Governor’s FY 2016 Budget: Articles

Staff Presentation to the House Finance Committee
April 1, 2015

Introduction

- Article 1 - Transfers
  - Section 14: Resource Recovery Corporation
  - Section 16: Narragansett Bay Commission
  - Section 18: Airport Corporation
- Article 15 - Local Agriculture and Seafood
- Article 16 - Bays, Rivers and Watersheds
Article 1 Transfers

- Require payments to the state’s General Fund by June 30, 2016
- Various amounts from quasi-state agencies
- Based on reserve balances or related general obligation bond debt
- Totals $20.1 million in FY 2016

Section 14 – Resource Recovery Corporation

- Requires payment of $1.5 million to the state General Fund in FY 2016
- Cash available from reserves
Section 16 – Narragansett Bay Commission

- Requires payment of $2.8 million to the state General Fund in FY 2016
- Reflects the payment of FY 2016 debt service on G.O. Bonds totaling $13.9 million over next seven years

Section 18 - Airport Corporation

- Requires Payment of $0.4 million to the state General Fund in FY 2016
- Reflects the advanced payment of all remaining debt service owed on decades old G.O. Bonds
- Have been transferring funding annually to fund this
Increases commercial feed registration fee from $60 to $100 per year, per product
- $60 stays with state General Fund consistent with current law
  - 7,045 products on average per year
  - Current annual revenues have averaged $422,700 over last three years

<table>
<thead>
<tr>
<th>State</th>
<th>Commercial Feed Registration Fee</th>
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<tbody>
<tr>
<td>Rhode Island</td>
<td>$60</td>
</tr>
<tr>
<td>Connecticut</td>
<td>$80</td>
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<tr>
<td>Maine</td>
<td>$80</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>$100</td>
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<td>New Hampshire</td>
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<tr>
<td>Vermont</td>
<td>$75</td>
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</tbody>
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Article 15 Commercial Feed Registration Increase to LASA

- $40 increase to Local Agriculture & Seafood Fund created by 2012 Assembly
- Estimated to generate $0.3 million yearly
- FY 2016 budget anticipates use of $100,000 for Agriculture & Seafood Fund grants
  - None of the other receipts are budgeted
  - Would be subject to indirect cost charges

Article 16 Bays, Rivers and Watersheds

- Bays Rivers & Watersheds Coordination Team created by 2004 law
  - Coordinate efforts of environmental agencies
  - Restore and develop both freshwater and marine waters and watersheds
- Work funded by restricted receipts:
  - $250,000 allocation from OSPAR
  - $1 per 100 gallons fee on septage disposal
  - $80,000 transatlantic cable fee
Article 16 Bays, Rivers and Watersheds

- Article 16 abolishes Bays Rivers & Watersheds Coordination Team
- Same fees would still be utilized, but for efforts relating to:
  - Watershed and marine monitoring
  - Water pollution abatement
  - Climate change

Two positions eliminated:
- Chair of Bays, Rivers & Watersheds Coordination Team – currently unfilled
- Clerk Secretary – currently filled
- Positions entirely funded from restricted receipts
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