

# Governor's FY 2017 Budget: Articles

Staff Presentation to the House Finance  
Committee  
April 5, 2016

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# Introduction

- Articles 5 and 6 - Quonset Piers
  - Article 5, Question 2 – G.O. Bond
  - Article 6 – Revenue Bond
- Article 17 - Economic Development Incentives
  - Wavemaker Fellowships Tax Credits
  - New Qualified Jobs Tax Credits
  - Tax Stabilization Incentive Reimbursements
  - Economic Development Incentive Funds
  - New Research and Development Tax Credit

# Quonset Piers

- Articles 5 and 6 - Quonset Piers
  - Article 5, Question 2 – G.O. Bond
  - Article 6 – Revenue Bond

# Assembly Role

- Appropriate Pay-Go (Articles 1 & 10)
  - RICAP
  - Federal Funds
  - Other
- Approve General Obligation Bond Referenda
  - Voters approve or reject
  - Debt service automatic
- Approve other debt

# Project Considerations

- Does the project need to be done
- Is the project ready to be done
  - When will it start
  - Is it well thought through and ready for funding/financing
  - When will it be complete

# Funding Considerations

- Should a project be financed or pay-go
  - Rhode Island Capital Plan funds available as pay-go for all or part of project
  - More pay-go equals less future debt service

# Funding Considerations

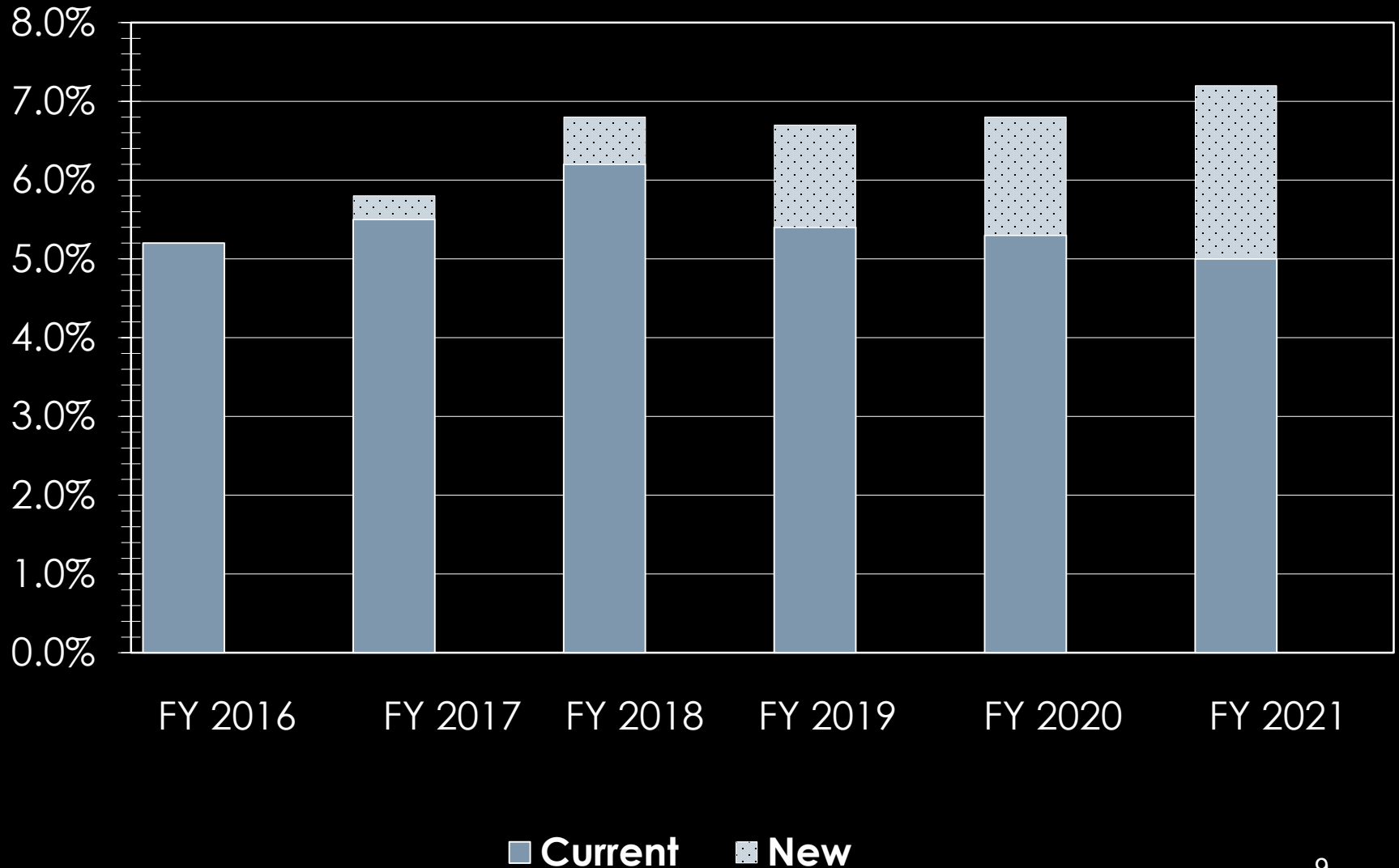
- State's overall debt structure
  - Net tax supported debt would increase by \$51.3 million to \$1,727.1 million
  - Had dropped to \$1.3 billion in FY 2003 after use of tobacco bonds to defease debt
  - Past practice indicates it will be higher as more projects are added

# Funding Considerations – Debt Ratios

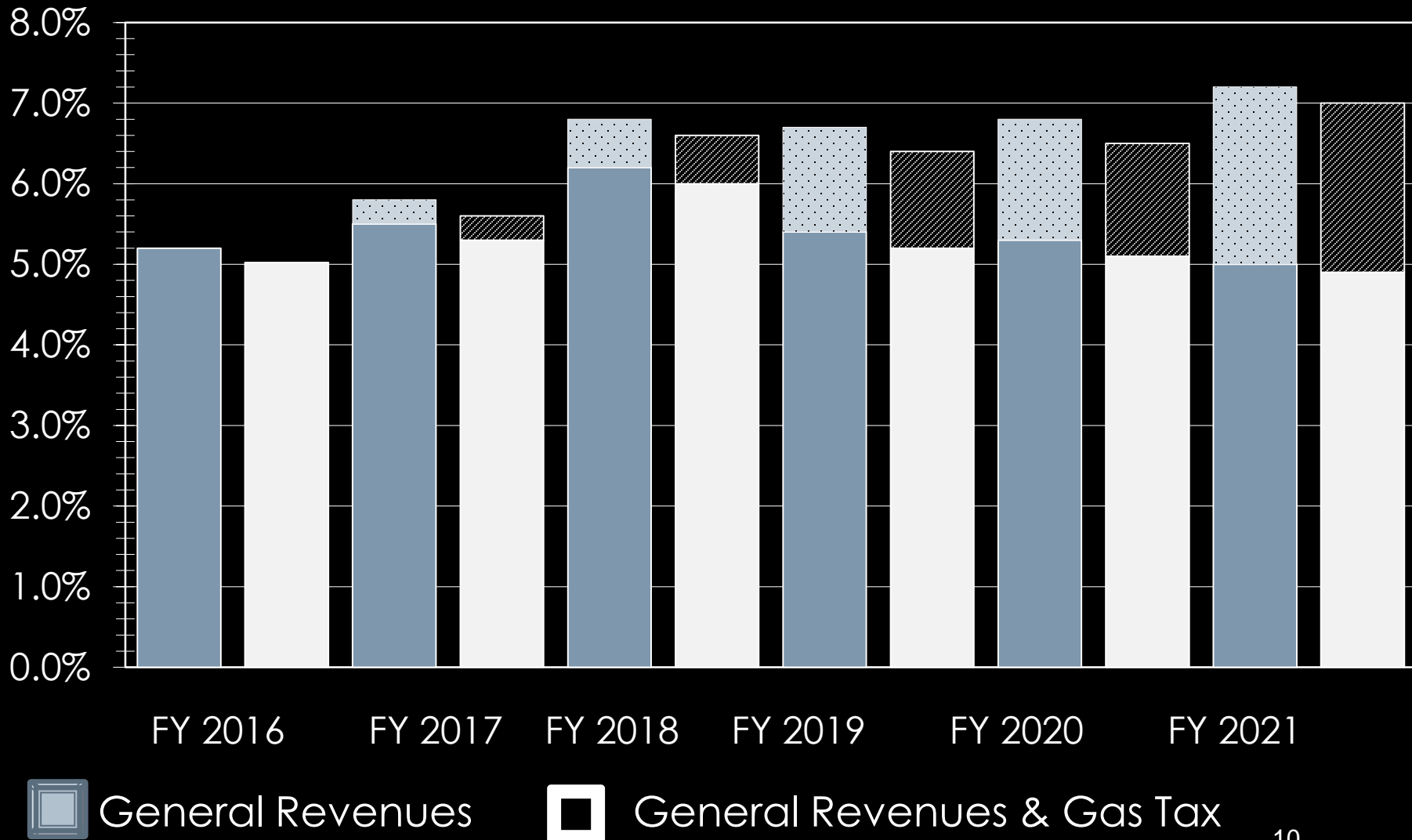
- Debt as a percent of personal income would decrease from 3.6% in FY 2015 to 2.9% into FY 2017
  - Refunding of state debt
- Would then drop to 2.6% in FY 2021, but likely to be higher based on projects being added



# Debt Service as Percent of Useable General Revenues



# Debt Service as Percent of Useable Revenues



# General Obligation Bonds

- Gov. proposes \$257.5 million of new GO bonds for Nov. 2016 ballot
  - URI Engineering/ Innovative Campus
  - **Quonset Piers**
  - Green Economy
  - Affordable Housing
  - School Construction
  - Veterans' Home

# Bond Referenda – November 2016

Project	Amount
URI Engineering Phase II (March 17)	\$25,500,000
Innovation Campus (March 17)	20,000,000
<b><i>Quonset Piers</i></b>	<b>70,000,000</b>
Green Economy (March 9)	35,000,000
Affordable Housing (March 9)	40,000,000
School Construction (March 31)	40,000,000
Veterans' Home (March 9)	27,000,000
<b>Total</b>	<b>\$257,500,000</b>

# Bond Referenda – November 2016

Project	Annual Debt Service	Total Cost
URI Engineering Phase II	\$2.1	\$40.8
Innovation Campus	1.7	32.0
<b><i>Quonset Piers</i></b>	<b>\$5.8</b>	<b>\$112.1</b>
Green Economy	2.9	56.0
Affordable Housing	3.3	64.1
School Construction	3.3	64.1
Veterans' Home	2.2	43.2
<b>Total</b>	<b>\$21.3</b>	<b>\$412.3</b>

Data in millions; assumes 5% rate and 20 year bonds

# Quonset

- 1996 Ballot – voters approved up to \$72.0 million of general obligation bonds for infrastructure improvements
- 2006 Ballot – voters approved up to \$48.0 million of general obligation bonds for infrastructure improvements
- 2012 – Assembly approved EDC to issue up to \$7.5 million for port dredging project

# Article 5, Question 2 – Quonset Piers

- Article 5, Question 2 allows the state to issue up to \$70.0 million in general obligation bonds to support repairs and renovations to Davisville Pier 2 located in Quonset Business Park
  - Operated by the Quonset Development Corporation

# Article 6 – Quonset Piers

- Would allow the Commerce Corporation to issue up to \$20.0 million of bond funds for the repairs and renovations
  - Assuming 4% interest rate & 20 year term, debt service estimated at \$1.5 million/year
    - Interest and term assumed in Governor's capital budget, but not identified in article
  - Debt service paid from Quonset Development Corporation funds



# Quonset Piers

## ■ QDC Income

	FY 2014 Actual	FY 2015 Actual	FY 2016 Revised	FY 2017 Rec.
Est. Opening	\$77,445	\$19,441	\$41,254	\$65,717
<i>Revenues</i>				
Rental Income	7,310,630	7,789,649	7,513,774	7,590,488
Pier Income	1,349,848	1,551,848	1,400,000	1,629,440
Utility Sales	2,355,312	2,484,025	2,425,000	2,415,590
Other Income	678,691	606,874	562,477	627,421
<i>Total Revenues</i>	\$11,693,914	\$12,432,396	\$11,876,788	\$12,248,564
<b>Total Resources</b>	<b>\$11,771,359</b>	<b>\$12,451,837</b>	<b>\$11,942,505</b>	<b>\$12,328,656</b>

# Quonset Piers

## ■ QDC Expenses

	FY 2014 Actual	FY 2015 Actual	FY 2016 Revised	FY 2017 Rec.
Personnel	\$3,780,552	\$3,667,966	\$3,968,047	\$4,053,173
Operating Expenses	3,866,450	4,048,019	3,622,327	3,947,019
Debt Service	1,304,916	1,544,598	1,536,414	1,498,372
Capital Expenditures	2,800,000	3,150,000	2,750,000	2,750,000
<b>Total Expenditures</b>	<b>\$11,751,918</b>	<b>\$12,410,583</b>	<b>\$11,876,788</b>	<b>\$12,248,564</b>

# Quonset Piers

- QDC Income and Expenses

	FY 2014 Actual	FY 2015 Actual	FY 2016 Revised	FY 2017 Rec.
Est. Opening	\$77,445	\$19,441	\$41,254	\$65,717
Total Resources	11,771,359	12,451,837	11,942,505	12,328,656
Total Expenditures	11,751,918	12,410,583	11,876,788	12,248,564
<b>Ending Balance</b>	<b>\$19,441</b>	<b>\$41,254</b>	<b>\$65,717</b>	<b>\$80,092</b>

# Quonset Piers



# Quonset Piers

- Pier 2 constructed between 1956 and 1957 - anticipated design life of 50 years
- Technically, Pier 2 is earth-filled wharf surrounded by metal girdle/bulkhead
  - Pier - structure built on posts extending from land out over water
  - Wharf – solid structure built along or at an angle from the shore that permits ships to lie alongside for receiving & discharging cargo and passengers

# Quonset Piers

- Recent repairs around/to Pier 2

CY	Repair Description	Source	Project Cost
1999	Cofferdam cell 56 repair	EDA Grant w/42.5% match from 1996 G.O. Bond	\$56,661
2000	General Repairs	EDA Grant w/51% match from 1996 G.O. Bond	\$2,301,923
2011	Infrastructure Improvements	Federal Dept. of Transportation Tiger Grant	\$6,407,766
2012	Dredging around Pier 2	Revenue Bond	\$6,579,203
<b>Total</b>			<b>\$15,345,553</b>

# Quonset Piers

- Pier 2 is larger of two main piers located at Quonset
- Receives larger ships & most cargo
  - Predominantly cars
  - Port received more than 225,000 cars in 2015
- Metal bulkhead weakened over time
  - Pier can support 250 pounds per square foot
  - At time of construction, could support 1,000 pounds per square foot

# Quonset Piers

- Proposed 5 year project
  - Repair south berth
    - Repair will include new bulkhead around old; space between filled with earth
    - Ships basically dock in same spot; propellers and rudders have damaged the metal girdle
  - Extend east berth
    - Current berth is too short for larger cargo vessels
    - Extension allows continued use of pier while south berth is repaired
  - Extend new bulkhead around east berth



# Quonset Piers

- Estimated project expenses

Activity	Cost In 2015 \$
Design and Permitting	\$4,000,000
Improvements Dredging	\$3,800,000
East Berth Extension	\$16,100,000
South Berth Bulkhead Repairs	\$37,800,000
New East Berth Bulkhead	\$20,300,000
<b>Total</b>	<b>\$82,000,000</b>

- To estimate project cost over 5 years, Corporation assumed 2% inflation in costs

# Quonset Piers

- Estimated project expenses by fiscal year

<b>Activity</b> <i>In millions</i>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Design and Permitting	\$4.1	-	-	-	-	<b>\$4.1</b>
Improvements Dredging	-	-	4.0	-	-	<b>\$4.0</b>
East Berth Extension	-	-	17.1	-	-	<b>\$17.1</b>
South Berth Bulkhead Repairs	-	-	-	40.9	-	<b>\$40.9</b>
New East Berth Bulkhead	-	-	-	-	22.4	<b>\$22.4</b>
<b>Total</b>	<b>\$4.1</b>	<b>\$ -</b>	<b>\$21.1</b>	<b>\$40.9</b>	<b>\$22.4</b>	<b>\$88.5</b>

# Quonset Piers

- Issues to consider:
  - Corporation anticipates revenue bond issuance in FY 2021
    - Debt service beginning in FY 2022
    - Possible that construction costs may change in intervening years
  - Revenue bond language is not linked to G.O. Bond passage
  - Federal funds have been used as source for other capital improvements at the business park and to the piers
    - None assumed in current plan

# Economic Development Incentives

- Article 17 - Economic Development Incentives
  - Incentives Background
  - Existing Incentives
    - Wavemaker Fellowships Tax Credits
    - New Qualified Jobs Tax Credits
    - Tax Stabilization Incentive Reimbursements
    - Economic Development Incentive Funds
  - New Initiatives
    - Refundable Research and Development Credit
    - Rhody Pass
    - Impact Faculty

# Economic Development Incentives – Background

- 2015 Assembly enacted 15 programs as part of the FY 2016 budget in support of the Governor's economic strategy
  - 5 tax incentive programs
  - 10 other programs, investments & initiatives

# Economic Development Incentives - Background

- Most supported by savings from debt restructuring
  - Spread over two years
- Some supported by general revenues through regular Commerce Corporation funding
- All programs given Dec 31, 2018 sunset
- All have annual reporting requirements
  - Tax Credit programs reporting more extensive

# Economic Development Incentives - Background

<i>FY 2016 Enacted Budget</i>	<b>2016</b>	<b>2017*</b>
Closing Fund	5.0	-
I-195 Redevelopment Fund	25.0	-
Small Business Assist. Program	5.5	-
<b>Wavemaker Fellowships*</b>	1.8	1.8
Streetscape Improvement	1.0	1.0
Industry Cluster Grants	0.8	1.3
Innovation Initiative	1.0	1.0
P-Tech*	0.9	0.9

*\*Ongoing funding assumed*

# Economic Development Incentives - Background

<i>FY 2016 Enacted Budget</i>	<b>2016</b>	<b>2017</b>
<b>Rebuild Rhode Island</b>	\$ 1.0	\$ 12.1
Tax Increment Financing	-	-
<b>Tax Stabilization Incentives</b>	-	0.6
<b>Anchor Institution</b>	1.8	3.9
<b>New Qualified Jobs</b>	1.0	-
<b>New Incentives Total</b>	<b>\$45.0</b>	<b>\$22.6</b>



# Wavemaker Fellowships: Current Law

- Tax credit - up to 4 years of loan forgiveness
  - Credits available per candidate per year depends on level of education and actual loan obligations
  - Max credits per year:
    - \$1,000/year for associate's,
    - \$4,000/year for bachelor's, and
    - \$6,000 for graduate/post grad.
- Enacted budget assumes funding of \$1.8 million/year

# Wavemaker Fellowships: Current Law

- Eligible applicants must work for or have accepted offer from company in:
  - Life, natural or environmental sciences;
  - Computer, information or software technology;
  - Advanced math or finance;
  - Engineering;
  - Industrial design or other commercial design field; or
  - Medicine or medical device technology

# Wavemaker Fellowships: Current Law

- Selection is employer-blind
- Recipients must work at least 35 hrs./week for an RI-based employer
  - Has at least 51% of workforce in state **OR**
  - Registered to conduct business in RI & filed state taxes previous year
- 70% of recipients must be permanent RI residents or attended college here

# Wavemaker Fellowships: Current Law

- Funds/Credits withheld if recipient becomes noncompliant with program requirements
- Rules and regulations in effect as of March 14, 2016
- Application not yet available
  - Anticipated April 2016

# Wavemaker Fellowships: Governor's FY 2017 Proposal

- Governor's proposal would eliminate annual credit limits for each degree level
  - Would also eliminate provision that applicants may not receive more than 100% of their student loan debt obligations in a given year
- FY 2017 Budget includes \$5.0 million
  - \$5.0 million per year assumed in out-year forecast

# Wavemaker Fellowships: Governor's FY 2017 Proposal

- Establish two new application processes for credits
  - Automatic, subject to available funds
  - Employer reservation of credits
- Governor's proposal eliminates employer-blind requirement for selection
  - Also eliminates candidate-blind requirement for selection

# Wavemaker Fellowships: Governor's FY 2017 Proposal

- Automatic approval for applicants who:
  - Satisfy all existing eligibility requirements, **AND**
  - Applies within one year of obtaining bachelor's or graduate degree **OR** graduating from RI high school with a B+ GPA
    - B+ GPA to be defined by Commerce Corp.
  - Applies within three months of accepting or receiving an employment offer for job satisfying work-related eligibility requirements

# Wavemaker Fellowships: Governor's FY 2017 Proposal

- Automatic approval
  - If applicant has bachelor's or grad degree, degree must be in:
    - Life, natural or environmental sciences;
    - Computer, information or software technology;
    - Advanced mathematics or finance;
    - Engineering; or
    - Industrial design or other commercially related design field
  - Bachelor's or Graduate degree is from RI school of higher education



# Wavemaker Fellowships: Governor's FY 2017 Proposal

- Business Reservation of Credits
  - Rhode Island-based employers able to reserve up to 15% of total funds available for employees that qualify
  - Employees of a business that has reserved credits automatically approved
    - If they meet the program's other eligibility criteria.
  - Employees of businesses that have reserved credits would need to be nominated each year by their employer

# Wavemaker Fellowships: Governor's FY 2017 Proposal

- Business Reservation
  - Article does not include restriction on total percent of available credits that can be reserved by multiple businesses.
    - As drafted, the businesses could reserve 100% of total credits available in a fiscal year.
  - Article establishes guidelines Corporation can follow to determine whether to allow a business to reserve credits

# Wavemaker Fellowships: Governor's FY 2017 Proposal

Applicant Requirements	Current Law	Gov.'s FY 2017	
		Auto. Approval	Business Reserved
Graduated from institution of higher ed	Yes	Yes	Yes
Grad of RI higher ed <b>OR</b> RI high school	No	Yes	No
Major or Discipline in STEAM fields	No	Yes	No
Applied w/in 1 year of graduating	No	Yes	No
Full-time (at least 35 hours/week) work	Yes	Yes	Yes
Work for Rhode Island-based employer	Yes	Yes	Yes
If not working yet – applied w/in 3 mos of receiving or accepting emp. offer	No	Yes	No
Work is STEAM-based	Yes	Yes	Yes
Nominated by employer	No	No	Yes

# Wavemaker Fellowships: Governor's FY 2017 Proposal

Application Process & Fellowship Credits	Current Law	Governor's FY 2017 Proposal		
		Competitive Selection	Auto. Approval	Business Reserved
Competitive selection	Yes	Yes	No	No
Applicant-blind selection	Yes	Yes	Yes	No
Employer-blind selection	Yes	No	No	No
Annual credit maximum	Yes	No	No	No
Credits more than 100% annual loan costs	No	Yes	Yes	Yes
Annual application	No	No	No	Yes

# New Qualified Jobs Tax Credit: Current Law

- Credit against all tax types
- Replaced Job Development Act by closing it to new recipients
  - Companies already certified can continue to get JDA credits
- Credit of between \$2,500 and \$7,500 for new job creation
  - Credit cannot be more than employee's income tax withholdings

# New Qualified Jobs Tax Credit: Current Law

- Company must attest that jobs would not be created in RI “but for” credit
- Companies must maintain level of jobs created for agreement period
- FY 2016 - \$1.0 million revenue loss
  - Employees’ withholdings deposited as restricted receipts until actual credits determined
  - Program intended to be revenue neutral
    - FY 2017 estimated impact - between \$1.4 million and \$4.6 million less

# New Qualified Jobs Tax Credit: Current Law

- Commerce approved first company on January 4<sup>th</sup>
  - Second company approved Feb 22<sup>nd</sup>

Company	Move to RI?	Jobs Created	Median Salary	Agreement Length	Est. Credit/year	Total Est. Credits
Greystone	No	25	\$52,000/year	10 years	\$46,000	\$460,000
Trade Area Systems	Yes	20 relocated; 8 new	\$72,000/year	10 years	\$50,000	\$500,000
<b>Total</b>					<b>\$96,000</b>	<b>\$960,000</b>

# New Qualified Jobs Tax Credit: Governor's FY 2017 Proposal

- Remove \$7,500 credit cap
  - Still limited to actual withholdings
- Reduce jobs created by 50% to qualify
- No additional fiscal impact assumed

	Current Law		Governor's Proposal	
<b>Targeted Industry</b>	≤100	10	≤100	5
	>100	≥10% of emp base or ≥100	>100	≥5% of emp base or ≥50
<b>Non-targeted Industry</b>	≤200	20	≤200	10
	>200	≥10% of emp base or ≥100	>200	≥5% of emp base or ≥50



# Tax Stabilization Incentives: Current Law

- Encourage property tax stabilization agreements between locals & developers
  - For projects of at least \$10.0 million
    - Unless “Hope Community”
  - Locals receive reimbursement of up to 10% of foregone revenue for length of agreement
- Assumed \$0.6 million for FY 2017
  - Subject to appropriation

# Tax Stabilization Incentives: Governor's FY 2017 Proposal

- Allow municipalities to receive reimbursement for up to 50% of foregone revenue subject to limitation
  - Hope Communities: Allowed 2 reimbursement agreements
    - Council must pass resolution for each – project 1 of 2 most important for economic development
    - No guidelines for “most important”
  - Others : Allowed 1 agreement
    - Also need resolution from Council – project most important for economic development

# Rebuild RI Tax Credit: Current Law

- Assumed FY 2016 & FY 2017 - Total \$13.1 million from debt restructuring
- Credit for real estate development projects
  - Project max credits of \$15.0 million
  - Lesser of 20% project costs or funding gap
- Credits transferable
- Carry forward – up to 5 years
- Refundable at 90% of value

# Rebuild RI Tax Credit: Current Law

- Projects qualify for credits up to 30%, if:
  - Rehabilitation of historic property
  - For targeted industry – industries determined by Commerce Corp.
  - In transit area
  - At least 20% affordable housing
  - Industrial property remediation/reuse
  - Meet environmental standards/LEED

# Rebuild RI Tax Credit: Current Law

- Developer applies to Commerce Corporation
  - Application fee and timing requirements to be determined
  - At least 25,000 sq. feet
  - Total project costs of \$5.0 million
  - Finished building houses at least 25 jobs
  - No minimum if project in Hope Community
    - Family poverty levels exceed state median

# Rebuild RI Tax Credit: Current Law

- Tax credits available based on amount in program fund and sign off from OMB
- Commerce Corporation board approves application
  - May require tax stabilization agreement
- Commerce may confer project status
  - Project exempt from sales and use tax

# Rebuild RI Tax Credit: Current Law

- Commerce must provide written confirmation of project scope, total credits to be authorized, & assumed impact
- Additional reporting requirements for Commerce & Taxation
  - Includes: jobs created, project costs, credits awarded, credits taken each year

# Rebuild RI Tax Credit: Current Law

- As of March 28<sup>th</sup> meeting, conditional approval for \$24.6 million in credits

Approved	Location	Type	Est. Cost	Max. Credits
1/25/16	Providence	Mixed Use	\$10.1	\$2.7
	Providence	Residential	\$54.1	\$5.6
2/22/16	Providence	Mixed Use	\$7.7	\$2.2
	Providence	Mixed Use	\$17.1	\$1.3
3/28/16	Pawtucket	Residential	\$12.2	\$3.7
	Providence	Mixed Use	\$15.2	\$3.0
	Providence	Mixed Use	\$48.4	\$6.1
<b>Total</b>			<b>\$164.8</b>	<b>\$24.6</b>



# Rebuild RI Tax Credit: Current Law

- No explicit program cap
  - OMB must certify fiscal impact prior to credit assignment
    - Total credits recommended do not exceed existing & anticipated state revenues
    - Total credits recommended do not exceed funds appropriated for Rebuild RI tax credits
  - OMB must provide analysis of fiscal impact from credits at time of application & following years

# Rebuild RI Tax Credit: Governor's FY 2017 Proposal

- Allow funds appropriated for Rebuild Rhode Island tax credits to be used for Tax Stabilization Incentive reimbursements
  - Current law - condition of Rebuild credits can be required stabilization agreement for project
- FY 2017 Budget includes \$20.6 million
  - \$8.5 million more than anticipated
- Out-year assumptions: \$20 million/year

# Anchor Tax Credit: Current Law

- Credit against corporate income tax
- For existing RI businesses that attract other businesses to state, either:
  - Physical relocation
  - At least 10 full-time jobs
- Total credit amount determined by Commerce Corporation
  - No more than 75% of total can go to single entity

# Anchor Tax Credit: Governor's FY 2017 Proposal

- Allow funds appropriated for Anchor Institution tax credits to be used for Rebuild Rhode Island Tax Credits
- Proposal effectively allows Anchor Institution credit funds to be used for Tax Stabilization Incentive Agreement reimbursements

# Anchor Tax Credit: Governor's FY 2017 Proposal

- FY 2016 Enacted Budget assumed \$5.7 million over 2 years
  - \$1.8 million in FY 2016
  - \$3.9 million in FY 2017
- Governor's Recommendation
  - \$0.8 million for FY 2016 - \$1.0 million less than enacted
  - No funds recommended for FY 2017

# New Refundable Research & Development Tax Credit

- Governor proposes refundable credit to support businesses' research and development investments
  - Investments have to meet federal definition of "qualified research expenses"
    - Such as - employee wages, supplies, fees paid to research agencies
- Credit could be taken against all tax types

# New Refundable Research & Development Tax Credit

- Annual credit - lesser of municipal property tax associated with R&D investment **OR** \$0.2 million
  - Company would enter into incentive agreement with Corporation
  - Agreement could cover period up to 5 years
    - Company would need to meet the requirements of incentive agreement each year

# New Refundable Research & Development Tax Credit

- Proposal establishes guidelines for Corporation to use to determine whether to enter into agreement
  - If company has made a multi-year commitment to conduct R&D in RI
  - If the company will make a substantial capital investment or hire new personnel
  - Whether the credit is a factor in the business's decision to conduct R&D in RI
    - No definition for the "factor" determination



# New Refundable Research & Development Tax Credit

- Credits could not be used with existing R&D credit
- FY 2017 Budget includes \$5.0 million for the program
- April 4, 2016 – Governor requested amendment to specify that the Corporation could not grant credits in excess of appropriations for program

# New Refundable Research & Development Tax Credit

- Budget Office reports out-year assumptions include ongoing annual \$5.0 million from general revenues for program
- No program sunset date included in the proposed legislation

# Other FY 2017 Economic Development Proposals

- No legislation included in Article 17 as submitted to legislature in 2016-H 7454
  - Rhody Pass
  - Impact Faculty
  - Air Service Development
- April 4, 2016 – Governor requested amendment to include legislation for
  - Rhody Pass
  - Impact Faculty
- Air Service Development amendment forthcoming – pending FAA review

# Rhody Pass

- Support of rail travel recommended by Brookings Institution's "Rhode Island Innovates"
- Would establish passenger rail enhancement fund
  - Support travel to, from, and within the state
  - Facilitate measures that "increase the convenience and affordability of rail travel"

# Rhody Pass

- Authorizes Commerce Corporation to work with MBTA & Amtrak
  - Fund could be used to provide discounted fares or tickets
    - Rail travel **OR** other transportation that connects
- Budget includes \$1.5 million from general revenues for FY 2017
  - Not from debt refinancing proceeds
  - Out-year assumptions include continued funding at same level

# Impact Faculty

- Fund established to provide funds for URI, RIC, and CCRI to support hiring or retention of faculty with track record of commercializing research
  - Commerce Corporation able to make grants following publicized solicitations
- Commerce Corporation would work with Post-Secondary Commissioner regarding details of program

# Impact Faculty

- Recommended in Brookings Institution's "Rhode Island Innovates"
  - Assist state in transitioning significant academic resources into commercialized products and services
- Budget includes \$2.8 million for FY 2017
  - \$1.5 million from debt refinancing
  - \$1.3 million from other general revenues
  - Out-year assumptions include continued funding of \$1.3 million/fiscal year

# Air Service Development

- Initiative to facilitate more direct air routes into & out of T.F. Green
  - Routes to major metro areas not currently served by direct flights
  - More direct flights to locations already served
- Commerce Corporation empowered to work with airlines and FAA
- Budget includes \$1.5 million from general revenues for FY 2017



# Other FY 2017 Economic Development Proposals

- April 13<sup>th</sup> Budget Hearing - 2:00pm
  - Executive Office of Commerce
    - Commerce Corporation
    - Housing Resources Commission
    - I-195 Redevelopment District Commission
    - Quonset Development Corporation
  - Department of Business Regulation

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