilation and air conditioning system, elevator repairs and general repairs of the State Office Building, which is currently occupied by the Department of Transportation.

**27. Capital - Virks Building Renovation.** The House Finance Committee concurs with the Governor's requested amendment to shift \$1.1 million from Rhode Island Capital Plan funds from FY 2016 to FY 2017 to reflect anticipated expenditures to renovate the Virks building in the Pastore Center to be occupied by the Executive Office of Health and Human Services.

- 28. Capital - William Powers Administration Building.** The Governor's five-year plan assumes use of \$7.5 million from Rhode Island Capital Plan funds, including \$1.5 million in each year for asset protection projects such as window replacement and cooling tower upgrades at the William Powers Building. General renovations include bathroom repairs, security upgrades, and painting. The House Finance Committee recommends use of \$5.0 million, \$1.0 million in each year.
- 29. Capital - Zambarano Buildings & Utilities.** The House Finance Committee concurs with the Governor's amendment request to shift \$0.8 million from Rhode Island Capital Plan funds from FY 2016 to FY 2017 to reflect anticipated expenditures for renovating various buildings and upgrading the infrastructure at the Zambarano Campus of the Eleanor Slater Hospital in Burrillville.
- 30. Capital Asset Management and Maintenance - (4.0 New FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.7 million from general revenues to fund four new senior level positions in the new Division of Capital Asset Management and Maintenance. The FY 2016 enacted budget reflects the consolidation of construction, property and asset management functions into the Department of Administration.
- 31. Capital Staffing Shift.** The House Finance Committee does not concur with the Governors' proposal to charge \$1.3 million of direct state staff time to Rhode Island Capital Plan funds, a departure from the current use of such funds. Additionally, the methodology for the charges has not been provided, nor do project costs appear to have been increased to accommodate the additional expense. The Committee recommends \$1.3 million from general revenues to fund the positions.
- 32. Central Management 1.0 New Billing Specialist.** The House Finance Committee does not concur with the Governor's recommendation to add \$128,994 from general revenues to fund a billing specialist in Central Management to perform billing services in regards to centralized functions.
- 33. Community Service Grants.** The House Finance Committee recommends the elimination of all community service grants previously administered by the Department of Administration, for which the recommended budget included \$146,049. It recommends including a \$50,000 appropriation to support City Year's Whole School Whole Child program.
- 34. Delivered Fuels Energy Efficiency Program (1.0 New FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$1.5 million from restricted receipts and one new position to administer a Delivered Fuels Energy Efficiency Program, which would have required a surcharge on delivered fuels. No legislation to establish the program was proposed.
- 35. Electronic Local Permitting Excess.** The FY 2017 recommendation includes \$1.0 million, split equally between general revenues and the Information Technology Investment Fund for an electronic permitting system; a standardized system that will include plan review management and inspection software that will be made available to the State Building Code Commission and municipalities. Based on current underspending for this project from the total of \$1.3 million allocated for FY 2016, the House Finance Committee excludes the new general revenue funding in FY 2017, and assumes unspent funds would be carried forward for use in FY 2017 along with the \$0.5 million from the Information Technology Investment Fund.
- 36. Debt Service.** The House Finance Committee recognizes a savings of \$2.7 million from general revenues to reflect a delay in issuing general obligation bonds.
- 37. Lean Government Grant.** The House Finance Committee concurs with the Governor's requested amendment to include expenditures of \$55,000 from restricted receipts in both FY 2016 and FY 2017 to



reflect a new \$110,000 grant that the Department of Administration received from the Rhode Island Foundation. The funds will be used to support the Lean Government Initiative.

**38. Lean Initiatives.** The FY 2017 recommended budget includes \$100,000 from general revenues to fund lean process improvement projects to improve operational efficiency. Subsequent to the budget submission, the Department of Administration received an \$110,000 grant from the Rhode Island Foundation to support the Lean Government Initiative. The House Finance Committee recommends the removal of the general revenue funding.

**39. Library Aid.** The House Finance Committee recommends an additional \$0.9 million from general revenues to increase library aid support to municipalities to 23.7 percent. Current law requires the state to provide financial support to public libraries equal to 25.0 percent of the second prior fiscal year's local expenditures for library services. The Governor's budget recommendation funds library aid at 21.2 percent.

**40. Office of Performance Management - (3.0 New FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.4 million from general revenues to fund 3.0 new positions in the Office of Performance Management.

**41. Office of Regulatory Reform - Staffing Enhancements.** The House Finance Committee does not concur with the Governor's recommendation to add \$0.1 million from general revenues to support staffing enhancements in the Office of Regulatory Reform. Of the total recommendation, \$76,256 would be used to fund interns and the remaining funds would be used to upgrade several positions in the Office of Regulatory Reform.

**42. Parental Leave.** The House Finance Committee does not concur with the Governor's recommendation to add \$750,000 from general revenues for a new "Parental Leave" initiative. No further documentation for intended use was provided.

**43. Purchasing 1.0 New Implementation Aide.** The House Finance Committee does not concur with the Governor's recommendation to provide \$0.1 million from general revenues to fund a new implementation aide position in the Division of Purchasing and adjusts staffing and funding accordingly.

**44. Reconciliation Funding.** The House Finance Committee does not concur with the Governor's recommendation to add \$150,000 from restricted receipts as part of a proposal that would allow reconciliation funding capabilities, which would require a surcharge on electric customers. The Office of Energy Resources would use the funding to obtain contracted services when needed for consultant and legal services for energy docket and legal hearings. No legislation to establish the program was proposed.

**45. Regional Greenhouse Gas Staffing (1.0 New FTE).** The House Finance Committee does not concur with the Governor's recommendation to provide \$0.1 million from Regional Greenhouse Gas Initiative restricted receipts to fund a new chief programming development position, and adjusts funding and staffing accordingly.

**46. RIFANS Database Administrator.** The House Finance Committee does not concur with the Governor's proposal to fund a new database administrator position for the state's financial accounting network system. The Governor's recommended budget includes \$0.2 million from general revenues for the new position offset by savings of \$0.1 million for contracted information technology services.

**47. RIPTA Operating Support.** The House Finance Committee recommends \$900,000 from general revenues to provide the Rhode Island Public Transit Authority with additional operating support.

**48. Staff Training Initiatives (CAMM and HR).** The House Finance Committee does not concur with the Governor's recommendation to add \$228,417 from general revenues for staff training initiatives in the Division of Capital Asset Management and Maintenance. This includes \$100,000 for the Division of Human Resources to obtain outside services for the development of training programs to be consistent with agencies strategic goals.

**49. Statewide Operational Savings - Delayed from FY 2016.** The House Finance Committee concurs with the Governor's requested amendment to shift \$1.9 million in statewide operational savings from FY 2016 to FY 2017 to reflect a delay. The enacted budget included \$2.0 million in general revenue savings based on the Division of Purchasing and Bureau of Audits reviewing recent state commodity and deliverable based contracts to ensure that the state has achieved all attainable savings. The Department will also obtain outside services to help identify the savings.

**50. Turnover.** The House Finance Committee recommends reducing general revenue expenditures by \$1.3 million to reflect turnover savings based on current vacancies. As of the pay period ending May 14, 2016, the Department had 72.2 full-time equivalent positions vacant, or a 10.1 percent vacancy rate.

### **Business Regulation**

**51. OHIC - Rate Review Staff (9 FTEs).** The House Finance Committee does not concur with the Governor's recommendation to provide \$1.0 million from general revenues for salaries and benefits for 9.0 full-time equivalent positions in the Office of the Health Insurance Commissioner for nine months of FY 2017. The positions have been funded from federal Affordable Care Act grant funds; the funds are scheduled to expire on September 30, 2017.

**52. Staff Training and Technology Enhancements.** The House Finance Committee does not include \$0.1 million from general revenues that the Governor had recommended for unidentified staff training and technology enhancements associated with Department professional development, Lean process management training, and unspecified transparency initiatives throughout the Department.

**53. Medical Marijuana Staff and Software.** The House Finance Committee recommends funding software and dedicated staff associated with the restructuring of the state's medical marijuana program from restricted receipts available from the sale of new medical marijuana tag sets, new cultivator licenses, and existing license fees. The Budget reduces associated general revenue expenditures and includes \$1.0 million from restricted receipts for staff and software costs.

### **Executive Office of Commerce**

**54. Affordable Housing.** The House Finance Committee does not concur with the Governor's proposal to include \$1.0 million from general revenues to support an affordable housing program administered by Rhode Island Housing for FY 2017. The FY 2016 enacted budget includes \$3.0 million from general revenues available from debt refinancing for the program, which will also leverage federal resources and private resources. Documents supporting the Governor's FY 2016 recommended budget indicated that no funds would be recommended for the program after FY 2016.

**55. Anchor Institution Tax Credit.** The House Finance Committee recommends adding \$0.7 million for the Commerce Corporation's Anchor Institution Tax Credit Program that establishes a credit of an unspecified amount that may be applied against corporate income tax liability for up to five years. The credit is available to qualifying businesses that have successfully solicited the relocation of a separate business to the state or the relocation of at least ten employees of that separate business on a permanent basis. No more than 75.0 percent of the total funds allowed for the program in a fiscal year may be assigned to a single recipient. The program will sunset on December 31, 2018; no credits will be assigned to any

projects after that date. The Governor's recommended budget did not include funds for the program, which received \$750,000 in FY 2016.

**56. Building and Fire Code - Commerce Corp.** The House Finance Committee does not concur with the Governor's recommendation to add \$0.3 million from general revenues to support the expediting building and fire code inspection processes. The FY 2016 Appropriations Act established that projects receiving Commerce Corporation incentives be subject only to the state building and fire codes, with inspections performed by the state. The House Finance Committee recommends the enacted level of funding, consistent with the Office's request.

**57. Capital - Quonset Piers.** The Governor recommends \$70.0 million from general obligation bond funds and \$20.0 million from Quonset Development Corporation bond funds to be issued to support renovations to Pier 2 of the Port of Davisville in the Quonset Business Park. The House Finance Committee recommends total project funding consistent with the Governor's recommendation, but includes \$50.0 million from general obligation bond funds, \$25.0 million from Quonset Development Corporation bond funds, and \$15.0 million from Rhode Island Capital Plan funds, including \$1.0 million for FY 2017.

**58. Closing Fund.** The House Finance Committee concurs with the Governor's recommendation to provide a second year of funding for the Commerce Corporation's First Wave Closing Fund and includes an additional \$2.0 million from general revenues. The Fund can be used by the Corporation to provide working capital, equipment, furnishings, fixtures, construction, rehabilitation, purchase of property, or other approved purposes as assistance to businesses in the state.

**59. Commerce Corporation - Base Appropriation.** The House Finance Committee does not recommend adding \$0.1 million from general revenues for the Commerce Corporation's base appropriation as recommended by the Governor.

**60. Community Service Grants.** The House Finance Committee recommends the elimination of all community service grants previously administered by the Executive Office of Commerce through the Commerce Corporation; the recommended budget included \$0.6 million.

**61. Community Development Block Grant.** The House Finance Committee concurs with the Governor's requested amendment to add \$2.5 million from federal Community Development Block Grant funds for FY 2017 to reflect the award of a new 2015 grant.

**62. Impact Faculty.** The House Finance Committee does not concur with the Governor's recommendation to add \$2.8 million from general revenues for a new initiative to allow the Commerce Corporation to assist the University of Rhode Island, Rhode Island College, and the Community College of Rhode Island to attract and retain faculty with a successful record of commercializing their academic research.

**63. Industry Cluster Grants.** The House Finance Committee recommends total funding of \$0.5 million, \$0.8 million less than recommended for the Commerce Corporation's Industry Cluster Grants program, which establishes a voucher program to provide Rhode Island businesses with startup and technical assistance grants ranging from \$75,000 to \$250,000; and to provide competitive grants ranging from \$100,000 to \$500,000 for activities within an industry cluster and to close industry cluster gaps. The program ends on December 31, 2018; no grants may be assigned after that date.

**64. New I-195 Project Manager.** The House Finance Committee does not concur with the Governor's recommendation to add \$0.1 million from general revenues for the I-195 Redevelopment District Commission. The Commission reported that the additional funds would support the hiring of a new project manager position.

**65. P-Tech.** The House Finance Committee recommends providing \$1.2 million from general revenues to fund the P-Tech Initiative, which supports partnerships among high schools, the Community College of Rhode Island, other institutions of higher education, and employers to offer courses towards high school diplomas, internships, and associate degrees. This is \$0.2 million less than recommended.

**66. Rebuild RI.** The House Finance Committee recommends providing \$4.4 million more than recommended from general revenues for the Rebuild Rhode Island Tax Credit program for total funding of \$25.0 million for FY 2017. The program establishes a real estate development tax credit for qualified construction projects. As of May 23, the Commerce Corporation has assigned \$28.6 million of credits to nine projects with estimated total project costs of \$200.6 million. Credits would be paid over a five-year period following the issuance of a certificate of occupancy.

**67. Refundable R&D Tax Credit.** The House Finance Committee does not recommend a new refundable tax credit program for research and development investments made by small and mid-sized companies for which the Governor recommended \$5.0 million.

**68. Rhody Pass.** The House Finance Committee does not recommend providing \$1.5 million from general revenues for a new initiative allowing the Commerce Corporation to work with the MBTA and Amtrak to develop a mobile application and incentives for rail travel into and out of the state and for other public transportation that connects to rail travel.

**69. Small Business Innovation Research.** The House Finance Committee does not concur with the Governor's recommendation to add \$1.0 million from general revenues to support the Innovate RI Small Business Fund and the Bioscience and Engineering Internship Programs. The House Finance Committee recommends providing the enacted level of \$1.0 million.

**70. University and College Research Collaborative.** The House Finance Committee does not concur with the Governor's proposal to add \$0.2 million from general revenues to reestablish a public and private university and college research collaborative to conduct ongoing economic analysis in partnership with the Commerce Corporation.

**71. Wavemaker Fellowships.** The House Finance Committee recommends total funding of \$3.5 million for FY 2017 for the Wavemaker Fellowship tax credit program. Credits are available to graduates of accredited institutions of higher education who receive an associate's, bachelor's or master's degree and who remain in or become a resident of and employed in the state in the fields of life, natural or environmental sciences; computer, information or software technology; engineering or industrial design; and medicine or medical device technology. The Committee's recommendation is \$1.5 million less than recommended.

### **Labor and Training**

**72. Grant Monitoring & Evaluation (3.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$305,722, including \$183,430 from restricted receipt job development funds and \$122,292 from federal workforce development funds for 3.0 new positions to audit, monitor, and evaluate job services and workforce development related federal grants and awards. The positions include 1.0 Principal Auditor and 2.0 Senior Employment and Training Monitoring and Evaluations Specialists.

**73. Misclassification Task Force (3.0 FTEs).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.2 million from all sources, including \$0.1 million from both general revenues and restricted receipts, for 3.0 new positions related to the work of the Task Force on the Underground Economy and Employee Misclassification.

**74. State Workforce & Education Alignment Project (1.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$94,331 for 1.0 new Principal Research Technician to administer a new two-year project called State Workforce and Education Alignment Project (SWEAP). This National Skills Coalition initiative seeks to demonstrate and create system-wide use of workforce education and training program information to better align programs with each other and with employers' skills needs. The state was awarded \$180,000 over two years for this project, along with three other states.

**75. TechHire Initiative to Other Sources.** The House Finance Committee concurs with the Governor's requested budget amendment to remove the \$2.0 million from general revenues for a new initiative to provide online courses and other non-traditional approaches to rapidly train workers in the field of information technology. The stated goal of this initiative is to train and place 2,000 Rhode Islanders, in the next five years. Rhode Island was selected by the White House to participate in a TechHire initiative, which will train workers for high-paying jobs in a short amount of time through non-traditional approaches like "coding boot camps" and high-quality online courses. The Department was able to secure other fund sources for this initiative; the general revenue funding is not required.

**76. Women's Paid Leave Federal Grant.** The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.1 million from available federal funds from a Women's Paid Leave grant for FY 2017. This funding is passed through to the University of Rhode Island for research around expanding access to the Department's temporary caregiver insurance program.

## **Revenue**

**77. Distressed Communities Aid.** The House Finance Committee recommends total funding of \$12.4 million, which is \$2.0 million more than recommended, for the Distressed Communities Relief Fund program for FY 2017. Communities' aid distribution is based on updated qualifying tax levies and reflects inclusion of Cranston and exclusion of East Providence as qualifying communities for FY 2017. For both the first year of a community's qualification as a distressed community and the year that a community no longer qualifies, it receives a transition payment of half its proportional share.

**78. Taxation - Motor Fuel Tax Evasion.** The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million from motor fuel tax evasion funds for FY 2017 for Division of Taxation staff audits of motor fuel tax return filings.

**79. Lottery Commission Payments - May REC.** The House Finance Committee recommends a reduction of \$19.9 million from Lottery funds for Commission prizes and payments for the current year. This includes \$2.6 million more for table game prizes and \$22.5 million less for traditional Lottery games, reflective of the May 2016 Revenue Estimating Conference's FY 2017 estimates.

**80. Central Falls Retiree Payments.** The House Finance Committee recommends \$0.3 million from general revenues to fund a technical correction to the prior agreement the 2014 Assembly adopted to maintain the base pension benefits received by Central Falls retirees at 75.0 percent. The provision was expected to be effective FY 2017 but a drafting error caused the effective date to be FY 2018 and led to its exclusion from the Governor's budget recommendation.

**81. Central Falls Local Support.** The House Finance Committee recommends \$0.6 million from general revenues for FY 2017 to provide operations support to the City of Central Falls.

## Lieutenant Governor

**82. Legal Services.** The House Finance Committee does not recommend adding \$30,000 from general revenues for outside legal services for the Office of the Lieutenant Governor. The funding would be used to retain outside counsel for general legal services, as the Office does not currently have a staff attorney.

## Secretary of State

**83. Community Service Grants.** The House Finance Committee recommends a \$24,635 reduction to community service grants in the Office of the Secretary of State. This would provide \$125,000 for FY 2017 to support the Rhode Island Historical Society pursuant to Rhode Island General Law, Section 29-2-1.

**84. E- Poll Books.** The House Finance Committee recommends adding \$195,000 from general revenues for the purchase of electronic poll books. Electronic poll books will allow elections officials to review and process voter information during an election; it is not used to count votes.

## Office of the General Treasurer

**85. CollegeBoundFund (1.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.1 million and 1.0 new full-time equivalent position for a new program director for the *CollegeBoundFund*, the state's tuition savings program. Consistent with the Governor's recommendation, the 2015 Assembly enacted legislation to transfer administrative responsibility of the tuition savings program to the Office of the General Treasurer from the Rhode Island Higher Education Assistance Authority. The enacted budget includes 1.0 full-time equivalent position and \$300,000 for costs associated with administering the Fund consistent with what had historically been expensed annually for operations.

**86. Crime Victim Compensation Grants.** The House Finance Committee concurs with the Governor requested budget amendment to remove the \$120,000 from general revenues that the Governor recommended for crime victim compensation grants. The program has sufficient funding from federal funds and restricted receipts and the general revenue funding is not necessary. There is currently no waitlist or backlog for benefits.

**87. Retirement System (2.0 FTEs).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.2 million and 2.0 new full-time equivalent positions for the Retirement System: a junior accountant and a customer experience manager. Both positions would provide additional support related to the new computer which will be fully operational during the spring of 2016.

**88. Unclaimed Property.** The House Finance Committee recommends adding \$1.2 million for the unclaimed property program, including claims and the transfer to the state for FY 2017 to reflect the estimate of the May Revenue Estimating Conference. This includes a \$0.5 million increase in the transfer to the state General Fund estimated to be \$9.2 million for FY 2017.

## Executive Office of Health and Human Services

**89. Children's Health Account Insurance Assessment.** The House Finance Committee does not concur with the Governor's proposal to increase the \$7,500 per child per service threshold to \$12,500 for the children's health account assessment and adjusts funding accordingly. This includes adding \$3.2 million from general revenues and reducing restricted receipts by the same amount.

**90. Graduate Medical Education.** The House Finance Committee recommends providing \$2.0 million from general revenues for graduate medical education funding for academic medical centers that meet

certain criteria, including designation as a Level 1 trauma centers. The Governor's budget had eliminated the general revenue funding.

**91. Health Analytics and Policy.** The House Finance Committee does not concur with the Governor's recommendation to add \$0.8 million, including \$0.4 million from general revenues, to hire a contractor to oversee health analytics and policy activities.

**92. Hospital Incentive Program State Match to Other Sources.** The House Finance Committee does not concur with the Governor's recommendation to use \$10.3 million from general revenues as a state match for the hospital incentive program and reduces funding accordingly. The Executive Office has submitted a plan with the Centers for Medicare and Medicaid Services identifying existing sources of match and is awaiting plan approval, which is not expected before mid-June.

**93. Hospitals Upper Payment Limit.** The House Finance Committee adds \$19.2 million, including \$9.5 million from general revenues for inpatient and outpatient upper payment limit reimbursements paid to the community hospitals. The Governor's recommendation had reallocated the resources to pay the hospital and nursing facility incentive programs.

**94. Managed Care Reductions.** The House Finance Committee recommends adding \$15.6 million from all sources, including \$5.4 million from general revenues that was eliminated in the Governor's recommended budget for two proposals impacting the managed care plans. This includes \$6.8 million, \$2.1 million from general revenues, from negotiating new managed care contracts and \$8.8 million, \$3.3 million from general revenues, from a reduction in the payment made for administrative costs. The Committee did not concur with both proposals and restored funding accordingly.

**95. Medicaid Caseload - May Conference.** The House Finance Committee recommends reducing FY 2017 medical assistance expenses by \$51.3 million from all sources, of which a reduction of \$58.2 million from federal funds and \$1.8 million from restricted receipts offset by an increase of \$8.6 million from general revenues. This reflects the caseload adopted in May and includes \$87.4 million less from federal funds for costs related to the Medicaid expansion program.

**96. Nursing Home Incentive State Match to Other Sources.** The House Finance Committee does not concur with the Governor's recommendation to use \$6.6 million from general revenues as a state match for the nursing home incentive program. The Executive Office has submitted a plan with the Centers for Medicare and Medicaid Services identifying existing sources of match and is awaiting plan approval which is not expected before mid-June.

**97. Nursing Homes - COLA and Direct Care.** The House Finance Committee restores \$7.9 million from all sources, including \$3.9 million from general revenues to provide the October 1, 2016 annual adjustment that was eliminated in the Governor's recommended budget. The Committee also includes legislation to distribute at least 85.0 percent of that increase to direct care workers.

**98. Reinventing Medicaid - Restore Administrative Savings.** The House Finance Committee restores \$0.5 million in administrative savings, including \$0.3 million from general revenues that was included in the FY 2016 enacted budget as part of the Governor's effort to reinvent Medicaid. The enacted budget includes \$1.0 million in savings and the Governor recommended \$0.5 million in FY 2017; this action restores the savings to the original amount.

**99. Settlement Reversal.** The Governor's recommended budget underfunds central administration expenses by \$1.5 million from general revenues assuming that the state will realize savings when it finalizes a settlement process for medical assistance expenses from prior years. The savings are now properly

reflected in the May caseload conference and the House Finance Committee makes the appropriate correction in central administration to account for that. This was also corrected in the revised budget.

**100. Turnover.** The House Finance Committee recommends reducing staffing expenditures by \$2.2 million, including \$1.2 million from general revenues to reflect turnover savings in the Executive Office. The Executive Office currently has 23 vacant positions.

**101. Uncompensated Care.** The House Finance Committee does not concur with the Governor's recommendation to use \$15.2 million, including \$7.5 million from general revenues, to pay for the hospital and nursing home incentive programs and restores funding to the community hospitals for uncompensated care payments for total funding of \$140.4 million in FY 2017.

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

**102. Capital - Youth Group Homes - Firecode Upgrades.** The Governor's recommended capital budget includes \$0.6 million from Rhode Island Capital Plan funds in FY 2016 to provide fire code upgrades and safety related improvements to 111 group home facilities, consistent with the approved plan. The House Finance Committee recommends shifting \$0.6 million from Rhode Island Capital Plan funds from FY 2016 to FY 2017 to reflect a project delay.

**103. Community Service Grants.** The House Finance Committee recommends excluding funding for all eight of the Department's community service grants, for which the Governor's budget included \$210,256 from general revenues.

### **Health**

**104. Community Service Grants.** The House Finance Committee eliminates all community service grants previously administered by the Department of Health, for which the Governor recommended \$319,445 from general revenues.

**105. Medical Marijuana Staff Costs.** Based on the House Finance Committee's proposed restructuring of the state's medical marijuana regulation system, it adds \$0.1 million from restricted receipts for associated staffing costs.

**106. New Associate Director of Customer Services.** The House Finance Committee does not concur with the Governor's recommendation to add \$157,884 from general revenues to fund a new associate director position for the newly created Division of Customer Services.

**107. New Scene Investigator Position.** The House Finance Committee does not concur with the Governor's recommendation to add \$0.1 million from general revenues to fund a new scene investigator position in the Office of the State Medical Examiners.

### **Human Services**

**108. Audit Personnel to DOA.** The House Finance Committee concurs with the Governor's requested amendment to transfer a supervising eligibility technician position and associated costs from the Department of Human Services to the Department of Administration as part of the consolidation of auditing functions in the Office of Management and Budget. This includes \$130,776 from all funds, of which \$28,771 is from general revenues.

**109. Cash Assistance Caseload - May Conference.** The House Finance Committee recommends a reduction of \$5.6 million, including \$3.5 million from general revenues, to adjust the FY 2017 budget for



the May Caseload Conference estimates for cash assistance caseloads, including the Rhode Island Works, subsidized child care, supplemental security income and general public assistance bridge programs.

**110. Community Service Grants.** The House Finance Committee eliminates all community service grants previously administered by the Department of Human Services, including those through the Division of Elderly Affairs. It recommends \$2.9 million for specific grants to local agencies and \$0.4 million for a fund to be distributed to the state's senior centers and \$0.2 million for support to veterans' organizations.

Specific funding includes: \$610,000 for elderly nutrition, including \$530,000 for Meals on Wheels, \$520,000 to the community action agencies, \$300,000 each for Crossroads RI, Coalition Against Domestic Violence, and the John Hope Settlement House, \$250,000 for RI Alliance of Boys and Girls Club, \$217,000 for Day One, \$175,000 each for the Rhode Island Community Food Bank, \$140,000 for the Diocese of Providence and \$40,000 the Alliance for Long Term Care.

**111. Disability Determination Services.** The House Finance Committee concurs with the Governor's requested amendment to add \$2.0 million from federal funds in FY 2017 to provide a 20 percent increase to medical consultants in the Disability Determination Unit in the Office of Rehabilitation Services consistent with instructions from the Social Security Administration.

**112. Independent Living Program to Commission on Disabilities.** The House Finance Committee concurs with the Governor's requested amendment to transfer \$26,400 from general revenues and \$228,750 from federal funds for the Independent Living Program from the Department of Human Services' Office of Rehabilitation Services to the Governor's Commission on Disabilities.

**113. Long Term Care Ombudsman – Restore.** The House Finance Committee restores \$90,000 for the long term care ombudsman, including \$45,000 from general revenues that was reduced in the Governor's FY 2017 recommendation.

**114. Office of Veterans Affairs New Positions (3.0 FTE).** The House Finance does not concur with the Governor's recommendation to add three new positions for the Office of Veterans' Affairs and reduces funding by \$0.3 million, including \$0.1 million from general revenues.

**115. ORS Rehabilitation Programs – Restore.** The House Finance Committee recommends restoring \$0.6 million, including \$0.3 million from general revenues to fund the personal care attendants and home modification programs that were reduced in the Governor's FY 2017 recommendation.

**116. Race to the Top - Federal Funds Replacement.** The House Finance Committee does not concur with the Governor's recommendation to add \$1.1 million from general revenues to replace expiring federal Race to the Top funds in FY 2017. The grant was set to expire December 31, 2015 but has been extended one year.

**117. Reinventing Medicaid - Restore Administrative Savings.** The House Finance Committee restores \$0.5 million in administrative savings, including \$0.3 million from general revenues that was included in the FY 2016 enacted budget as part of the Governor's effort to reinvent Medicaid in the Department of Human Services.

**118. Unspecified Senior Center Grants.** The House Finance Committee does not concur with the Governor's recommendation to add \$0.6 million for grants to the state's senior centers.

**119. Veterans' Affairs Operations.** The House Finance Committee concurs with the Governor's requested amendment to add \$0.4 million from restricted receipts in the Division of Veterans' Affairs that was inadvertently excluded from the recommendation.

**120. Veterans' Home.** The House Finance Committee concurs with the Governor's requested amendment to add \$10.0 million for the new Veterans' Home project in FY 2017. The Governor's capital plan includes \$121.0 million for the home, of which \$60.5 million is from federal sources, but the funds were inadvertently excluded from the recommended budget. The amendment corrects this.

**121. Volunteer Guardianship – Restore.** The House Finance Committee restores \$81,512 from general revenues to fund the Volunteer Guardianship program that was reduced in the Governor's FY 2017 recommendation and includes \$81,512 from the Division of Elderly Affairs leveraging matching Medicaid funds for this program.

#### BHDDH

**122. Capital - Administrative Buildings.** The Governor's capital budget includes \$12.8 million from Rhode Island Capital Plan funds for renovations at Barry Hall, and Simpson Hall, including HVAC and roof replacement, re-pointing, new windows and floors in the five-year capital plan. This is \$250,000 annually and also includes \$2.3 million in FY 2016 and \$5.6 million in FY 2017. The House Finance Committee reduces funding in FY 2016 by \$438,528 and shifts \$237,736 to FY 2017 consistent with the Governor's requested amendment.

**123. Capital - MH Community Facilities.** The Governor's capital budget includes \$2.0 million from Rhode Island Capital Plan funds for repairs to 22 state owned community facilities and seven state owned centers housing indigent mental health clients. The House Finance Committee recommends removing \$250,000 in FY 2016 and \$200,000 in FY 2017 through FY 2021. This would provide \$200,000 from FY 2016 through FY 2021, consistent with prior and current year spending.

**124. Caseload Growth.** The House Finance Committee does not concur with the Governor's FY 2017 recommendation to add \$5.8 million, including \$2.9 million from general revenues in anticipation of a possible increase in the number of developmentally disabled individuals eligible for services through the Division of Developmental Disabilities based on increased awareness of programs being raised because of the Consent Decree. It appears that such growth has not occurred in the past year, and Committee recommends that additional funding be provided when the growth occurs.

**125. Community Service Grants.** The House Finance Committee eliminates all community service grants previously administered by the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals for which the Governor recommended \$260,148.

**126. Consent Decree Related Services.** The House Finance Committee adds \$4.1 million from all sources, including \$2.0 million from general revenues to fund integrated employment and community based activities in the Division of Developmental Disabilities to meet the requirement of the consent decree. This is consistent with Governor's requested amendment to provide an additional investment in integrated employment and day services requested.

**127. DD - Home Health Aides Shifted to OHHS Caseload.** The May caseload conference estimate adds \$1.8 million, including \$0.9 million from general revenues in the Executive Office of Health and Human Services to support home health aide services provided to developmentally disabled individuals receiving services through the Department's Division of Developmental Disabilities. The House Finance Committee reduces funding accordingly in the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals to account for this funding being in the Executive Office's budget.

**128. Eleanor Slater Hospital License Fee.** The House Finance Committee includes \$6.6 million for the FY 2017 hospital license fee for Eleanor Slater Hospital and lowers the Department's budget by \$0.2 million to make the payment. The fee, paid by both the community hospitals and the state, is decreasing

from 5.862 percent to 5.652 percent with an updated base year. There is also a corresponding revenue adjustment.

**129. Group Home Placements.** The House Finance Committee concurs with the Governor's requested amendment to add \$10.2 million, including \$5.0 million from general revenues to restore savings recommended in FY 2017 from transitioning individuals in 24-hour residential placements to less restrictive settings. The Department planned to move 300 individuals; however, updated plans suggest a significantly lower number will be moved.

**130. Professional Supports.** The House Finance Committee concurs with the Governor's requested amendment to restore savings of \$2.2 million each from general revenues and federal funds that would have occurred from the managed care plans paying for professional supports, such as physical, speech and occupational therapy for developmentally disabled adults. The services provided would be in addition to those covered by the managed care plans.

### **Child Advocate**

**131. Child Victim Services Federal Grant.** The House Finance Committee concurs with the Governor's requested amendment to add \$0.1 million from federal funds in FY 2017 for the Office of the Child Advocate to reflect an increase in available funding for activities relating to serving victims of sexual assault, domestic violence, child abuse, and other violent crimes.

### **Governor's Commission on Disabilities**

**132. Independent Living Program from DHS.** The House Finance Committee concurs with the Governor's requested amendment to designate the Governor's Commission on Disabilities as the state agency responsible for applying for and receiving federal funds under the Workforce Innovation and Opportunity Act for the State Independent Living Plan, effective October 1, 2016. The House Finance Committee also concurs with the requested amendment to transfer \$255,150 from the Department of Human Services to the Commission. This includes \$228,750 from federal funds and \$26,400 from general revenues for the state's required 10.0 percent match.

**133. Federal HAVA Grant Adjustment.** The FY 2017 recommended budget includes \$10,297 from federal Help America Vote Act funds for renovation of polling places, fellowships, signage, and other costs associated with elections. The Governor's Commission on Disabilities was notified by the U.S. Department of Health and Human Services that the funds must be spent by June 30, 2016. The House Finance Committee concurs with the Governor's requested amendment to shift available resources from FY 2017 to FY 2016 to enable the Commission to spend the funds before the grant expires.

### **Elementary & Secondary Education**

**134. Capital - Davies HVAC.** The Governor recommends \$3.0 million from Rhode Island Capital Plan funds from FY 2016 through FY 2018 to repair the HVAC system at the Davies Career and Technical Center. The House Finance Committee recommends shifting expenditures of \$0.5 million from FY 2016 and \$0.9 million from FY 2017 to FY 2019. The Department has instructed Davies to put the project on hold, pending the completion of a statewide assessment of school construction needs. Total funding is as recommended.

**135. Capital - Met HVAC.** The Governor recommends \$3.8 million from Rhode Island Capital Plan funds for FY 2016 to complete repairs to the HVAC systems at the five buildings of the Metropolitan Career and Technical Center's Peace Street and Public Street campuses. The House Finance Committee

recommends shifting expenditures of \$3.3 million from FY 2016 to FY 2017 and FY 2018 based on current spending. Total funding is as recommended.

**136. Capital - Shepard Building Air Quality.** The Governor recommends \$190,000 from Rhode Island Capital Plan funds for FY 2017 and FY 2018 for a new project to replace the ventilation ductwork connected to the sixth floor of the Department of Elementary and Secondary Education's portion of the Shepard Building. The Governor's capital budget also includes \$4.8 million from Rhode Island Capital Plan funds in the University of Rhode Island's budget for repairs to the Shepard Building. The House Finance Committee recommends shifting the funding from the budget of the Department of Elementary and Secondary Education to the budget of the University to consolidate all Shepard building repairs in a single project.

**137. Career and Tech Categorical.** The House Finance Committee recommends adding \$1.0 million from general revenues for the career and tech categorical fund to provide a total of \$4.5 million for FY 2017. The funding formula allows for additional resources from the state to districts for high-cost career and technical programs. Funding is used to help transform existing programs or create new programs and to help offset costs associated with facilities, equipment maintenance and repairs and supplies. This amount has not increased since funding was first provided in FY 2015.

**138. Community Service Grants.** The House Finance Committee recommends eliminating general revenue expenditures for community service grants. It recommends \$90,000 for the Hasbro Children's Hospital school pursuant to Rhode Island General Law, Section 16-7-20 (c) and \$245,000 to support child opportunity zones to strengthen education, health and social services for students.

**139. Education Specialist (RTTT - 1.0 FTE).** The House Finance Committee does not recommend \$0.1 million from general revenues or authorization for 1.0 full-time equivalent position that would support the Rhode Island Evaluation Model and provide technical assistance to local education agencies. This position was previously funded from federal Race to the Top funds but has been vacant since FY 2015.

**140. Education Telecommunications Access Fund.** The House Finance Committee does not recommend providing an additional \$500,000 from general revenues to fund the education telecommunications access fund for FY 2017. The telecommunications education access fund is designed to provide financial assistance to qualified libraries and schools to acquire, install, and use telecommunications technologies to access the Internet. This fund is supported by a \$0.26 monthly surcharge levied upon each residence and business telephone access line, supported by general revenues when surcharge revenues are insufficient.

**141. Fellowships for Instructional Excellence.** The House Finance Committee does not recommend providing \$750,000 from general revenues for a new initiative to bring five teachers into two-year fellowships at the Department of Elementary and Secondary Education. This is the same fellowship program the Department had several years ago whereby the Department pays the district for the salary and benefit costs of the teachers participating in the fellowship.

**142. Group Homes Aid.** The House Finance Committee recommends adding \$0.8 million for group home aid. This would provide an additional \$2,000 per group home bed for a total of \$17,000 per bed. The 2001 Assembly enacted legislation to provide a per bed allotment to districts in which group homes are located. The legislation relieved the sending district of financial responsibility for students placed in out-of-district group homes. The aid of \$15,000 per bed is the amount that was provided in the FY 2002 budget in an attempt to reflect the mix of regular and special education students residing in these homes; it has never increased. Beds associated with Bradley Hospital's CRAFT program would increase by \$4,000 per bed to a total of \$26,000 per bed.

**143. Innovation/Empowerment Fund.** The House Finance Committee does not recommend providing \$1.0 million from general revenues to fund a new innovation and empowerment fund to support grants to schools to promote innovation, flexibility and best practices. Planning grants would be competitive and likely range from \$25,000 to \$50,000 per school. There is no other information on how funds would be used.

**144. March Data Update.** The House Finance Committee concurs with the Governor's requested amendment to add \$3.3 million from general revenues for the sixth year of the education funding formula aid based on updated student enrollment and free and reduced lunch eligibility data provided in April. The increase reflects higher enrollments than originally projected partially offset by savings from two projected charter school expansions not occurring. The update includes redistribution among districts with some receiving more and some receiving less than the Governor's budget assumed.

**145. New Charter Density Categorical.** The House Finance Committee recommends removing \$1.1 million of the \$2.6 million recommended from general revenues for a new category of additional state support for districts with a large share of its students attending charter or state schools. Six districts would be eligible for this funding, which provides \$175 per pupil for every student sent to a school of choice if the district has at least 5.0 percent of their students enrolled at a school of choice. The Governor's budget had included \$300 per pupil.

**146. Performance Management (RTTT - 1.0 FTE).** The House Finance Committee does not recommend \$0.1 million from general revenues or authorization for 1.0 full-time equivalent position that would be responsible for continuing the operation and maintenance of the Department's performance management system. Since the Race to the Top funding expired on June 30, 2015, the Governor replaces staffing expenses formerly funded from federal Race to the Top funds with general revenues.

**147. Principal Empowerment and Training.** The House Finance Committee does not recommend providing \$1.0 million from new general revenues to fund a new initiative to build a pipeline of instructional leaders and principals, support the growth of sitting principals and strengthen in-state principal preparation programs.

**148. Race to the Top Early Learning (3.3 FTEs).** The House Finance Committee does not recommend \$0.2 million from general revenues for 3.3 full-time equivalent positions to continue the programs created under the Race to the Top - Early Learning Challenge program. The grant expires December 31, 2016, and the Department requests maintaining 3.3 positions beyond the end of the program. The Department has not identified the specific positions, but has indicated that they will work on initiatives to expand high quality pre-kindergarten programs throughout the state.

**149. Race to the Top Early Learning Challenge.** The House Finance Committee does not recommend \$350,000 from general revenues to continue the kindergarten entry profile survey initiative that was funded from Race to the Top Early Childhood grant, which ends December 31, 2016.

**150. Recovery High School.** The House Finance Committee recommends adding \$500,000 from general revenues for FY 2017 only to support the state's recovery high school. Recovery high schools are high schools specifically designed for students recovering from a substance abuse disorder. Typically, these are public schools where students can earn a high school diploma while being supported in their recovery from alcohol and/or drug use.

**151. Restore Full Day K Transition Aid.** The House Finance Committee concurs with the Governor requested budget amendment to remove the repeal of and restore the funding associated with the requirement that beginning in FY 2017, the state will provide full funding, rather than transitioned aid, for any district converting from a half-day to a full-day kindergarten for the 2014-2015 school year or after.

The Governor's budget excludes \$2.5 million in funding to the 13 districts that converted to full-day kindergarten in FY 2015 or after based on this repeal. Based on updated data, it would require \$2.6 million to fully restore funding. The House Finance Committee recommends providing the full \$2.6 million in general revenue funding consistent with the Governor's requested budget amendment.

**152. State Schools Stabilization Funding.** The House Finance Committee recommends \$0.4 million less than recommended from general revenues for stabilization funds to support the state schools and Central Falls. The Budget includes a new stabilization fund for the state schools in order to mitigate some of the losses in funding from the implementation of the funding formula and recognize the additional costs associated with running a stand-alone school that offers both academic and career and technical education.

**153. Teacher Evaluation and Assessment Tools (RTTT).** The House Finance Committee does not recommend \$290,000 from general revenues for two initiatives previously funded through federal Race to the Top funds. This includes \$140,000 to continue teacher evaluation support systems implemented with Race to the Top funds. Expenses support maintenance of the software that provides schools with access to roster verification, schedule observations, keeping track of evaluation ratings and is linked to the teacher certification system. It also includes \$150,000 for the annual license fee to maintain student assessment tools, trainings and supports for teachers and schools.

**154. Transportation Categorical.** The House Finance Committee recommends adding \$2.0 million from general revenues for the transportation categorical fund to provide a total of \$6.4 million for FY 2017. The state currently provides funding to mitigate the excess costs associated with transporting students to out-of-district non-public schools and within regionalized school districts. The Governor recommends \$4.4 million for FY 2017, which is consistent with the enacted budget. This amount has not increased since funding was first provided in FY 2015.

### Higher Education

**155. Capital - CCRI Asset Protection.** The Governor's FY 2017 to FY 2021 capital budget includes \$12.6 million from Rhode Island Capital Plan funds for asset protection projects at the Community College of Rhode Island's campuses. This includes \$2.5 million in FY 2017; however, Budget Office supporting documents indicated an intent to provide \$3.0 million for FY 2017. The House Finance Committee increases FY 2017 funding by \$548,000 to provide \$3.0 million for FY 2017 as intended by the Governor.

**156. Capital - Shepard Building (Shift from ElSec).** The Governor's recommended capital budget includes \$4.8 million from Rhode Island Capital Plan funds programmed from FY 2018 through FY 2021 for various repairs and improvements at the University's Shepard Building. The Governor's capital budget also includes \$190,000 from Rhode Island Capital Plan funds in the Department of Elementary and Secondary Education's budget for FY 2017 and FY 2018 for a new project to replace the ventilation ductwork connected to the sixth floor of its portion of the Shepard Building. The House Finance Committee recommends shifting the funding from the budget of the Department of Elementary and Secondary Education to the budget of the University to consolidate all Shepard building repairs in a single project.

**157. Community Service Grants.** The House Finance Committee removes \$0.5 million from general revenues for community service grants in the public higher education system, for which the Governor's recommended budget included \$1.5 million. The House Finance Committee recommends \$250,000 for the Polaris Manufacturing Extension Program, \$250,000 for the Small Business Development Center, \$50,000 for Rhode Island Special Olympics, \$30,000 for the Best Buddies Program, and \$355,000 for Children's Crusade.

**158. Nursing Education Center Occupancy Delay.** The House Finance Committee recommends removing \$3.4 million from general revenues from the Office of Postsecondary Commissioner's budget to

reflect delayed completion of construction of the new Rhode Island Nursing Education Center. Construction of the facility will not be completed until January 2017 and therefore will not be occupied by the University and College until FY 2018.

**159. OPC - Westerly Personnel Funding 3.0 FTE.** The House Finance Committee concurs with the Governor's requested amendment to add \$0.4 million from restricted receipts and 3.0 full-time equivalent positions to the Office of the Postsecondary Commissioner, including an Executive Director, Marketing Director, and Operations Coordinator. The restricted receipt funding would come from an occupancy fee charged to tenants utilizing the Westerly Higher Education and Industry Center, including Electric Boat. The new facility is anticipated to become operational in November 2016 and the Office anticipates that all 3.0 positions will be filled by that time.

**160. OPC - Westerly Education Center Lease.** The House Finance Committee recommends adding \$750,000 from general revenues to secure a long-term lease of the new Westerly Higher Education and Industry Center. Current estimates project a \$5.1 million cost for the campus, to be financed through a combination of private and public sources. The facility will be administered by the Office of the Postsecondary Commissioner, in collaboration with the University, College, and Community College, as well as the Department of Labor and Training.

### **Arts Council**

**161. Community Service Grants.** The House Finance Committee recommends the elimination of twelve community service grants administered by the Council on the Arts, for which the Governor recommended \$0.5 million for FY 2017, and includes \$0.6 million from general revenues to support the Council's other grant programs. Grants from the Council are awarded to arts organizations, schools, community centers, social service organizations, and non-profit organizations, as well as grants to individual through open, competitive application processes.

**162. Film and Television Office (2.6 FTE - GBA).** The House Finance Committee concurs with the Governor's requested amendment to restore \$0.3 million in general revenue funding and the full-time position authorization for the Film and Television Office, which was eliminated in her FY 2017 recommended budget.

### **Atomic Energy Commission**

**163. Reactor Instrumentation Upgrades.** The House Finance Committee concurs with the Governor's requested budget amendment to shift \$17,886 from federal funds for instrumentation upgrades at the Rhode Island Nuclear Science Center from FY 2017 to FY 2016 based on planned expenditures.

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

**164. Community Service Grants.** The House Finance Committee recommends the elimination of eleven community service grants administered by the Historical Preservation and Heritage Commission, for which the Governor's recommended budget includes \$171,301. The Committee recommends \$30,000 for a grant to the Fort Adams Trust to support operations costs associated with its renovation efforts.

### **Attorney General**

**165. Crime Lab Equipment.** The House Finance Committee recommends adding \$260,000 from Google Settlement Funds to purchase equipment for the State Crime Lab at the University of Rhode Island including a new ultraviolet spectrophotometer and a new comparison microscope.

## Corrections

**166. Capital - Bernadette Guay.** The Governor's capital budget includes a total of \$2.4 million from Rhode Island Capital Plan funds for renovations to the basement and the heating, ventilation and air conditioning system at the Bernadette Guay building. Because this is the lowest priority project of the Department, the House Finance Committee recommends removing funding, including \$0.7 million for FY 2016 and FY 2017, for the project and using asset protection funds for any future repairs.

**167. Capital - Maximum General Renovations.** The Governor's capital budget includes a total of \$3.9 million from Rhode Island Capital Plan funds for renovations to the maximum security facility. Based on an updated project schedule, the House Finance Committee recommends shifting \$0.6 million from FY 2016 to FY 2017 and FY 2018. Total funding is as recommended.

**168. Discharge Planning to Direct Staff (8.0 FTEs).** The House Finance Committee does not concur with the Governor's proposal to shift discharge planning from contracted services to direct personnel for which she adds \$0.1 million and authorization for 8.0 new full-time equivalent positions. The Department recently decided to extend all contracts for one year and reevaluate their effectiveness.

**169. Sex Offender Discharge Planning.** The House Finance Committee recommends providing \$250,000 from general revenues to Crossroads RI for discharge planning for sex offenders.

**170. Medication/Mediation Assisted Treatment (Opioids).** The House Finance Committee recommends providing \$2.0 million to begin a medication-assisted treatment program for incarcerated opioid users. The funds would be used to screen for opioid use disorders and conduct an assessment of new inmates to determine treatment options. The initiative would also start medication-assisted treatment prior to release with community referral for ongoing treatment. The House Finance Committee's recommendation is \$0.5 million less than the Governor provided and fully funds the program based on an updated estimate for the number of inmates to be served.

**171. New Electronic Weapons Simulator.** The House Finance Committee does not recommend \$80,000 from general revenues for a new electronic weapons simulator. The simulated training would work with the current weapons qualification process to train staff in inmate disturbance and hostage situations.

**172. Pharmaceutical Savings.** Consistent with its recommendation for FY 2016, House Finance Committee recommends reducing general revenue expenditures for inmate pharmaceuticals by \$0.4 million based on the Department's third quarter report. Savings reflect projected expenditures based on the current inmate population.

**173. Pretrial Population Initiative (5.0 FTE).** The Governor's budget includes general revenue savings of \$0.2 million from a proposal of the Justice Reinvestment Working Group that would allow the closure of one double module at the Intake Service Center. It assumes that changes in the management of the pre-trial population through the use of diversion tools at various points would result in decreasing the length of stay for failure to appear or failure to pay. The proposal assumes that a 72 bed module would be closed at the beginning of FY 2017 which would allow for the elimination of five posts and savings of \$1.4 million from closing one double module at the Intake Service Center offset by \$1.3 million and 5.0 new positions including 2.0 new probation officers and 3.0 dedicated to diversion and assessment activities. This proposal is from a Justice Reinvestment Working Group; however, the group has not yet released its final report. The House Finance Committee recommends restoring the funding pending a final report.



## Judicial

**174. Community Service Grants.** The House Finance Committee recommends reducing general revenue expenditures for community service grants by \$35,319 to reflect the elimination of two grants. The recommended funding includes \$230,000 for the Rhode Island Coalition for Domestic Violence for the domestic abuse court advocacy project and \$90,000 for Rhode Island Legal Services to provide housing and eviction defense to indigent individuals.

**175. Judicial Appointments.** In May 2016 the Governor nominated eight individuals to fill vacant judicial positions; six of the positions will be funded from general revenues. The House Finance Committee adds a total of \$750,000 from general revenues to fund Judicial Department staffing in FY 2017.

**176. Veterans' Treatment Calendar Federal Grant.** Consistent with the Governor's requested budget amendment, the House Finance Committee adds \$0.1 million from available federal grant funds for the Veterans' Court, which functions as a specialized calendar within District Court.

## Military Staff

**177. Capital - Joint Force Headquarters Building.** The Governor's capital recommendation includes \$10.7 million from Rhode Island Capital Plan funds to build a new joint force headquarters at Camp Fogarty in East Greenwich. The House Finance Committee shifts \$2.0 million to FY 2018, including \$0.5 million from FY 2016 and \$1.5 million from FY 2017 to better reflect the current project schedule.

## Public Safety

**178. Pre-1987 Pensions.** The House Finance Committee recommends \$0.6 million less from all sources, including \$0.4 million more from general revenues and \$1.0 million less from Google, Inc. forfeiture funds, to correct the Governor's recommendation which was intended to reflect the establishment of a trust fund for pension benefits for State Police sworn into service before July 1, 1987. The trust fund was authorized by the 2015 Assembly; however, use of the funds requires authorization from the Department of Justice, which was provided in March 2016.

**179. Reimbursements from State Agencies.** The House Finance Committee concurs with the Governor's requested amendment to eliminate \$0.5 million from reimbursements from other state agencies for State Police salary and benefit costs. The Department proposed requesting reimbursements for the services of sworn members posted to assist state agencies and divisions, including the Department of Children, Youth and Families and the Division of Motor Vehicles.

**180. Turnover.** The House Finance Committee recommends \$0.8 million of general revenue turnover savings for the Department of Public Safety. Savings reflect the graduation and swearing in of 26 State Police troopers from the 56th Training Academy; the Governor's recommended budget includes funds for 35 troopers to be sworn into the Division of State Police on July 1, 2016.

## Environmental Management

**181. Building Code Commission to Foundry Building.** The Governor's FY 2017 recommendation includes \$54,805 from general revenues in the Department of Administration's budget for rent cost for the Building Code Commission to move to the Foundry Building. The House Finance Committee removes \$54,805 from the Department of Environmental Management's budget to reflect that portion of rent costs for the Commission that appear in the budget of the Department of Administration.

**182. Capital - Dam Repair.** Consistent with the Governor's requested budget amendment, the House Finance Committee recommends shifting \$0.7 million from Rhode Island Capital Plan funds from FY 2016, including \$0.2 million to FY 2017 and \$0.3 million each to FY 2018 and FY 2020 to better reflect planned work to repair state owned dams at various recreational management areas.

**183. Capital - Fort Adams Sailing Improvements.** Consistent with the Governor's requested budget amendment, the House Finance Committee recommends adding \$0.4 million from Rhode Island Capital Plan funds to FY 2016 to reflect final invoices for work for the May 2015 Volvo Ocean Race and related improvements, and shifting \$0.7 million from Rhode Island Capital Plan funds from FY 2018 to FY 2017 to reflect the updated project schedule for constructing the mid-park educational and recreational facility.

**184. Capital - Marine Infrastructure/Pier Development.** Consistent with the Governor's requested budget amendment, the House Finance Committee recommends shifting \$0.5 million from Rhode Island Capital Plan funds to FY 2019, including \$0.1 million from FY 2016 and \$0.4 million from FY 2017 to reflect a revised project schedule for marine infrastructure and pier development at sites critical to Rhode Island's tourism and fishing economy.

**185. Capital - Natural Resources Offices/Visitor's Center.** Consistent with the Governor's requested budget amendment, the House Finance Committee recommends shifting \$2.4 million from Rhode Island Capital Plan funds from FY 2016, including \$0.5 million to FY 2017 and \$1.9 million to FY 2018 for the construction of a new office facility for the Natural Resources Division. The Committee also adds \$1.1 million to FY 2018. The changes reflect a higher than anticipated bid and revised project schedule.

**186. Clean Diesel Program.** The House Finance Committee recommends adding \$2.0 million from general revenues to establish a Rhode Island Clean Diesel Fund within the Department of Environmental Management. The purpose of this new grant program is to reduce emissions from heavy-duty diesel engines operating on state roads and help companies improve supply chain efficiency.

**187. Community Service Grants.** The House Finance Committee recommends removing community service grants from the Department's budget for which the Governor recommended \$71,428. It does provide \$200,000 for North Providence Drainage Remediation on Elliot Avenue.

**188. Local Agriculture & Seafood Fund.** The House Finance Committee does not concur with the Governor's proposal to require the deposit of lease payments from renewable energy projects costing \$5.0 million or more into the Local Agriculture and Seafood Small Grants and Technical Assistance Fund. The Committee removes \$0.1 million from restricted receipts and instead includes \$0.1 million from general revenues for the Local Agriculture and Seafood Program.

**189. New Enforcement and Compliance Positions (2.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to add \$207,868 from general revenues for two new positions for the Department of Environmental Management, a new Senior Legal Counsel and a new environmental scientist.

### **Coastal Resources Management Council**

**190. New Federal Grant.** Consistent with the Governor's requested budget amendment, the House Finance Committee adds \$0.1 million from federal funds to reflect the second year of a new grant from the United States Department of Housing and Urban Development. The funds will be used for a cooperative agreement between the Council and the University of Rhode Island to develop an online geographic information system based tool to assess the risk to structures and infrastructure in coastal areas from storm surge, waves, sea level rise, and shoreline erosion.

**191. Capital - South Coast Restoration Project.** The House Finance Committee removes \$0.3 million from Rhode Island Capital Plan funds from FY 2016 and adds \$0.1 million to FY 2017 to complete habitat restorations along the southern coast of Rhode Island and to maintain breachways. The Rhode Island Capital Plan funds totaling \$0.3 million will be used as state match for federal funds supporting dredging work in Ninigret Pond.

### **Transportation**

**192. Capital - Maintenance Equipment Replacement.** The House Finance Committee adjusts Rhode Island Capital Plan funds for the Maintenance Equipment Replacement Project based on current spending plans including use of excess winter maintenance funds. This includes \$2.0 million less in FY 2016 and \$1.0 million less in FY 2017.





---

## **Section III**

### **Special Reports**

---

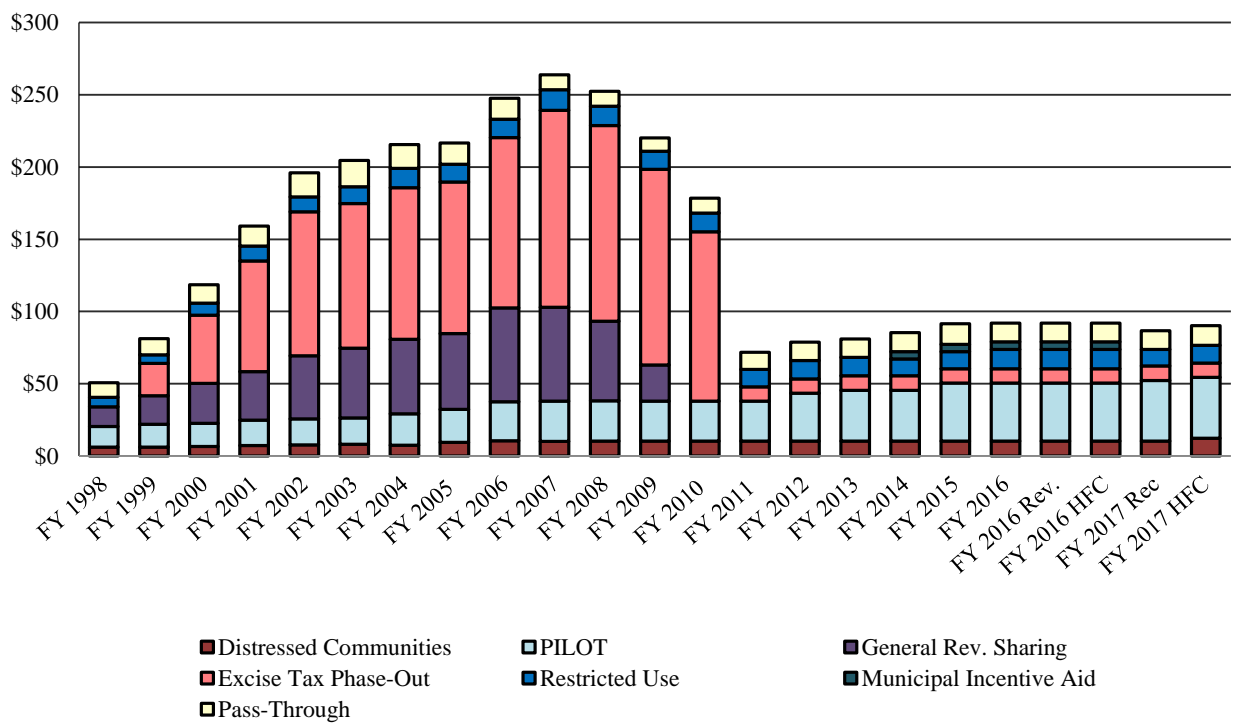


# State Aid to Local Governments

## Introduction

The House Finance Committee recommends state aid to cities and towns totaling \$78.6 million in FY 2016 and \$76.6 million in FY 2017. Funding for general aid programs in FY 2016 includes the enacted level of \$65.6 million. Funding for general aid programs in FY 2017 includes \$64.4 million, \$1.3 million less than the enacted level. The recommendation for restricted use programs includes \$13.0 million, which is \$0.4 million less than enacted for FY 2016 and \$12.3 million, which is \$1.1 million less than enacted for FY 2017. Local communities will also receive \$13.0 million for FY 2016 and \$13.6 million for FY 2017 in public service corporation property taxes, which the state collects and passes through to the communities.

The following graph shows historical funding data, in millions. The graph below also shows the allocation of funding for state aid programs from FY 1998 through the House Finance Committee’s recommendation for FY 2017.



The major changes included in the aid proposal are discussed on the following pages, followed by tables that show recommended distribution of general aid by community as well as restricted aid programs by community, including library operating aid, which is considered restricted and is not included in the general aid totals, and public service corporations’ tax collections, a local levy collected at the state level and returned to local governments for tax collection efficiency purposes. It should be noted that the FY 2017 recommendation for one program will require data updates not reflected in the distributions. Those updates will likely change allocations to each community.

**General.** The House Finance Committee recommends the enacted level of \$65.6 million for FY 2016 and \$64.4 million for FY 2017 for general state aid programs to local governments.



Fiscal Year	2016 Enacted	2016 Gov. Rev.	Rev. Diff.	2016 HFC	2016 HFC to Gov. Rev.	2017 Gov. Rec.	Rec. Diff.	2017 HFC	2017 HFC to Gov. Rec.
<b>General Aid - State Sources</b>									
Distressed Communities	\$ 10.4	\$ 10.4	\$ -	\$ 10.4	\$ -	\$ 10.4	\$ -	\$ 12.4	\$ 2.0
PILOT	40.1	40.1	-	40.1	-	42.0	1.9	42.0	-
Excise Tax Phase-Out	10.0	10.0	-	10.0	-	10.0	-	10.0	-
Municipal Incentive Aid	5.2	5.1	(0.0)	5.1	-	-	(5.2)	-	-
General Rev. Sharing	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>\$ 65.6</b>	<b>\$ 65.6</b>	<b>\$ (0.0)</b>	<b>\$ 65.6</b>	<b>\$ -</b>	<b>\$ 62.4</b>	<b>\$ (3.3)</b>	<b>\$ 64.4</b>	<b>\$ 2.0</b>
<b>Restricted Use Aid - State Sources</b>									
Library Resource Aid	\$ 8.8	\$ 8.8	\$ -	\$ 8.8	\$ -	\$ 8.5	\$ (0.3)	\$ 9.4	\$ 0.9
Library Const. Aid	2.7	2.7	-	2.7	-	2.2	(0.4)	2.2	-
Police & Fire Incentive	-	-	-	-	-	-	-	-	-
Prop. Val. Reimb.	1.8	1.8	-	1.4	(0.4)	0.6	(1.2)	0.6	-
Oversight Reimbursement	0.2	0.1	(0.0)	0.1	-	0.1	(0.0)	0.1	-
<b>Subtotal</b>	<b>\$ 13.4</b>	<b>\$ 13.3</b>	<b>\$ (0.0)</b>	<b>\$ 13.0</b>	<b>\$ (0.4)</b>	<b>\$ 11.4</b>	<b>\$ (2.0)</b>	<b>\$ 12.3</b>	<b>\$ 0.9</b>
<b>Total - State Sources</b>	<b>\$ 79.0</b>	<b>\$ 78.9</b>	<b>\$ (0.1)</b>	<b>\$ 78.6</b>	<b>\$ (0.4)</b>	<b>\$ 73.7</b>	<b>\$ (5.3)</b>	<b>\$ 76.6</b>	<b>\$ 2.9</b>
<b>Other Aid - Pass-Through</b>									
<b>Public Service Corp.</b>	<b>\$ 13.0</b>	<b>\$ 13.0</b>	<b>\$ -</b>	<b>\$ 13.0</b>	<b>-</b>	<b>\$ 13.0</b>	<b>\$ -</b>	<b>\$ 13.6</b>	<b>\$ 0.5</b>

*In millions*

- Distressed Communities Relief Fund.*** The House Finance Committee recommends \$12.4 million for the Distressed Communities Relief Fund, which is \$2.0 million more than enacted by the Governor. Communities' aid distribution is based on updated qualifying tax levies and reflects inclusion of Cranston and exclusion of East Providence as distressed communities for FY 2017. For both the first year of a community's qualification as a distressed community and the year that a community no longer qualifies, it receives a transition payment of half its proportional share. The Budget includes legislation requiring that all communities qualifying as distressed participate in the Division of Taxation's refund offset program to collect taxes owed. Four of the seven communities that will receive payment for FY 2017 are already participants.
- Payment in Lieu of Taxes Program.*** The House Finance Committee concurs with the Governor's recommendation of \$42.0 million for FY 2017 for the Payment in Lieu of Taxes program that reimburses municipalities for property taxes that would have been due on real property exempted from taxation by state law, including property owned by private nonprofit higher educational institutions, nonprofit hospitals, or any state-owned hospital, veterans' residential facility, or correctional facility. Municipalities may be reimbursed up to 27.0 percent of the tax that would have been collected if the property had been taxable, subject to appropriation. If the appropriation is less than the necessary amount, the reimbursements are ratably reduced. The recommendation is \$1.9 million more than enacted and represents full funding for the program. The enacted budget provided reimbursements totaling \$40.1 million, representing 23.7 percent of the value.
- Motor Vehicle Excise Tax Phase-Out.*** Consistent with the Governor's budget, the House Finance Committee funds the Motor Vehicle Excise Tax program at the enacted level of \$10.0 million for FY 2017. The 2010 Assembly enacted legislation mandating a \$500 exemption, for which the state will reimburse municipalities an amount subject to appropriation. State law allows municipalities to provide an additional exemption; however, that additional exemption will not be subject to reimbursement. The Division of Municipal Finance reports that the FY 2016 revised and FY 2017 recommended distributions are based on tax year 2014 data. It anticipates adjusting planned distribution for FY 2017 in fall 2016, when updated tax rolls are available from communities.

- ***Municipal Incentive Aid.*** For FY 2016, the House Finance Committee concurs with the Governor's Budget to provide \$5.1 million for FY 2016 for the Municipal Incentive Aid program, which encourages sustainable funding of retirement plans and reduction of unfunded liabilities. The recommendation includes the enacted amount of \$5.0 million for the third and final year of the Municipal Incentive Aid program and \$0.1 million representing Johnston's proportional FY 2015 share, which was reappropriated consistent with current law. A municipality may receive funding for FY 2016 if its pension plan is in the state-administered Municipal Employee Retirement System; if it has submitted or implemented an approved Funding Improvement Plan within 18 months of critical status notification; or, if it is not required to submit a Funding Improvement Plan and is making 100 percent of its required funding payment. Aid is distributed on the basis of the most recent estimate of each municipality's population as a share of the total state population; program payments are made in March of each year. If a municipality is ineligible to receive aid, its share is reappropriated to the following fiscal year. If requirements are not met for a second year, its share is distributed to the qualifying municipalities, according to their share of total state population. The Committee's recommended distributions for FY 2016 reflect the redistribution of Johnston's share amongst the qualifying communities, as it did not meet the FY 2016 funding requirements. The Committee assumes Johnston's FY 2016 payment will carry forward to FY 2017. Consistent with current law, no new funds are recommended for FY 2017.

- ***Library Resource Sharing Aid.*** The House Finance Committee recommends \$9.4 million for library aid, which is \$0.9 million more than is included in the Governor's budget. Current law allows 25.0 percent reimbursement of second prior year expenditures; the recommendation reflects a reimbursement of 23.7 percent. The Committee concurs with the Governor's recommended \$0.3 million reduction from the statewide library resource reference grant, of which \$212,500 is for tutoring sessions, citizenship tests, and prepping for General Education Diplomas; \$63,826 is for the Heritage Quest and African American Heritage research databases; and \$35,000 is for business and marketing reference databases. The Governor's recommendation includes the elimination of contracts for these services, noting that they are offered by other sources.

- ***Library Construction Aid.*** Consistent with the Governor's budget, the House Finance Committee recommends \$2.2 million to fully fund library construction aid requirements. The state reimburses libraries up to half of the total costs for eligible projects on an installment basis, for a period of up to 20 years. The payments do not begin until the state fiscal year following the completion, acceptance, and audit of the project. The 2011 Assembly adopted a three-year moratorium on the acceptance of applications for library construction aid projects that ended on July 1, 2014.

- ***Property Valuation Reimbursement.*** The House Finance Committee recommends \$1.4 million for FY 2016 and \$0.6 million for FY 2017 to reimburse communities conducting property valuation updates. The FY 2016 recommendation is \$0.4 million less than included in the Governor's budget to reflect actual expenditures.

- ***Oversight Reimbursement.*** Consistent with the Governor's budget, the House Finance Committee recommends \$0.1 million, \$26,869 less than enacted, for both FY 2016 and FY 2017 to provide reimbursements of 50.0 percent of the cost of a financial advisor position to communities no longer under state Fiscal Stability Act oversight. The recommendation reflects historical expenditures.

- ***Public Service Corporation Tax.*** The recommended budget assumes the state will collect and distribute the enacted level of \$13.0 million for FY 2016 and \$13.6 million for FY 2017 of property taxes from public service corporations on behalf of municipalities and pass that back to them. The 2009 Assembly adopted the Governor's recommendation to freeze the tax rate applied to the tangible personal property of public service corporations at the FY 2008 rate.

**General Aid Total**  
**Includes Distressed Communities, PILOT, Motor Vehicles Excise Tax**  
**and Municipal Incentive Aid**

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2016 Gov. Rev.<sup>1</sup></i>	<i>Revised Difference</i>	<i>FY 2016* HFC</i>	<i>FY 2016 HFC to Gov. Rev.</i>
Barrington	\$ 322,659	\$ 309,599	\$ (13,060)	\$ 311,784	\$ 2,185
Bristol	987,196	985,772	(1,424)	988,849	3,076
Burrillville	405,262	404,405	(857)	406,527	2,122
Central Falls	418,770	420,912	2,142	423,488	2,577
Charlestown	81,544	81,280	(264)	82,325	1,045
Coventry	412,443	411,137	(1,306)	415,797	4,660
Cranston	7,034,803	7,033,456	(1,347)	7,044,166	10,710
Cumberland	407,791	407,845	54	412,284	4,439
East Greenwich	485,269	484,897	(372)	486,648	1,751
East Providence	1,632,929	1,628,603	(4,326)	1,634,893	6,290
Exeter	123,783	123,883	100	124,749	866
Foster	79,602	95,373	15,771	95,982	609
Glocester	149,719	149,016	(703)	150,317	1,301
Hopkinton	108,374	108,032	(342)	109,118	1,086
Jamestown	47,851	47,824	(27)	48,545	721
Johnston <sup>1</sup>	560,296	696,415	136,119	559,977	(136,438)
Lincoln	298,541	299,263	722	302,072	2,809
Little Compton	29,570	29,488	(82)	29,954	466
Middletown	145,907	139,777	(6,130)	141,936	2,159
Narragansett	135,721	135,970	249	138,093	2,123
Newport	1,444,086	1,444,199	113	1,447,436	3,237
New Shoreham	10,539	10,689	150	10,816	127
North Kingstown	311,545	312,478	933	316,008	3,530
North Providence	2,249,779	2,245,971	(3,808)	2,250,248	4,277
North Smithfield	238,914	235,131	(3,783)	236,708	1,577
Pawtucket	3,069,757	3,071,258	1,501	3,080,758	9,500
Portsmouth	160,957	167,103	6,146	169,408	2,305
Providence	36,134,996	36,148,829	13,833	36,172,535	23,706
Richmond	103,118	102,090	(1,028)	103,113	1,023
Scituate	118,828	117,882	(946)	119,255	1,373
Smithfield	956,080	958,657	2,577	961,512	2,855
South Kingstown	457,843	458,770	927	462,821	4,051
Tiverton	134,118	134,311	193	136,402	2,090
Warren	142,324	142,564	240	143,993	1,429
Warwick	2,809,979	2,809,730	(249)	2,820,798	11,068
Westerly	454,162	462,061	7,900	465,103	3,042
West Greenwich	88,288	83,400	(4,887)	84,202	802
West Warwick	1,207,277	1,205,526	(1,751)	1,209,420	3,894
Woonsocket	1,504,248	1,497,706	(6,541)	1,503,225	5,519
<b>Total</b>	<b>\$ 65,464,867</b>	<b>\$ 65,601,305</b>	<b>\$ -</b>	<b>\$ 65,601,267</b>	<b>\$ -</b>

<sup>1</sup> FY 2016 Revised reflects Johnston out of compliance for Municipal Incentive Aid. The recommendation assumes payment will be reappropriated to FY 2017

\* Corrected from document distributed June 7, based on certified data from Division of Municipal Finance

**General Aid Total**  
**Includes Distressed Communities, PILOT, Motor Vehicles Excise Tax**  
**and Municipal Incentive Aid**

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2017 Gov. Rec.</i>	<i>FY 2017 Rec. to Enacted</i>	<i>FY 2017 HFC</i>	<i>FY 2017 HFC to Enacted</i>
Barrington	\$ 322,659	\$ 233,472	\$ (89,187)	\$ 233,472	\$ (89,187)
Bristol	987,196	1,049,086	61,890	1,049,086	61,890
Burrillville	405,262	345,996	(59,266)	345,996	(59,266)
Central Falls	418,770	308,452	(110,318)	344,609	(74,160)
Charlestown	81,544	44,097	(37,447)	44,097	(37,447)
Coventry	412,443	244,791	(167,652)	244,791	(167,652)
Cranston	7,034,803	7,451,662	416,859	7,668,224	633,421
Cumberland	407,791	247,620	(160,171)	247,620	(160,171)
East Greenwich	485,269	516,397	31,128	516,397	31,128
East Providence	1,632,929	1,435,040	(197,889)	1,566,995	(65,933)
Exeter	123,783	92,110	(31,673)	92,110	(31,673)
Foster	79,602	72,955	(6,647)	72,955	(6,647)
Glocester	149,719	102,420	(47,299)	102,420	(47,299)
Hopkinton	108,374	69,295	(39,079)	69,295	(39,079)
Jamestown	47,851	22,042	(25,809)	22,042	(25,809)
Johnston	560,296	422,637	(137,659)	422,637	(137,659)
Lincoln	298,541	198,583	(99,958)	198,583	(99,958)
Little Compton	29,570	12,896	(16,674)	12,896	(16,674)
Middletown	145,907	63,006	(82,901)	63,006	(82,901)
Narragansett	135,721	60,810	(74,911)	60,810	(74,911)
Newport	1,444,086	1,435,708	(8,378)	1,435,708	(8,378)
New Shoreham	10,539	6,714	(3,825)	6,714	(3,825)
North Kingstown	311,545	187,428	(124,117)	187,428	(124,117)
North Providence	2,249,779	1,255,941	(993,838)	1,422,762	(827,017)
North Smithfield	238,914	177,990	(60,924)	177,990	(60,924)
Pawtucket	3,069,757	2,627,289	(442,468)	2,873,394	(196,363)
Portsmouth	160,957	84,669	(76,288)	84,669	(76,288)
Providence	36,134,996	36,719,392	584,396	37,624,443	1,489,447
Richmond	103,118	65,687	(37,431)	65,687	(37,431)
Scituate	118,828	68,633	(50,195)	68,633	(50,195)
Smithfield	956,080	965,856	9,776	965,856	9,776
South Kingstown	457,843	337,948	(119,895)	337,948	(119,895)
Tiverton	134,118	59,170	(74,948)	59,170	(74,948)
Warren	142,324	92,183	(50,141)	92,183	(50,141)
Warwick	2,809,979	2,677,487	(132,492)	2,677,487	(132,492)
Westerly	454,162	375,840	(78,321)	375,840	(78,321)
West Greenwich	88,288	54,390	(33,897)	54,390	(33,897)
West Warwick	1,207,277	979,658	(227,619)	1,123,696	(83,581)
Woonsocket	1,504,248	1,198,209	(306,039)	1,351,520	(152,728)
<b>Total</b>	<b>\$ 65,464,867</b>	<b>\$ 62,363,560</b>	<b>\$ (3,101,306)</b>	<b>\$ 64,363,560</b>	<b>\$ (1,101,306)</b>

### Distressed Communities Relief

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2016 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2016 HFC</i>	<i>FY 2016 HFC to Gov. Rev.</i>
Central Falls	211,123	211,123	-	211,123	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	-	-	-	-	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	685,142	685,142	-	685,142	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	989,710	989,710	-	989,710	-
North Smithfield	-	-	-	-	-
Pawtucket	1,430,131	1,430,131	-	1,430,131	-
Portsmouth	-	-	-	-	-
Providence	5,332,583	5,332,583	-	5,332,583	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	835,708	835,708	-	835,708	-
Woonsocket	900,062	900,062	-	900,062	-
<b>Total</b>	<b>\$ 10,384,458</b>	<b>\$ 10,384,458</b>	<b>\$ -</b>	<b>\$ 10,384,458</b>	<b>\$ -</b>

### Distressed Communities Relief

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2017 Gov. Rec.</i>	<i>FY 2017 Rec. to Enacted</i>	<i>FY 2017 HFC</i>	<i>FY 2017 HFC to Enacted</i>
Central Falls	211,123	187,737	(23,386)	223,894	12,772
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	-	1,124,439	1,124,439	1,341,001	1,341,001
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	685,142	685,142	-	817,097	131,956
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	989,710	866,171	(123,540)	1,032,992	43,282
North Smithfield	-	-	-	-	-
Pawtucket	1,430,131	1,277,831	(152,299)	1,523,936	93,805
Portsmouth	-	-	-	-	-
Providence	5,332,583	4,699,234	(633,349)	5,604,285	271,702
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	835,708	747,878	(87,829)	891,916	56,208
Woonsocket	900,062	796,025	(104,036)	949,336	49,275
<b>Total</b>	<b>\$ 10,384,458</b>	<b>\$ 10,384,458</b>	<b>\$ -</b>	<b>\$ 12,384,458</b>	<b>\$ 2,000,000</b>

### Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2016 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2016 HFC</i>	<i>FY 2016 HFC to Gov. Rev.</i>
Barrington	\$ 14,638	\$ 14,638	\$ -	\$ 14,638	\$ -
Bristol	784,360	784,360	-	784,360	-
Burrillville	127,468	127,468	-	127,468	-
Central Falls	21,411	21,411	-	21,411	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	5,645,799	5,645,799	-	5,645,799	-
Cumberland	119	119	-	119	-
East Greenwich	341,085	341,085	-	341,085	-
East Providence	218,245	218,245	-	218,245	-
Exeter	-	-	-	-	-
Foster	415	415	-	415	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	1,250,492	1,250,492	-	1,250,492	-
New Shoreham	-	-	-	-	-
North Kingstown	1,494	1,494	-	1,494	-
North Providence	713,714	713,714	-	713,714	-
North Smithfield	-	-	-	-	-
Pawtucket	508,302	508,302	-	508,302	-
Portsmouth	-	-	-	-	-
Providence	28,087,312	28,087,312	-	28,087,312	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	600,901	600,901	-	600,901	-
South Kingstown	173,565	173,565	-	173,565	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,453,550	1,453,550	-	1,453,550	-
Westerly	137,538	137,538	-	137,538	-
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	-	-	-	-	-
<b>Total</b>	<b>\$ 40,080,409</b>	<b>\$ 40,080,409</b>	<b>\$ -</b>	<b>\$ 40,080,409</b>	<b>\$ -</b>

### Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2017 Gov. Rec.</i>	<i>FY 2017 Rec. to Enacted</i>	<i>FY 2017 HFC</i>	<i>FY 2017 HFC to Enacted</i>
Barrington	\$ 14,638	\$ 15,995	\$ 1,357	\$ 15,995	\$ 1,357
Bristol	784,360	954,792	170,431	954,792	170,432
Burrillville	127,468	145,198	17,730	145,198	17,730
Central Falls	21,411	24,507	3,096	24,507	3,096
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	5,645,799	5,322,139	(323,661)	5,322,139	(323,660)
Cumberland	119	135	16	135	16
East Greenwich	341,085	434,980	93,895	434,980	93,895
East Providence	218,245	248,601	30,356	248,601	30,356
Exeter	-	-	-	-	-
Foster	415	-	(415)	-	(415)
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	1,250,492	1,357,719	107,227	1,357,719	107,227
New Shoreham	-	-	-	-	-
North Kingstown	1,494	1,737	243	1,737	243
North Providence	713,714	-	(713,714)	-	(713,714)
North Smithfield	-	-	-	-	-
Pawtucket	508,302	554,958	46,656	554,958	46,656
Portsmouth	-	-	-	-	-
Providence	28,087,312	30,137,743	2,050,432	30,137,743	2,050,431
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	600,901	710,097	109,196	710,097	109,196
South Kingstown	173,565	198,218	24,652	198,218	24,653
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,453,550	1,712,951	259,401	1,712,951	259,401
Westerly	137,538	159,333	21,795	159,333	21,795
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	-	-	-	-	-
<b>Total</b>	<b>\$ 40,080,409</b>	<b>\$ 41,979,103</b>	<b>\$ 1,898,694</b>	<b>\$ 41,979,103</b>	<b>\$ -</b>



### Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2016 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2016 HFC</i>	<i>FY 2016 HFC to Gov. Rev.</i>
Barrington	\$ 230,537	\$ 217,477	\$ (13,060)	\$ 217,477	\$ -
Bristol	95,718	94,294	(1,424)	94,294	-
Burrillville	201,655	200,798	(857)	200,798	-
Central Falls	94,066	96,208	2,142	96,208	-
Charlestown	44,361	44,097	(264)	44,097	-
Coventry	246,097	244,791	(1,306)	244,791	-
Cranston	1,006,431	1,005,084	(1,347)	1,005,084	-
Cumberland	247,431	247,485	54	247,485	-
East Greenwich	81,789	81,417	(372)	81,417	-
East Providence	505,623	501,297	(4,326)	501,297	-
Exeter	92,010	92,110	100	92,110	-
Foster	57,184	72,955	15,771	72,955	-
Glocester	103,123	102,420	(703)	102,420	-
Hopkinton	69,637	69,295	(342)	69,295	-
Jamestown	22,069	22,042	(27)	22,042	-
Johnston	422,956	422,637	(319)	422,637	-
Lincoln	197,861	198,583	722	198,583	-
Little Compton	12,978	12,896	(82)	12,896	-
Middletown	69,136	63,006	(6,130)	63,006	-
Narragansett	60,561	60,810	249	60,810	-
Newport	77,876	77,989	113	77,989	-
New Shoreham	6,564	6,714	150	6,714	-
North Kingstown	184,758	185,691	933	185,691	-
North Providence	393,578	389,770	(3,808)	389,770	-
North Smithfield	181,773	177,990	(3,783)	177,990	-
Pawtucket	792,999	794,500	1,501	794,500	-
Portsmouth	78,523	84,669	6,146	84,669	-
Providence	1,868,582	1,882,415	13,833	1,882,415	-
Richmond	66,715	65,687	(1,028)	65,687	-
Scituate	69,579	68,633	(946)	68,633	-
Smithfield	253,182	255,759	2,577	255,759	-
South Kingstown	138,803	139,730	927	139,730	-
Tiverton	58,977	59,170	193	59,170	-
Warren	91,943	92,183	240	92,183	-
Warwick	964,785	964,536	(249)	964,536	-
Westerly	208,608	216,507	7,900	216,507	-
West Greenwich	59,278	54,390	(4,887)	54,390	-
West Warwick	233,530	231,779	(1,751)	231,779	-
Woonsocket	408,725	402,183	(6,541)	402,183	-
<b>Total</b>	<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ -</b>	<b>\$ 10,000,000</b>	<b>\$ -</b>

\*Reflects FY 2016 data; distribution will be revised in fall 2016.

### Motor Vehicle Excise Phase-Out

City or Town	FY 2016 Enacted	FY 2017 Gov. Rec.*	FY 2017 Rec. to Enacted	FY 2017 HFC*	FY 2017 HFC to Enacted
Barrington	\$ 230,537	\$ 217,477	\$ (13,060)	\$ 217,477	\$ (13,060)
Bristol	95,718	94,294	(1,424)	94,294	(1,424)
Burrillville	201,655	200,798	(857)	200,798	(857)
Central Falls	94,066	96,208	2,142	96,208	2,142
Charlestown	44,361	44,097	(264)	44,097	(264)
Coventry	246,097	244,791	(1,306)	244,791	(1,306)
Cranston	1,006,431	1,005,084	(1,347)	1,005,084	(1,347)
Cumberland	247,431	247,485	54	247,485	54
East Greenwich	81,789	81,417	(372)	81,417	(372)
East Providence	505,623	501,297	(4,326)	501,297	(4,326)
Exeter	92,010	92,110	100	92,110	100
Foster	57,184	72,955	15,771	72,955	15,771
Glocester	103,123	102,420	(703)	102,420	(703)
Hopkinton	69,637	69,295	(342)	69,295	(342)
Jamestown	22,069	22,042	(27)	22,042	(27)
Johnston	422,956	422,637	(319)	422,637	(319)
Lincoln	197,861	198,583	722	198,583	722
Little Compton	12,978	12,896	(82)	12,896	(82)
Middletown	69,136	63,006	(6,130)	63,006	(6,130)
Narragansett	60,561	60,810	249	60,810	249
Newport	77,876	77,989	113	77,989	113
New Shoreham	6,564	6,714	150	6,714	150
North Kingstown	184,758	185,691	933	185,691	933
North Providence	393,578	389,770	(3,808)	389,770	(3,808)
North Smithfield	181,773	177,990	(3,783)	177,990	(3,783)
Pawtucket	792,999	794,500	1,501	794,500	1,501
Portsmouth	78,523	84,669	6,146	84,669	6,146
Providence	1,868,582	1,882,415	13,833	1,882,415	13,833
Richmond	66,715	65,687	(1,028)	65,687	(1,028)
Scituate	69,579	68,633	(946)	68,633	(946)
Smithfield	253,182	255,759	2,577	255,759	2,577
South Kingstown	138,803	139,730	927	139,730	927
Tiverton	58,977	59,170	193	59,170	193
Warren	91,943	92,183	240	92,183	240
Warwick	964,785	964,536	(249)	964,536	(249)
Westerly	208,608	216,507	7,900	216,507	7,900
West Greenwich	59,278	54,390	(4,887)	54,390	(4,887)
West Warwick	233,530	231,779	(1,751)	231,779	(1,751)
Woonsocket	408,725	402,183	(6,541)	402,183	(6,541)
<b>Total</b>	<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ -</b>	<b>\$ 10,000,000</b>	<b>\$ -</b>

\*Reflects FY 2016 data; distribution will be revised in fall 2016.

## Municipal Incentive Aid

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2016 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2016 HFC*</i>	<i>FY 2016 HFC to Gov. Rev.*</i>
Barrington	\$ 77,484	\$ 77,484	\$ -	\$ 79,669	\$ 2,185
Bristol	107,118	107,118	-	110,194	3,076
Burrillville	76,139	76,139	-	78,261	2,122
Central Falls	92,170	92,170	-	94,747	2,577
Charlestown	37,183	37,183	-	38,228	1,045
Coventry	166,346	166,346	-	171,006	4,660
Cranston	382,573	382,573	-	393,283	10,710
Cumberland	160,241	160,241	-	164,680	4,439
East Greenwich	62,395	62,395	-	64,146	1,751
East Providence	223,919	223,919	-	230,209	6,290
Exeter	31,773	31,773	-	32,639	866
Foster	22,003	22,003	-	22,612	609
Glocester	46,596	46,596	-	47,897	1,301
Hopkinton	38,737	38,737	-	39,823	1,086
Jamestown	25,782	25,782	-	26,503	721
Johnston <sup>1</sup>	137,340	273,778	136,438	137,340	(136,438)
Lincoln	100,680	100,680	-	103,489	2,809
Little Compton	16,592	16,592	-	17,058	466
Middletown	76,771	76,771	-	78,930	2,159
Narragansett	75,160	75,160	-	77,283	2,123
Newport	115,718	115,718	-	118,955	3,237
New Shoreham	3,975	3,975	-	4,102	127
North Kingstown	125,293	125,293	-	128,823	3,530
North Providence	152,777	152,777	-	157,054	4,277
North Smithfield	57,141	57,141	-	58,718	1,577
Pawtucket	338,325	338,325	-	347,825	9,500
Portsmouth	82,434	82,434	-	84,739	2,305
Providence	846,519	846,519	-	870,225	23,706
Richmond	36,403	36,403	-	37,426	1,023
Scituate	49,249	49,249	-	50,622	1,373
Smithfield	101,997	101,997	-	104,852	2,855
South Kingstown	145,475	145,475	-	149,526	4,051
Tiverton	75,141	75,141	-	77,231	2,090
Warren	50,381	50,381	-	51,810	1,429
Warwick	391,644	391,644	-	402,712	11,068
Westerly	108,016	108,016	-	111,058	3,042
West Greenwich	29,010	29,010	-	29,812	802
West Warwick	138,039	138,039	-	141,933	3,894
Woonsocket	195,461	195,461	-	200,980	5,519
<b>Total</b>	<b>\$ 5,000,000</b>	<b>\$ 5,136,438</b>	<b>\$ 136,438</b>	<b>\$ 5,136,400</b>	<b>\$ -</b>

<sup>1</sup> FY 2015 payment reappropriated to FY 2016. Was not in compliance by February 12, 2016, FY 2015 payment distributed amongst qualifying communities May 2016.

\* Corrected from document distributed June 7, based on certified data from Division of Municipal Finance

## Municipal Incentive Aid

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2017 Gov. Rec.</i>	<i>FY 2017 Rec. to Enacted</i>	<i>FY 2017 HFC</i>	<i>FY 2017 HFC to Enacted</i>
Barrington	\$ 77,484	\$ -	\$ (77,484)	\$ -	\$ (77,484)
Bristol	107,118	-	(107,118)	-	(107,118)
Burrillville	76,139	-	(76,139)	-	(76,139)
Central Falls	92,170	-	(92,170)	-	(92,170)
Charlestown	37,183	-	(37,183)	-	(37,183)
Coventry	166,346	-	(166,346)	-	(166,346)
Cranston	382,573	-	(382,573)	-	(382,573)
Cumberland	160,241	-	(160,241)	-	(160,241)
East Greenwich	62,395	-	(62,395)	-	(62,395)
East Providence	223,919	-	(223,919)	-	(223,919)
Exeter	31,773	-	(31,773)	-	(31,773)
Foster	22,003	-	(22,003)	-	(22,003)
Glocester	46,596	-	(46,596)	-	(46,596)
Hopkinton	38,737	-	(38,737)	-	(38,737)
Jamestown	25,782	-	(25,782)	-	(25,782)
Johnston	137,340	-	(137,340)	-	(137,340)
Lincoln	100,680	-	(100,680)	-	(100,680)
Little Compton	16,592	-	(16,592)	-	(16,592)
Middletown	76,771	-	(76,771)	-	(76,771)
Narragansett	75,160	-	(75,160)	-	(75,160)
Newport	115,718	-	(115,718)	-	(115,718)
New Shoreham	3,975	-	(3,975)	-	(3,975)
North Kingstown	125,293	-	(125,293)	-	(125,293)
North Providence	152,777	-	(152,777)	-	(152,777)
North Smithfield	57,141	-	(57,141)	-	(57,141)
Pawtucket	338,325	-	(338,325)	-	(338,325)
Portsmouth	82,434	-	(82,434)	-	(82,434)
Providence	846,519	-	(846,519)	-	(846,519)
Richmond	36,403	-	(36,403)	-	(36,403)
Scituate <sup>2</sup>	49,249	-	(49,249)	-	(49,249)
Smithfield	101,997	-	(101,997)	-	(101,997)
South Kingstown	145,475	-	(145,475)	-	(145,475)
Tiverton	75,141	-	(75,141)	-	(75,141)
Warren	50,381	-	(50,381)	-	(50,381)
Warwick	391,644	-	(391,644)	-	(391,644)
Westerly	108,016	-	(108,016)	-	(108,016)
West Greenwich	29,010	-	(29,010)	-	(29,010)
West Warwick	138,039	-	(138,039)	-	(138,039)
Woonsocket	195,461	-	(195,461)	-	(195,461)
<b>Total</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ (5,000,000)</b>	<b>\$ -</b>	<b>\$ (5,000,000)</b>

## Library Aid

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2016 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2016 HFC</i>	<i>FY 2016 HFC to Gov. Rev.</i>
Barrington	\$ 337,167	\$ 337,167	\$ -	\$ 337,167	\$ -
Bristol	168,505	168,505	-	168,505	-
Burrillville	144,949	144,949	-	144,949	-
Central Falls	26,046	26,046	-	26,046	-
Charlestown	46,654	46,654	-	46,654	-
Coventry	217,150	217,150	-	217,150	-
Cranston	553,271	553,271	-	553,271	-
Cumberland	266,665	266,665	-	266,665	-
East Greenwich	121,208	121,208	-	121,208	-
East Providence	354,339	354,339	-	354,339	-
Exeter	45,910	45,910	-	45,910	-
Foster	30,796	30,796	-	30,796	-
Glocester	70,625	70,625	-	70,625	-
Hopkinton	31,101	31,101	-	31,101	-
Jamestown	87,375	87,375	-	87,375	-
Johnston	116,751	116,751	-	116,751	-
Lincoln	195,339	195,339	-	195,339	-
Little Compton	30,355	30,355	-	30,355	-
Middletown	135,162	135,162	-	135,162	-
Narragansett	120,040	120,040	-	120,040	-
Newport	380,016	380,016	-	380,016	-
New Shoreham	80,325	80,325	-	80,325	-
North Kingstown	266,128	266,128	-	266,128	-
North Providence	175,272	175,272	-	175,272	-
North Smithfield	65,478	65,478	-	65,478	-
Pawtucket	336,605	336,605	-	336,605	-
Portsmouth	101,476	101,476	-	101,476	-
Providence*	2,213,877	2,213,877	-	2,213,877	-
Richmond	26,246	26,246	-	26,246	-
Scituate	94,694	94,694	-	94,694	-
Smithfield	269,640	269,640	-	269,640	-
South Kingstown	201,734	201,734	-	201,734	-
Tiverton	100,382	100,382	-	100,382	-
Warren	54,101	54,101	-	54,101	-
Warwick	673,157	673,157	-	673,157	-
Westerly	274,847	274,847	-	274,847	-
West Greenwich	29,133	29,133	-	29,133	-
West Warwick	152,016	152,016	-	152,016	-
Woonsocket	178,865	178,865	-	178,865	-
<b>Total</b>	<b>\$ 8,773,398</b>	<b>\$ 8,773,398</b>	<b>\$ -</b>	<b>\$ 8,773,398</b>	<b>\$ -</b>

\*Includes the Statewide Reference Library Resource Grant.

## Library Aid

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2017 Gov. Rec.</i>	<i>FY 2017 Rec. to Enacted</i>	<i>FY 2017 HFC</i>	<i>FY 2017 HFC to Enacted</i>
Barrington	\$ 337,167	\$ 335,108	\$ (2,059)	\$ 374,284	\$ 37,118
Bristol	168,505	166,405	(2,099)	185,859	17,355
Burrillville	144,949	148,100	3,151	165,414	20,466
Central Falls	26,046	27,329	1,282	30,523	4,478
Charlestown	46,654	45,860	(793)	51,221	4,567
Coventry	217,150	218,795	1,644	244,374	27,224
Cranston	553,271	532,966	(20,305)	595,274	42,003
Cumberland	266,665	257,539	(9,126)	287,647	20,982
East Greenwich	121,208	120,238	(970)	134,295	13,087
East Providence	354,339	378,230	23,890	422,447	68,108
Exeter	45,910	46,635	725	52,087	6,177
Foster	30,796	30,855	59	34,462	3,666
Glocester	70,625	70,519	(106)	78,763	8,138
Hopkinton	31,101	32,498	1,398	36,298	5,197
Jamestown	87,375	103,012	15,637	115,055	27,680
Johnston	116,751	109,419	(7,332)	122,211	5,460
Lincoln	195,339	188,503	(6,836)	210,541	15,202
Little Compton	30,355	32,587	2,233	36,397	6,042
Middletown	135,162	132,148	(3,014)	147,598	12,436
Narragansett	120,040	137,056	17,016	153,079	33,039
Newport	380,016	373,835	(6,181)	417,539	37,523
New Shoreham	80,325	79,074	(1,251)	88,318	7,993
North Kingstown	266,128	262,939	(3,189)	293,678	27,550
North Providence	175,272	172,113	(3,159)	192,234	16,962
North Smithfield	65,478	70,542	5,064	78,789	13,311
Pawtucket	336,605	344,226	7,621	384,468	47,863
Portsmouth	101,476	104,692	3,216	116,931	15,455
Providence*	2,213,877	1,913,346	(300,531)	2,047,753	(166,124)
Richmond	26,246	24,414	(1,832)	27,268	1,022
Scituate	94,694	93,578	(1,116)	104,517	9,823
Smithfield	269,640	267,699	(1,941)	298,995	29,355
South Kingstown	201,734	202,034	299	225,653	23,919
Tiverton	100,382	103,934	3,553	116,085	15,703
Warren	54,101	51,736	(2,365)	57,784	3,683
Warwick	673,157	662,405	(10,753)	739,844	66,687
Westerly	274,847	284,845	9,998	318,145	43,298
West Greenwich	29,133	28,930	(203)	32,312	3,179
West Warwick	152,016	145,607	(6,409)	162,630	10,614
Woonsocket	178,865	162,323	(16,542)	181,300	2,435
<b>Total</b>	<b>\$ 8,773,398</b>	<b>\$ 8,462,072</b>	<b>\$ (311,328)</b>	<b>\$ 9,362,072</b>	<b>\$ 588,674</b>

\*Includes the Statewide Reference Library Resource Grant.

## Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2016 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2016 HFC</i>	<i>FY 2016 HFC to Gov. Rev.</i>
Barrington	\$ 201,686	\$ 201,686	\$ -	\$ 201,686	\$ -
Bristol	278,819	278,819	-	278,819	-
Burrillville	198,184	198,184	-	198,184	-
Central Falls	239,912	239,912	-	239,912	-
Charlestown	96,784	96,784	-	96,784	-
Coventry	432,985	432,985	-	432,985	-
Cranston	995,808	995,808	-	995,808	-
Cumberland	417,096	417,096	-	417,096	-
East Greenwich	162,408	162,408	-	162,408	-
East Providence	582,845	582,845	-	582,845	-
Exeter	82,701	82,701	-	82,701	-
Foster	57,271	57,271	-	57,271	-
Glocester	121,286	121,286	-	121,286	-
Hopkinton	100,831	100,831	-	100,831	-
Jamestown	67,109	67,109	-	67,109	-
Johnston	357,486	357,486	-	357,486	-
Lincoln	262,063	262,063	-	262,063	-
Little Compton	43,188	43,188	-	43,188	-
Middletown	199,830	199,830	-	199,830	-
Narragansett	195,635	195,635	-	195,635	-
Newport	301,205	301,205	-	301,205	-
New Shoreham	10,345	10,345	-	10,345	-
North Kingstown	326,128	326,128	-	326,128	-
North Providence	397,667	397,667	-	397,667	-
North Smithfield	148,734	148,734	-	148,734	-
Pawtucket	880,635	880,635	-	880,635	-
Portsmouth	214,568	214,568	-	214,568	-
Providence	2,203,425	2,203,425	-	2,203,425	-
Richmond	94,755	94,755	-	94,755	-
Scituate	128,192	128,192	-	128,192	-
Smithfield	265,491	265,491	-	265,491	-
South Kingstown	378,660	378,660	-	378,660	-
Tiverton	195,585	195,585	-	195,585	-
Warren	131,137	131,137	-	131,137	-
Warwick	1,019,420	1,019,420	-	1,019,420	-
Westerly	281,158	281,158	-	281,158	-
West Greenwich	75,512	75,512	-	75,512	-
West Warwick	359,305	359,305	-	359,305	-
Woonsocket	508,769	508,769	-	508,769	-
<b>Total</b>	<b>\$ 13,014,620</b>	<b>\$ 13,014,620</b>	<b>\$ -</b>	<b>\$ 13,014,620</b>	<b>\$ -</b>

## Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2016 Enacted</i>	<i>FY 2017 Gov. Rec.*</i>	<i>FY 2017 Rec. to Enacted</i>	<i>FY 2017 HFC*</i>	<i>FY 2017 HFC to Enacted</i>
Barrington	\$ 201,686	\$ 201,686	\$ -	\$ 209,719	\$ 8,032
Bristol	278,819	278,819	-	289,577	10,757
Burrillville	198,184	198,184	-	207,376	9,191
Central Falls	239,912	239,912	-	249,834	9,922
Charlestown	96,784	96,784	-	100,263	3,479
Coventry	432,985	432,985	-	450,490	17,505
Cranston	995,808	995,808	-	1,038,680	42,872
Cumberland	417,096	417,096	-	436,817	19,721
East Greenwich	162,408	162,408	-	168,882	6,474
East Providence	582,845	582,845	-	607,219	24,374
Exeter	82,701	82,701	-	85,909	3,208
Foster	57,271	57,271	-	59,761	2,490
Glocester	121,286	121,286	-	126,732	5,446
Hopkinton	100,831	100,831	-	104,846	4,015
Jamestown	67,109	67,109	-	70,086	2,977
Johnston	357,486	357,486	-	373,181	15,695
Lincoln	262,063	262,063	-	274,218	12,155
Little Compton	43,188	43,188	-	44,943	1,755
Middletown	199,830	199,830	-	207,028	7,198
Narragansett	195,635	195,635	-	203,230	7,595
Newport	301,205	301,205	-	316,689	15,484
New Shoreham	10,345	10,345	-	11,497	1,152
North Kingstown	326,128	326,128	-	339,927	13,799
North Providence	397,667	397,667	-	414,648	16,981
North Smithfield	148,734	148,734	-	155,854	7,120
Pawtucket	880,635	880,635	-	918,089	37,454
Portsmouth	214,568	214,568	-	223,391	8,823
Providence	2,203,425	2,203,425	-	2,298,821	95,396
Richmond	94,755	94,755	-	98,461	3,706
Scituate	128,192	128,192	-	134,071	5,879
Smithfield	265,491	265,491	-	276,509	11,018
South Kingstown	378,660	378,660	-	393,252	14,592
Tiverton	195,585	195,585	-	203,475	7,890
Warren	131,137	131,137	-	135,886	4,749
Warwick	1,019,420	1,019,420	-	1,056,511	37,091
Westerly	281,158	281,158	-	292,589	11,431
West Greenwich	75,512	75,512	-	78,764	3,252
West Warwick	359,305	359,305	-	372,833	13,528
Woonsocket	508,769	508,769	-	529,588	20,819
<b>Total</b>	<b>\$ 13,014,620</b>	<b>\$ 13,014,620</b>	<b>\$ -</b>	<b>\$ 13,559,646</b>	<b>\$ 545,027</b>

\*FY 2017 Gov Rec based on 2014 data; HFC reflects updated 2015 data.





## FY 2017 Education Aid

The House Finance Committee budget funds the sixth year of the education funding formula adopted by the 2010 Assembly. The calculation for FY 2017 uses March 14, 2016 student enrollment data adjusted for FY 2017 anticipated charter school enrollments, a per pupil core instruction amount of \$8,979 and state share ratio variables updated with June 30, 2015 data. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less funding will have that loss phased in over ten years.

### Total Funding to Districts

**A.** Column **A** is the amount that districts would receive in the sixth year of the formula's implementation pursuant to the ten-year phase in of the formula. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years.

**B.** Column **B** is the amount of funding the state will provide to fully fund the requirement that beginning in FY 2017, the state will provide full funding, rather than transitioned aid, for any district converting from a half-day to a full-day kindergarten for the 2014-2015 school year or after.

**C.** Column **C** is the amount of group home aid districts will receive in FY 2017. Group home aid is paid pursuant to current law in addition to aid paid through the funding formula. The budget includes an additional \$2,000 per group home bed for a total of \$17,000 per bed. Beds associated with Bradley Hospital's CRAFT program would increase by \$4,000 per bed to a total of \$26,000 per bed.

**D.** The formula allows for additional resources from the state for high-cost special education students, high-cost career and technical programs, early childhood education programs, and transportation costs. The FY 2017 budget includes two new categories of aid, one for English language learners and one for districts that have at least 5.0 percent of their students enrolled in a charter or state school. Column **D** shows the House Finance Committee recommendation for distribution from high-cost special education, transportation, English learners and charter school density funds.

**E.** Column **E** shows the House Finance Committee's FY 2017 total education aid recommendation.

**F.** Column **F** is the FY 2016 enacted aid.

**G.** Column **G** is the difference between the House Finance Committee's FY 2017 recommendation shown in Column **E** and the FY 2016 enacted budget in Column **F**.

**H.** Column **H** is the Governor's FY 2017 recommended budget. It was based on March 15, 2015 student enrollment data and did not include funding to provide full funding for those districts that converted from a half-day to a full-day kindergarten for the 2014-2015 school year or after.

**I.** Column **I** is the difference between the House Finance Committee's FY 2017 recommendation, which also includes an additional \$2.0 million for transportation, shown in Column **D** and the Governor's FY 2017 recommendation shown in Column **H**.

<i>District</i>	<i>A FY 2017 Formula Aid</i>	<i>B Full Day K</i>	<i>C Group Home Aid</i>	<i>D Categoricals</i>	<i>E Total FY 2017 HFC</i>
Barrington	\$ 5,178,872	\$ 36,232	\$ -	\$ 197,878	\$ 5,412,982
Burrillville	12,982,040	-	82,140	47,033	13,111,213
Charlestown	1,687,921	-	-	-	1,687,921
Coventry	22,493,746	210,698	99,129	70,830	22,874,403
Cranston	54,219,795	607,354	47,702	1,154,134	56,028,985
Cumberland	17,659,354	-	-	321,234	17,980,588
East Greenwich	2,608,758	17,555	-	184,154	2,810,467
East Providence	32,245,114	-	550,150	306,172	33,101,436
Foster	1,163,998	-	-	35,426	1,199,424
Glocester	2,396,529	106,348	-	43,871	2,546,748
Hopkinton	5,386,069	-	-	-	5,386,069
Jamestown	438,902	-	-	34,973	473,875
Johnston	15,572,158	198,160	-	371,922	16,142,240
Lincoln	10,906,917	-	119,396	166,639	11,192,952
Little Compton	413,267	-	-	-	413,267
Middletown	8,134,323	-	334,390	153,105	8,621,818
Narragansett	2,114,201	-	-	35,950	2,150,151
Newport	10,720,594	-	184,817	32,944	10,938,355
New Shoreham	110,826	-	-	20,342	131,168
North Kingstown	10,641,003	205,003	-	51,106	10,897,112
North Providence	19,547,302	-	185,742	435,663	20,168,707
North Smithfield	5,960,086	-	108,137	109,298	6,177,521
Pawtucket	82,687,909	-	458,964	780,733	83,927,607
Portsmouth	4,019,920	-	600,518	166,943	4,787,381
Providence	230,869,652	-	819,685	3,523,035	235,212,373
Richmond	4,840,982	-	-	-	4,840,982
Scituate	3,693,510	18,468	-	82,623	3,794,601
Smithfield	5,487,198	49,069	235,340	190,287	5,961,894
South Kingstown	6,994,271	-	253,242	238,004	7,485,517
Tiverton	6,148,224	82,620	-	53,426	6,284,270
Warwick	36,997,172	371,025	407,284	476,840	38,252,322
Westerly	8,724,889	-	-	179,771	8,904,660
West Warwick	23,016,375	-	-	65,675	23,082,050
Woonsocket	55,426,582	607,104	75,400	231,707	56,340,793
Bristol-Warren	14,731,387	-	117,362	1,154,908	16,003,657
Chariho	153,282	-	-	1,656,826	1,810,108
Exeter-West Greenwich	5,147,942	83,121	117,674	1,035,321	6,384,057
Foster-Glocester	4,743,256	-	-	387,053	5,130,308
Central Falls	39,100,578	-	-	586,721	39,687,299
<b>Total</b>	<b>\$ 775,364,902</b>	<b>\$ 2,592,757</b>	<b>\$ 4,797,072</b>	<b>\$ 14,582,548</b>	<b>\$ 797,337,279</b>
<i>Adjusted Chariho</i>	12,068,253	-	-	1,656,826	13,725,079

<i>District</i>	<i>F</i>	<i>G</i>	<i>H</i>	<i>I</i>
	<i>FY 2016</i>	<i>FY 2017 HFC</i>	<i>FY 2017</i>	<i>FY 2017 HFC</i>
	<i>Enacted</i>	<i>Chg to Enacted</i>	<i>Governor</i>	<i>Chg to Governor</i>
Barrington	\$ 5,157,096	\$ 255,886	\$ 5,335,513	\$ 77,469
Burrillville	13,301,214	(190,001)	13,124,158	(12,945)
Charlestown	1,706,421	(18,501)	1,706,432	(18,512)
Coventry	21,919,203	955,200	22,721,091	153,312
Cranston	51,129,521	4,899,464	54,759,167	1,269,818
Cumberland	16,689,944	1,290,644	17,793,863	186,726
East Greenwich	2,911,567	(101,100)	2,776,328	34,139
East Providence	31,094,815	2,006,621	32,757,923	343,513
Foster	1,206,855	(7,431)	1,202,725	(3,301)
Glocester	2,546,606	142	2,428,892	117,855
Hopkinton	5,470,735	(84,666)	5,383,618	2,451
Jamestown	456,252	17,624	475,742	(1,867)
Johnston	14,241,390	1,900,850	15,647,018	495,222
Lincoln	10,434,249	758,703	11,290,909	(97,957)
Little Compton	398,464	14,803	412,188	1,079
Middletown	8,723,282	(101,464)	8,579,048	42,770
Narragansett	2,154,808	(4,657)	2,161,608	(11,457)
Newport	10,597,219	341,136	10,623,658	314,697
New Shoreham	103,748	27,419	133,782	(2,614)
North Kingstown	10,693,934	203,178	10,737,724	159,388
North Providence	18,350,725	1,817,982	20,045,657	123,050
North Smithfield	5,824,568	352,953	6,202,151	(24,630)
Pawtucket	78,877,331	5,050,276	83,265,156	662,450
Portsmouth	4,797,771	(10,390)	4,733,705	53,675
Providence	223,060,894	12,151,479	232,787,658	2,424,715
Richmond	5,063,630	(222,647)	4,854,963	(13,980)
Scituate	3,974,844	(180,243)	3,782,656	11,946
Smithfield	5,348,196	613,698	5,849,709	112,185
South Kingstown	7,757,160	(271,644)	7,435,330	50,187
Tiverton	6,068,532	215,738	6,201,650	82,620
Warwick	36,764,894	1,487,427	37,978,570	273,752
Westerly	8,418,818	485,842	9,091,995	(187,335)
West Warwick	21,881,242	1,200,808	22,875,006	207,044
Woonsocket	53,233,700	3,107,093	55,946,180	394,613
Bristol-Warren	16,207,317	(203,660)	15,728,485	275,173
Chariho	1,322,688	487,420	1,304,160	505,948
Exeter-West Greenwich	6,230,076	153,981	6,018,240	365,817
Foster-Glocester	5,113,855	16,454	5,025,383	104,926
Central Falls	39,597,253	90,045	39,605,923	81,376
<b>Total</b>	<b>\$ 758,830,818</b>	<b>\$ 38,506,461</b>	<b>\$ 788,783,963</b>	<b>\$ 8,553,316</b>
<i>Adjusted Chariho</i>	13,563,474	161,606	13,249,172	475,907

## **Total Funding to Charter and State Schools**

- A.** Column **A** is the FY 2016 enacted formula aid.
- B.** Column **B** includes mid-year revisions to FY 2016 based on current law requirements that any changes in enrollment as of October 1 that are greater than 10.0 percent get adjusted in that year.
- C.** Column **C** is the base formula aid calculation for FY 2017. It uses March 15, 2016 enrollment and lottery data.
- D.** Column **D** is the difference between FY 2017 base funding and FY 2016 enacted formula aid.
- E.** Column **E** shows the transition calculation. Charter and state schools that will receive more state funding will have the additional funding phased in over seven years and those that are going to receive less state funding will have that loss phased in over ten years.
- F.** Column **F** is the House Finance Committee's FY 2017 recommended formula aid. It is the transition calculation in Column **E** added or subtracted from the FY 2016 enacted formula aid shown in Column **A**. Growth due to adding grades is paid in the year of the growth.
- G.** Column **G** is the difference between the sixth year of funding under the formula and total state formula aid shown in Column **C**.
- H.** Column **H** shows the Governor's FY 2017 recommended formula aid.
- I.** Column **I** is the difference between the House Finance Committee's recommendation shown in Column **F** and the Governor's recommendation shown in Column **H**.

<i>School</i>	<i>A</i> <i>FY 2016</i> <i>Enacted</i> <i>Formula Aid</i>	<i>B</i> <i>FY 2016</i> <i>Revised</i> <i>Formula Aid</i>	<i>C</i> <i>FY 2017 Base</i> <i>Formula</i> <i>Funding</i>	<i>D</i> <i>Change to</i> <i>Enacted</i>
Academy for Career Exploration (Textron)	\$ 2,307,902	\$ 2,307,902	\$ 2,393,322	\$ 85,420
Achievement First	5,163,546	5,163,546	7,220,957	2,057,411
Beacon	1,944,354	1,944,354	2,353,074	408,720
Blackstone	2,642,238	2,642,238	3,107,898	465,660
Compass	509,957	509,957	387,650	(122,307)
Greene School	986,606	986,606	1,143,373	156,767
Highlander	4,426,538	4,426,538	5,015,985	589,447
Hope Academy	665,193	665,193	1,027,078	361,885
International	3,004,632	3,004,632	3,058,264	53,632
Kingston Hill	604,518	604,518	545,206	(59,312)
Learning Community	6,122,713	6,122,713	6,116,584	(6,129)
New England Laborers	1,142,393	1,180,275	1,154,286	11,893
Nowell	1,596,958	1,596,958	1,634,826	37,868
Nurses Institute	2,456,677	2,403,080	2,629,242	172,565
Paul Cuffee	7,950,707	7,950,707	7,904,116	(46,591)
RI Mayoral Academies Blackstone Prep.	11,030,068	11,030,068	13,436,201	2,406,133
RISE Mayoral Academy	523,340	440,255	868,551	345,211
Segue Institute	2,670,896	2,670,896	2,769,810	98,914
Southside Elementary	508,072	508,072	757,281	249,209
Times2 Academy	7,183,575	7,183,575	7,545,985	362,410
Trinity	2,189,101	2,189,101	2,180,337	(8,764)
Village Green	1,883,074	1,883,074	2,200,422	317,348
<b><i>Charter Schools Subtotal</i></b>	<b>\$ 67,513,058</b>	<b>\$ 67,414,258</b>	<b>\$ 75,450,448</b>	<b>\$ 7,937,389</b>
Davies Career and Tech	11,640,152	11,640,152	7,994,955	(3,645,197)
Met School	9,864,425	9,864,425	6,589,756	(3,274,669)
Urban Collaborative	856,203	856,203	1,400,687	544,484
<b>Total</b>	<b>\$ 89,873,838</b>	<b>\$ 89,775,038</b>	<b>\$ 91,435,846</b>	<b>\$ 1,562,007</b>

School	E	F	G	H	I
	Transition =1/2 or 1/5th*	FY 2017 HFC Aid**	Change to Base Calculation	FY 2017 Governor Rec. Formula Aid	Change to Governor
Academy for Career Exploration (Textron)	\$ 42,710	\$ 2,350,612	\$ (42,710)	\$ 2,342,724	\$ 7,889
Achievement First	2,057,411	7,220,957	-	6,790,273	430,684
Beacon	408,720	2,353,074	-	2,290,265	62,809
Blackstone	465,660	3,107,898	-	3,197,360	(89,462)
Compass	(24,461)	485,496	97,846	491,445	(5,950)
Greene School	78,383	1,064,989	(78,384)	1,032,675	32,314
Highlander	589,447	5,015,985	-	5,067,184	(51,199)
Hope Academy	361,885	1,027,078	-	1,006,034	21,044
International	26,816	3,031,448	(26,816)	3,040,963	(9,515)
Kingston Hill	(11,862)	592,656	47,450	598,534	(5,878)
Learning Community	(1,226)	6,121,487	4,903	6,122,454	(967)
New England Laborers	5,947	1,148,340	(5,947)	1,112,880	35,460
Nowell	18,934	1,615,892	(18,934)	2,279,506	(663,614)
Nurses Institute	86,283	2,542,960	(86,283)	2,458,270	84,690
Paul Cuffee	(9,318)	7,941,389	37,273	7,948,330	(6,942)
RI Mayoral Academies Blackstone Prep.	2,406,133	13,436,201	-	13,784,047	(347,846)
RISE Mayoral Academy	345,211	868,551	-	929,484	(60,933)
Segue Institute	49,457	2,720,353	(49,457)	2,713,573	6,781
Southside Elementary	249,209	757,281	-	766,747	(9,466)
Times2 Academy	362,410	7,545,985	-	7,672,198	(126,214)
Trinity	(1,753)	2,187,348	7,011	2,195,763	(8,414)
Village Green	158,674	2,041,748	-	2,052,980	(11,232)
<b>Charter Schools Subtotal</b>	<b>\$ 7,664,670</b>	<b>\$ 75,177,726</b>	<b>\$ (114,047)</b>	<b>\$ 75,893,688</b>	<b>\$ (715,960)</b>
Davies Career and Tech	(597,104)	12,590,093	4,595,138	12,998,800	(408,707)
Met School	(654,934)	9,342,007	2,752,251	9,529,888	(187,881)
Urban Collaborative	259,087	1,115,290	(285,397)	1,141,708	(26,418)
<b>Total</b>	<b>\$ 6,671,719</b>	<b>\$ 98,225,116</b>	<b>\$ 6,947,945</b>	<b>\$ 99,564,083</b>	<b>\$ (1,338,966)</b>

\* Growth due to adding grades is all paid in the year of growth

\*\*Includes a state schools supplemental payment of \$1.5 million to Davies and \$0.1 million to Met.

---

## **Section IV**

# **Adjustments to Governor's Revised Budget**

---





<b>FY 2016 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>Revenue Changes</b>						
<b>1</b>	May Revenue Conference	38,841,000	-	-	-	38,841,000
	<b>Total</b>	<b>38,841,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,841,000</b>
<b>Expenditures Changes</b>						
<b>Administration</b>						
<b>2</b>	Capital - Big River Management Area	-	-	-	50,000	50,000
<b>3</b>	Capital - Chapin Health Lab	-	-	-	(362,000)	(362,000)
<b>4</b>	Capital - Ladd Buildings Demolition	-	-	-	(27,972)	(27,972)
<b>5</b>	Capital - Old Colony House	-	-	-	195,000	195,000
<b>6</b>	Capital - Old State House	-	-	-	80,000	80,000
<b>7</b>	Capital - Pastore Center Cottages	-	-	-	72,000	72,000
<b>8</b>	Capital - Pastore Center Parking	-	-	-	(170,000)	(170,000)
<b>9</b>	Capital - Pastore Center Rehab	-	-	-	(235,000)	(235,000)
<b>10</b>	Capital - Pastore Center Water Tanks & Pipes	-	-	-	223,000	223,000
<b>11</b>	Capital - Pastore Utilities Upgrade	-	-	-	(353,000)	(353,000)
<b>12</b>	Capital - Replacement of Fueling Tanks	-	-	-	22,000	22,000
<b>13</b>	Capital - State House Renovations	-	-	-	50,000	50,000
<b>14</b>	Capital - State Office Building	-	-	-	(500,000)	(500,000)
<b>15</b>	Capital - Virks Building Renovation	-	-	-	(1,130,000)	(1,130,000)
<b>16</b>	Capital - Zambarano Buildings & Utilities	-	-	-	(785,000)	(785,000)
<b>17</b>	Debt Service	(40,369)	-	-	-	(40,369)
<b>18</b>	Land Use Planning Grant	(56,079)	-	-	-	(56,079)
<b>19</b>	Lean Government Grant	-	-	55,000	-	55,000
<b>20</b>	Statewide Operational Savings to FY 2017	1,850,000	-	-	-	1,850,000
<b>21</b>	Turnover and Operating	(1,888,040)	-	-	-	(1,888,040)
<b>22</b>	Victim Assistance Portal	-	19,389	-	-	19,389
<b>Business Regulation</b>						
<b>23</b>	Transformation Technology (3rd Quarter)	(40,000)	-	-	-	(40,000)
<b>24</b>	Turnover (3rd Quarter)	(300,000)	-	-	-	(300,000)
<b>Executive Office of Commerce</b>						
<b>25</b>	Community Service Grants	(237,000)	-	-	-	(237,000)
<b>26</b>	Community Development Block Grant	-	2,655,000	-	-	2,655,000
<b>27</b>	Capital - I-195 Redevelopment	-	-	-	11,240	11,240
<b>28</b>	Turnover (3rd Quarter)	(250,000)	-	-	-	(250,000)
<b>Labor and Training</b>						
<b>29</b>	Grant Monitoring & Evaluation (3.0 FTE)	-	(60,498)	(90,744)	-	(151,242)
<b>30</b>	Misclassification Task Force (3.0 FTE)	(90,678)	-	(86,711)	-	(177,389)
<b>31</b>	State Workforce & Education Alignment (1.0 FTE)	-	-	-	(70,011)	(70,011)
<b>32</b>	Unemployment Insurance	-	-	-	2,803,499	2,803,499
<b>33</b>	Women's Paid Leave Federal Grant	-	176,803	-	-	176,803
<b>34</b>	Workforce Development Grants	-	96,042	-	-	96,042
<b>Department of Revenue</b>						
<b>35</b>	Capital - Lottery Building Renovations	-	-	-	206,303	206,303

	<b>FY 2016 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>36</b>	Lottery Commission Payments - May REC	-	-	-	(8,391,191)	(8,391,191)
<b>37</b>	Municipal Incentive Aid Reappropriation	(104)	-	-	-	(104)
<b>38</b>	Property Revaluation Reimbursements	(394,510)	-	-	-	(394,510)
<b>39</b>	Taxation - Federal Grants to Fishermen	-	519,700	-	-	519,700
<b>40</b>	Taxation - Motor Fuel Tax Evasion	-	-	-	160,000	160,000
	<b>Secretary of State</b>					
<b>41</b>	Voter Rolls Improvement Grant	-	-	35,000	-	35,000
	<b>Office of the General Treasurer</b>					
<b>42</b>	Banking Services (3rd Quarter)	(100,000)	-	-	-	(100,000)
<b>43</b>	CollegeBoundfund (1.0 FTE)	-	-	-	(55,020)	(55,020)
<b>44</b>	Retirement System Positions (2.0 FTE)	-	-	(120,486)	-	(120,486)
<b>45</b>	Unclaimed Property	-	-	3,836,012	-	3,836,012
	<b>Office of the Governor</b>					
<b>46</b>	Reappropriation - Salaries and Benefits	(91,630)	-	-	-	(91,630)
	<b>Office of Health and Human Services</b>					
<b>47</b>	Electronic Visit Verification	(252,203)	-	-	-	(252,203)
<b>48</b>	Graduate Medical Education	2,000,000	-	-	-	2,000,000
<b>49</b>	Medicaid Caseload - May Conference	2,013,882	(30,002,104)	-	-	(27,988,222)
<b>50</b>	Reinventing Medicaid - Restore Administrative Savings	(500,000)	(500,000)	-	-	(1,000,000)
<b>51</b>	Settlement Use Reversal	949,293	-	-	-	949,293
<b>52</b>	Turnover	(749,293)	-	-	-	(749,293)
<b>53</b>	Utilization Review Contract	(389,701)	(389,701)	-	-	(779,402)
	<b>Children, Youth and Families</b>					
<b>54</b>	Capital - Youth Group Homes - Firecode Upgrades	-	-	-	(590,000)	(590,000)
	<b>Health</b>					
<b>55</b>	Immunization Expenses	-	-	2,190,065	-	2,190,065
<b>56</b>	Turnover Savings	(250,000)	-	-	-	(250,000)
	<b>Human Services</b>					
<b>57</b>	Cash Assistance Caseload - May Conference	156,437	(3,060,499)	-	-	(2,904,062)
<b>58</b>	Community Service Grant	(2,372)	-	-	-	(2,372)
<b>59</b>	Disability Determination Services	-	1,999,996	-	-	1,999,996
<b>60</b>	Heating Assistance	-	640,860	-	-	640,860
<b>61</b>	Home and Community Care CNOM (3rd Quarter)	(276,670)	(444,028)	-	-	(720,698)
<b>62</b>	Refugee School Impact Program	-	299,604	-	-	299,604
<b>63</b>	Turnover	(1,500,000)	(1,600,000)	-	-	(3,100,000)
<b>64</b>	Veterans' Affairs Operations	-	-	461,692	-	461,692
<b>65</b>	Veterans' Affairs Settlement	-	-	114,634	-	114,634
	<b>BHDDH</b>					
<b>66</b>	Capital - Administrative Buildings	-	-	-	(438,528)	(438,528)
<b>67</b>	Capital - Community Facilities Fire Code Upgrade	-	-	-	(250,000)	(250,000)
<b>68</b>	Capital - DD Waiver Private Fire Code	-	(350,000)	-	(200,000)	(550,000)

	<b>FY 2016 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>69</b>	Capital - Medical Center Rehabilitation	-	-	-	181,860	181,860
<b>70</b>	Capital - MH Community Facilities	-	-	-	(250,000)	(250,000)
<b>71</b>	Capital - Regional Center Repairs	-	-	-	(164,240)	(164,240)
<b>72</b>	Developmental Disabilities - Private System	225,306	(289,493)	-	-	(64,187)
<b>73</b>	Developmental Disabilities - RICLAS	1,574,460	2,100,905	(173,351)	-	3,502,014
<b>74</b>	Eleanor Slater Hospital	(727,097)	76,392	-	-	(650,705)
<b>75</b>	Other Personnel and Operating	(188,488)	-	-	-	(188,488)
	<b>Governor's Commission on Disabilities</b>					
<b>76</b>	Federal HAVA Grant Fund Adjustments	-	10,466	-	-	10,466
	<b>Elementary and Secondary Education</b>					
<b>77</b>	Capital - Davies HVAC	-	-	-	(498,000)	(498,000)
<b>78</b>	Capital - Met HVAC	-	-	-	(3,340,000)	(3,340,000)
<b>79</b>	Community Service Grants	(603,020)	-	-	-	(603,020)
<b>80</b>	Personnel and Operating Savings (3rd Quarter)	(800,000)	-	-	-	(800,000)
	<b>Higher Education</b>					
<b>81</b>	College Challenge Access Grant	-	606,500	-	-	606,500
<b>82</b>	Dual Enrollment Program	-	-	-	409,120	409,120
	<b>Arts Council</b>					
<b>83</b>	Community Service Grants	(15,188)	-	-	-	(15,188)
	<b>Atomic Energy</b>					
<b>84</b>	Reactor Instrumentation Upgrades	-	17,886	-	-	17,886
	<b>Historical Preservation &amp; Heritage Commission</b>					
<b>85</b>	Community Service Grants	(4,808)	-	-	-	(4,808)
	<b>Attorney General</b>					
<b>86</b>	Turnover and Operating Savings (3rd Quarter)	(900,000)	-	-	-	(900,000)
	<b>Corrections</b>					
<b>87</b>	Capital - Bernadette Guay	-	-	-	(711,000)	(711,000)
<b>88</b>	Capital - Maximum General Renovations	-	-	-	(600,000)	(600,000)
<b>89</b>	Capital - Medium Infrastructure	-	-	-	(2,000,000)	(2,000,000)
<b>90</b>	COLA Calculation	(500,000)	-	-	-	(500,000)
<b>91</b>	Forfeiture Funds	-	-	35,000	-	35,000
<b>92</b>	Pharmaceutical Savings	(400,000)	-	-	-	(400,000)
<b>93</b>	SCAAP	(25,577)	25,577	-	-	-
<b>94</b>	Turnover Savings	(1,000,000)	-	-	-	(1,000,000)
	<b>Judicial</b>					
<b>95</b>	Turnover (3rd Quarter)	(400,000)	-	-	-	(400,000)
<b>96</b>	Veterans' Treatment Calendar Federal Grant (GBA)	-	108,326	-	-	108,326
	<b>Military Staff</b>					
<b>97</b>	Capital - Asset Protection	-	-	-	(200,000)	(200,000)
<b>98</b>	Capital - Joint Force Headquarters Building	-	-	-	(500,000)	(500,000)

<b>FY 2016 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>99</b>	Cybersecurity	(50,000)	-	-	-	(50,000)
<b>100</b>	Federal Funds Adjustment	-	72,047	-	-	72,047
		-	-	-	-	-
	<b>Public Safety</b>	-	-	-	-	-
<b>101</b>	Pre-1987 Pension Trust Fund	1,000,000	-	14,000,000	-	15,000,000
<b>102</b>	Reimbursements from State Agencies	-	-	-	(226,908)	(226,908)
<b>103</b>	Turnover (3rd Quarter)	(600,000)	-	-	-	(600,000)
	<b>Environmental Management</b>					
<b>104</b>	Capital - Dam Repair	-	-	-	(730,000)	(730,000)
<b>105</b>	Capital - Fort Adams Sailing Improvements	-	-	-	376,869	376,869
<b>106</b>	Capital - Marine Infrastructure/Pier Development	-	-	-	(100,000)	(100,000)
<b>107</b>	Capital - Natural Resources Offices/Visitor's Center	-	-	-	(2,400,000)	(2,400,000)
<b>108</b>	Statewide Trail Recreational Projects	-	-	-	1,318,351	1,318,351
<b>109</b>	Turnover (3rd Quarter)	(75,000)	-	-	-	(75,000)
	<b>Coastal Resources Management Council</b>					
<b>110</b>	Capital - Shoreline Change Beach SAMP	-	-	-	(1,626)	(1,626)
<b>111</b>	Capital - South Coast Restoration Project	-	-	-	(321,775)	(321,775)
<b>112</b>	Narrow River Salt Marsh Restoration Project	-	(1,810,000)	-	-	(1,810,000)
<b>113</b>	New Federal Grant	-	175,089	-	-	175,089
	<b>Transportation</b>					
<b>114</b>	Capital - Maintenance Equipment Replacement	-	-	-	(2,000,000)	(2,000,000)
	<b>Total</b>	<b>(3,928,449)</b>	<b>(28,905,741)</b>	<b>20,256,111</b>	<b>(21,442,029)</b>	<b>(34,020,108)</b>

## FY 2016 Revised Changes to Governor

### Revenue Changes

**1. May Revenue Conference.** The Revenue Estimating Conference concluded May 9 and revised the FY 2016 estimate to \$3,635.0 million, which is \$38.8 million more than the revenues included in the November estimate and the Governor's budget revised for her changes included in the estimate.

### Administration

**2. Capital - Big River Management Area.** The House Finance Committee concurs with the Governor's amendment request to add \$50,000 from Rhode Island Capital Plan funds for asset protection projects at the Big the Big River Management Area. The funds will be used to make repairs to Fish Hill Road.

**3. Capital - Chapin Health Lab.** The House Finance Committee concurs with the Governor's amendment request to shift \$362,000 from Rhode Island Capital Plan funds for the Chapin Health Lab project from FY 2016 to FY 2017 to reflect a project delay. The capital budget includes \$7.1 million to replace chillers and the cooling tower, as well as upgrading the heating, ventilation and air conditioning system of the building.

**4. Capital - Ladd Buildings Demolition.** The capital plan includes \$204,523 from Rhode Island Capital Plan funds in FY 2016 to finish the demolition of buildings at the former Ladd school properties in Exeter. Based on projected expenditures, the House Finance Committee recommends \$27,972 less for FY 2016.

**5. Capital - Old Colony House.** The House Finance Committee concurs with the Governor's amendment request to restore \$0.2 million from Rhode Island Capital Plan funds reduced in her original recommendation. This reflects updated expenditure projections for the Old Colony House project which includes repointing the exterior of the building and mitigating other structural issues.

**6. Capital - Old State House.** The House Finance Committee concurs with the Governor's amendment request to restore \$80,000 of the Rhode Island Capital Plan funds reduced in her original recommendation to reflect actual expenditures incurred to replace the heating, ventilation and air conditioning system at the Old State House.

**7. Capital - Pastore Center Cottages.** The House Finance Committee concurs with the Governor's amendment request to add \$72,000 from Rhode Island Capital Plan funds in FY 2016 to reflect final expenditures for the renovations of four cottages on the Pastore Center.

**8. Capital - Pastore Center Parking.** The capital budget includes a total of \$3.9 million from Rhode Island Capital Plan funds to construct additional parking spaces in the Pastore Center. The Governor subsequently requested an amendment to remove \$170,000 from FY 2016. The House Finance Committee concurs and also reduces FY 2017 expenditures by \$430,000 pending updated plans.

**9. Capital - Pastore Center Rehab.** The House Finance Committee concurs with the Governor's requested amendment to reduce Rhode Island Capital Plan funds for the Pastore Center Rehab project by a total of \$1.2 million, including \$0.2 million less in FY 2016 and \$0.9 million less in FY 2017 to reflect costs. The five-year plan includes a total of \$17.3 million to fund major maintenance and capital repairs for buildings at the Pastore Center.

- 10. Capital - Pastore Center Water Tanks & Pipes.** The House Finance Committee concurs with the Governor's amendment request to restore \$223,000 from Rhode Island Capital Plan funds in FY 2016 to reflect anticipated expenditures for addressing water supply and distribution deficiencies at the Pastore Center.
- 11. Capital - Pastore Utilities Upgrade.** The House Finance Committee concurs with the Governor's amendment request to shift \$0.4 million from Rhode Island Capital Plan funds FY 2016 to FY 2017 to reflect a delay for costs associated with a generator and electric feeder for the Pastore Center Utilities Upgrade project.
- 12. Capital - Replacement of Fueling Tanks.** The House Finance Committee concurs with the Governor's amendment request to restore \$22,000 from Rhode Island Capital Plan funds reduced in her original recommendation for FY 2016 to replace failing tanks at state-owned and operated fueling stations for state vehicles, for which the budget includes \$640,000.
- 13. Capital - State House Renovations.** The House Finance Committee concurs with the Governor's subsequent amendment to add \$200,000 from Rhode Island Capital Plan funds, including \$50,000 in FY 2016 to reflect anticipated expenditures for maintenance and \$150,000 in FY 2017 for preservation and display of battle flags and markers in the State House.
- 14. Capital - State Office Building.** The House Finance Committee concurs with the Governor's amendment request to adjust Rhode Island Capital Plan funds for the State Office Building project to reflect costs. This includes reducing costs in FY 2016 by \$0.5 million and adding \$170,000 in FY 2017, for a net reduction of \$330,000. The five-year plan includes \$4.4 million to upgrade the heating, ventilation and air conditioning system, elevator repairs and general repairs of the State Office Building, which is currently occupied by the Department of Transportation.
- 15. Capital - Virks Building Renovation.** The House Finance Committee concurs with the Governor's amendment request to shift \$1.1 million from Rhode Island Capital Plan funds FY 2016 to FY 2017 to reflect anticipated expenditures to renovate the Virks building in the Pastore Center to be occupied by the Executive Office of Health and Human Services.
- 16. Capital - Zambarano Buildings & Utilities.** The House Finance Committee concurs with the Governor's subsequent amendment to shift \$0.8 million from Rhode Island Capital Plan funds from FY 2016 to FY 2017 to reflect anticipated expenditures for renovating various buildings and upgrading the infrastructure at the Zambarano Campus of the Eleanor Slater Hospital in Burrillville.
- 17. Debt Service.** The House Finance Committee concurs with the Governor's requested amendment to include general revenue debt service savings of \$40,369.
- 18. Land Use Planning Grant.** The revised budget includes \$56,079 from general revenues for municipalities that seek reimbursements from Land Use Planning Grants for the costs of developing municipal comprehensive plans. Municipalities have up to June 30, 2016 to request reimbursements. The Department's third quarter report did not anticipate any expenditures for this. The House Finance Committee adjusts expenditures accordingly.
- 19. Lean Government Grant.** The House Finance Committee concurs with the Governor's requested amendment to include expenditures of \$55,000 from restricted receipts in both FY 2016 and FY 2017 to reflect a new \$110,000 grant that the Department of Administration received from the Rhode Island Foundation. The funds will be used to support the Lean Government Initiative.

**20. Statewide Operational Savings to FY 2017.** The revised budget includes \$2.0 million in statewide general revenue savings, based on the Division of Purchasing and Bureau of Audits reviewing recent state commodity and deliverable based contracts to ensure that the state has achieved all attainable savings. Due to a delay in obtaining a vendor to identify the savings, the Department indicated that \$1.9 million of the savings will not be achieved in the current year. The House Finance Committee recommends shifting the savings to FY 2017.

**21. Turnover and Operating.** The House Finance Committee recommends reducing general revenue expenditures by \$1.9 million to reflect additional turnover savings as well as lower expenses for building and software maintenance costs based on updated projections.

**22. Victim Assistance Portal.** The House Finance Committee concurs with the Governor's requested amendment to add \$19,389 from federal funds to reflect anticipated expenditures for information technology services related to the Victim Assistance Portal.

### **Business Regulation**

**23. Transformation Technology (3rd Quarter).** The Governor's revised FY 2016 budget includes \$40,000 from general revenues for unspecified technology purchases associated with new Department of Business Regulation initiatives that are not funded in enacted budget. The recommendation appears to be based on the Department's internal estimates of necessary funds; however, as of May 2016, no hardware or software purchases had been made. It is unlikely that the Department will expend the funds in the current year. The House Finance Committee does not recommend the funding and adjusts expenditures accordingly.

**24. Turnover (3rd Quarter).** Based on the Department's third quarter report and current vacancies, the House Finance Committee recommends an additional \$0.3 million in general revenue turnover savings, which is equivalent to approximately 3.0 positions.

### **Executive Office of Commerce**

**25. Community Service Grants.** The House Finance Committee includes savings of \$237,000 from general revenues from eliminating two community service grants that were not paid in the current year. The Small Business Administration is unable to accept its \$187,000 grant and OSHEAN declined its \$50,000 grant.

**26. Community Development Block Grant.** The House Finance Committee concurs with the Governor's requested amendment to add \$2.7 million from federal Community Development Block Grant funds for FY 2016 to reflect available funds and anticipated expenditures from existing grants as well as the award of a new 2015 block grant.

**27. Capital - I-195 Redevelopment.** The House Finance Committee concurs with the Governor's requested amendment to restore the \$11,240 from unspent Rhode Island Capital Plan funds carried forward from FY 2015, but reduced in her original recommendation.

**28. Turnover (3rd Quarter).** Based on the Executive Office's third quarter report, the House Finance Committee recommends \$250,000 of turnover savings for FY 2016, equivalent to 2.0 vacancies. The Office has averaged 10.9 filled positions, 5.1 less than authorized, through May 2016.



## **Labor and Training**

**29. Grant Monitoring & Evaluation (3.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.2 million, including \$0.1 million from restricted receipt job development funds and \$0.1 million from federal workforce development funds for 3.0 new positions to audit, monitor, and evaluate job services and workforce development related federal grants and awards.

**30. Misclassification Task Force (3.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.2 million from all sources, including \$0.1 million from both general revenues and restricted receipts, for 3.0 new positions related to the work recommended by the Governor for the Task Force on the Underground Economy and Employee Misclassification. These new Labor Standards Examiners will assist the Task Force in enforcing the compliance of labor standard laws, conducting extensive in-depth investigations and audits, preparing detailed reports upon completion of investigations and audits, determining potential litigation cases and developing such cases for litigation, and promoting an effective public relations program. Funding is split between restricted receipts from the workers' compensation program and general revenues within the workforce regulation and safety program.

**31. State Workforce & Education Alignment (1.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$70,011 from other funds for 1.0 new Principal Research Technician to administer a new two-year project called State Workforce and Education Alignment Project (SWEAP). This National Skills Coalition initiative seeks to demonstrate and create system-wide use of workforce education and training program information to better align programs with each other and with employers' skills needs. The state was awarded \$180,000 over two years for this project, along with three other states.

**32. Unemployment Insurance.** The House Finance Committee concurs with the Governor's requested budget amendment to add \$2.8 million in the unemployment insurance program. Of this amount, \$2.2 million represents an increase in unemployment insurance benefit payments to other states and \$0.6 million represents additional grant availability for short time compensation improvements.

**33. Women's Paid Leave Federal Grant.** The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.2 million from available federal funds from a Women's Paid Leave grant for FY 2016. This funding is passed through to the University of Rhode Island for research around expanding access to the Department's temporary caregiver insurance program.

**34. Workforce Development Grants.** The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.1 million from available federal funds from a new Workforce Innovation and Opportunity Act grant. The Workforce Innovation and Opportunity Act is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with skilled workers.

## **Department of Revenue**

**35. Capital - Lottery Building Renovations.** The House Finance Committee concurs with the Governor's requested amendment to provide an additional \$0.2 million from Rhode Island Capital Plan Funds for renovations to the Lottery Building, reflective of actual project costs. The project will be completed in the current year.

**36. Lottery Commission Payments - May REC.** The House Finance Committee recommends a reduction of \$8.4 million from Lottery funds for Commission prizes and payments for the current year. This includes \$12.1 million more for table game prizes and \$20.5 million less for traditional Lottery games, reflective of the May 2016 Revenue Estimating Conference's revised FY 2016 estimates.

**37. Municipal Incentive Aid Reappropriation.** The House Finance Committee recommends a \$104 adjustment to properly reflect the value of the funds related to Johnston's FY 2015 proportional share of Municipal Incentive Aid, which was reappropriated to FY 2016.

**38. Property Revaluation Reimbursements.** The House Finance Committee recommends funding the Property Revaluation Reimbursement program at the actual level of expenditures, for general revenue savings of \$0.4 million in the current year. The Governor's revised recommendation includes the enacted level of \$1.8 million for reimbursements to 15 communities for FY 2016. Subsequently, the Division of Municipal Finance reported that actual expenditures were \$1.4 million.

**39. Taxation - Federal Grants to Fishermen.** The House Finance Committee concurs with the Governor's requested amendment to add \$0.5 million from federal funds for FY 2016 for a federal grant program from the National Oceanic and Atmospheric Administration to provide financial assistance to fishermen affected by the Northeastern groundfish natural disaster. The funds were granted to the Department of Environmental Management, but will be distributed to qualifying tax filers by the Division of Taxation.

**40. Taxation - Motor Fuel Tax Evasion.** The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million from motor fuel tax evasion funds for FY 2016 for Division of Taxation staff audits of motor fuel tax return filings.

#### Secretary of State

**41. Voter Rolls Improvement Grant.** The House Finance Committee concurs with the Governor's requested budget amendment to add \$35,000 from restricted receipts from a grant from Pew Charitable Trusts to help the Secretary of State improve the accuracy of Rhode Island's voter rolls.

#### Office of the General Treasurer

**42. Banking Services (3rd Quarter).** The House Finance Committee recommends reducing general revenue banking services expenditures by \$0.1 million based on the Office of the General Treasurer's third quarter report. The Office points to the state's improved cash position, rising interest rates and cash management techniques as the reason for the reduced costs.

**43. CollegeBoundfund (1.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.1 million and 1.0 new full-time equivalent position for a new program director for the CollegeBoundfund, the state's tuition savings program. Consistent with the Governor's recommendation, the 2015 Assembly enacted legislation to transfer administrative responsibility of the tuition savings program to the Office of the General Treasurer from the Rhode Island Higher Education Assistance Authority. The enacted budget includes 1.0 full-time equivalent position and \$300,000 for costs associated with administering the Fund consistent with what had historically been expensed annually for operations.

**44. Retirement System Positions (2.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.1 million from restricted receipts and 2.0 new full-time equivalent positions for the Retirement System: a junior accountant and a customer experience manager. Both positions would provide additional support related to the new computer which will be fully operational during the spring of 2016.

**45. Unclaimed Property.** The House Finance Committee recommends adding \$3.8 million from restricted receipts for the unclaimed property program expenses, including claims and the transfer to the

state, to reflect the estimate of the May Revenue Estimating Conference. This includes an additional \$2.1 million in transfer to the state General Fund for an FY 2016 transfer of \$12.1 million.

### Office of the Governor

**46. Reappropriation - Salaries and Benefits.** The House Finance Committee does not concur with the Governor's recommendation to include a discretionary reappropriation of \$91,630 from unspent FY 2015 general revenues to be used for salaries and benefits in FY 2016.

### Executive Office of Health and Human Services

**47. Electronic Visit Verification.** The House Finance Committee recommends reducing general revenues by \$0.3 million for costs related to the implementation of the electronic visit verification system. The Governor reappropriated \$0.3 million unspent in FY 2015 to support the system in FY 2016, however the Executive Office's savings third quarter report shows savings for this expense.

**48. Graduate Medical Education.** The House Finance Committee recommends providing the enacted level of \$2.0 million from general revenues for graduate medical education funding for academic medical centers that meet certain criteria, including designation as a Level 1 trauma center. The Governor's budget had proposed eliminating the funding.

**49. Medicaid Caseload - May Conference.** The House Finance Committee's recommendation includes reducing medical assistance expenses by \$28.0 million from all sources, including \$30.0 million less from federal funds and \$2.0 million more from general revenues. This reflects the caseload estimate adopted in May and includes \$46.5 million less from federal funds for costs related to the Medicaid expansion program.

**50. Reinventing Medicaid -Restore Administrative Savings.** The House Finance Committee restores \$1.0 million in administrative savings, of which \$0.5 million is from general revenues that was included in the FY 2016 enacted budget as part of the Governor's effort to reinvent Medicaid. The Committee does not concur with her revised recommendation to exclude the savings.

**51. Settlement Use Reversal.** The Governor's revised budget underfunds central administration general revenue expenses by \$949,293 assuming that the state would realize savings when it finalized a settlement process for medical assistance expenses in prior years. The savings are now properly reflected in the medical assistance program as part of the changes adopted at the May caseload conference, and the House Finance Committee makes the corresponding adjustment to administrative expenses to account for that.

**52. Turnover.** The House Finance Committee recommends reducing general revenue expenditures by \$0.7 million to reflect additional savings in the Executive Office based on current vacancies.

**53. Utilization Review Contract.** The House Finance Committee recommends savings of \$0.8 million including \$0.4 million from general revenues for updated cost utilization review expenses in the Medicaid program. The Governor reappropriated \$0.4 million from general revenues for the activity; however, the Executive Office's third quarter report shows savings, and the Committee reduces funding accordingly.

### Children, Youth and Families

**54. Capital - Youth Group Homes - Firecode Upgrades.** The Governor's recommended capital budget includes \$0.6 million from Rhode Island Capital Plan funds in FY 2016 to provide fire code upgrades and safety related improvements to 111 group home facilities, consistent with the approved plan. The House

Finance Committee recommends shifting \$0.6 million from Rhode Island Capital Plan funds from FY 2016 to FY 2017 to reflect a project delay.

### **Health**

**55. Immunization Expenses.** The Governor requested an amendment to add expenditures of \$2.2 million from restricted receipts for the Department of Health to purchase a vaccine that the Centers for Disease Control and Prevention recently approved. The Department is the purchasing entity; however, serum stock is then dispersed to community health providers to provide vaccines to prevent and control vaccine-preventable diseases in the state. The funds will be used to support the Lean Government Initiative. The House Finance Committee concurs and includes the funding.

**56. Turnover Savings.** Based on updated staffing projections, the House Finance Committee recommends an additional \$250,000 in general revenue turnover savings, which is equivalent to 2.5 full-time positions. The FY 2016 revised budget includes \$51.5 million from all sources to fund 490.6 full-time positions and assumes \$2.9 million in turnover savings.

### **Human Services**

**57. Cash Assistance Caseload - May Conference.** The House Finance Committee recommends a reduction of \$2.9 million, including \$0.2 million more from general revenues to adjust the FY 2016 budget for the May Caseload Conference estimates for cash assistance caseloads, including the Rhode Island Works, subsidized child care, supplemental security income and general public assistance bridge programs.

**58. Community Service Grant.** The House Finance Committee excludes the \$2,372 budgeted for a community service grant to CODAC which has declined the grant.

**59. Disability Determination Services.** The House Finance Committee concurs with the Governor's amendment request to add \$2.0 million from federal funds in FY 2016 to provide a 20 percent increase to medical consultants in the Disability Determination Unit in the Office of Rehabilitation Services consistent with instructions from the Social Security Administration.

**60. Heating Assistance.** The House Finance Committee concurs with the Governor's amendment request to add \$640,860 for heating assistance based on a recent audit finding that allowed the state to recoup federal funds.

**61. Home and Community Care CNOM (3rd Quarter).** The House Finance Committee reduces home and community care expenses by \$0.7 million, including \$0.3 million from general revenues to reflect current year spending of \$5.1 million, \$2.5 million from general revenues. This is consistent with FY 2015 expenses and also adjusts for an incorrect Medicaid rate.

**62. Refugee School Impact Program.** The House Finance Committee concurs with the Governor's amendment request to add \$299,604 from federal funds that was recently awarded for the Refugee School Impact Program, part of the Division of Refugee Assistance, to promote the integration and education of refugee children.

**63. Turnover.** The House Finance Committee recommends reducing staffing expenditures by \$3.1 million, including \$1.5 million from general revenues to reflect turnover savings in the Department of Human Services' third quarter report. This equates to 30 vacant positions.

**64. Veterans' Affairs Operations.** The House Finance Committee concurs with the Governor's amendment request to add \$0.5 million from restricted receipts in the Division of Veteran' Affairs that was inadvertently excluded from the recommendation.

**65. Veterans' Affairs Settlement.** The House Finance Committee concurs with the Governor's amendment request to add \$114,634 from restricted receipts for a recently settled wrongful termination lawsuit.

#### **BHDDH**

**66. Capital - Administrative Buildings.** The Governor's capital budget includes \$12.8 million from Rhode Island Capital Plan funds for renovations at Barry Hall, and Simpson Hall, including HVAC and roof replacement, re-pointing, new windows and floors in the five-year capital plan. This is \$250,000 annually and also includes \$2.3 million in FY 2016 and \$5.6 million in FY 2017. The House Finance Committee reduces funding in FY 2016 by \$438,528 and shifts \$237,736 to FY 2017 consistent with the Governor's requested amendment.

**67. Capital - Community Facilities Fire Code Upgrade.** The Governor's capital budget includes \$1.4 million from Rhode Island Capital Plan funds to install new and upgrade existing fire alarm and sprinkler systems throughout the community developmental disability and mental health facilities. This includes \$376,140 in FY 2016. The House Finance Committee reduces FY 2016 funding by \$250,000 to reflect current spending.

**68. Capital - DD Waiver Private Fire Code.** The Governor's capital budget includes \$0.8 million to install and upgrade fire alarm and sprinkler systems in the private developmental disabilities residences. This includes \$0.4 million from Rhode Island Capital Plan funds and \$0.4 million from matching Medicaid funds. The House Finance Committee recommends reducing FY 2016 funding by \$0.2 million from Rhode Island Capital Plan funds and \$0.4 million from federal funds to reflect current spending and a corrected Medicaid match.

**69. Capital - Medical Center Rehabilitation.** The Governor's capital budget includes \$1.3 million from Rhode Island Capital Plan funds for asset protection projects at the Cranston campus unit of Eleanor Slater Hospital. This is \$250,000 annually and a like amount in FY 2016. The House Finance Committee adds \$181,860 for total funding of \$431,860 in FY 2016 consistent with the Governor's requested amendment for updated project costs that includes a security system.

**70. Capital - MH Community Facilities.** The Governor's capital budget includes \$2.0 million from Rhode Island Capital Plan funds for repairs to 22 state owned community facilities and seven state owned centers housing indigent mental health clients. The House Finance Committee recommends removing \$250,000 in FY 2016 and \$200,000 in FY 2017 through FY 2021. This would provide \$200,000 from FY 2016 through FY 2021 consistent with prior and current year spending.

**71. Capital - Regional Center Repairs.** The House Finance Committee reduces FY 2016 funding by \$164,240 to include \$262,644 from Rhode Island Capital Plan funds for repairs and renovations to the 11 state owned regional workshop centers to reflect current spending.

**72. Developmental Disabilities - Private System.** The House Finance Committee adds \$0.2 million from general revenues and reduces Medicaid funds by \$0.3 million to adjust for current year costs for services provided to adults with developmental disabilities; this is consistent the Governor's amendment request.

**73. Developmental Disabilities - RICLAS.** The House Finance Committee concurs with the Governor's amendment request to add \$3.5 million, including \$1.6 million from general revenues, for services provided to adults with developmental disabilities in the state operated system to restore savings taken in the revised budget that have not been achieved from moving individuals in 24-hour residential care to shared living arrangements.

**74. Eleanor Slater Hospital.** The House Finance Committee reduces funding at the state hospital by \$0.7 million primarily from general revenues which is consistent with the Governor's amendment request and the Department's third quarter report reflecting current year projections.

**75. Other Personnel and Operating.** The House Finance Committee reduces administrative expenses in the central management, behavioral healthcare services and hospital and community support programs by \$0.2 million from general revenues consistent with the Department's third quarter report.

#### **Governor's Commission on Disabilities**

**76. Federal HAVA Grant Fund Adjustments.** The FY 2017 recommended budget includes \$10,297 from federal Help America Vote Act funds for renovation of polling places, fellowships, signage, and other costs associated with elections. The Governor's Commission on Disabilities was notified by the United States Department of Health and Human Services that the funds must be spent by June 30, 2016. The Governor subsequently requested an amendment to shift expenditures from FY 2017 to FY 2016 and includes \$10,466 to enable the Commission to spend the funds before the grant expires. The House Finance Committee concurs.

#### **Elementary and Secondary Education**

**77. Capital - Davies HVAC.** The Governor recommends \$3.0 million from Rhode Island Capital Plan funds from FY 2016 through FY 2018 to repair the HVAC system at the Davies Career and Technical Center. The House Finance Committee recommends shifting expenditures of \$0.5 million from FY 2016 and \$0.9 million from FY 2017 to FY 2019. The Department of Elementary and Secondary Education has instructed Davies to put the project on hold pending the completion of a statewide assessment of school construction needs. Total funding is as recommended.

**78. Capital - Met HVAC.** The Governor recommends \$3.8 million from Rhode Island Capital Plan funds for FY 2016 to complete repairs to the HVAC systems at the five buildings of the Metropolitan Career and Technical Center's Peace Street and Public Street campuses. The House Finance Committee recommends shifting expenditures of \$3.3 million from FY 2016 to FY 2017 and FY 2018 based on current spending. Total funding is as recommended.

**79. Community Service Grants.** The House Finance Committee recommends reducing general revenue expenditures for community service grants by \$0.6 million to reflect the closure of two organizations, Mock Trials and United Providence and the removal of funding for the Jason Project because the grantee was having organization issues.

**80. Personnel and Operating Savings (3rd Quarter).** The House Finance Committee recommends reducing general revenue expenditures by \$0.8 million based on the Department's third quarter report. This includes \$0.7 million in additional turnover savings and \$0.1 million less for department operations.

#### **Higher Education**

**81. College Challenge Access Grant.** The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.6 million from federal funds for the Office of Postsecondary

Commissioner's College Challenge Access Grant. The FY 2016 enacted budget and Governor's revised recommendation include \$0.7 million for this grant. Total FY 2015 spending for this grant was \$1.3 million, which the requested amendment would bring FY 2016 funding up to. The Office indicates that the additional funding is needed to accommodate grants disbursed during FY 2015 as well as federal funding awarded in FY 2016.

**82. Dual Enrollment Program.** The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.4 million from tuition savings fees for the Office of Postsecondary Commissioner's Dual Enrollment program. The FY 2016 enacted budget and Governor's revised recommendation include \$1.3 million for this grant program. The third quarter report for the public higher education system identified a \$0.4 million deficit in the Dual Enrollment Program resulting from an unanticipated increase in enrollment above initial projections. The Office indicates that the additional funding is needed to fully fund the program for FY 2016. This would bring total funding for the Dual Enrollment program to \$1.7 million for FY 2016.

#### **Arts Council**

**83. Community Service Grants.** The House Finance Committee recommends eliminating the \$15,188 community service grant to the Providence Performing Arts Center because the grantee declined the grant.

#### **Atomic Energy**

**84. Reactor Instrumentation Upgrades.** The House Finance Committee concurs with the Governor's requested budget amendment to shift \$17,886 from federal funds for instrumentation upgrades at the Rhode Island Nuclear Science Center included in her FY 2017 recommendation to FY 2016.

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

**85. Community Service Grants.** The House Finance Committee recommends eliminating the \$4,808 community service grant to the Japanese Language and Cultural Center; the organization is no longer incorporated in the state and cannot accept the grant.

#### **Attorney General**

**86. Turnover and Operating Savings (3rd Quarter).** The House Finance Committee assumes general revenue savings of \$0.9 million from turnover and other operations for the Office of the Attorney General based on the Office's projected expenditures from its third quarter report.

#### **Corrections**

**87. Capital - Bernadette Guay.** The Governor's capital budget includes a total of \$2.4 million from Rhode Island Capital Plan funds for renovations to the basement and the heating, ventilation and air conditioning system at the Bernadette Guay building. Because this is the lowest priority project of the Department, the House Finance Committee recommends removing funding, including \$0.7 million for FY 2016 and FY 2017, for the project and using asset protection funds for any future repairs.

**88. Capital - Maximum General Renovations.** The Governor's capital budget includes a total of \$3.9 million from Rhode Island Capital Plan funds for renovations to the maximum security facility. Based on an updated project schedule, the House Finance Committee recommends shifting \$0.6 million from FY 2016 to FY 2017 and FY 2018. Total funding is as recommended.

**89. Capital - Medium Infrastructure.** The Governor's capital budget includes a total of \$22.3 million from Rhode Island Capital Plan for infrastructure improvements at the John J. Moran medium security facility. This includes the expansion of available space for dining areas, kitchen, commissary, dispensary, and other inmate programs and recreational activities. Based on an updated project schedule, the House Finance Committee recommends shifting \$2.0 million from FY 2016 to FY 2018 and FY 2019. Total funding is as recommended.

**90. COLA Calculation.** Although the contract for a majority of the members has not been resolved, the Governor's budget assumes that members of the Rhode Island Brotherhood of Correctional Officers union's correctional officers will receive a cost-of-living adjustment consistent with other state employees, who received 2.0 percent salary increases effective April 6, 2014 and October 5, 2014 and October 4, 2015. The House Finance Committee recommends reducing general revenue expenditures by \$0.5 million based on the Department's third quarter report which indicated an error in the calculation for the amount included in the recommendation.

**91. Forfeiture Funds.** The House Finance Committee concurs with the Governor's requested budget amendment to add \$35,000 from restricted receipts from newly approved federal asset forfeiture funds from the Department of Justice for Department participation in law enforcement activities. Expenditures will be used for office and computer supplies and overtime for corrections investigators.

**92. Pharmaceutical Savings.** The House Finance Committee recommends reducing general revenue expenditures for inmate pharmaceuticals by \$0.4 million based on the Department's third quarter report. Savings are based on projected expenditures based on the current inmate population.

**93. SCAAP.** The House Finance Committee concurs with the Governor's requested budget amendment to shift \$25,577 from general revenues to federal funds based on an increase in the State Criminal Alien Assistance Program (SCAAP) federal grant.

**94. Turnover Savings.** The House Finance Committee recommends reducing general revenue expenditures by \$1.0 million based on the Department's third quarter report that showed additional turnover savings in intake services and health services. The additional turnover savings is equivalent to approximately 8 vacant positions.

### **Judicial**

**95. Turnover (3rd Quarter).** The House Finance Committee recommends reducing general revenue expenditures by \$400,000 to reflect additional turnover savings included in the third quarter report issued by the Department.

**96. Veterans' Treatment Calendar Federal Grant.** Consistent with the Governor's requested budget amendment, the House Finance Committee adds \$0.1 million from available federal funds for the Veteran's Court, which functions as a specialized calendar within District Court.

### **Military Staff**

**97. Capital - Asset Protection.** The Governor recommends \$0.6 million from Rhode Island Capital Plan funds for FY 2016 for individual asset protection projects which include, for example, repairs and upgrades to roofs, windows, and heating, ventilation and air conditioning systems. The House Finance Committee removes \$0.2 million from FY 2016 to better reflect anticipated expenditures.

**98. Capital - Joint Force Headquarters Building.** The Governor's capital recommendation includes \$10.7 million from Rhode Island Capital Plan funds to build a new joint force headquarters at Camp Fogarty



in East Greenwich. The House Finance Committee shifts \$2.0 million to FY 2018, including \$0.5 million from FY 2016 and \$1.5 million from FY 2017 to better reflect the current project schedule.

**99. Cybersecurity.** The House Finance Committee recommends removing \$50,000 from general revenues from the Governor's FY 2016 revised recommendation for the Rhode Island National Guard to participate in the Governor's Cybersecurity Commission working groups. The Military Staff has indicated that it is very unlikely the recommended \$50,000 will be utilized in FY 2016, and this is confirmed in the agency's third quarter report.

**100. Federal Funds Adjustment.** Consistent with the Governor's requested budget amendment, the House Finance Committee adds \$0.1 million to reflect the availability of additional federal funds in FY 2016 for two contract employees, including \$34,829 for security services for the anti-terrorism program and \$37,218 for information technology services for the distance learning center.

### **Public Safety**

**101. Pre-1987 Pension Trust Fund.** The House Finance Committee concurs with the Governor's requested amendment to add \$1.0 million from general revenues to fund the final year of pay-as-you-go pension benefits for State Police sworn into service before July 1, 1987 and to add \$14.0 million from Google, Inc. forfeiture funds to seed a trust fund to pay the benefits from FY 2017 on. The trust fund was authorized by the 2015 Assembly; however, use of the funds requires authorization from the Department of Justice, which was provided in March 2016.

**102. Reimbursements from State Agencies.** The Governor requested an amendment to eliminate \$0.2 million for State Police salary and benefit expenditures from reimbursements from other state agencies. The Department proposed requesting reimbursements for the services of sworn members posted to assist state agencies and divisions, including the Department of Children, Youth and Families and the Division of Motor Vehicles. The proposal was inadvertently accepted. The House Finance Committee concurs and adjusts funding accordingly.

**103. Turnover (3rd Quarter).** The Governor's revised budget includes turnover savings of \$4.5 million from all funds, the majority of which is from general revenues. Assuming an average true value of \$0.1 million per position, across the Department's divisions, the Governor's recommendation is equivalent to 36.0 vacancies. The Department has averaged 573.3 filled full-time positions through May 2016. This is 59.9 fewer positions than authorized. Based on the Department's third quarter report, the House Finance Committee recommends an additional \$0.6 million in general revenue turnover savings.

### **Environmental Management**

**104. Capital - Dam Repair.** Consistent with the Governor's requested budget amendment, the House Finance Committee recommends shifting \$0.7 million from Rhode Island Capital Plan funds from FY 2016, including \$0.2 million to FY 2017 and \$0.3 million each to FY 2018 and FY 2020 to better reflect planned work to repair state owned dams at various recreational management areas.

**105. Capital - Fort Adams Sailing Improvements.** Consistent with the Governor's requested budget amendment, the House Finance Committee recommends adding \$0.4 million from Rhode Island Capital Plan funds to FY 2016 to reflect final invoices for work for the May 2015 Volvo Ocean Race and related improvements, and shifting \$0.7 million from Rhode Island Capital Plan funds from FY 2018 to FY 2017 to reflect the updated project schedule for constructing the mid-park educational and recreational facility.

**106. Capital - Marine Infrastructure/Pier Development.** Consistent with the Governor's requested budget amendment, the House Finance Committee recommends shifting \$0.5 million from Rhode Island

Capital Plan funds to FY 2019, including \$0.1 million from FY 2016 and \$0.4 million from FY 2017 to reflect a revised project schedule for marine infrastructure and pier development at sites critical to Rhode Island's tourism and fishing economy.

**107. Capital - Natural Resources Offices/Visitor's Center.** Consistent with the Governor's requested budget amendment, the House Finance Committee recommends shifting \$2.4 million from Rhode Island Capital Plan funds from FY 2016, including \$0.5 million to FY 2017 and \$1.9 million to FY 2018 for the construction of a new office facility for the Natural Resources Division. The Committee also adds another \$1.1 million to FY 2018 as proposed in the amendment. The changes reflect a higher than anticipated bid and revised project schedule.

**108. Statewide Trail Recreational Projects.** The House Finance Committee concurs with the Governor's requested amendment to increase funding for statewide trail recreational projects by \$1.3 million. The projects, which are funded by a transfer of federal funds from the Department of Transportation, include maintenance of state trails, purchases of equipment and materials, and funding for materials for local communities to maintain state trails. The amendment reflects the planned work for FY 2016, which includes statewide trail improvements, and trail design, construction, and maintenance work at Rocky Point and Oaks Bluff.

**109. Turnover (3rd Quarter).** The House Finance Committee recommends reducing general revenue expenditures by \$75,000 to reflect additional turnover savings included in the third quarter reports issued by both the Department and the Budget Office.

#### **Coastal Resources Management Council**

**110. Capital - Shoreline Change Beach SAMP.** The Governor recommends \$1,626 from Rhode Island Capital Plan funds for FY 2016 to be used for a high resolution modeling system that would predict surge and sea level rise scenarios, building on work the Army Corps of Engineers has already completed. The House Finance Committee removes the remaining \$1,626 accordingly.

**111. Capital - South Coast Restoration Project.** The House Finance Committee removes \$0.3 million from Rhode Island Capital Plan funds from FY 2016 and adds \$0.1 million to FY 2017 to complete habitat restorations along the southern coast of Rhode Island and to maintain breachways. The Rhode Island Capital Plan funds totaling \$0.3 million will be used as state match for federal funds supporting dredging work in Ninigret Pond. The changes reflect a decision made with the federal funding agency that the dredging work in Winnapaug Pond will no longer be done through the Council as originally planned, and the Ninigret Pond work is now expected to occur in FY 2017.

**112. Narrow River Salt Marsh Restoration Project.** The Governor's FY 2016 revised recommendation includes \$1.8 million from federal funds to reflect a grant to be used to mitigate the impact on the salt marsh system of the Narrow River that will occur due to sea level rise. The Coastal Resources Management Council recently provided information that a decision has been made with the federal funding agency and other stakeholders that the work will instead be done by the Nature Conservancy, possibly in conjunction with the local municipalities. The House Finance Committee removes \$1.8 million from FY 2016 to reflect the revised plan. The Council notes that it would retain \$25,000 in FY 2016 and \$20,000 for FY 2017 for staff providing dredging expertise on this project.

**113. New Federal Grant.** Consistent with the Governor's requested budget amendment, the House Finance Committee adds \$0.2 million from federal funds in FY 2016 to reflect a new grant from the United States Department of Housing and Urban Development. This includes \$25,089 to be used toward the Pawtuxet River Modeling Project and the other \$150,000 is for a Coastal Environmental Risk Index project, building on work already done on the Shoreline Change Beach Special Area Management Plan. The

\$150,000 will be used for a cooperative agreement between the Council and the University of Rhode Island to develop an online geographic information system based tool to assess the risk to structures and infrastructure in coastal areas from storm surge, waves, sea level rise, and shoreline erosion.

### **Transportation**

**114. Capital - Maintenance Equipment Replacement.** The House Finance Committee adjusts Rhode Island Capital Plan funds for the Maintenance Equipment Replacement Project based on current spending plans including use of excess winter maintenance funds. This includes \$2.0 million less in FY 2016 and \$1.0 million less in FY 2017.

---

## **Section V**

### **Summary Tables**

---



*This Page Intentionally Left Blank*

## Expenditures from All Funds

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>General Government</b>				
Administration	\$ 368,031,640	\$ 393,083,116	\$ 397,694,673	\$ 392,022,283
Business Regulation	14,620,512	14,053,095	17,005,533	15,559,889
Executive Office of Commerce	74,924,345	78,558,066	83,622,348	79,265,044
Labor and Training	443,730,008	452,118,755	422,079,133	419,517,728
Revenue	423,207,249	470,328,651	502,599,539	485,705,596
Legislature	41,154,944	44,105,835	43,049,302	43,049,302
Lieutenant Governor	1,192,621	1,043,068	1,109,576	1,079,576
Secretary of State	7,986,884	7,799,433	10,749,205	10,919,570
General Treasurer	39,094,693	43,452,950	36,771,155	37,560,433
Board of Elections	1,818,305	1,797,868	1,982,707	1,982,707
Rhode Island Ethics Commission	1,644,876	1,611,119	1,653,383	1,653,383
Governor's Office	4,903,467	5,047,959	5,091,069	5,091,069
Human Rights	1,548,010	1,554,766	1,581,423	1,581,423
Public Utilities Commission	8,684,685	8,672,349	8,926,973	8,926,973
<b>Subtotal - General Government</b>	<b>\$ 1,432,542,239</b>	<b>\$ 1,523,227,030</b>	<b>\$ 1,533,916,019</b>	<b>\$ 1,503,914,976</b>
<b>Human Services</b>				
Health and Human Services	\$ 2,387,903,953	\$ 2,435,742,218	\$ 2,409,316,489	\$ 2,398,992,585
Children, Youth and Families	216,592,410	222,174,039	216,110,079	216,489,823
Health	121,401,905	133,048,066	163,332,529	162,884,652
Human Services	622,403,505	650,869,277	597,518,025	601,987,123
BHDDH	370,945,694	380,970,713	375,005,876	385,632,555
Child Advocate	717,273	714,417	695,582	795,582
Deaf and Hard of Hearing	491,883	539,040	587,746	587,746
Commission on Disabilities	428,524	446,427	440,570	685,423
Mental Health Advocate	508,251	549,419	542,009	542,009
<b>Subtotal - Human Services</b>	<b>\$ 3,721,393,398</b>	<b>\$ 3,825,053,616</b>	<b>\$ 3,763,548,905</b>	<b>\$ 3,768,597,498</b>
<b>Education</b>				
Elementary and Secondary	\$ 1,308,490,695	\$ 1,312,117,292	\$ 1,350,379,573	\$ 1,353,472,840
Higher Education	1,090,159,436	1,124,024,805	1,163,417,439	1,161,231,203
Arts Council	4,036,698	3,524,186	2,618,274	3,030,538
Atomic Energy	1,337,169	1,621,976	1,350,935	1,333,049
Historical Preservation	3,956,703	4,059,449	2,974,999	2,803,698
<b>Subtotal - Education</b>	<b>\$ 2,407,980,701</b>	<b>\$ 2,445,347,708</b>	<b>\$ 2,520,741,220</b>	<b>\$ 2,521,871,328</b>

## Expenditures from All Funds

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>Public Safety</b>				
Attorney General	\$ 34,035,317	\$ 34,824,802	\$ 34,882,783	\$ 35,142,783
Corrections	211,025,689	212,550,101	226,119,650	225,097,655
Judicial	116,299,126	115,680,453	116,664,962	117,517,369
Military Staff	19,408,098	18,945,421	24,677,316	23,177,316
Emergency Management	18,537,918	28,530,116	23,994,138	23,994,138
Public Safety	123,725,416	138,049,921	121,809,215	119,972,144
Public Defender	11,700,347	11,616,528	11,897,202	11,897,202
<b>Subtotal-Public Safety</b>	<b>\$ 534,731,911</b>	<b>\$ 560,197,342</b>	<b>\$ 560,045,266</b>	<b>\$ 556,798,607</b>
<b>Natural Resources</b>				
Environmental Management	\$ 99,304,621	\$ 101,184,587	\$ 99,851,715	\$ 102,747,614
CRMC	5,669,383	5,257,098	7,211,407	7,322,525
<b>Subtotal-Natural Resources</b>	<b>\$ 104,974,004</b>	<b>\$ 106,441,685</b>	<b>\$ 107,063,122</b>	<b>\$ 110,070,139</b>
<b>Transportation</b>				
Transportation	\$ 463,816,478	\$ 480,858,909	\$ 479,457,845	\$ 478,457,845
<b>Subtotal-Transportation</b>	<b>\$ 463,816,478</b>	<b>\$ 480,858,909</b>	<b>\$ 479,457,845</b>	<b>\$ 478,457,845</b>
<b>Total</b>	<b>\$ 8,665,438,731</b>	<b>\$ 8,941,126,290</b>	<b>\$ 8,964,772,377</b>	<b>\$ 8,939,710,393</b>



## Expenditures from General Revenues

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>General Government</b>				
Administration	\$ 197,494,291	\$ 216,391,399	\$ 243,008,631	\$ 237,153,518
Business Regulation	9,236,495	8,795,640	12,750,654	10,283,452
Executive Office of Commerce	60,840,542	60,527,948	63,281,421	55,424,117
Labor and Training	8,324,769	8,382,039	10,322,779	8,212,636
Revenue	113,198,446	110,177,157	111,231,248	114,081,951
Legislature	39,474,071	42,490,012	41,352,730	41,352,730
Lieutenant Governor	1,127,621	1,043,068	1,109,576	1,079,576
Secretary of State	6,951,530	6,747,368	10,092,686	10,263,051
General Treasurer	2,420,250	2,307,642	2,856,231	2,736,231
Board of Elections	1,818,305	1,797,868	1,982,707	1,982,707
Rhode Island Ethics Commission	1,644,876	1,611,119	1,653,383	1,653,383
Governor's Office	4,903,467	5,047,959	5,091,069	5,091,069
Human Rights	1,252,174	1,243,892	1,258,128	1,258,128
Public Utilities Commission	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 448,686,837</b>	<b>\$ 466,563,111</b>	<b>\$ 505,991,243</b>	<b>\$ 490,572,549</b>
<b>Human Services</b>				
Health and Human Services	\$ 909,934,065	\$ 929,093,758	\$ 914,720,115	\$ 937,387,012
Children, Youth and Families	152,587,731	154,782,322	151,984,020	151,773,764
Health	25,835,956	25,469,200	26,501,994	25,931,822
Human Services	98,271,683	96,105,465	103,282,109	97,736,314
BHDDH	172,488,711	175,345,472	168,143,778	173,184,239
Child Advocate	672,273	669,417	650,582	650,582
Deaf and Hard of Hearing	411,883	409,040	477,746	477,746
Commission on Disabilities	383,056	381,890	386,147	412,547
Mental Health Advocate	508,251	549,419	542,009	542,009
<b>Subtotal - Human Services</b>	<b>\$ 1,361,093,609</b>	<b>\$ 1,382,805,983</b>	<b>\$ 1,366,688,500</b>	<b>\$ 1,388,096,035</b>
<b>Education</b>				
Elementary and Secondary	\$ 1,067,719,085	\$ 1,066,141,022	\$ 1,109,259,026	\$ 1,112,347,293
Higher Education	196,304,956	180,983,077	199,498,689	196,307,528
Arts Council	1,863,052	1,844,590	1,539,620	1,951,884
Atomic Energy	957,170	936,450	981,100	981,100
Historical Preservation	1,380,972	1,426,155	1,373,860	1,202,559
<b>Subtotal - Education</b>	<b>\$ 1,268,225,235</b>	<b>\$ 1,251,331,294</b>	<b>\$ 1,312,652,295</b>	<b>\$ 1,312,790,364</b>

## Expenditures from General Revenues

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>Public Safety</b>				
Attorney General	\$ 25,193,210	\$ 24,222,410	\$ 25,595,982	\$ 25,595,982
Corrections	200,225,250	202,469,346	212,679,501	212,007,506
Judicial	96,031,046	95,181,117	96,341,410	97,056,091
Military Staff	2,065,434	2,313,408	2,659,719	2,659,719
Emergency Management	1,766,002	1,762,453	1,848,876	1,848,876
Public Safety	97,060,493	93,657,274	99,825,776	99,442,148
Public Defender	11,621,977	11,503,708	11,784,382	11,784,382
<b>Subtotal-Public Safety</b>	<b>\$ 433,963,412</b>	<b>\$ 431,109,716</b>	<b>\$ 450,735,646</b>	<b>\$ 450,394,704</b>
<b>Natural Resources</b>				
Environmental Management	\$ 37,586,385	\$ 38,350,074	\$ 38,240,878	\$ 40,206,777
CRMC	2,433,260	2,421,855	2,452,438	2,452,438
<b>Subtotal-Natural Resources</b>	<b>\$ 40,019,645</b>	<b>\$ 40,771,929</b>	<b>\$ 40,693,316</b>	<b>\$ 42,659,215</b>
<b>Transportation</b>				
Transportation	\$ -	\$ -	\$ -	\$ -
<b>Subtotal-Transportation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 3,551,988,738</b>	<b>\$ 3,572,582,033</b>	<b>\$ 3,676,761,000</b>	<b>\$ 3,684,512,867</b>

## Expenditures from Federal Grants

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>General Government</b>				
Administration	\$ 43,302,629	\$ 44,009,283	\$ 14,896,706	\$ 14,896,706
Business Regulation	2,795,240	2,768,904	1,100,710	1,100,710
Executive Office of Commerce	10,983,803	13,718,878	15,290,927	17,790,927
Labor and Training	38,164,061	56,903,951	38,514,938	38,451,580
Revenue	1,315,154	5,808,459	2,145,367	2,145,367
Legislature	-	-	-	-
Lieutenant Governor	65,000	-	-	-
Secretary of State	-	22,859	-	-
General Treasurer	891,955	1,019,884	952,881	952,881
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	295,836	310,874	323,295	323,295
Public Utilities Commission	90,000	90,000	104,669	104,669
<b>Subtotal - General Government</b>	<b>\$ 97,903,678</b>	<b>\$ 124,653,092</b>	<b>\$ 73,329,493</b>	<b>\$ 75,766,135</b>
<b>Human Services</b>				
Health and Human Services	\$ 1,462,232,758	\$ 1,491,403,048	\$ 1,476,096,972	\$ 1,448,076,171
Children, Youth and Families	58,927,126	61,708,997	60,409,483	60,409,483
Health	65,752,434	70,070,913	100,365,021	100,365,021
Human Services	517,462,308	547,690,527	487,860,220	497,444,896
BHDDH	182,605,186	190,946,215	187,490,274	193,038,756
Child Advocate	45,000	45,000	45,000	145,000
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	35,459	31,647	10,297	228,750
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 2,287,060,271</b>	<b>\$ 2,361,896,347</b>	<b>\$ 2,312,277,267</b>	<b>\$ 2,299,708,077</b>
<b>Education</b>				
Elementary and Secondary	\$ 203,962,314	\$ 211,023,436	\$ 206,229,553	\$ 206,229,553
Higher Education	15,092,544	16,040,926	14,308,847	14,308,847
Arts Council	775,353	774,296	775,454	775,454
Atomic Energy	54,699	343,441	50,308	32,422
Historical Preservation	2,075,393	2,005,752	1,093,966	1,093,966
<b>Subtotal - Education</b>	<b>\$ 221,960,303</b>	<b>\$ 230,187,851</b>	<b>\$ 222,458,128</b>	<b>\$ 222,440,242</b>

## Expenditures from Federal Grants

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>Public Safety</b>				
Attorney General	\$ 1,291,777	\$ 3,749,312	\$ 1,692,545	\$ 1,692,545
Corrections	1,337,381	1,911,514	1,130,008	1,130,008
Judicial	3,431,136	3,500,413	3,116,365	3,254,091
Military Staff	15,361,864	14,708,628	17,497,797	17,497,797
Emergency Management	16,551,541	26,233,728	20,094,466	20,094,466
Public Safety	6,764,072	10,093,127	9,292,391	9,292,391
Public Defender	78,370	112,820	112,820	112,820
<b>Subtotal-Public Safety</b>	<b>\$ 44,816,141</b>	<b>\$ 60,309,542</b>	<b>\$ 52,936,392</b>	<b>\$ 53,074,118</b>
<b>Natural Resources</b>				
Environmental Management	\$ 29,307,477	\$ 31,376,799	\$ 29,728,792	\$ 29,728,792
CRMC	2,614,348	2,585,243	4,098,312	4,148,312
<b>Subtotal-Natural Resources</b>	<b>\$ 31,921,825</b>	<b>\$ 33,962,042</b>	<b>\$ 33,827,104</b>	<b>\$ 33,877,104</b>
<b>Transportation</b>				
Transportation	\$ 263,615,422	\$ 274,256,147	\$ 272,409,980	\$ 272,409,980
<b>Subtotal-Transportation</b>	<b>\$ 263,615,422</b>	<b>\$ 274,256,147</b>	<b>\$ 272,409,980</b>	<b>\$ 272,409,980</b>
<b>Total</b>	<b>\$ 2,947,277,640</b>	<b>\$ 3,085,265,021</b>	<b>\$ 2,967,238,364</b>	<b>\$ 2,957,275,656</b>

## Expenditures from Restricted Receipts

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>General Government</b>				
Administration	\$ 28,853,407	\$ 45,419,953	\$ 35,983,267	\$ 34,263,955
Business Regulation	2,588,777	2,488,551	3,154,169	4,175,727
Executive Office of Commerce	2,800,000	4,000,000	4,750,000	4,750,000
Labor and Training	21,495,150	39,121,229	23,878,696	23,585,123
Revenue	3,894,326	4,935,486	5,947,043	5,947,043
Legislature	1,680,873	1,615,823	1,696,572	1,696,572
Lieutenant Governor	-	-	-	-
Secretary of State	599,108	566,285	556,519	556,519
General Treasurer	35,263,670	39,591,010	32,286,796	33,320,911
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	8,594,685	8,582,349	8,822,304	8,822,304
<b>Subtotal - General Government</b>	<b>\$ 105,769,996</b>	<b>\$ 146,320,686</b>	<b>\$ 117,075,366</b>	<b>\$ 117,118,154</b>
<b>Human Services</b>				
Health and Human Services	\$ 15,737,130	\$ 15,245,412	\$ 18,499,402	\$ 13,529,402
Children, Youth and Families	2,838,967	3,700,363	3,466,576	3,466,576
Health	29,813,515	37,507,953	36,465,514	36,587,809
Human Services	2,076,036	1,944,807	1,282,218	1,712,435
BHDDH	9,180,797	8,192,406	8,435,824	8,435,824
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	80,000	130,000	110,000	110,000
Commission on Disabilities	10,009	32,890	44,126	44,126
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 59,736,454</b>	<b>\$ 66,753,831</b>	<b>\$ 68,303,660</b>	<b>\$ 63,886,172</b>
<b>Education</b>				
Elementary and Secondary	\$ 28,948,926	\$ 30,571,770	\$ 30,186,994	\$ 30,186,994
Higher Education	653,200	653,200	660,795	1,022,720
Arts Council	-	-	-	-
Atomic Energy	-	-	-	-
Historical Preservation	428,630	427,175	427,175	427,175
<b>Subtotal - Education</b>	<b>\$ 30,030,756</b>	<b>\$ 31,652,145</b>	<b>\$ 31,274,964</b>	<b>\$ 31,636,889</b>

## Expenditures from Restricted Receipts

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>Public Safety</b>				
Attorney General	\$ 7,250,330	\$ 6,553,080	\$ 7,294,256	\$ 7,554,256
Corrections	47,058	304,614	60,141	60,141
Judicial	11,336,944	11,412,688	11,682,187	11,682,187
Military Staff	323,300	387,300	337,300	337,300
Emergency Management	220,375	301,860	861,046	861,046
Public Safety	11,176,346	25,493,242	5,452,070	4,452,070
Public Defender	-	-	-	-
<b>Subtotal-Public Safety</b>	<b>\$ 30,354,353</b>	<b>\$ 44,452,784</b>	<b>\$ 25,687,000</b>	<b>\$ 24,947,000</b>
<b>Natural Resources</b>				
Environmental Management	\$ 18,354,537	\$ 19,462,047	\$ 19,081,956	\$ 18,981,956
CRMC	250,000	250,000	250,000	250,000
<b>Subtotal-Natural Resources</b>	<b>\$ 18,604,537</b>	<b>\$ 19,712,047</b>	<b>\$ 19,331,956</b>	<b>\$ 19,231,956</b>
<b>Transportation</b>				
Transportation	\$ 1,000,000	\$ 159,506	\$ 180,219	180,219
<b>Subtotal-Transportation</b>	<b>\$ 1,000,000</b>	<b>\$ 159,506</b>	<b>\$ 180,219</b>	<b>\$ 180,219</b>
<b>Total</b>	<b>\$ 245,496,096</b>	<b>\$ 309,050,999</b>	<b>\$ 261,853,165</b>	<b>\$ 257,000,390</b>

## Expenditures from Other Funds

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>General Government</b>				
Administration	\$ 98,381,313	\$ 87,262,481	\$ 103,806,069	\$ 105,708,104
Business Regulation	-	-	-	-
Executive Office of Commerce	300,000	311,240	300,000	1,300,000
Labor and Training	375,746,028	347,711,536	349,362,720	349,268,389
Revenue	304,799,323	349,407,549	383,275,881	363,531,235
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	436,246	462,921	100,000	100,000
General Treasurer	518,818	534,414	675,247	550,410
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 780,181,728</b>	<b>\$ 785,690,141</b>	<b>\$ 837,519,917</b>	<b>\$ 820,458,138</b>
<b>Human Services</b>				
Health and Human Services	\$ -	\$ -	\$ -	\$ -
Children, Youth and Families	2,238,586	1,982,357	250,000	840,000
Health	-	-	-	-
Human Services	4,593,478	5,128,478	5,093,478	5,093,478
BHDDH	6,671,000	6,486,620	10,936,000	10,973,736
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	-	-	-	-
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 13,503,064</b>	<b>\$ 13,597,455</b>	<b>\$ 16,279,478</b>	<b>\$ 16,907,214</b>
<b>Education</b>				
Elementary and Secondary	\$ 7,860,370	\$ 4,381,064	\$ 4,704,000	\$ 4,709,000
Higher Education	878,108,736	926,347,602	948,949,108	949,592,108
Arts Council	1,398,293	905,300	303,200	303,200
Atomic Energy	325,300	342,085	319,527	319,527
Historical Preservation	71,708	200,367	79,998	79,998
<b>Subtotal - Education</b>	<b>\$ 887,764,407</b>	<b>\$ 932,176,418</b>	<b>\$ 954,355,833</b>	<b>\$ 955,003,833</b>

## Expenditures from Other Funds

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Recommended	FY 2017 Committee
<b>Public Safety</b>				
Attorney General	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Corrections	9,416,000	7,864,627	12,250,000	11,900,000
Judicial	5,500,000	5,586,235	5,525,000	5,525,000
Military Staff	1,657,500	1,536,085	4,182,500	2,682,500
Emergency Management	-	232,075	1,189,750	1,189,750
Public Safety	8,724,505	8,806,278	7,238,978	6,785,535
Public Defender	-	-	-	-
<b>Subtotal-Public Safety</b>	<b>\$ 25,598,005</b>	<b>\$ 24,325,300</b>	<b>\$ 30,686,228</b>	<b>\$ 28,382,785</b>
<b>Natural Resources</b>				
Environmental Management	\$ 14,056,222	\$ 11,995,667	\$ 12,800,089	\$ 13,830,089
CRMC	371,775	-	410,657	471,775
<b>Subtotal-Natural Resources</b>	<b>\$ 14,427,997</b>	<b>\$ 11,995,667</b>	<b>\$ 13,210,746</b>	<b>\$ 14,301,864</b>
<b>Transportation</b>				
Transportation	\$ 199,201,056	\$ 206,443,256	\$ 206,867,646	\$ 205,867,646
<b>Subtotal-Transportation</b>	<b>\$ 199,201,056</b>	<b>\$ 206,443,256</b>	<b>\$ 206,867,646</b>	<b>\$ 205,867,646</b>
<b>Total</b>	<b>\$ 1,920,676,257</b>	<b>\$ 1,974,228,237</b>	<b>\$ 2,058,919,848</b>	<b>\$ 2,040,921,480</b>



## Full-Time Equivalent Positions

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Governor	FY 2017 Committee
<b>General Government</b>				
Administration	711.7	712.7	743.7	708.7
Business Regulation	98.0	98.0	104.0	97.0
Executive Office of Commerce	16.0	16.0	16.0	16.0
Labor and Training	410.0	409.5	416.5	409.5
Revenue	514.5	514.5	523.5	523.5
Legislature	298.5	298.5	298.5	298.5
Lieutenant Governor	8.0	8.0	8.0	8.0
Secretary of State	57.0	57.0	59.0	59.0
General Treasurer	84.0	84.0	88.0	85.0
Board of Elections	11.0	11.0	12.0	12.0
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	50.0	50.0	51.0	51.0
<b>Subtotal - General Government</b>	<b>2,330.2</b>	<b>2,330.7</b>	<b>2,391.7</b>	<b>2,339.7</b>
<b>Human Services</b>				
Health and Human Services	187.0	187.0	187.0	179.0
Children, Youth and Families	672.5	672.5	672.5	629.5
Health	490.6	490.6	503.6	503.6
Human Services	959.1	959.1	955.1	935.1
BHDDH	1,421.4	1,419.4	1,417.4	1,352.4
Child Advocate	6.0	6.0	6.0	6.0
Deaf and Hard of Hearing	3.0	3.0	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>3,747.6</b>	<b>3,745.6</b>	<b>3,753.6</b>	<b>3,617.6</b>
<b>Education</b>				
Elementary and Secondary	337.4	337.4	339.4	325.1
Higher Education	4,259.2	4,259.2	4,293.8	4,296.8
Arts Council	8.6	8.6	6.0	8.6
Atomic Energy	8.6	8.6	8.6	8.6
Historical Preservation	16.6	16.6	16.6	16.6
<b>Subtotal - Education</b>	<b>4,630.4</b>	<b>4,630.4</b>	<b>4,664.4</b>	<b>4,655.7</b>

## Full-Time Equivalent Positions

	FY 2016 Enacted	FY 2016 Committee	FY 2017 Governor	FY 2017 Committee
<b>Public Safety</b>				
Attorney General	236.1	236.1	236.1	235.1
Corrections	1,419.0	1,419.0	1,432.0	1,419.0
Judicial	724.3	724.3	724.3	724.3
Military Staff	92.0	92.0	96.0	92.0
Emergency Management	32.0	32.0	32.0	29.0
Public Safety	633.2	633.2	633.2	610.2
Public Defender	93.0	93.0	93.0	93.0
<b>Subtotal-Public Safety</b>	<b>3,229.6</b>	<b>3,229.6</b>	<b>3,246.6</b>	<b>3,202.6</b>
<b>Natural Resources</b>				
Environmental Management	399.0	399.0	401.0	399.0
CRMC	29.0	29.0	29.0	29.0
<b>Subtotal-Natural Resources</b>	<b>428.0</b>	<b>428.0</b>	<b>430.0</b>	<b>428.0</b>
<b>Transportation</b>				
Transportation	752.6	752.0	741.0	701.0
<b>Subtotal-Transportation</b>	<b>752.6</b>	<b>752.0</b>	<b>741.0</b>	<b>701.0</b>
<b>Total Positions</b>	<b>15,118.4</b>	<b>15,116.3</b>	<b>15,227.3</b>	<b>14,944.6</b>

---

## **Section VI**

### **Article Explanations**

---



---

## Explanations of Budget Articles

---

### 2016-H 7454, Substitute A

#### Article 1. FY 2017 Appropriations

**Section 1. Appropriations.** This section of Article 1 contains the appropriations for FY 2017.

**Section 2. Line Item Appropriations.** This section establishes that each line in Section 1 of Article 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 and unbudgeted statewide expenditures. 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.

**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 2017.

**Section 8. Employment Security Funds.** This section appropriates all funds required for benefit payments to the unemployed from the Employment Security Fund for FY 2017.

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

**Section 10. 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 2017. It also provides that state employees whose funding is from non-state funds that are time limited shall receive appointments limited to the availability of the non-state funding source. 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 14,944.6 full-time equivalent positions, 282.7 fewer positions than recommended by the Governor.

**Section 11. Multi-Year Appropriations.** This section makes multi-year appropriations for a number of capital projects included in the FY 2017 through FY 2021 Capital Budget that are funded from Rhode Island Capital Plan funds. The FY 2017 and multi-year appropriations supersede appropriations made for capital projects in Section 11 of Article 1 of the FY 2016 Appropriations Act.

**Section 12. Reappropriations.** This section provides that any unexpended and unencumbered funds for Rhode Island Capital Plan Fund projects may be reappropriated at the recommendation of the Governor in

---

## Explanations of Budget Articles

---

FY 2017. However, any such reappropriations are subject to final approval by the General Assembly as part of the supplemental appropriations act. Unexpended funds of less than \$500 can be reappropriated at the discretion of the state Budget Officer.

**Section 13. Rhode Island Housing and Mortgage Finance Corporation.** This section requires that the Rhode Island Housing and Mortgage Finance Corporation provide from its resources an appropriate amount to support the Neighborhood Opportunities Program. The Corporation is also required to provide to the director of the Department of Administration, the chair of the Housing Resources Commission and both chairs of the House and Senate Finance Committees a report detailing the amount of funding and information such as the number of housing units provided.

### Article 2. Public Finance Management Board

Article 2 requires the Public Finance Management Board to advise and assist municipalities, authorities, boards, commissions, public and quasi-public corporations having authority to issue revenue or general obligation bonds. Currently that advice and assistance is given by the Board upon request. It also requires that each issuer of revenue or general obligation bonds submit a report of final sale to the Board within 30 days of the sale or within five days of closing and allows a penalty of \$250 per day for any issuer that fails to submit a notice of proposed debt or report of final sale. It also adds new annual reporting for all state and local debt issuers.

The Article adds two purposes of the board. One is to annually ascertain the total amount of public and quasi-public corporation debt authorized, sold and unsold. The other is the undertaking of a debt affordability study at least every two years, which shall include recommended debt capacity limits. The article also gives the board the authority to offer non-binding, advisory opinions on all aspects of debt management practices. This article is effective January 1, 2017.

The budget assumes additional revenue of \$0.3 million from the Board, through its existing authority to set fees through rules and regulations, no longer exempting the fee paid for debt issuances for taxable issues and refundings and by municipalities. The revenues would support a new Office of Debt Management within the Office of the General Treasurer to be responsible for monitoring the process by which all governmental units issue and manage debt. This funds 1.0 new position and technology upgrades including a web portal to track public debt.

### Article 3. Making It Easier to Do Business in Rhode Island

Article 3 would make changes to the unemployment insurance taxes that some employers pay and lowers the amount the Unemployment Insurance trust fund must hold in reserve in order to save Rhode Island employers an estimated \$30 million in 2017 from a reduction in unemployment insurance taxes that would take effect on January 1, 2017. Article 3 would also establish a Temporary Disability Insurance Fraud and Integrity Task Force charged with educating workers, employers and healthcare professionals about the program and reduce the amount of time a claimant has to apply for temporary disability insurance benefits from 52 weeks to 90 days.

### Article 4. Government Organization

**Sections 1 and 2. Office of Diversity, Equity and Opportunity.** Sections 1 and 2 of the article establish the Office of Diversity, Equity and Opportunity in statutes; the Office is currently operating under an executive order. The article places the State Equal Opportunity Office under the administrative supervision

---

## Explanations of Budget Articles

---

of the Office of Diversity, Equity and Opportunity instead of the Division of Human Resources and requires the Office of Personnel Administration to consult with the Office in preparing a comprehensive plan to maintain and secure equal opportunity. It also adds the associate director of the Office as a member of the Labor Relations Committee, which currently consists of five members.

**Sections 3 through 5. Division of Enterprise Technology Strategy and Services.** These sections replace the current Division of Information Technology, which was created by an executive order with the Division of Enterprise Technology Strategy and Services to be managed by the chief of digital excellence. The article amends current law to place the Office of Library and Information Services within the Division and requires the chief of library services to be under the supervision of the chief of digital excellence.

**Section 6. Division of Capital Asset Management and Maintenance.** This section creates the Division of Capital Asset Management and Maintenance, which will assume the responsibilities of the current Divisions of Facilities Management and Capital Projects and Property Management. Both divisions were created by an executive order in 2004. The article allows the director of the Department of Administration to appoint a director of the division. Some of the responsibilities of the division director include: reviewing agency capital budget requests to ensure that requests are consistent with strategic and master facility plans of the state; managing and maintaining state owned facilities; overseeing new construction and rehabilitation projects; maintaining an inventory of all state properties, and responding to facilities emergencies.

**Sections 7 through 12. Office of Internal Audit.** These sections amend current law to repeal the Bureau of Audits and establish the Office of Internal Audit within the Office of Management and Budget. The Office will be managed by a chief of internal audit, who must be appointed by the director of the Department of Administration. The Office is authorized to conduct audits of any state department, agency or private entity that is a recipient of state funding or state grants. The Office is also tasked with evaluating the efficiency of operations and internal controls, preventing and detecting fraud, waste, abuse or mismanagement of funds.

The Budget reflects the consolidation of internal auditing functions, and staff from the Departments of Transportation and Human Services, the Office of Postsecondary Commissioner and the University of Rhode Island are transferred to the Office. The Budget assumes savings of \$0.2 million, including \$0.1 million from general revenues from the elimination of 2.0 positions.

**Sections 13 through 15. Women, Infants, and Children Nutrition Program.** These sections transfer administration and management of the Women, Infants, and Children Nutrition Program from the Department of Human Services to the Department of Health to comply with federal statutes. The Budget includes \$26.1 million from federal funds and 13.0 full-time equivalent positions to support the program in the Department of Health, which managed the program prior to the 2009 Assembly action to transfer the program to the Department of Human Services to consolidate management of nutrition benefit programs.

**Sections 16 through 18. Office of Veterans' Affairs.** These sections create the Office of Veterans' Affairs within the executive branch reporting directly to the Governor. This will replace it as a Division in the Department of Human Services; however, for administrative purposes, funding for the Office of Veterans' Affairs will remain in the Department of Human Services' budget.

**Section 19 and 20. Governor's Commission on Disabilities.** These sections of the article designate the Governor's Commission on Disabilities as the state agency responsible for applying for and receiving federal funds under the Workforce Innovation and Opportunity Act for the State Independent Living Plan,

---

## Explanations of Budget Articles

---

effective October 1, 2016, instead of the Department of Human Services. The legislation allows the Commission to retain up to 5.0 percent of the funds for administrative purposes.

**Sections 21 and 22. Behavioral Healthcare, Developmental Disabilities and Hospitals.** These sections identify the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals as the sole designated agency with the responsibility to plan, coordinate, manage, implement and report on state substance abuse policy and efforts that relate to federal substance abuse laws and regulations. The Executive Office of Health and Human Services is the co-designated agency for this purpose. The two agencies will also be co-designated for the calculation of expenditures and maintenance of effort for the federally awarded Substance Abuse Block Grant. The Department reports that the federal Substance Abuse and Mental Health Authority is requiring the dual designation because as part of its maintenance of effort calculation, the Department includes Medicaid expenses which are shown in the Executive Office's budget.

**Section 23. Positions in Unclassified Service.** This section adds a cybersecurity officer position in the Department of Administration to the unclassified service.

### Article 5. Capital Development Program

Article 5 places \$207.5 million of new general obligation bond authorizations on the November 2016 ballot for voter approval through five separate questions. Question one would provide \$27.0 million to assure completion of the veterans' home based on updated cost estimates. The voters approved a \$94 million bond that would be reduced by federal reimbursements estimated at the time to be \$21.2 million. The federal Veterans Administration issued new guidelines for a new design that increased the anticipated cost to \$120.5 million, but also authorized a federal reimbursement of \$60.6 million. The total cost to the state will be at least \$12.0 million less than originally anticipated.

The second question would provide \$25.5 million for the second phase of a project to renovate and build additions to the College of Engineering complex at the University of Rhode Island and provide \$20.0 million to build one or more innovation campuses affiliated with the University of Rhode Island. The third question is for \$50.0 million for infrastructure modernization and repairs to the Port of Davisville at Quonset, including Pier 2.

Question four is \$35.0 million for green economy projects. It is divided into seven distinct components with \$4.0 million for capital improvements to state parks including Fort Adams, Brenton Point, Colt State Park and Goddard Memorial State Park; \$4.0 million for open space acquisition; \$10.0 million for designing and constructing bikeways; \$5.0 million for brownfield remediation; \$3.0 million for stormwater pollution prevention projects; \$5.0 million to develop public recreational facilities; and \$4.0 million for local land acquisition grants. Question five would provide \$40.0 million for affordable housing construction and redevelopment and \$10.0 million to improve properties that are blighted or in need of revitalization including residential and commercial properties and public and community spaces.

### Article 6. Public Debt Management Act

This article would authorize the Commerce Corporation to issue up to \$25.0 million in debt to provide funds to the Quonset Development Corporation for renovations to at least one of the Davisville piers. Assuming an interest rate of 5.0 percent and a 20-year term, annual debt service payments would be \$2.0 million to be paid back from Quonset Development Corporation funds. Article 5 includes legislation to put before the voters on the November 2016 ballot \$50.0 million in new general obligation bonds in support of



---

## Explanations of Budget Articles

---

the pier's renovation. Bond funds would be combined with \$15.0 million from Rhode Island Capital Plan funds to provide total project funding of \$90.0 million.

### Article 7. Health and Human Services

The article increases rates paid to home health aides and personal care attendants allowing for wages and other required contributions and includes reporting requirements to certify that the payments were passed through for this purpose. The article also instructs the Secretary of the Executive Office to ensure that at least 85 percent of the October 1, 2016 annual rate nursing home rate adjustment apply to an increase in wages and/or benefits to direct care workers and also requires certification of the increase. It includes a four-year phase out of the direct care policy applied to nursing home rates starting October 1, 2017 and a reporting requirement for patient liability owed by recipients and collected by the providers.

The article extends uncompensated care payments for FY 2018 for a \$139.7 million payment to the community hospitals, ties payment rates to national index and eliminates the minimum threshold for payments that insurers must make for early intervention services. It expands services to Medicaid beneficiaries, including supportive housing and community health teams and corrects language included in the FY 2016 enacted budget related to payments made through the managed care plans to nursing facilities.

The article extends the child care assistance transition program by one-year to September 30, 2017 and includes the necessary resolution language for the rate increase for health care professionals and the incentive programs. It also expands the reporting requirements for the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals for services for adults with developmental disabilities to capture data and progress implementing the state's consent decree with the Department of Justice.

### Article 8. Municipalities

**Sections 1 through 3. Municipal Transparency Portal.** These sections require that the Division of Municipal Finance implement a standardized method of financial reporting for municipalities and develop an online "Transparency" portal for report submission and the public posting of municipal financial information. Municipal financial data must include audited annual financial statements, the status of its general fund, and a comparison of the municipality's budget to actual expenditures. Municipalities are required to use the portal to provide the Division of Municipal Finance with financial reports.

These sections also establish a financial reporting schedule of every three months, beginning in the sixth month of the municipality's fiscal year. Cities and towns must currently provide the Division with reports on a quarterly basis. Municipalities that do not comply with the standardized format and new reporting requirements would be publicly posted as delinquent via the portal. The Division will encourage municipalities' efforts to share data with each other via the portal and contract for shared services.

**Section 4. Distressed Communities Refund Offset.** Section 4 establishes that all communities qualifying as distressed participate in the Division of Taxation's refund offset program within three months of notification of distressed status. The refund offset program allows cities and towns to contract with the Division to intercept state personal income tax refunds for application to outstanding municipal tax liabilities. Four of the eight communities that qualify for FY 2017 aid already participate in the program: East Providence, Pawtucket, West Warwick, and Woonsocket.

---

## Explanations of Budget Articles

---

### Article 9. Division of Motor Vehicles

**Section 1. License Plate Issuance Delay.** Article 9 delays the mandatory reissuance of fully reflective license plates from July 1, 2016 to April 1, 2017. The reissuance has been delayed three times previously, from September 1, 2011 to September 1, 2013, again to September 1, 2015, and from that date to July 1, 2016. The Budget includes \$3.0 million for FY 2017 to allow the Division of Motor Vehicles to begin printing and stocking sets of plates prior to the beginning of the reissuance. Any unspent funds will be reappropriated to the following year.

**Sections 2 and 3. License Plates.** Sections 2 and 3 of Article 9 exempt veterans from the \$20 service fee and \$5 transfer fee for special veterans' license plates and require the creation of a special plate for Gold Star Parents, whose children served in the armed forces and were killed in the line of duty. The Budget assumes an associated revenue loss of \$35,000.

**Sections 4 and 5. Commercial Truck Registrations.** These sections of Article 9 establish a new schedule for annual registration fees for commercial trucks, truck tractors, and truck trailers with gross vehicle weight of over 10,000 pounds that are used for commercial purposes, effective July 1, 2017. Annual registration costs will be reduced on a sliding scale from a 26.0 percent reduction for vehicles at lower weights to a 50.0 percent reduction in annual registration costs for vehicles weighing 26,000 pounds or more. The estimated FY 2018 revenue impact would be a loss of \$4.2 million.

### Article 10. Revised Budget

**Section 1. Revisions to Appropriations.** This section of Article 10 contains the revised appropriations for FY 2016.

**Section 2. Line Item Appropriations.** This section establishes that each line of Section 1 in Article 10 constitutes an appropriation.

**Section 3. 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 4. Full-Time Equivalent Positions.** This section limits the maximum number of full-time equivalent positions authorized for the departments and agencies during any payroll period in FY 2016. In addition, state employees whose funding is from non-state funds that are time limited shall receive appointments limited to the availability of the non-state funding source. This section also contains the usual provision 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 15,116.3 full-time equivalent positions, 23.0 fewer positions than recommended by the Governor in her revised budget.

### Article 11. Strengthening Neighborhood Schools

**Section 1. Local Budgets and Uniform Chart of Accounts.** Section 1 would require local education agencies to post their adopted budgets on their websites and also include a link to the Department of Elementary and Secondary Education's website effective for FY 2018. It would also require each local education agency to update the information within 60 days after adoption and/or making any changes to the budget.

---

## Explanations of Budget Articles

---

Section 1 would also require the Department of Elementary and Secondary Education to ensure the uniform chart of accounts allows for both school to school and district to district comparisons and that the structure of the uniform chart of accounts shall ensure that data is collected and presented at a minimum, by position, program and school location in order to facilitate such comparisons. Local education agencies would have to submit budget information that conforms with the uniform chart of accounts requirements to the Department within 30 days of the local budget's adoption. It would require the Department of Elementary and Secondary Education to annually publish on its website a "performance dashboard" that would include the per pupil expenditures of each public school and district by revenue source and expenditure category as well as student performance indicators.

**Section 2. Education Funding Formula.** Section 2 makes a number of changes to the education funding formula.

High Cost English Language Learners. This section provides funding for FY 2017 only to support English language learners that are in the most intensive programs. The funding shall be used on evidence-based programs proven to increase outcomes and will be monitored by the Department of Elementary and Secondary Education. The calculation is ten percent of the core instruction amount, adjusted for the state share ratio, for students based on criteria determined by the Commissioner. The budget includes \$2.5 million.

School of Choice Density Aid. This section creates a new category of aid, which would provide additional state support for those districts who have at least 5.0 percent of their students enrolled at a school of choice, which includes charter schools or state schools. For FY 2017, six districts would be eligible for this funding which provides \$175 per pupil for every student sent to a charter or state school. This is a three-year program that would phase out in FY 2020. The Budget includes \$1.5 million.

Stabilization Fund. Section 2 amends the Central Falls stabilization fund language to include the state schools in order to mitigate some of the losses in funding from the implementation of the funding formula and recognize the additional costs associated with running a stand-alone school that offers both academic and career and technical education. The budget includes \$1.7 million in additional funding to Davies and the Met schools.

High Cost Special Education Categorical Funding. Section 2 requires the Department of Elementary and Secondary Education to collect data on those educational costs that exceed four times the per pupil core instruction amount and student success factor amount; the current threshold is five times the amount.

Student Success Factor. Section 2 changes the definition of poverty used to calculate the 40.0 percent student success factor from being eligible for free and reduced lunch to being at 185 percent of federal poverty guidelines. Based on guidance from the United States Department of Agriculture, an alternate definition for use in the funding formula is required. This will have no impact on the numbers of children because free and reduced lunch eligibility is based on federal poverty guidelines with 185 percent of poverty being the threshold for reduced price lunch.

Local Tuition to Charter and State Schools. Section 2 reduces the local tuition payments made by districts to charter and state schools by the greater of seven percent of the local per pupil funding or the per pupil value of the district's costs for preschool services and screening, services to students ages 18 to 21, career and technical education, out-of-district special education placements, retiree health benefits, debt service and rental costs offset by those same costs for charter schools. There is an additional reduction to payments

---

## Explanations of Budget Articles

---

to mayoral academies with teachers that do not participate in the state teacher's retirement system. This is estimated to reduce local tuition payments to charter and state schools by \$5.9 million.

**Sections 3 through 5. Charter School.** Sections 3 through 5 remove obsolete language regarding the funding of charter schools that is no longer applicable because charter schools are funded through the funding formula. Section 3 also repeals the provision that any charter school with an approved career or technical education program that enrolls special education students would be able to charge the sending district its average per pupil special education cost. There are currently no charter schools with an approved career or technical program; however, if one were to become approved, this could present a very significant cost to the sending districts.

**Section 6. Group Home Aid.** Section 6 would increase the state funding for communities hosting group homes. It would provide an additional \$2,000 per group home bed for a total of \$17,000 per bed. Beds associated with Bradley Hospital's CRAFT program would increase by \$4,000 per bed to a total of \$26,000 per bed. The budget includes an additional \$828,000.

**Section 7. Empowerment Schools.** Section 7 creates empowerment schools with regulatory and statutory flexibility, autonomy over budget, and flexibility in instructional polices. Empowerment schools would remain within a public school district but would be managed collaboratively on site by the principal and faculty. This would be a voluntary program. The act would give parents and families the affirmative right to enroll in an empowerment school that is different than their assigned school based on residence.

**Section 8. Recovery High Schools.** Section 8 would provide \$500,000 for FY 2017 only to support the state's recovery high school. Recovery high schools are high schools specifically designed for students recovering from a substance abuse disorder. It would also remove districts from the enrollment process and change the local tuition payments from the local per pupil expenditure to the core instruction amount.

### Article 12. Budgets and Accounts

Article 12 authorizes the Board of Education to establish a restricted receipt account for the new Westerly Higher Education and Industry Center within the Office of the Postsecondary Commissioner and to collect lease payments and other fees to support the operations and maintenance of the new facility. The article also exempts it as well as the existing Division of Motor Vehicles Modernization Project receipts from the state's indirect cost recovery charge.

Section 2 of the article amends current law requiring that budget requests be directly submitted to the fiscal advisors of the House and Senate. Currently, budget requests are submitted to the Governor through the State Budget Officer, who then provides copies to the House Fiscal and Senate Fiscal advisors.

### Article 13. Taxes and Revenues

**Sections 1 and 2. Small Distilleries.** These sections establish a two-tiered licensing fee system for alcohol distilleries in the state. Distilleries producing more than 50,000 gallons per year would pay a licensing fee of \$3,000; those producing less than 50,000 would pay \$500 per year. The sections also establish a tax exemption for the first 49,999 gallons of distilled spirits produced in the state by distilleries that have been operated within the state for at least twelve months. The Budget assumes total revenue loss of \$30,000 from the changes.

---

## Explanations of Budget Articles

---

**Section 3. Corporate Filing Cost Parity.** Section 3 of Article 13 alters the application and renewal fees for registered limited liability partnerships from \$100 for each partner to a flat fee of \$150 for the original application and \$50 for the renewal application. This ensures that all limited liability partnerships will pay the application and renewal fees regardless of the number of partners. The Budget assumes an associated revenue loss of \$30,000.

**Sections 4 through 6, 10 through 12, and 13. Corporate Filing Dates.** These sections of Article 13 amend filing deadlines for business taxes to bring state tax law into conformance with federal law. Changes include shifting the filing deadline for C corporations, banks, insurance companies, and public service companies to April or the fourth month following the end of the tax year. The sections also change the filing deadline for pass-through entities to March or the third month after the end of the tax year. The article would be effective for tax years beginning January 1, 2016 and would have no fiscal impact.

**Section 8. Motor Fuel Use Tax.** Section 8 of Article 13 establishes that any revenues received from the Motor Fuel Use Tax be deposited in the Intermodal Surface Transportation Fund, rather than the general fund, for use by the Department of Transportation. There is no fiscal impact associated with this change.

**Section 9. Minimum Corporate Tax.** Section 9 reduces the minimum corporate tax from \$450 to \$400 per year, effective January 1, 2017. The 2015 Assembly reduced the minimum corporate tax rate from \$500 to \$450, effective January 1, 2017. The fiscal impact for this reduction is a revenue loss of \$1.6 million for FY 2017; the loss annualizes to \$3.2 million for FY 2018.

**Section 14. Transportation Network Companies.** Section 14 of Article 13 codifies that entities that use a digital network to connect riders to the network's local operators are providing a retail service comparable to that of taxicabs. The section requires that transportation network companies to register with the Division of Taxation, obtain a permit to make sales at retail, and must collect and remit to the state a 7.0 percent sales tax. There is no estimated fiscal impact associated with this section.

**Section 15. EITC.** This section would modify the state's Earned Income Tax Credit for low and moderate wage earners to equal 15.0 percent of the federal credit, effective January 1, 2017. The Budget assumes an associated revenue loss of \$2.7 million, which annualizes to \$5.5 million for FY 2018. The 2015 Assembly increased the percent of the federal credit from 10.0 percent to 12.5 percent, effective January 1, 2016. The section also includes language codifying past practice regarding the percent of the federal credit and refundability of the state credit prior to the changes made by the 2014 Assembly. The addition of this language does not impact current treatment of the credit.

**Section 16. Pension and Annuity Income Exemption.** Section 16 of Article 13 exempts up to \$15,000 of pension and annuity benefits from state personal income tax for single and head of household filers who have reached full social security retirement age and have federal adjusted gross incomes of \$80,000 or less and married joint and qualifying widow or widower filers with joint federal adjusted gross incomes of \$100,000 or less. This would include income from federal, state, and local government retirement plans, military pensions, railroad retirement benefits, and private pension plans, from the public and private sectors that is deemed taxable income and is included in a filer's adjusted gross income. The fiscal impact of the expansion is a revenue loss of \$6.3 million for FY 2017, which annualizes to \$13.0 million in FY 2018.

**Section 17. Motion Picture Production Tax Credit.** This section provides a two year postponement of the sunset provision for the Motion Picture Production Tax Credit program that provides a 25.0 percent credit for state certified production costs directly attributable to motion picture activity within Rhode Island,

---

## Explanations of Budget Articles

---

with primary filming locations in the state and minimum total production budgets of \$0.1 million. Section 17 of Article 13 postpones the sunset from June 30, 2019 to June 30, 2021.

**Section 18. Historic Structures Tax Credit.** This section provides a one year postponement of the sunset provision for the Historic Structures Tax Credit program enacted by the 2013 Assembly to be funded from available funds in the Historic Preservation Tax Credit Trust Fund. Under current law, the program expires on June 30, 2016 and the Division of Taxation may not conditionally approve any additional projects for credits. Section 18 postpones the sunset to June 30, 2017.

**Section 19. Beach Fees and Reimbursements.** This section decreases the beach parking fees collected by the Department of Environmental Management to the rates previously charged in 2011. The reimbursement rate for distribution to the state and the host beach communities is also changed back to the 2011 level. The Budget assumes a loss to state general revenues of \$1.3 million in FY 2017.

### Article 14. Medical Marijuana Regulation

Article 14 makes significant changes to the state's medical marijuana regulation system. Expanded regulation and enforcement, overseen by the Departments of Health and Business Regulation, includes: establishing licenses for cultivators who grow plants for exclusive sale to compassion centers; shifting the licensing of compassion centers from the Department of Health to the Department of Business Regulation; shifting license renewals from biennial to annual and cutting fees in half; and instituting a tagging system for plants grown by patients and caregivers, with annual tag prices of no more \$25 per tag for most patients and caregivers and with no fee for patients who are Medicaid eligible or disabled and their caregivers.

The Department of Health will continue to license patients and caregivers and will also establish a new license for individuals designated by patients as authorized purchasers. Patients will no longer be required to choose a specific compassion center when registering and may purchase medical marijuana from any of the state's three centers. The Budget includes \$0.5 million from fees for licensing and administration of the program by the Department of Health. The Department of Business Regulation will establish a new cultivator license for businesses to legally grow marijuana for sale exclusively to compassion centers. The Budget includes \$1.5 million from tag and business license fees and 4.0 full-time equivalent positions for the Department of Business Regulation to establish and maintain a tag tracking system. The Budget assumes that tag revenues and existing licensing fees will be treated as restricted receipts to support the Departments' joint regulation of the program.

### Article 15. State Leases

Current law requires departments to obtain legislative approval before entering into a long-term lease agreement of five years or more or extensions of existing leases of office and operating space, which carry a term of five years or longer, and exceeds \$500,000 in value. This article includes a joint resolution to seek General Assembly approval for a new five-year lease agreement for the Commission for Human Rights. The estimated cost of the new lease is \$175,938 annually for base rent; the proposed lease includes no additional rent for parking, as Commission employees will now park in the Rhode Island Convention Center at an estimated cost of \$18,000 annually for a total of \$193,938. The FY 2017 budget includes \$189,450 for the current lease, which includes parking. The article takes effect upon passage.

---

## Explanations of Budget Articles

---

### Article 16. Clean Diesel Program

Article 16 establishes a Rhode Island Clean Diesel Fund within the Department of Environmental Management. The purpose of this new grant program is to reduce emissions from heavy-duty diesel engines operating on state roads and help companies improve supply chain efficiency. The Budget includes \$2.0 million from general revenues in FY 2017 to fund the Clean Diesel Program.

### Article 17. Commerce and Economic Development

**Section 1. Hotel Tax.** This section establishes that for FY 2017 only, the state's regional tourism districts and the Providence Warwick Convention and Visitors Bureau will receive percentage shares of state 5.0 percent hotel tax collections at statutory levels that existed prior to December 31, 2015. For FY 2017, the Commerce Corporation will receive correspondingly decreased shares of state hotel tax collections, estimated to total \$1.1 million.

**Section 2. Rebuild Rhode Island Tax Credit.** This section amends the Rebuild Rhode Island Tax Credit program, enacted by the 2015 Assembly to establish a real estate development tax credit for qualified construction projects. Changes include the establishment of a total program cap of \$150.0 million and amending the administration of the credits, allowing the Corporation additional flexibility in terms of the treatment of assigned credits to assist developers to secure financing for projects. Additionally, the section allows for no more than one development per year located on single site on the I-195 Land to be considered as multiple projects, each eligible for maximum project credits of \$15.0 million, provided each satisfies all other conditions of the program and exempts those additional projects from the current credit maximum of 30.0 percent of total project costs; however, the credits would remain capped at the projects' demonstrated funding gaps.

**Section 3. Air Service Development.** Section 3 of Article 17 establishes an Air Service Development Program, to be administered by the Commerce Corporation. The program would begin an initiative to support additional direct air routes to and from major metropolitan areas via T.F. Green Airport. The Corporation would be empowered to negotiate revenue guarantees or other incentives for airlines that agree to add direct flights to their schedules. The Budget includes \$1.5 million for FY 2017 for the program.

### Article 18. Renewable Energy Programs

This article extends the Renewable Energy Fund surcharge by five years through 2022. The surcharge of 0.3 mills per kilowatt-hour generates \$2.5 million annually and is set to expire on December 31, 2017. The Fund is administered by the Commerce Corporation and had a balance of approximately \$6 million at the end of December 2015.

Sections 2 and 3 of the article prohibit electrical distribution companies from charging an interconnecting renewable energy customer for system modifications that are not directly related to the interconnection, except accelerated modifications for which the developer is repaid when the modification would have otherwise been made. It requires that any interconnection work must be completed no later than 270 days from the applicant's impact study or 360 days from its initial application.

The article extends virtual net metering to residential homes, private education institutions, private affordable housing, and low or moderate income housing and clarifies that public educational institutions can participate under virtual net metering, effective January 1, 2019. It also allocates a maximum amount of 50 megawatts for these new projects. Virtual net metering allows customers to generate electricity at

---

## Explanations of Budget Articles

---

one location and use that credit at another site. Currently, only municipalities and certain public agencies are allowed the option of virtual net metering. Net metering allows customers to receive credits for electricity that they generate but do not use. Projects that submit an application by December 31, 2018, will get compensated under the current law structure and effective January 1, 2050, they will receive reduced compensation.

The article also allows third party financing for projects built under the Renewable Energy Growth and Net Metering Programs and allows shared solar facilities and community remote systems to participate under the Renewable Energy Growth program, effective January 1, 2019.

Sections 7 exempts renewable energy systems used by residential homes and manufacturers from municipal tangible property taxes and Section 8 establishes a statewide property tax rate per kilowatt for commercial renewable energy systems, effective January 1, 2017. The commercial tax rate would be developed through rules and regulations, provided the Office of Energy Resources takes under consideration revenues that would have been generated for projects developed between calendar years 2011 through 2016.

### **Article 19. Effective Date**

Article 19 provides that the act shall take effect on July 1, 2016, except where a provision within an article specifies a retroactive or prospective effective date.





## House Fiscal Advisory Staff

**Robert E. Carr**  
*Legal Counsel*

**Christopher O'Brien**  
*Committee Clerk*

**Ruth Desmarais**  
*Administrative Assistant*

**Kyle Patterson**  
*Legislative Budget Analyst*  
Office of the Lieutenant Governor  
Department of Children, Youth and Families  
Office of the Child Advocate  
Public Higher Education  
RI Atomic Energy Commission

**Hideilda Flores**  
*Administrative Assistant*

**Sharon Reynolds Ferland**  
*House Fiscal Advisor*  
Secretary of State  
Board of Elections

**Liza Pinto**  
*Deputy House Fiscal Advisor*  
Department of Labor and Training  
Legislature  
Office of the General Treasurer  
Department of Elementary and Secondary  
Education  
Department of Corrections

**Linda M. Haley**  
*Principal Legislative Budget Analyst*  
RI Ethics Commission  
Office of Health and Human Services  
Department of Human Services  
Department of Behavioral Healthcare,  
Developmental Disabilities and Hospitals  
Office of the Mental Health Advocate  
Office of the Attorney General

**Chantale Sarrasin**  
*Principal Legislative Budget Analyst*  
Department of Administration  
Office of the Governor  
Department of Health  
Commission on the Deaf and Hard of Hearing  
Governor's Commission on Disabilities  
Department of Transportation  
RI Public Transit Authority  
Turnpike and Bridge Authority  
RI Airport Corporation

**John H. Hart**  
*Legislative Budget Analyst*  
RI Commission for Human Rights  
Judicial Department  
Military Staff  
RI Emergency Management Agency  
Office of the Public Defender  
Department of Environmental Management  
Coastal Resources Management Council  
RI Infrastructure Bank  
Narragansett Bay Commission  
RI Resource Recovery Corporation

**Abby E. McQuade**  
*Senior Legislative Budget Analyst*  
Executive Office of Commerce  
Department of Business Regulation  
Department of Revenue  
Public Utilities Commission  
RI Council on the Arts  
Historical Preservation and Heritage Commission  
Department of Public Safety