

# House Fiscal Advisory Staff

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## 2012-H 7323 Substitute A As Recommended by the House Finance Committee



Submitted to the 2012 House of Representatives

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## Table of Contents

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<b>Introduction</b> .....	1
<b>Section I. Overview</b> .....	3
<b>Section II. Adjustments to Governor’s FY 2013 Budget</b>	
FY 2013 Expenditure Changes Table .....	9
Changes to Governor’s FY 2013 Budget .....	17
<b>Section III. Special Reports</b>	
State Aid to Cities and Towns .....	45
FY 2013 Education Aid .....	63
<b>Section IV. Adjustments to Governor’s Revised Budget</b>	
FY 2012 Expenditure Changes Table .....	69
Changes to Governor’s FY 2012 Revised Budget .....	75
<b>Section V. Summary Tables</b>	
Expenditures by All Funds .....	96
Expenditures from General Revenue .....	98
Expenditures from Federal Grants .....	100
Expenditures from Restricted Receipts .....	102
Expenditures from Other Funds .....	104
Full-Time Equivalent Positions .....	106
<b>Section VI. Article Explanations</b> .....	109

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# Introduction

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## Introduction

This document provides information concerning the FY 2013 budget contained in 2012-H 7323, Substitute A as passed out of House Finance Committee on May 31. 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 9, presents the changes to the Governor's recommendations for FY 2013 introduced and referred to House Finance on February 1. 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 45, contains State Aid to Cities and Towns and Education Aid. Both of these reports contain comparison tables to FY 2012 as well as descriptions of the major aid components.

Section IV, beginning on page 69, contains the changes to the Governor's revised budget which was included as Article 10 of 2012-H 7323. 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 96, 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 2012 enacted budget, the final FY 2012 budget as reported by the House Finance Committee, the Governor's FY 2013 recommendations and the House Finance Committee's recommendations.

Section VI, beginning on page 109, contains brief descriptions of the articles contained in 2011-H 7323, 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)
Department of Business Regulation .....	Edward J. Cooney, Jr. (1303)
Department of Labor and Training .....	Stephanie Perreault (3876)
Department of Revenue .....	Chantale Sarrasin (2485)
Legislature.....	Liza Pinto (2059)
Office of the Lieutenant Governor .....	Edward J. Cooney, Jr. (1303)
Office of the Secretary of State.....	John H. Hart (1386)
Office of the General Treasurer .....	Liza Pinto (2457)
Rhode Island Board of Elections .....	John H. Hart (1386)
Rhode Island Ethics Commission .....	Edward J. Cooney, Jr. (1303)
Office of the Governor .....	Chantale Sarrasin (2485)
Rhode Island Commission for Human Rights .....	Nobel Judy (3877)
Public Utilities Commission .....	Nobel Judy (3877)
Economic Development Corporation.....	Chantale Sarrasin (2485)

## Human Services Agencies

Office of Health and Human Services.....	Linda M. Haley (1164)
Department of Children, Youth and Families .....	Jarrold M. Pimentel (1304)
Department of Health .....	John-Paul Verducci (2014)
Department of Human Services .....	Stephanie Perreault (3876)
Behavioral Healthcare, Developmental Disabilities and Hospitals .....	Linda M. Haley (1164)
Office of the Child Advocate .....	Jarrold M. Pimentel (1304)
Commission on the Deaf and Hard of Hearing .....	Jarrold M. Pimentel (1304)
Governor’s Commission on Disabilities .....	Jarrold M. Pimentel (1304)
Office of the Mental Health Advocate .....	Linda M. Haley (1164)

## Education Agencies

Department of Elementary and Secondary Education.....	Liza Pinto (2059)
Board of Governors for Higher Education .....	Liza Pinto (2059)
Rhode Island Council on the Arts .....	Jarrold M. Pimentel (1304)
Rhode Island Atomic Energy Commission .....	Liza Pinto (2059)
Rhode Island Higher Education Assistance Authority .....	Liza Pinto (2059)
Historical Preservation and Heritage Commission .....	Edward J. Cooney, Jr. (1303)
Rhode Island Public Telecommunications Authority.....	Linda M. Haley (1164)

## Public Safety Agencies

Office of the Attorney General .....	Nobel Jeudy (3877)
Department of Corrections .....	Nobel Jeudy (3877)
Judicial Department .....	Liza Pinto (2059)
Military Staff .....	John-Paul Verducci (2014)
Department of Public Safety .....	Edward J. Cooney, Jr. (1303)
Office of the Public Defender .....	Nobel Jeudy (3877)

## Natural Resources Agencies

Department of Environmental Management .....	John H. Hart (1386)
Coastal Resources Management Council .....	John H. Hart (1386)
State Water Resources Board .....	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 .....	John-Paul Verducci (2014)
Rhode Island Public Transit Authority.....	John-Paul Verducci (2014)
Rhode Island Airport Corporation .....	John-Paul Verducci (2014)

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# **Section I Overview**

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## Summary

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>Expenditures by Function*</b>				
General Government	\$ 1,417.9	\$ 1,787.8	\$ 1,404.1	\$ 1,524.3
Human Services	3,112.8	3,071.1	3,179.6	3,186.8
Education	2,167.2	2,217.8	2,265.8	2,266.2
Public Safety	474.5	488.6	496.7	507.2
Natural Resources	102.8	111.9	104.9	103.8
Transportation	427.0	441.8	492.3	511.6
<b>Total</b>	<b>\$ 7,702.2</b>	<b>\$ 8,119.0</b>	<b>\$ 7,943.4</b>	<b>\$ 8,099.8</b>
<b>Expenditures by Category*</b>				
Salaries and Benefits	\$ 1,475.9	1,510.9	\$ 1,530.8	\$ 1,540.9
Contracted Services	235.5	268.4	254.1	274.2
<b>Subtotal</b>	<b>\$ 1,711.4</b>	<b>\$ 1,779.3</b>	<b>\$ 1,784.9</b>	<b>\$ 1,815.1</b>
Other State Operations	669.8	688.8	716.9	700.1
Aid to Local Units of Government	1,076.2	1,084.6	1,125.9	1,129.9
Assistance, Grants, and Benefits	3,605.2	3,847.5	3,540.8	3,664.5
Capital	255.8	298.1	356.6	370.5
Capital Debt Service	242.0	261.1	275.2	275.0
Operating Transfers	141.7	159.6	143.3	144.7
<b>Total</b>	<b>\$ 7,702.2</b>	<b>\$ 8,119.0</b>	<b>\$ 7,943.4</b>	<b>\$ 8,099.8</b>
<b>Sources of Funds*</b>				
General Revenue	\$ 3,142.5	\$ 3,139.3	\$ 3,269.2	\$ 3,295.8
Federal Aid	2,606.5	2,837.6	2,594.2	2,676.4
Restricted Receipts	189.6	229.4	224.1	232.5
Other	1,763.6	1,912.8	1,855.9	1,895.2
<b>Total</b>	<b>\$ 7,702.2</b>	<b>\$ 8,119.0</b>	<b>\$ 7,943.4</b>	<b>\$ 8,099.8</b>
<b>FTE Authorization</b>	<b>14,942.2</b>	<b>14,935.0</b>	<b>14,837.7</b>	<b>15,026.3</b>

*\*Data in millions*

## Summary

The Governor's budget recommendations for FY 2013, along with his revisions to the FY 2012 enacted budget, are contained in 2012-H 7323, introduced on February 1, 2012. The General Assembly extended the deadline for his budget submittal by 12 days from January 19 to January 31.



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.

The Governor recommends a total FY 2013 budget of \$7,943.4 million. Total expenditures increase \$241.2 million from the FY 2012 budget enacted by the 2011 Assembly, or 3.1 percent. His FY 2012 revised budget totals \$8,170.1 million; FY 2011 expenditures were \$7,718.5 million.

The Governor's budget includes \$3,269.2 million of expenditures funded from general revenues, \$126.7 million, or 4.0 percent more than the enacted general revenue funded budget. They are also \$96.4 million more than his revised recommendations.

The House Finance Committee recommends total expenditures of \$8,099.8 million, which is \$156.4 million more than the Governor recommended. It contains \$3,295.8 million from general revenues, which is \$26.6 million more than the Governor recommended.

<b>FY 2013</b>	<b>General</b>				
	<b>Revenue</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>All Funds</b>
FY 2012 Enacted	\$ 3,142.5	\$ 2,606.5	\$ 189.6	\$ 1,763.6	\$ 7,702.2
Governor	3,269.2	2,594.2	224.1	1,855.9	7,943.4
Change to Enacted	\$ 126.7	\$ (12.3)	\$ 34.5	\$ 92.4	\$ 241.2
Percent Change	4.0%	-0.5%	18.2%	5.2%	3.1%
<b>Committee</b>	<b>\$ 3,295.8</b>	<b>\$ 2,676.4</b>	<b>\$ 232.5</b>	<b>\$ 1,895.2</b>	<b>\$ 8,099.8</b>
Change to Enacted	153.3	69.9	42.9	131.6	397.6
Percent Change	4.9%	2.7%	22.6%	7.5%	5.2%
Change to Governor	\$ 26.6	\$ 82.1	\$ 8.4	\$ 39.2	\$ 156.4
Assembly Change to FY 2012	\$ 156.5	\$ (161.2)	\$ 34.5	\$ 123.2	\$ 153.0
Percent Change to FY 2012	5.0%	-5.7%	17.4%	7.0%	1.9%

General revenue expenditures recommended by the Committee are \$153.3 million, or 4.9 percent more than general revenues appropriated for FY 2012 by the 2011 Assembly. General revenue expenditures are \$156.5 million more than the FY 2012 revised budget also contained in 2012-H 7323, Substitute A.

A significant portion of the changes in the budget relate to large adjustments for payments of unemployment benefits, which are reflected in both federal and other funds.

House Fiscal Staff estimates that in preparing the FY 2013 budget, the Governor faced a projected revenue-expenditure gap of \$130 million, which would grow to over \$270 million by FY 2017. This was somewhat lower than Staff's FY 2013 forecast in the FY 2012 enacted budget, mainly because of pension reform adopted in November 2011. However, revisions and corrections to expenditure assumptions and a more pessimistic November 2011 economic forecast offset much of those savings. The Governor's budget appears to have resolved this gap with increased revenues, some of a limited or one-time nature along with expenditure reductions.

The gap narrowed by \$93.2 million for FY 2012 and \$32.7 million for FY 2013 due to stronger than expected revenue estimates and caseload changes adopted at the May 2012 Revenue and Caseload Estimating Conference. About \$60.6 million of the combined impact is due to expenditure savings or revenues that would be considered non-recurring.

House Finance Committee used these additional resources to close the budget gap without the significant increase in new revenues or certain reductions to human services programs as proposed by the Governor. The Committee's budget also includes a number of initiatives that do not reflect a full year's savings or revenue or do not produce savings until FY 2014 or later. This is necessary to offset the use of FY 2012 surplus funds and other one-time savings in FY 2013 to limit the impact on out-year deficits. Examples of this include the October 1 effective date for the sales tax items, dedicating general revenues to reduce transportation debt, providing resources for fleet replacement and technology upgrades, restoring resources transferred from job training sources, and rejecting some of the one-time revenue items proposed by the Governor.

The Governor's budget projects out-years to be significantly unbalanced. The forecast included with the Budget estimates a \$103.6 million gap for FY 2014, 3.1 percent of useable revenues, that grows to \$464.4 million in FY 2017, 12.0 percent of useable revenues. The FY 2014 gap is due to the use of one-time items in the resolution of the current budget gap as well as commitment of future expenses not reflected in FY 2013. Beginning in FY 2014, the estimate reflects the potential impact of casino gaming in Massachusetts. Those losses account for nearly one-third of the FY 2017 gap.

The House Finance Committee's budget does not resolve the out-year budget gaps.

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.

- ***Meals and Beverages Tax Increase.*** The House Finance Committee does not concur with the Governor's proposal to increase the Meals and Beverage Tax from 1.0 percent to 3.0 percent to generate \$39.5 million in revenues.
- ***Vacation Homes and Bed and Breakfast Inns.*** The House Finance Committee does not concur with the proposal to subject rentals of vacation homes and one and two room bed and breakfast inns to the state and local hotel and sales taxes. The Governor's budget assumed revenues of \$1.9 million.
- ***Cigarette Tax.*** The Budget includes \$1.8 million in revenues from the Governor's proposal to increase the cigarette tax by \$0.04 per pack to \$3.50 per 20-pack, effective July 1, 2012.
- ***Redefine Little Cigars.*** The House Finance Committee concurs with the Governor's proposal to change the definition of little cigars to ensure they remain subject to the cigarette tax. The Budget assumes new revenues of \$2.4 million from this change.
- ***Cigar Tax Increase.*** The House Finance Committee does not concur with the Governor's proposal to generate \$0.5 million from increasing the maximum tax on cigars from \$0.50 to \$1.00 each.
- ***Clothing and Footwear Items.*** The Governor proposed \$11.5 million in new revenue from repealing the sales tax exemption on clothing and footwear that costs more than \$175 per item, effective July 1, 2012. The House Finance Committee instead recommends increasing the exemption to \$250 and assumes an effective date of October 1, 2012 and includes \$5.9 million in revenue.
- ***Taxicab and Limousine and Other Road Transportation.*** The Governor's recommended budget includes \$3.3 million in revenues by subjecting taxicab, limousine and other road transportation services to the sales and use tax, effective July 1, 2012. The House Finance Committee assumes an effective date of October 1 and adjusts revenues accordingly.

- ***Moving, Storage and Freight Services.*** The House Finance Committee does not concur with the Governor's proposal to generate \$10.8 million by subjecting moving, storage, warehousing and freight services to the sales and use tax, effective July 1, 2012.
- ***Pet Care Services.*** As proposed by the Governor, the budget includes \$1.3 million in revenues by subjecting pet care services to the sales and use tax, effective July 1, 2012. This excludes veterinary services and laboratory testing. The House Finance Committee concurs, but assumes an effective date of October 1 and adjusts revenues accordingly.
- ***Car Washes.*** The Governor proposed \$1.3 million in new revenues by subjecting car washes to the sales and use tax, effective July 1, 2012. The House Finance Committee assumes an effective date of October 1 and adjusts revenues accordingly.
- ***Package Tour and Sightseeing Services.*** The House Finance Committee recommends repealing the package tour and scenic and sightseeing transportation services from the sales and use tax and includes a general revenue loss of \$0.6 million.
- ***Motor Vehicle Fees.*** The House Finance Committee does not concur with the Governor's proposal to accelerate the fee increases currently scheduled to be phased in beginning in FY 2014, such that they are fully implemented on January 1, 2013 and allow the Department of Transportation to use the proceeds for operating costs. The Committee's budget instead provides \$10.0 million from general revenues for debt service payments, providing sufficient resources to the Department for operating costs.
- ***Telecommunications Education Access Fund.*** The House Finance Committee does not concur with the Governor's proposed legislation to reduce the assessment for the Telecommunications Education Access Fund from \$0.26 to \$0.15 per line effective July 1, 2012 and expand it to include wireless lines.
- ***Electronic Local Permitting.*** The House Finance Committee provides \$0.3 million from general revenues for the purchase or lease and operation of a web-accessible plan review management and inspection software system. This would create a standardized system available to the State Building Code Commission and all municipalities.
- ***Education Aid.*** The House Finance Committee funds the second year of the education funding formula adopted by the 2010 Assembly. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years, adjusted for the infusion of \$11.0 million to accelerate this, and districts that are going to receive less funding will have that loss phased in over ten years. The Governor had proposed using \$0.5 million from federal funds that districts will receive for use in FY 2013 in lieu of general revenues. The House Finance Committee does not concur and restores the general revenues. Total funding to public schools increases by \$33.9 million.
- ***Medicaid - Dental Care for Adults.*** The Governor's budget includes general revenue savings of \$2.7 million by eliminating dental coverage for individuals 21 or older, effective October 1, 2012. Coverage for emergency and palliative services would continue. The House Finance Committee does not concur and restores the funding in part with resources from Neighborhood Health Plan.
- ***Project Sustainability.*** The Governor's budget includes \$179.1 million from all sources to provide community-based services to approximately 3,600 developmentally disabled adults through Project

Sustainability. The House Finance Committee adds \$9.6 million from all funds, including \$4.7 million from general revenues, to bring total FY 2013 funding to \$188.7 million.

- ***Nursing Homes.*** The Governor proposed legislation to allow the reduction of nursing home rates by 1.8 percent in FY 2012 and FY 2013 to clarify that the reduction taken in FY 2010 impacted the base payment rates. The FY 2012 enacted budget assumed this reduction, but without this legislation approximately \$5.9 million from all sources would be required in both years. The House Finance Committee does not concur with the reduction and restores funding in both years and provides additional funding to assist in the transition to the new payment methodology.
- ***Children, Youth and Families.*** The House Finance Committee adds \$4.8 million from general revenues to support Phase II of the System of Care, to correct underfunding in the budget, consistent with an amendment requested by the Governor.
- ***YESS Aftercare Services.*** The Governor's budget reduced general revenue expenditures for aftercare services by \$374,862 from a roughly 20 percent reduction for services provided through the Young Adults Establishing Self Sufficiency program to youth aging out of the Department of Children, Youth and Families' care. The House Finance Committee does not concur and restores funding.
- ***New Veterans Home.*** The House Finance Committee includes legislation in Article 5 to place a bond referendum for a new Veterans Home on the November ballot. The bond is not to exceed \$94.0 million and may be issued over a period not to exceed ten years. Federal funds may be available as partial reimbursement after the first of the three phases, reducing the total amount of bonds the state would need to issue.
- ***Joint Nursing Building Referendum.*** The Governor proposed that \$65.2 million of new general obligation bonds be submitted to the voters on the November 2012 ballot for both the University of Rhode Island and Rhode Island College to construct a new 120,000 square foot joint nursing building in Providence. Subsequent testimony before the House Finance Committee indicated the Administration was exploring an alternate proposal for the state to partner with a private developer; however, that proposal was not formally submitted by the Governor for consideration, thus neither plan is included in the budget. The Committee did include \$2.0 million from Rhode Island Capital Plan funds for the University for FY 2014 and an enhanced bond referendum for Rhode Island College to address capital needs of their existing nursing facilities.
- ***Education Administration.*** The House Finance Committee includes legislation to begin the process of reintegrating the Board of Regents and Board of Higher Education into one system with the goal of a coordinated education policy that considers the educational needs of students from kindergarten through lifelong learning.
- ***Wireless Classrooms.*** The House Finance Committee concurs with the Governor's recommendation to borrow \$20.0 million to expand and enhance technology infrastructure in local education agencies. Annual debt service would be \$2.7 million for ten years and be paid from general revenues. The principal will serve as match for federal E-Rate funds to generate resources to support telecommunications access in school districts.

## General Revenue Surplus Statement

The following table shows the general revenue balances as recommended by the House Finance Committee. The Committee recommends an FY 2013 surplus of \$0.5 million, and has an operating deficit of \$93.4 million reflecting use of the FY 2012 surplus. The FY 2013 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 an FY 2013 balance of \$169.9 million.

	FY 2011	FY 2012	FY 2013
<b>Opening Surplus</b>			
Free Surplus	\$ 17,889,522	\$ 64,229,426	\$ 93,870,509
Adjustment	-	-	-
Reappropriated Surplus	3,364,847	4,532,242	-
<b>Subtotal</b>	<b>\$ 21,254,369</b>	<b>\$ 68,761,668</b>	<b>\$ 93,870,509</b>
<b>Revenues</b>			
Enacted/Actual/Estimated	3,090,983,107	3,175,996,362	3,129,025,000
Governor	-	25,418,638	236,658,071
Assembly	-	55,985,000	(61,310,481)
Closing	(6,664,912)	-	-
<b>Revenues</b>	<b>3,084,318,195</b>	<b>3,257,400,000</b>	<b>3,304,372,590</b>
Cash Stabilization Fund	(80,657,401)	(93,005,624)	(101,947,293)
From Cash Stabilization Fund	-	-	-
<b>Total Available Resources</b>	<b>\$ 3,024,915,163</b>	<b>\$ 3,233,156,044</b>	<b>\$ 3,296,295,807</b>
<b>Expenditures</b>			
Enacted/Actual/Estimated	2,956,153,495	3,142,501,188	3,368,607,032
Reappropriations	-	4,532,242	-
Governor	-	25,727,787	(99,453,997)
Assembly	-	(33,475,682)	26,633,793
<b>Total Expenditures</b>	<b>\$ 2,956,153,495</b>	<b>\$ 3,139,285,535</b>	<b>\$ 3,295,786,828</b>
<b>Total Surplus</b>	<b>\$ 68,761,668</b>	<b>\$ 93,870,509</b>	<b>\$ 508,979</b>
Reappropriations	(4,532,242)	-	-
<b>Free Surplus</b>	<b>\$ 64,229,426</b>	<b>\$ 93,870,509</b>	<b>\$ 508,979</b>
<i>Operating Surplus/(Deficit)</i>	<i>50,872,146</i>	<i>29,641,083</i>	<i>(93,361,531)</i>
<b>Budget Stabilization and Cash Reserve</b>	<b>\$ 130,292,724</b>	<b>\$ 152,794,954</b>	<b>\$ 169,912,155</b>
Percent of Revenues	4.2%	4.7%	5.1%

The budget reserve and cash stabilization account, the "rainy day fund" would have ending balances of \$130.3 million in FY 2011, \$152.8 million in FY 2012, and \$169.9 million in FY 2013. The account received 2.6 percent of general revenues plus free surplus in FY 2011, 2.8 percent in FY 2012 and will receive 3.0 percent in FY 2013.

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## **Section II**

# **Adjustments to Governor's FY 2013 Budget**

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<b>FY 2013 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b><i>Revenue Changes</i></b>						
<b>1</b>	May Revenue Conference	18,455,142	-	-	-	18,455,142
<b>2</b>	Car Washes eff. Oct. 1	(317,949)	-	-	-	(317,949)
<b>3</b>	Cigar Tax	(485,717)	-	-	-	(485,717)
<b>4</b>	Clothing and Footwear Over \$250 eff. Oct. 1	(5,624,166)	-	-	-	(5,624,166)
<b>5</b>	Compassion Centers	1,350,000	-	-	-	1,350,000
<b>6</b>	Department of Health Fee Changes	300,000	-	-	-	300,000
<b>7</b>	EDC Project Status	1,004,423	-	-	-	1,004,423
<b>8</b>	Hospital Licensing Fee at 5.35% with waiver	(2,506,916)	-	-	-	(2,506,916)
<b>9</b>	Information Technology Fund	(9,000,000)	-	-	-	(9,000,000)
<b>10</b>	Lincoln 24-7 Sunset	(946,580)	-	-	-	(946,580)
<b>11</b>	Meals and Beverage Tax	(39,645,679)	-	-	-	(39,645,679)
<b>12</b>	Moving, Storage, Warehousing & Freight Services	(10,862,981)	-	-	-	(10,862,981)
<b>13</b>	NBC Scoop	(3,073,000)	-	-	-	(3,073,000)
<b>14</b>	Neighborhood Health Plan	1,800,000	-	-	-	1,800,000
<b>15</b>	Package Tour Tax	(600,000)	-	-	-	(600,000)
<b>16</b>	Pet Care Services eff. Oct. 1	(316,302)	-	-	-	(316,302)
<b>17</b>	Restore Fleet Replacement Fund	(8,000,000)	-	-	-	(8,000,000)
<b>18</b>	Taxicabs & Other Road Transportation Services eff. Oct. 1	(825,595)	-	-	-	(825,595)
<b>19</b>	Telecommunication Education Access	(80,112)	-	-	-	(80,112)
<b>20</b>	Vacation Homes Tax	(1,935,049)	-	-	-	(1,935,049)
<b>Total</b>		<b>(61,310,481)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(61,310,481)</b>
<b><i>Expenditures Changes</i></b>						
<b>Administration</b>						
<b>21</b>	Bureau of Audits	1,200,000	-	-	-	1,200,000
<b>22</b>	Capital - Board of Elections - New Location	-	-	-	(3,400,000)	(3,400,000)
<b>23</b>	Capital - Building 79 - Stabilize	-	-	-	(2,200,000)	(2,200,000)
<b>24</b>	Capital - Fire Code Compliance	-	-	-	100,000	100,000
<b>25</b>	Capital - Health Lab Feasibility Study	-	-	-	175,000	175,000
<b>26</b>	Capital - I-195 Commission	-	-	-	250,000	250,000
<b>27</b>	Capital - Ladd Center Building Demolition	-	-	-	300,000	300,000
<b>28</b>	Capital - Pastore Buildings Demolition	-	-	-	500,000	500,000
<b>29</b>	Capital - Staffing Costs	555,367	-	-	(608,515)	(53,148)
<b>30</b>	Capital - State House Renovations	-	-	-	1,000,000	1,000,000
<b>31</b>	Capital - Station Park	-	-	-	(200,000)	(200,000)
<b>32</b>	Community Service Grant Adjustments	(117,557)	-	-	-	(117,557)
<b>33</b>	Current Care - Health Information Exchange	450,000	-	-	-	450,000
<b>34</b>	Debt Service	(200,000)	-	-	-	(200,000)
<b>35</b>	Demand Side Management Program Transfer to DHS	-	-	(6,500,000)	-	(6,500,000)
<b>36</b>	Digital Excellence	300,000	-	-	-	300,000
<b>37</b>	EDC Tourism Promotion	(250,000)	-	-	-	(250,000)
<b>38</b>	Electronic Local Permitting	300,000	-	-	-	300,000
<b>39</b>	Energy Efficiency & Resources Management Council	-	-	(786,234)	-	(786,234)

<b>FY 2013 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>40</b>	Film Office to DOA	305,409	-	-	-	305,409
<b>41</b>	Health Benefits Consulting Delayed from 12	70,000	-	-	-	70,000
<b>42</b>	Holiday Pay	5,837	795	196	717	7,545
<b>43</b>	I-195 Commission	3,900,000	-	-	-	3,900,000
<b>44</b>	Information Technology Initiative	-	-	(3,553,566)	-	(3,553,566)
<b>45</b>	LIHEAP and Weatherization Position Transfer	-	119,907	-	-	119,907
<b>46</b>	Personnel Appeal Board Member Compensation	40,104	-	-	-	40,104
<b>47</b>	Personnel Reform Delayed Savings	400,000	-	-	-	400,000
<b>48</b>	Personnel Reform Study - Delayed from FY 2012	250,000	-	-	-	250,000
<b>49</b>	Purchasing Project Management RICAP (3.0 FTE)	300,000	-	-	-	300,000
<b>50</b>	Renewable Energy Fund Transfer	-	-	(250,000)	-	(250,000)
<b>51</b>	Retirement Savings	-	(687,094)	(223,378)	(185,683)	(1,096,155)
<b>52</b>	Supplemental Retirement Contribution - State Employees	629,747	251,899	52,479	115,454	1,049,579
<b>53</b>	Transportation Debt Service	8,000,000	-	-	(8,000,000)	-
<b>54</b>	Turnover	(100,000)	-	-	-	(100,000)
<b>Business Regulation</b>						
<b>55</b>	Capital - Break Room Conversion to Conference	-	-	-	(16,545)	(16,545)
<b>56</b>	OHIC Federal Grants	-	235,010	-	-	235,010
<b>57</b>	Retirement Savings	-	(30,416)	(69,693)	-	(100,109)
<b>58</b>	Turnover	(250,000)	-	-	-	(250,000)
<b>Labor and Training</b>						
<b>59</b>	Capital - Center General Roof	-	357,860	248,328	1,013,266	1,619,454
<b>60</b>	Labor Relations Board Member Compensation	94,605	-	-	-	94,605
<b>61</b>	Police and Fire Relief Program	124,150	-	-	-	124,150
<b>62</b>	Retirement Savings	-	(1,490,500)	(656,609)	(417,942)	(2,565,051)
<b>63</b>	Unemployment Insurance Extension	-	66,956,359	-	40,545,000	107,501,359
<b>64</b>	Workforce Investment Act Funds	-	2,399,188	-	-	2,399,188
<b>Revenue</b>						
<b>65</b>	Holiday Pay	492	-	-	-	492
<b>66</b>	Municipal Oversight	500,000	-	-	-	500,000
<b>67</b>	Online Renewals Staffing Efficiencies	(150,000)	-	-	-	(150,000)
<b>68</b>	Retirement Savings	-	(113,200)	(76,427)	-	(189,627)
<b>Legislature</b>						
<b>69</b>	OPEB for Legislators	(778,831)	-	-	-	(778,831)
<b>70</b>	Personnel Correction	(768,641)	-	-	-	(768,641)
<b>71</b>	Retirement Savings	-	-	(132,857)	-	(132,857)
<b>Lieutenant Governor</b>						
<b>72</b>	Retirement Savings	-	(11,326)	-	-	(11,326)
<b>Secretary of State</b>						
<b>73</b>	Community Service Grant Adjustments	31,254	-	-	-	31,254
<b>74</b>	Retirement Savings	-	-	(30,914)	-	(30,914)
<b>75</b>	Turnover	(200,000)	-	-	-	(200,000)



<b>FY 2013 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>Office of the General Treasurer</b>						
<b>76</b>	Crime Victim Compensation Refunds	-	-	25,000	-	25,000
<b>77</b>	Defined Contribution Admin Costs	311,760	-	(570,598)	-	(258,838)
<b>78</b>	Disability Determination Medical Exams	-	-	163,000	-	163,000
<b>79</b>	Retirement Savings	-	(26,904)	(586,871)	(20,300)	(634,075)
<b>80</b>	Unclaimed Property	-	-	642,875	-	642,875
<b>Board of Elections</b>						
<b>81</b>	Board of Elections Member Compensation	38,000	-	-	-	38,000
<b>82</b>	Legal Services	(30,000)	-	-	-	(30,000)
<b>Governor's Office</b>						
<b>83</b>	RI Health Benefits Exchange	-	21,066,104	-	-	21,066,104
<b>Commission for Human Rights</b>						
<b>84</b>	Retirement Savings	(23,949)	-	-	-	(23,949)
<b>Public Utilities Commission</b>						
<b>85</b>	Retirement Savings	-	(27,372)	(459,735)	-	(487,107)
<b>Office of Health and Human Services</b>						
<b>86</b>	Adult Dental Services	2,701,144	2,865,929	-	-	5,567,073
<b>87</b>	Current Care - Health Information Exchange	600,000	1,800,000	-	-	2,400,000
<b>88</b>	HIV Care & Treatment Program transfer from DHS	2,648,157	9,568,774	-	-	12,216,931
<b>89</b>	Hospitals - UPL	5,708,256	6,056,493	-	-	11,764,749
<b>90</b>	May Caseload Adjustments	(13,865,250)	(18,879,885)	381,005	-	(32,364,130)
<b>91</b>	Money Follow the Person Grant	-	394,685	-	-	394,685
<b>92</b>	Nursing Homes Rate/Transition Issue	3,800,000	4,000,000	-	-	7,800,000
<b>93</b>	Retirement Savings	(72,120)	(44,011)	-	-	(116,131)
<b>94</b>	Special Education	-	1,500,000	-	-	1,500,000
<b>95</b>	Turnover	(150,000)	(150,000)	-	-	(300,000)
<b>Children, Youth and Families</b>						
<b>96</b>	Accreditation Delay	450,000.0	-	-	-	450,000
<b>97</b>	Capital - Mt. Hope - Fire Towers	-	-	-	275,000	275,000
<b>98</b>	Capital - Youth Group Homes - Firecode Upgrades	-	-	-	(500,000)	(500,000)
<b>99</b>	Community Service Grant Adjustments	(14,737)	-	-	-	(14,737)
<b>100</b>	Holiday Pay	50,606	7,896	-	-	58,502
<b>101</b>	Retirement Savings	-	(1,573,999)	-	-	(1,573,999)
<b>102</b>	System of Care	4,800,000	1,300,000	-	-	6,100,000
<b>103</b>	YESS	375,000.0	-	-	-	375,000
<b>Health</b>						
<b>104</b>	Cancer Screening Donations	-	-	20,000	-	20,000
<b>105</b>	Community Service Grant Adjustment	(2,424)	-	-	-	(2,424)
<b>106</b>	Community, Family Health and Equity (14.0 FTE)	-	703,847	-	-	703,847
<b>107</b>	Convert Contract Staff to State Employees (39.0 FTE)	-	36,445	265,783	-	302,228

<b>FY 2013 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>108</b>	Holiday Pay	-	8	36		44
<b>109</b>	Laboratory Functions Restoration (8.0 FTE)	700,399	338,008	-	-	1,038,407
<b>110</b>	Retirement Savings	(229,979)	(1,759,843)	-	-	(1,989,822)
<b>111</b>	Turnover	(150,000)	-	-	-	(150,000)
<b>Human Services</b>						
<b>112</b>	Child Care Co-Pays	276,154	293,000	-	-	569,154
<b>113</b>	Child Support - Project Restore	(9,488)	(182,099)	-	-	(191,587)
<b>114</b>	Community Service Grant Adjustment	175,191	-	-	-	175,191
<b>115</b>	Demand Side Management Program Transfer	-	-	6,500,000	-	6,500,000
<b>116</b>	Elderly Affairs Assisted Living Medicaid Waiver	393,550	417,559	-	-	811,109
<b>117</b>	Elderly Affairs FMAP Adjustment	-	(284,699)	-	-	(284,699)
<b>118</b>	HIV Care and Treatment Program to OHHS	(2,648,157)	(9,568,774)	-	-	(12,216,931)
<b>119</b>	Holiday Pay	27,264	9,091	-	-	36,355
<b>120</b>	LIHEAP and Weatherization	-	(193,534)	-	-	(193,534)
<b>121</b>	May Caseload Adjustments	(350,702)	(980,582)	-	-	(1,331,284)
<b>122</b>	Retirement Savings	(336,295)	(1,226,814)	-	-	(1,563,109)
<b>123</b>	RIPAE Rebate Funds for Operating	(261,903)	-	261,903	-	-
<b>124</b>	SSI Recipients in Non-Medicaid Facilities	250,000	-	-	-	250,000
<b>125</b>	Veterans Cemetery Columbarium	-	70,000	-	-	70,000
<b>126</b>	Veterans Cemetery Maintenance Project	-	800,000	-	-	800,000
<b>127</b>	Veterans Home Overtime	(200,000)	-	-	-	(200,000)
<b>BHDDH</b>						
<b>128</b>	Capital - Eleanor Slater Hospital Consolidation	-	-	-	(3,500,000)	(3,500,000)
<b>129</b>	Capital - Zambarano Buildings	-	-	-	(500,000)	(500,000)
<b>130</b>	Community Service Grant Adjustment	(27,643)	-	-	-	(27,643)
<b>131</b>	Developmental Disabilities Rate Increase	4,700,000	4,900,000	-	-	9,600,000
<b>132</b>	Eleanor Slater Hospital- Licensing Fee	(542,313)	(214,612)	-	-	(756,925)
<b>133</b>	Holiday Pay	90,196	91,772	-	-	181,968
<b>134</b>	Retirement Savings	(141,435)	(4,480,244)	-	-	(4,621,679)
<b>135</b>	Turnover and Operating	(250,000)	(106,100)	-	-	(356,100)
<b>Office of the Child Advocate</b>						
<b>136</b>	Retirement Savings	-	(3,931)	-	-	(3,931)
<b>Governor's Commission on Disabilities</b>						
<b>137</b>	Retirement Savings	-	(4,853)	-	-	(4,853)
<b>Elementary &amp; Secondary Education</b>						
<b>138</b>	Community Service Grant Adjustment	91,782	-	-	-	91,782
<b>139</b>	Education Aid Data Update	571,818	-	-	-	571,818
<b>140</b>	Education Telecommunications Access Fund	-	-	(762,239)	-	(762,239)
<b>141</b>	EduJobs Restoration	476,787	-	-	-	476,787
<b>142</b>	Federal Fund Correction	-	(116,655)	-	-	(116,655)
<b>143</b>	Holiday Pay	45	-	-	-	45
<b>144</b>	Race to the Top Early Learning Shift from FY 2012	-	1,729,307	-	-	1,729,307
<b>145</b>	Retirement Savings	(99,827)	(857,679)	(95,546)	-	(1,053,052)

<b>FY 2013 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>146</b>	School Breakfast	270,000	-	-	-	270,000
<b>147</b>	Supplemental Retirement Contribution - Teachers	1,548,753	-	-	-	1,548,753
<b>148</b>	Textbook Reimbursement	240,000	-	-	-	240,000
<b>Public Higher Education</b>						
<b>149</b>	CCRI Workforce Development Initiative - HRIC	-	-	(110,094)	-	(110,094)
<b>150</b>	Community Service Grant Adjustment	484,474	-	-	-	484,474
<b>151</b>	Holiday Pay	5,864	-	-	44,007	49,871
<b>152</b>	Restore HEAA	(5,692,063)	(13,365,004)	-	(8,760,402)	(27,817,469)
<b>153</b>	Retirement Savings	-	-	(5,195)	(2,685,090)	(2,690,285)
<b>154</b>	URI Federal Stabilization Funds	-	(383,779)	-	-	(383,779)
<b>Arts Council</b>						
<b>155</b>	Community Service Grant Adjustment	53,577	-	-	-	53,577
<b>156</b>	Film Office to DOA	(305,409)	-	-	-	(305,409)
<b>157</b>	Retirement Savings	(15,493)	-	-	-	(15,493)
<b>Atomic Energy Commission</b>						
<b>158</b>	Federal Funds	-	87,400	-	-	87,400
<b>Higher Education Assistance Authority</b>						
<b>159</b>	Restore HEAA	5,617,064	13,346,283	-	8,758,802	27,722,149
<b>Historical Preservation and Heritage Commission</b>						
<b>160</b>	Community Service Grant Adjustment	7,215	-	-	-	7,215
<b>161</b>	Retirement Savings	-	(49,918)	(2,469)	-	(52,387)
<b>RI Public Telecommunications Authority</b>						
<b>162</b>	Holiday Pay	579	-	-	127	706
<b>163</b>	Retirement Savings	(52,074)	-	-	-	(52,074)
<b>164</b>	Transition Delay to July 1, 2013	425,286	-	-	-	425,286
<b>Attorney General</b>						
<b>165</b>	Foreclosure Assistance	-	-	4,000,000	-	4,000,000
<b>166</b>	Retirement Savings	-	(117,249)	(67,595)	-	(184,844)
<b>167</b>	Turnover	(200,000)	-	-	-	(200,000)
<b>Corrections</b>						
<b>168</b>	Capital - Asset Protection	-	-	-	500,000	500,000
<b>169</b>	Capital - Intake Service Center Renovations	-	-	-	(2,600,000)	(2,600,000)
<b>170</b>	Capital - Maximum General Renovations	-	-	-	250,000	250,000
<b>171</b>	Capital - Medium Infrastructure	-	-	-	(2,310,000)	(2,310,000)
<b>172</b>	Capital - Minimum Kitchen Expansion	-	-	-	(260,400)	(260,400)
<b>173</b>	Capital - Women's Roof, Masonry & General Renovations	-	-	-	350,000	350,000
<b>174</b>	Holiday Pay	258,959	-	-	-	258,959
<b>175</b>	Institutional Corrections Federal Grants	-	(651,632)	-	-	(651,632)
<b>176</b>	Overtime Calculation Basis	325,000	-	-	-	325,000

<b>FY 2013 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>177</b>	Population Savings	(420,000)	-	-	-	(420,000)
<b>178</b>	Recruitment Cost for New Officer Class	(104,280)	-	-	-	(104,280)
<b>179</b>	Retirement Savings	-	(100,081)	(3,528)	-	(103,609)
<b>Judicial</b>						
<b>180</b>	Adult Drug Court	125,000	75,000	-	-	200,000
<b>181</b>	Community Service Grant Adjustment	(29,268.3)	-	-	-	(29,268)
<b>182</b>	Personnel Savings	(400,000.0)	-	-	-	(400,000)
<b>183</b>	Retirement Savings	-	(139,166)	(698,673)	-	(837,839)
<b>Military Staff</b>						
<b>184</b>	Capital - Armory of Mounted Commands	-	-	-	400,000	400,000
<b>185</b>	Capital - Asset Protection	-	-	-	150,000	150,000
<b>186</b>	Capital - Emergency Management Agency Building	-	-	-	125,000	125,000
<b>187</b>	Cooperative Technical Partners	-	(60,888)	-	-	(60,888)
<b>188</b>	Holiday Pay	18	391	-	-	409
<b>189</b>	Retirement Savings	-	(331,970)	-	-	(331,970)
<b>190</b>	Turnover	(85,000.0)	-	-	-	(85,000)
<b>Public Safety</b>						
<b>191</b>	Capital - Communication Towers	-	-	-	500,000	500,000
<b>192</b>	Geo-Code	(240,000)	-	-	-	(240,000)
<b>193</b>	Grant Awards	-	204,944	-	-	204,944
<b>194</b>	Holiday Pay	133,686	2,157	-	1,426	137,269
<b>195</b>	Local Public Safety Initiative	-	-	5,000,000	-	5,000,000
<b>196</b>	Municipal Police Academy State Support	356,811	-	(356,811)	-	-
<b>197</b>	Port Security Grant	-	(442,591)	-	-	(442,591)
<b>198</b>	Public Safety Modernization	-	-	7,350,000	-	7,350,000
<b>199</b>	Retirement Savings	-	(122,151)	(7,101)	(70,119)	(199,371)
<b>200</b>	Supplemental Retirement Contribution - State Police	521,430	10,751	-	5,376	537,557
<b>201</b>	Turnover	(500,000)	-	-	-	(500,000)
<b>Public Defender</b>						
<b>202</b>	Adult Drug Court Attorney	112,215	-	-	-	112,215
<b>203</b>	Retirement Savings	-	(17,402)	-	-	(17,402)
<b>Environmental Management</b>						
<b>204</b>	Community Service Grant Adjustment	(12,024)	-	-	-	(12,024)
<b>205</b>	Capital - Galilee Piers	-	-	-	940,000	940,000
<b>206</b>	Capital - Newport Piers	-	-	-	(175,000)	(175,000)
<b>207</b>	Holiday Pay	16,234	4,273	1,473	-	21,980
<b>208</b>	Retirement Savings	(148,691)	(1,026,895)	(519,004)	(16,735)	(1,711,325)
<b>209</b>	Turnover	(100,000)	-	-	-	(100,000)
<b>210</b>	Village Planning Challenge Grant	-	100,000	-	-	100,000
<b>Coastal Resources Management Council</b>						
<b>211</b>	Part-time Staff Attorney	(35,892)	(35,892)	-	-	(71,784)
<b>212</b>	Retirement Savings	-	(109,995)	-	-	(109,995)

<b>FY 2013 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>Transportation</b>						
<b>213</b>	Capital - Highway Projects Match Plan	-	-	-	20,000,000	20,000,000
<b>214</b>	Capital - Maintenance Facility Fire Alarms	-	-	-	(325,000)	(325,000)
<b>215</b>	Gas Tax Estimate - DOT	-	-	-	(232,290)	(232,290)
<b>216</b>	Gas Tax Estimate - RIPTA	-	-	-	(104,130)	(104,130)
<b>217</b>	Holiday Pay	-	6,818	-	1,793	8,611
-						
<b>Total</b>		<b>26,633,793</b>	<b>82,138,214</b>	<b>8,386,941</b>	<b>39,212,817</b>	<b>156,371,765</b>



# FY 2013 Changes to Governor

## Revenue Changes

- 1. May Revenue Conference.** The Revenue Estimating Conference concluded May 10 and increased the FY 2013 forecast to \$3,146.8 million, which is \$17.8 million more than November, and \$218.8 million less than the Governor's budget which includes several changes to current law. Adjusting his revenue proposals for the new estimates further increases his budget recommendation by \$0.7 million for a total increase of \$18.5 million.
- 2. Car Washes Eff. Oct. 1.** The Governor's FY 2013 budget includes \$1.3 million in revenues by subjecting car washes to the sales and use tax, effective July 1, 2012. The House Finance Committee concurs; however, assumes an effective date of October 1, 2012 and includes \$1.0 million in revenue.
- 3. Cigar Tax.** The House Finance Committee does not concur with the Governor's proposal to increase the maximum tax on cigars from \$0.50 to \$1.00 for each cigar, and adjusts revenues by \$0.5 million to account for this.
- 4. Clothing and Footwear Over \$250 Eff. Oct. 1.** Current law exempts clothing and footwear from the sales and use tax. The Governor proposed legislation to repeal this exemption for items that cost more than \$175, effective July 1, 2012. The House Finance Committee recommends increasing the exemption to \$250, assumes an effective date of October 1, 2012 and includes \$5.9 million in revenue, \$5.6 million less than the Governor's proposal.
- 5. Compassion Centers.** The 2011 Assembly adopted legislation to subject medical marijuana to the sales and use tax and imposed a 4.0 percent surcharge on net patient revenues generated at the compassion centers. At the time of the enactment, compassion centers were on hold and no revenues were assumed in the Governor's FY 2012 and FY 2013 budget recommendation. Those are now proceeding, and the House Finance Committee recommends an additional \$1.4 million in revenues based on approved applications and projected sales.
- 6. Department of Health Fee Changes.** The Governor's budget makes numerous changes to current law establishing fees for professional licenses and renewals that are regulated by the Department of Health, including increases and decreases for approximately two hundred fees. The FY 2013 Budget includes \$1.5 million of additional general revenues. The Governor subsequently requested an amendment to add \$0.3 million to reflect updated estimates and a minimum fee of \$25. The House Finance Committee concurs.
- 7. EDC Project Status.** The House Finance Committee does not concur with the Governor's proposal to reinstate the Economic Development Corporation's ability to grant project status designation to businesses that create 100 or more net new jobs and includes \$1.0 million in revenue. The Governor's proposal would exclude retail and banking projects and the program would sunset on July 1, 2022.
- 8. Hospital Licensing Fee at 5.35% with Waiver.** The House Finance Committee recommends lowering revenues by \$2.5 million resulting from updating the hospital license fee base year to 2011 and reducing the FY 2013 licensing fee from 5.43 percent to 5.35 percent for all community hospitals except South County and Westerly which, subject to approval, will be assessed a 3.37 percent license

fee. Total license fees collected will be \$141.3 million including \$136.0 million from community hospital payments and \$5.3 million from state payments for Eleanor Slater Hospital.

**9. Information Technology Fund.** The House Finance Committee recommends transferring of \$9.0 million to the Information Technology Investment Fund.

**10. Lincoln 24-7 Sunset.** The House Finance Committee assumes \$0.9 million less general revenues from not allowing the enhancement video lottery revenue sharing from 24-7 operations to sunset.

**11. Meals and Beverage Tax.** The Governor's budget assumes \$39.5 million in additional revenues from increasing the Meals and Beverage Tax from 1.0 cent to 3.0 cents of gross receipts from retail sales of meals and beverages. The House Finance Committee does not concur with his proposal and adjusts revenues accordingly.

**12. Moving, Storage, Warehousing & Freight Services.** The Governor's FY 2013 budget includes \$10.8 million by subjecting moving, storage, warehousing and freight services to the sales and use tax, effective July 1, 2012. The House Finance Committee does not concur and adjusts revenues accordingly.

**13. NBC Scoop.** The House Finance Committee does not concur with the Governor's proposal to transfer \$3.1 million from the Narragansett Bay Commission to state general revenues by June 30, 2013.

**14. Neighborhood Health Plan.** The House Finance Committee concurs with the Governor's amendment to realize \$1.8 million from Neighborhood Health Plan to support adult dental benefits.

**15. Package Tour Tax.** The House Finance Committee recommends repealing the package tour and scenic and sightseeing transportation services from the sales and use tax and includes a general revenue loss of \$0.6 million.

**16. Pet Care Services Eff. Oct. 1.** The Governor proposes legislation to subject pet care services to the sales and use tax, effective July 1, 2012. This includes boarding, grooming, sitting and training services; veterinary services and laboratory testing would be excluded. The House Finance Committee concurs; however, assumes an effective date of October 1, 2012 and includes \$0.9 million in revenue. The annualized revenue would be \$1.3 million.

**17. Restore Fleet Replacement Fund.** The 2007 Assembly created the State Fleet Revolving Loan Fund with \$6.4 million from the proceeds of the securitization of tobacco master settlement agreement payments to purchase vehicles for state agencies. As part of a plan to close a projected deficit, the FY 2010 budget transferred \$3.6 million from the fund into the State General Fund. The current fund balance is \$0.2 million. The House Finance Committee recommends transferring \$8.0 million to restore the State Fleet Revolving Loan Fund. It includes legislation to ensure the Rhode Island Public Transit Authority can access \$4.2 million of the funding to match federal funds for bus purchases through FY 2017.

**18. Taxicabs and Other Road Transportation Services Eff. Oct. 1.** The Governor's FY 2013 budget includes \$3.3 million in revenues by subjecting taxicab, limousine, charter bus and shuttle services to the sales and use tax, effective July 1, 2012. The House Finance Committee concurs; however, assumes an effective date of October 1, 2012 and includes \$2.5 million in revenue.



**19. Telecommunication Education Access.** The Governor proposes to reduce the assessment for the Telecommunications Education Access Fund from \$0.26 to \$0.15 per line and expands it to include wireless lines. This is expected to generate an additional \$0.7 million in revenue to substitute for the current state support in addition to \$0.1 million in revenue for the state from its indirect cost recovery. The House Finance Committee does not recommend the proposed increase in the surcharge and reduces revenues by \$80,112.

**20. Vacation Homes Tax.** The Governor proposes legislation to subject rentals of vacation homes and rooms at bed and breakfast inns with at least one bedroom for rent to the state's occupancy tax of 5.0 percent, the local occupancy tax of 1.0 percent and the state sales tax of 7.0 percent. Applicable rentals are those that are rented for more than 15 days per year. He assumes revenues of \$1.9 million in FY 2013. The House Finance Committee does not concur with this proposal and adjusts revenues accordingly.

## **Expenditure Changes**

### **Administration**

**21. Bureau of Audits.** The Governor's budget included legislation to eliminate the Bureau of Audits within the Department of Administration and establish a new Office of Management and Budget, which would assume the functions of the State Budget Office, and some functions of the Bureau of Audits. The Bureau of Audits performs the auditing function for the executive branch and is required to audit the financial records and accounts of all state departments and agencies on a biennial basis. The House Finance Committee does not concur with the Governor's recommendation to eliminate the Bureau and restores \$1.2 million to fund staffing and operating expenses.

**22. Capital - Board of Elections - New Location.** The Capital Budget includes a total of \$6.2 million from Rhode Island Capital Plan funds for a new office for the Board of Elections. The Board is currently located on state-owned land on Branch Avenue in Providence. The Department of Administration indicated that the Board's current facility would require extensive repairs, including HVAC and security upgrades. The House Finance Committee recommends \$1.0 million in FY 2013 to renovate the current facility.

**23. Capital - Building 79 – Stabilize.** The Governor's Capital Budget includes \$2.5 million from Rhode Island Capital Plan funds to be used in FY 2012 and FY 2013 to stabilize building 79 at the Pastore Center, which has been vacant for more than 10 years. Subsequently, the Department indicated that the floor of the building collapsed and it has revised its plan to demolish it. The House Finance Committee removes funding based on the revised plan. The Capital Plan includes \$8.5 million for a separate project to demolish other buildings on the Pastore Center.

**24. Capital - Fire Code Compliance.** The Governor's Capital Budget includes a total of \$2.9 million from Rhode Island Capital Plan funds to bring state buildings into compliance with new fire code regulations. The House Finance Committee recommends \$0.4 million less in FY 2012 and \$0.1 million more in FY 2013 to reflect the Department's revised construction schedule.

**25. Capital - Health Lab Feasibility Study.** The House Finance Committee recommends \$175,000 from Rhode Island Capital Plan funds in FY 2013 to conduct a feasibility study for a new facility to house the staff and programs currently located in the Chapin building. This study would also examine the feasibility of combining the Health and Forensic crime lab at the Pastore Complex.

**26. Capital - I-195 Commission.** The House Finance Committee recommends \$250,000 in FY 2013 and \$100,000 in FY 2014 for architectural and engineering services relating to the I-195 Redevelopment project.

**27. Capital - Ladd Center Building Demolition.** The Capital Budget includes a total project cost of \$5.0 million from Rhode Island Capital Plan funds to demolish nine vacant buildings at the former Ladd school properties in Exeter. Subsequently, the Governor requested an amendment to add \$0.3 million in FY 2013 for the architectural and engineering study. The House Finance Committee recommends advancing \$0.3 million from FY 2016 to FY 2013.

**28. Capital - Pastore Buildings Demolition.** The Governor's Capital Budget includes a total project cost of \$8.5 million from Rhode Island Capital Plan funds to demolish vacant buildings at the Pastore Center. This includes \$1.5 million in FY 2012 to begin hazardous remediation and demolition of Buildings A and D. The House Finance Committee shifts \$1.0 million from FY 2012 to FY 2013 and FY 2014 to reflect anticipated expenditures.

**29. Capital - Staffing Costs.** The Governor's budget shifts \$0.6 million of general revenue expenditures to Rhode Island Capital Plan funds to support 4.0 full-time positions in the Division of Capital Projects and Property Management. The Department indicates that the positions would be entirely dedicated to the development, oversight, and completion of capital projects. Rhode Island Capital Plan funds have been limited to use on physical assets. The House Finance Committee does not concur with the Governor's proposed use of Rhode Island Capital Plan funds and provides \$0.6 million from general revenues to fund the positions.

**30. Capital - State House Renovations.** The Governor's Capital Budget includes a total project cost of \$15.2 million from Rhode Island Capital Plan funds for renovations at the State House. The largest single component is \$12.3 million for a new central HVAC system for the building. The House Finance Committee recommends the total project cost; however, shifts \$1.5 million from FY 2012 to FY 2013 and FY 2016 to reflect a project delay.

**31. Capital - Station Park.** The Capital Budget includes \$0.4 million from Rhode Island Capital Plan funds, of which \$0.2 million in FY 2013 will be used to match a Federal Highway Enhancement grant award for the Station Park project, which will include the creation of an urban style park in downtown Providence similar in concept to the Boston Common or New York's Central Park. Subsequently, the Governor requested an amendment to remove funding based on a revised plan that will not require a federal fund match. The House Finance Committee concurs.

**32. Community Service Grant Adjustments.** The Governor's budget reflects a 25.0 percent reduction to all community service grants; however, it inadvertently omits the Rivers Council grant from this reduction. Subsequently, he requested an amendment to reduce the grant amount by \$5,050 to correct this. The House Finance Committee concurs with the amendment and makes other adjustments for a savings of \$0.1 million.

**33. Current Care - Health Information Exchange.** The Governor requested an amendment to add \$450,000 from general revenues for the state to participate in the Health Information Exchange, like other self-insured entities along with the health insurers. This is based on a \$1 per member per month charge for state employees. Funding for Medicaid enrollees appears in the Office of Health and Human Services.

**34. Debt Service.** The Governor proposed legislation to authorize the issuance of \$11.5 million from Certificates of Participation for implementation of certain modules for the state's financial accounting system. The House Finance Committee does not recommend the issuance of debt, as it provides pay-go funding for information technology projects, and removes the \$0.2 million budgeted in FY 2013 for debt service.

**35. Demand Side Management Program Transfer to DHS.** The Governor's FY 2013 budget reflects the transfer of resources for weatherization and low income home energy assistance programs, including the emergency fuel program from the Office of Energy Resources within the Department of Administration to the Department of Human Services, pursuant to legislation passed by the 2011 General Assembly to transfer these programs on July 1, 2012. Subsequently, he requested an amendment to transfer \$6.5 million of restricted receipt funding for the low income Demand Side Management Program to the Department of Human Services. The House Finance Committee concurs.

**36. Digital Excellence.** The House Finance Committee proposes legislation to create the Office of Digital Excellence within the Department of Administration and provides 2.0 positions and \$0.3 million from general revenues to support the startup operation of the office. The purpose of the Office will be to modernize digital capabilities throughout state government and to leverage technology to improve the quality of services provided to Rhode Island citizens.

**37. EDC Tourism Promotion.** The House Finance Committee does not concur with the Governor's proposal to provide an additional \$250,000 to the Economic Development Corporation to promote tourism.

**38. Electronic Local Permitting.** The House Finance Committee recommends \$0.3 million to purchase or lease and operate a web-accessible plan review management and inspection software system. This would create a standardized system available to the State Building Code Commission and all municipalities.

**39. Energy Efficiency & Resources Management Council.** Current law allows the Public Utilities Commission to allocate up to 2.0 percent of the Demand Side Management Fund to the Energy Efficiency and Resources Management Council for costs associated with planning and evaluation of energy efficiency programs to the Energy Office. The Governor proposed legislation that would require the Council to request funding from the Office of Energy Resources. The Governor subsequently requested an amendment requiring the Public Utilities Commission to directly allocate up to 1.2 percent of the fund to the Council. The House Finance Committee concurs with the amendment and removes the \$0.8 million budgeted in the Office for allocation to the Council.

**40. Film Office to DOA.** The House Finance Committee recommends the transfer of the Film and Television Office from the Arts Council to the Department of Administration. It provides general revenue funding of \$0.3 million and 2.6 full-time positions, consistent with the Governor's recommendation.

**41. Health Benefits Consulting Delayed from FY 2012.** The revised budget includes \$70,000 from general revenues for contractual services with Hewitt Associates to audit medical and pharmacy claims. The Department's third quarter report indicates that the funds would not be spent in FY 2012. The House Finance Committee recommends shifting the funds to FY 2013 to better reflect anticipated expenditures.

**42. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing

contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$7,545 for the Department of Administration.

**43. I-195 Commission.** The House Finance Committee concurs with the Governor's requested amendment to provide \$3.9 million for the I-195 Redevelopment Commission. Funding will be used for the completion of the land sale and to support three years of the Commission's operating expenses. The legislation adopted by the 2011 Assembly allows hiring staff members, including an executive director to support the work of the Commission. The Commission does not have a current stream of revenues to support its operations.

**44. Information Technology Initiative.** The House Finance Committee includes restricted receipt expenditures of \$3.0 million from the Information Technology Investment Fund, \$3.6 million less than the Governor recommended. It did not concur with the Governor's proposal for use of bond premium proceeds for the Fund.

**45. LIHEAP and Weatherization Position Transfer.** The Governor's FY 2013 budget reflects the transfer of functions and resources of the weatherization and low income home energy assistance programs from the Department of Administration to the Department of Human Services, pursuant to legislation passed by the 2011 General Assembly to transfer these programs on July 1, 2012. The Governor's FY 2013 budget includes \$19.2 million from federal funds and 9.0 positions in the Department of Human Services for administration of these programs. He subsequently requested an amendment to transfer \$0.1 million and 2.0 positions back to the Department of Administration. The positions would be supported by federal sources. The House Finance Committee concurs.

**46. Personnel Appeal Board Member Compensation.** The Governor proposes legislation to eliminate compensation for board members of the Board of Elections, Labor Relations Board and Personnel Appeal Board. The House Finance Committee does not concur and restores \$0.2 million to compensate the board members, including \$40,104 for the Personnel Appeal Board.

**47. Personnel Reform Delayed Savings.** The FY 2013 recommended budget assumes \$0.8 million in personnel savings from the elimination of 12.0 positions by restructuring the current personnel system. The FY 2012 revised budget includes \$0.3 million to perform a study; however, the administration indicated that the study would not be done in FY 2012. Therefore, all of the assumed savings in FY 2013 will not be achieved. The House Finance Committee recommends the restoration of \$0.4 million.

**48. Personnel Reform Study - Delayed from 12.** The FY 2012 revised budget includes general revenue expenditures of \$0.3 million for a study and review of the state's personnel system. The current system was designed and implemented more than 50 years ago, and the Administration notes few changes have been made to it since. The Department is in the process of selecting a vendor; therefore, expenditures are unlikely to occur in the current year. The House Finance Committee recommends shifting \$0.3 million from FY 2012 to FY 2013 to better reflect anticipated expenditures.

**49. Purchasing Project Management RICAP (3.0 FTE).** The Division of Purchasing is authorized for 29.0 full-time positions and as of the last pay period in March, the Division had a 14.0 percent vacancy rate. Due to the high vacancy rate, the Division's ability to move capital projects in a timely manner is hindered. The House Finance Committee recommends \$0.3 million from general revenues to fund 3.0 positions to support capital project management in the Division of Purchasing.

**50. Renewable Energy Fund Transfer.** The House Finance Committee does not concur with the Governor's recommendation to transfer the Renewable Energy Development Fund from the Economic Development Corporation to the Office of Energy Resources and removes the \$250,000 budgeted for the administration of the Fund. The Corporation obtained management of the Fund in July 2008 from the Energy Office.

**51. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Department of Administration, these total \$1.1 million and the House Finance Committee reduces expenditures by this amount. None of these funds appear to be available to offset general revenue expenditures.

**52. Supplemental Retirement Contribution - State Employees.** The Governor proposes legislation that removes the requirement that the Governor include an appropriation to the retirement system equal to 20.0 percent of the state's savings from reductions in the prior year retirement rates to reduce the unfunded liability. The FY 2013 rates are lower than FY 2012, therefore an estimated \$3.1 million, including \$2.7 million from general revenues, would otherwise have to be appropriated to the retirement system. This includes the share for the defined contribution plan. The share for state employees is \$1.0 million. The House Finance Committee does not recommend the proposed legislation and adds the funding to the budget.

**53. Transportation Debt Service.** The Governor's FY 2013 budget used \$13.6 million from the acceleration of transportation related fees originally scheduled to be phased in during FY 2014, and also transitioned the payment of the Department's debt service to general revenue beginning in FY 2014. The House Finance Committee recommends leaving the current fee schedule in place while accelerating the use of general revenue for debt service to FY 2013 and provides \$8.0 million for these purposes, which will increase available resources for the Department by the same amount.

**54. Turnover.** The FY 2013 recommended budget includes \$66.0 million to fund 667.6 full-time positions and assumes \$1.9 million in turnover savings. The House Finance Committee recommends an additional \$0.1 million in turnover savings. This is equivalent to one position remaining vacant for the entire fiscal year.

### **Business Regulation**

**55. Capital - Break Room Conversion to Conference Room.** The Governor's FY 2013 capital budget includes \$16,545 from Rhode Island Capital Plan funds to convert a break room into a conference room. The House Finance Committee does not include funding for this project.

**56. OHIC Federal Grants.** The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million from a new federal grant to support the implementation of the Affordability Care Act. The recommendation funds 3.0 positions to assist in the development of a state health insurance exchange.

**57. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Department of Business Regulation, these total \$0.1 million and the House Finance

Committee reduces expenditures by this amount. None of these funds appear to be available to offset general revenue expenditures.

**58. Turnover.** The House Finance Committee recommends general revenue turnover savings of \$250,000, which equates to about 2.3 positions.

### **Labor and Training**

**59. Capital - Center General Roof.** The Governor's Capital Budget includes \$770,000 from Rhode Island Capital Plan funds for repairs and renovations to the roof at the Center General Complex in FY 2012. Because of continued delays, the House Finance Committee shifts \$753,650 from FY 2012 to FY 2013. It also shifts \$507,944 from workers' compensation and temporary disability insurance funding from FY 2012 to FY 2013 and adds \$357,860 from federal unemployment insurance funding inadvertently omitted from the budget, for total expenditures of \$1.6 million in FY 2013.

**60. Labor Relations Board Member Compensation.** The Governor proposes legislation to eliminate compensation for board members of the Board of Elections, Labor Relations Board and Personnel Appeal Board, effective July 1, 2012. The House Finance Committee does not concur and restores \$0.2 million to compensate the board members, including \$94,605 for the Labor Relations Board.

**61. Police and Fire Relief Program.** The Governor proposes legislation to make a number of changes to the police and fire relief program in order to constrain spending. He proposes to create a review panel to monitor expenditure trends and recommend changes, gives the Director of the Department of Labor and Training authority to consider income and assets of the beneficiaries in determining awards, and includes language that annuity, tuition and one-time death payments may be available up to the current payment levels, eliminating the current guaranteed standard payments. His budget assumes general revenue savings of \$124,150 in FY 2013 from these changes. The House Finance Committee does not concur and restores the funding.

**62. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Department of Labor and Training, these total \$2.6 million. The House Finance Committee reduces expenditures accordingly. None of these funds appear to be available to offset general revenue expenditures.

**63. Unemployment Insurance Extension.** On February 22, 2012, Congress extended the Emergency Unemployment Compensation program, which was expected to end in early March 2012. This allows for full federal funding of the four federal benefit tiers and state extended benefits, extending the current program through January 2, 2013, but with restrictions. The Governor requested an amendment to increase funding for benefits by \$104.9 million in FY 2013. He also requested an additional \$2.6 million for staffing expenses and the restoration of 61.1 full-time equivalent positions. The House Finance Committee concurs.

**64. Workforce Investment Act Funds.** The House Finance Committee concurs with the Governor's requested amendment to add \$2.4 million from federal Workforce Investment Act funds for staffing expenses and grant awards in addition to authorization for 37.0 full-time positions based on available funding.

## Department of Revenue

**65. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$492 for the Department of Revenue.

**66. Municipal Oversight.** The Governor requested an amendment to provide \$2.0 million from general revenues for anticipated costs associated with oversight of municipalities. The FY 2012 projected expenditures for Central Falls Receivership and the East Providence Budget Commission totaled \$1.8 million. The FY 2013 recommended budget assumes \$0.3 million for Central Falls. The House Finance Committee recommends \$0.5 million from general revenues.

**67. Online Renewals Staffing Efficiencies.** The FY 2013 recommended budget includes \$13.3 million to fund 172.0 full-time positions for the Division of Motor Vehicles. This includes \$0.8 million to fund 14.5 new positions. Effective May 2012, certain license renewal transactions can be done online. The House Finance Committee recommends a savings of \$150,000 from some efficiencies being achieved. The reduction is equivalent to 2.0 vacancies based on the Division's average cost of \$75,648 per position.

**68. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Department of Revenue, these total \$0.2 million and the House Finance Committee reduces expenditures by this amount. None of these funds appear to be available to offset general revenue expenditures.

## Legislature

**69. OPEB for Legislators.** The House Finance Committee recommends savings of \$0.8 million to reflect a technical adjustment because there is no longer a liability allowing those over 65 to buy the state health plan at the active employee rate. The 2011 Assembly enacted legislation requiring legislators to pay the actual cost of retiree health benefits and enroll in Medicare at age 65.

**70. Personnel Correction.** The House Finance Committee recommends removing \$0.8 million from general revenues from the Legislature's budget to correct for an error in the calculation of personnel costs for FY 2013.

**71. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Legislature, these total \$0.1 million and the House Finance Committee reduces expenditures by this amount.

## Lieutenant Governor

**72. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Office of the Lieutenant Governor, these total \$11,326 and the House Finance

Committee reduces expenditures by this amount. None of these funds appear to be available to offset general revenue expenditures.

### **Secretary of State**

**73. Community Service Grant Adjustments.** The House Finance Committee increases funding for community service grants by \$31,254 to restore two grants to the FY 2012 enacted level. This includes \$30,405 more for the Rhode Island Historical Society and \$849 more for the Newport Historical Society.

**74. Retirement Savings.** The Governor's budget includes retirement rates for FY 2013 that are updated for the recent pension reform and realizes general revenue savings from the pre-reform rates. Any savings from other sources are shifted to unidentified operating expenses. For the Secretary of State this is \$30,914 from restricted receipts that the House Finance Committee reduces accordingly.

**75. Turnover.** The House Finance Committee recommends general revenue turnover savings of \$200,000 based on the Office's current vacancies and historical hiring trends. The Office currently has 3.0 vacant positions, including two vacancies in the Elections and Civics Division and one vacancy in the Administration Program.

### **Office of the General Treasurer**

**76. Crime Victim Compensation Refunds.** The House Finance Committee concurs with the Governor's amendment to add \$25,000 from restricted receipts to reflect reimbursement to the state for crime victim compensation claims that were paid to the victim through some other means.

**77. Defined Contribution Admin Costs.** A major component of the new pension system is a defined contribution plan for all non-public safety state employees, teachers and municipal general employees. The Governor recommends \$0.4 million for FY 2012 and \$0.6 million for FY 2013 from fees paid by participants to fund the Treasurer's expenses associated with administering the new defined contribution plan, including staff reassigned from other Retirement System duties. The Treasurer's Office has indicated that based on revised estimates the cost will be \$0.2 million for FY 2012 and \$0.3 million for FY 2013. The House Finance Committee recommends \$0.5 million from general revenues over the two years based on the request by the Treasurer to fund these expenses from general revenues.

**78. Disability Determination Medical Exams.** The House Finance Committee concurs with the Governor's amendment to restore the \$163,000 from Retirement System funds mistakenly removed for disability determination medical examinations. The Employees' Retirement System requires three independent medical exams be conducted for any individual seeking a disability pension. The exams are funded from System funds.

**79. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Office of the General Treasurer, these total \$0.6 million and the House Finance Committee reduces expenditures by this amount.



**80. Unclaimed Property.** The House Finance Committee recommends an additional \$0.6 million for FY 2013 to reflect the estimate of the May Revenue Estimating Conference. This includes a reduction of \$2.0 million in the transfer to the state General Fund for a FY 2013 transfer of \$7.9 million.

### **Board of Elections**

**81. Board of Elections Member Compensation.** The Governor proposes legislation to eliminate compensation for board members of the Board of Elections, Labor Relations Board and Personnel Appeal Board, effective July 1, 2012. The House Finance Committee does not concur and restores \$0.2 million to compensate the board members, including \$38,000 for the Board of Elections.

**82. Legal Services.** The Governor's budget includes \$110,000 for legal services for the Board of Elections, which does not have an in-house staff attorney and retains outside counsel for legal services. The House Finance Committee recommends reducing general revenues by \$30,000 to better reflect the Board's historical spending.

### **Governor's Office**

**83. RI Health Benefits Exchange.** The House Finance Committee concurs with the Governor's requested amendment to add \$21.1 million from a new federal grant to support the implementation of the Affordability Care Act. In September 2011, the Governor issued an executive order to establish the Office of Health Benefits Exchange as the centrally accountable office for operational and financial implementation, including policy development.

### **Commission for Human Rights**

**84. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Commission for Human Rights, this totals \$23,949. The House Finance Committee shifts general revenue expenses to available federal funds for savings of \$23,949.

### **Public Utilities Commission**

**85. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Public Utilities Commission, these total \$0.5 million and the House Finance Committee reduces expenditures by this amount.

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

**86. Adult Dental Services.** The House Finance Committee does not concur with the Governor's recommendation to eliminate dental benefits to Medicaid eligible individuals and restores \$5.6 million, including \$2.7 million from general revenues.

**87. Current Care - Health Information Exchange.** The House Finance Committee concurs with the Governor's recommendation to add \$2.4 million from all funds, including \$0.6 million from general revenues to match \$1.8 million from Medicaid to enroll program recipients in Statewide Health Information Exchange, known as *Currentcare*.

**88. HIV Care & Treatment Program Transfer from DHS.** The House Finance Committee transfers the HIV care and treatment program from the Department of Human Services to the Office of Health and Human Services. This is consistent with the Governor's amendment and his budget recommendation, which transfers medical benefit programs to the Office. The Committee transfers \$12.2 million from all funds, including \$2.6 million from general revenue, and five positions for this change.

**89. Hospitals – UPL.** The House Finance Committee adds \$11.8 million, including \$5.7 million from general revenues to restore the upper payment limit reimbursement paid to the community hospitals for outpatient services that was eliminated in the Governor's FY 2013 recommended budget. The Committee also includes Section 2 of Article 15 for the payment to continue as an annual appropriation.

**90. May Caseload Adjustments.** The House Finance Committee recommends a reduction of \$33.7 million, which includes \$14.2 million less from general revenues to adjust the FY 2013 budget for the May Caseload Conference estimates for cash assistance caseloads and medical assistance expenditures. This includes \$32.4 million less for medical assistance expenses in the Office of Health and Human Services' budget.

**91. Money Follow the Person Grant.** The House Finance Committee concurs with the Governor's amendment to add \$0.4 million from federal funds for the money follows the person grant to support administrative expenses for the initiative that encourages expanding community based services to delay placement in a nursing facility.

**92. Nursing Homes Rate/Transition Issue.** The House Finance Committee adds \$7.8 million, including \$3.8 million from general revenues, to adjust the base rate paid to nursing homes and provide funding to transition to the new nursing home payment methodology.

**93. Retirement Savings.** The Governor's budget includes retirement rates for FY 2013 that are updated for the recent pension reform and realizes general revenue savings from the pre-reform rates. Any savings from other sources are shifted to unidentified operating expenses. For the Office of Health and Human Services, this is \$116,131 including \$72,120 from restricted receipts that can be used to offset general revenue expenses. The House Finance Committee adjusts funding accordingly.

**94. Special Education.** The House Finance Committee concurs with the Governor's amendment to increase federal expenditure authority for Medicaid related to the Early and Periodic Screening, Diagnostic and Treatment services. The services are paid by the local school districts, and partially reimbursed from Medicaid funding through the Office of Health and Human Services.

**95. Turnover.** The House Finance Committee includes savings of \$300,000 including \$150,000 from general revenues from keeping three additional positions vacant in FY 2013. The Governor's recommendation assumes 13.0 of the 163.0 authorized positions will remain unfilled.

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

**96. Accreditation Delay.** The House Finance Committee recommends shifting \$450,000 from general revenues from FY 2012 to FY 2013 for the Department to begin the process of gaining accreditation from the Council on Accreditation.

**97. Capital - Mt. Hope - Fire Towers.** The Governor's budget includes \$275,000 from Rhode Island Capital Plan funds for FY 2012 for fire towers and building repairs to the Groden Center facility. The House Finance Committee recommends shifting \$275,000 from FY 2012 to FY 2013 based on project delays.

**98. Capital - Youth Group Homes - Firecode Upgrades.** The Governor's FY 2013 budget includes \$1.0 million from Rhode Island Capital Plan funds in FY 2012 and FY 2013 for fire code upgrades to private group homes and residential facilities. The House Finance Committee recommends reducing funding by \$0.5 million in FY 2012 and FY 2013 due to project delays and includes \$0.3 million in FY 2014 to complete the project.

**99. Community Service Grant Adjustments.** The House Finance Committee reduces funding for community service grants by \$14,737 to eliminate two grants to Camp E-Hun-Tee in Exeter which closed in September 2011, a grant to Rhode Island Youth Guidance, and to East Bay Foster Parent Association.

**100. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$58,502, including \$50,606 from general revenues for the Department of Children, Youth and Families.

**101. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Department, these total \$1.6 million from federal funds and the House Finance Committee reduces expenditures by this amount.

**102. System of Care.** The House Finance Committee concurs with the Governor's requested amendment to add \$6.1 million, including \$4.8 million from general revenues to implement the System of Care.

**103. YESS.** The House Finance Committee does not concur with the Governor's proposal to reduce aftercare services delivered by the Young Adults Establishing Self Sufficiency (YESS) by \$375,000 and restores the funding. This program assists individuals ages 18 through 21, who are aging out of foster care with rent subsidies, life skills, and case management.

## **Health**

**104. Cancer Screening Donations.** The House Finance Committee concurs with the Governor's requested amendment to increase funding in the Department's Community Family Health and Equity program. Increased funding includes \$20,000 from restricted receipts each year for FY 2012 and FY 2013. Funding is derived from a donation made by the Gloria Gemma Cancer Foundation, and will be used to provide cancer screenings for women between the ages of 40 and 49 who do not qualify for the federal program and lack alternative options to acquire the screenings.

**105. Community Service Grant Adjustment.** The House Finance Committee reduces community service grants by \$2,424 in the Department of Health. It restores funding for AIDS Care Ocean State, Project AIDS and Hepatitis C grants, and eliminates general revenue funding for the Child Development Center.

**106. Community, Family Health and Equity (7.0 FTE).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.7 million from federal funds to the Department's Community, Family Health and Equity program. The amendment illustrates the Governor's assertion that the program is understaffed by adding \$0.7 million from federal sources to fund 7.0 new positions. The amendment was submitted on behalf of the Department, which insists it could acquire more federal funds if more staff were available. Although specific grants have not been identified, the Department has projected the availability of \$6.0 million of foregone grant funding in FY 2012 due to a lack of available staff.

**107. Convert Contract Staff to State Employees (39.0 FTE).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.3 million to convert 39.0 temporary staff to state employees totaling \$1.5 million. The Department will be able to utilize \$1.2 million from federal funds for additional costs, and the amendment would allow the Department to utilize an additional \$0.3 million, primarily from restricted receipts, to fully fund the conversion.

**108. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$44 for the Department of Health.

**109. Laboratory Functions Restoration (8.0 FTE).** The House Finance Committee concurs with the Governor's requested amendment to restore funding and positions eliminated in his original budget for the Department's Health Laboratory Division. The Governor eliminated staffing and funding as part of an initiative to reduce or eliminate lower priority lab functions. Due to concerns expressed by agencies such as the State Police, Attorney General and Public Defender, the Governor has requested an amendment to add back the funding and positions. The amendment would delay programmatic changes until a full review of statewide laboratory functions is complete. Increased funding includes \$0.7 million from general revenues and \$0.3 million from federal funds which the Department would use to add 8.0 positions to the Division.

**110. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Department of Health, these total \$2.0 million. The House Finance Committee recommends reducing federal funds by \$1.8 million and \$0.2 million from general revenues to reflect the removal of the unidentified savings.

**111. Turnover.** The House Finance Committee recommends general revenue savings of \$150,000 for the Department's Office of the Medical Examiner for FY 2013, based on the Department's current vacancies. The office currently has a vacant assistant medical examiner position, and based on historical hiring trends, the position will most likely not be filled for all of FY 2013. The recommendation reflects this position being vacant for approximately half of the year.

### **Human Services**

**112. Child Care Co-Pays.** The House Finance Committee concurs with the Governor's requested amendment to maintain the current child care co-payment schedule instead of increasing the rates on July 1, 2012 and restores the funding. The Governor's recommended budget assumes savings of \$0.6 million, including \$0.3 million from general revenues from the increase.

**113. Child Support - Project Restore.** The House Finance Committee recommends eliminating \$191,587, including \$9,488 from general revenues and \$182,099 from federal funds for Project Restore. This is a one-time grant award that must be spent by February 29, 2012.

**114. Community Service Grant Adjustment.** The House Finance Committee recommends adding \$0.2 million for community service grants. This includes restoring \$229,832 for grants within the division of elderly affairs and a reduction of \$54,641 for the remaining grants within the Department.

**115. Demand Side Management Program Transfer.** The Governor's FY 2013 budget reflects the transfer of resources for weatherization and low income home energy assistance programs, including the emergency fuel program from the Office of Energy Resources within the Department of Administration to the Department of Human Services, pursuant to legislation passed by the 2011 General Assembly to transfer these programs on July 1, 2012. Subsequently, he requested an amendment to transfer \$6.5 million of restricted receipt funding for the low income Demand Side Management Program to the Department of Human Services. The House Finance Committee concurs.

**116. Elderly Affairs Assisted Living Medicaid Waiver.** The House Finance Committee concurs with the Governor's requested amendment to add \$0.8 million, including \$0.4 million from general revenues for increased costs in the assisted living Medicaid waiver program in the division of elderly affairs.

**117. Elderly Affairs FMAP Adjustment.** The Governor requests an amendment to reduce federal fund expenditures by \$284,699 for Medicaid-funded elder case management services to align with the federal Medicaid rate. The Department's request and Governor's recommendation included the incorrect matching amounts. The House Finance Committee concurs.

**118. HIV Care and Treatment Program to OHHS.** The House Finance Committee transfers the HIV care and treatment program from the Department of Human Services to the Office of Health and Human Services. This is consistent with the Governor's amendment and his budget recommendation which transfers medical benefit programs to the Office. The Committee transfers \$12.2 million from all funds, including \$2.6 million from general revenues, and five positions for this change, effective July 1, 2012.

**119. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$0.6 million, including \$36,355 for the Department of Human Services.

**120. LIHEAP and Weatherization.** The Governor's FY 2013 budget reflects the transfer of functions and resources of the weatherization and low income home energy assistance programs from the Department of Administration to the Department of Human Services, pursuant to legislation passed by the 2011 General Assembly to transfer these programs on July 1, 2012. The Governor's FY 2013 budget includes \$19.2 million from federal funds and 9.0 positions in the Department of Human Services for program administration. He subsequently requested an amendment to transfer authorization and federal funding for 2.0 positions back to the Department of Administration. The House Finance Committee concurs.

**121. May Caseload Adjustments.** The House Finance Committee recommends a reduction of \$33.7 million, which includes \$14.2 million less from general revenues to adjust the FY 2013 budget for the

May Caseload Conference estimates for cash assistance caseloads and medical assistance expenditures. This includes \$1.3 million less for cash assistance expenses in the Department of Human Services' budget, including \$0.4 million less from general revenues.

**122. Retirement Savings.** The Governor includes updated retirement rates for FY 2013 and realizes general revenue savings; however, he shifts any savings from other sources to unidentified operating expenses. For the Department of Human Services, this totals \$1.6 million. Of this total, \$0.3 million can be used to offset general revenue expenses and the House Finance Committee shifts general revenue expenses to available federal funds and restricted receipts. The remaining \$1.2 million from federal funds cannot be used, which the House Finance Committee reduces accordingly.

**123. RIPAE Rebate Funds for Operating.** The House Finance Committee recommends utilizing unallocated pharmaceutical assistance to the elderly rebate funds instead of general revenues. The Division carried forward rebate funds of approximately \$0.6 million into FY 2012, but has incurred general revenue expenses for the program, while not spending the rebate funds. The House Finance Committee assumes general revenue savings of \$0.3 million from shifting these expenses to available rebate funds.

**124. SSI Recipients in Non-Medicaid Facilities.** The House Finance Committee adds \$0.3 million from general revenues to provide an additional \$206 a month to individuals who, on or after July 1, 2012, receive the state supplemental security income payment and live in a state licensed assisted living facility that is not eligible to receive Medicaid.

**125. Veterans Cemetery Columbarium.** The House Finance Committee concurs with the Governor's requested amendment to shift \$70,000 from federal funds from FY 2012 to FY 2013 for the columbarium project because of delays in receiving federal approval. The Governor's recommended budget includes \$70,000 for design and engineering expenses in FY 2012 and \$445,000 for construction in both FY 2012 and FY 2013. His amendment shifts the engineering expenses to FY 2013 and the construction expenses to FY 2014.

**126. Veterans Cemetery Maintenance Project.** The House Finance Committee concurs with the Governor's requested amendment to add \$800,000 from federal funds for an operation and maintenance project funded by a new \$2.1 million grant award from the National Cemetery Administration for the purpose of repairing and restoring the burial fields at the Rhode Island Veterans Cemetery.

**127. Veterans Home Overtime.** The House Finance Committee recommends reducing overtime expenditures at the Veterans Home by \$200,000 from general revenues, bringing this expense closer to FY 2011 expenditures.

### **Behavioral Healthcare, Developmental Disabilities and Hospitals**

**128. Capital - Eleanor Slater Hospital Consolidation.** The Governor's capital budget includes \$35.1 million to build a new hospital at the Pastore Center, including \$0.6 million in FY 2012. The House Finance Committee reduces total funding by \$0.4 million and shifts funds to FY 2017.

**129. Capital - Zambarano Buildings.** The Governor's FY 2013 through FY 2017 Capital Budget includes \$1.5 million from Rhode Island Capital Plan funds for the ongoing maintenance at the Zambarano unit of Eleanor Slater Hospital located in Burrillville in addition to \$0.3 million in FY

2012. The House Finance Committee reduces FY 2012 funding by \$0.1 million and FY 2013 by \$0.5 million to reflect revised spending projections.

**130. Community Service Grant Adjustment.** The House Finance Committee further reduces community service grants by \$27,643 in the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals.

**131. Developmental Disabilities Rate Increase.** The House Finance Committee adds \$9.6 million from all funds, including \$4.7 million from general revenues to increase the direct care rate paid to community based agencies that provide services to approximately 3,600 developmentally disabled adults to bring total FY 2013 funding for Project Sustainability to \$188.7 million.

**132. Eleanor Slater Hospital - Licensing Fee.** The House Finance Committee includes \$5.3 million for the FY 2013 hospital license fee for Eleanor Slater Hospital and reduces the Department's budget by \$0.8 million, including \$0.5 million from general revenues to make the payment. The fee, paid by both the community hospitals and the state, is decreasing from 5.43 percent to 5.35 percent with an updated base year. There is also a corresponding revenue adjustment.

**133. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$181,968, including \$90,196 from general revenues in the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals.

**134. Retirement Savings.** The Governor's budget includes retirement rates for FY 2013 that are updated for the recent pension reform and realizes general revenue savings from the pre-reform rates. Any savings from other sources are shifted to unidentified operating expenses. For the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals this is \$4.5 million from federal sources, primarily from Medicaid funds that are not needed, so the House Finance Committee reduces funding accordingly. The House Finance Committee shifts general revenue expenses to available restricted receipts for savings of \$0.1 million.

**135. Turnover and Operating.** The House Finance Committee recommends additional turnover and operating savings of \$356,100 including \$250,000 from general revenues at the state hospital.

#### **Office of the Child Advocate**

**136. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Office, these total \$3,931 and the House Finance Committee reduces expenditures by this amount.

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

**137. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating

expenses. For the Commission, these total \$4,853 and the House Finance Committee reduces expenditures by this amount.

### **Elementary & Secondary Education**

**138. Community Service Grant Adjustment.** The House Finance Committee recommends adding \$91,782 from general revenues to make adjustments to community service grants. This includes eliminating \$12,955 for four grants to agencies that are no longer operating.

**139. Education Aid Data Update.** The House Finance Committee adds \$0.6 million from general revenues for the second year of the education funding formula based on updated data. This includes redistribution among districts with some receiving more and some receiving less than the Governor's budget assumed. The Department of Elementary and Secondary Education provided updated student enrollment and free and reduced lunch eligibility data in April. The Governor's budget uses June 30, 2011 student enrollment data adjusted for FY 2013 projected charter school enrollments and state share ratio variables updated with June 30, 2011 data.

**140. Education Telecommunications Access Fund.** The Governor proposes reducing the assessment for the Fund from \$0.26 to \$0.15 per line effective July 1, 2012 and expands it to include wireless lines. This is expected to generate an additional \$0.7 million in revenue to substitute for the current \$0.4 million in state support and provide \$0.1 million in general revenues through indirect cost recovery. This fund is designed to provide financial assistance for qualified libraries and schools to acquire, install, and use telecommunications technologies to access the Internet. The Governor also recommends \$20.0 million from Certificates of Participation for a new project to upgrade the technology infrastructure in classrooms throughout the state.

The House Finance Committee does not recommend the proposed legislation. It recommends using the principal payment on the new technology infrastructure payment as match for federal support. Based on the projected debt service schedule, this would provide total support of \$1.2 million in FY 2014 growing to \$6.7 million in FY 2023 before falling back down to \$1.8 million for FY 2026. For FY 2014, the federal match would be \$0.8 million. The House Finance Committee also reduces restricted receipts by \$0.8 million to reflect rejection of the proposed assessment.

**141. EduJobs Restoration.** The Governor's FY 2013 budget uses \$0.5 million from federal Education Jobs funds that districts will receive in FY 2012 in lieu of a like amount from general revenue. On September 9, 2010, the state was awarded \$32.9 million in one-time federal funding under the Education Jobs Fund program. The House Finance Committee recommends restoring the general revenue funding so as not to create a structural deficit for FY 2014.

**142. Federal Fund Correction.** The House Finance Committee concurs with the Governor's amendment to reduce federal funds by \$0.1 million for a new grant to support the Partnership for Assessment of Readiness for College and Careers to reflect the actual grant award. This 26 state partnership is working to design an assessment system aligned to common core state standards in English language arts and math. Rhode Island is one of 11 governing states that are leading this effort.

**143. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$45 for the Department of Elementary and Secondary Education.



**144. Race to the Top Early Learning Shift from FY 2012.** The House Finance Committee concurs with the Governor's amendment to shift \$1.7 million from federal Race to the Top Early Learning Challenge grant funding from FY 2012 to FY 2013 based on delays in hiring and purchasing.

**145. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Department of Elementary and Secondary Education, these total \$1.1 million. The House Finance Committee recommends using \$0.1 million in indirect cost recoveries in lieu of general revenues and reduces federal and restricted receipt expenditures by \$1.0 million.

**146. School Breakfast.** The House Finance Committee does not concur with the Governor's proposal to eliminate the administrative cost reimbursement to districts for the school breakfast program for which the enacted budget includes \$270,000. Administrative costs would have shifted to districts; food is paid from federal sources. The House Finance Committee restores the \$270,000 for FY 2013.

**147. Supplemental Retirement Contribution – Teachers.** The Governor proposes legislation that removes the requirement that the Governor include an appropriation to the retirement system equal to 20.0 percent of the state's savings from reductions in the prior year retirement rates to reduce the unfunded liability. The FY 2013 rates are lower than FY 2012, therefore an estimated \$3.1 million, including \$2.7 million from general revenues, would otherwise have to be appropriated to the retirement system. This includes the share for the defined contribution plan. The share for teachers is \$1.5 million. The House Finance Committee does not recommend the proposed legislation and adds the funding to the budget.

**148. Textbook Reimbursement.** The House Finance Committee recommends \$240,000 for FY 2013 to reimburse school districts for the cost of providing textbooks to non-public school students in the areas of English/language arts and history/social studies in kindergarten through 12th grade. The Governor had proposed eliminating the funding.

### **Public Higher Education**

**149. CCRI Workforce Development Initiative - HRIC.** The House Finance Committee concurs with the Governor's requested amendment to remove the \$0.1 million for the two employees that work on the workforce development initiative funded from Human Resource Investment Council funds. The amendment indicates that the agreement between the Human Resource Investment Council and the Community College was for FY 2011 and FY 2012.

**150. Community Service Grant Adjustment.** The House Finance Committee recommends adding \$0.5 million from general revenues to make adjustments to community service grants, primarily for the Jason Project.

**151. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$49,871 for Public Higher Education.

**152. Restore HEAA.** The Governor recommends legislation that transfers all of the powers, duties, authority and resources of the Rhode Island Higher Education Assistance Authority to the Board of Governors' for Higher Education. The budget reflects the transfer of \$27.8 million and staffing of

39.6 full-time positions. The Authority and its corporate existence would be terminated on September 1, 2012. The House Finance Committee does not concur with the proposed merger and removes the \$27.8 million and 39.6 positions from the Office of Higher Education's budget.

**153. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For Public Higher Education, these total \$6.9 million and include expenditures from tuition and fee revenue. The House Finance Committee recommends lowering expenditures by \$2.7 million, which is the amount of savings net those paid from tuition and fee revenues. The Office of Higher Education has indicated that the institutions are not going to lower tuition rates to reflect the savings.

**154. URI Federal Stabilization Funds.** The House Finance Committee concurs with the Governor's requested amendment to remove \$0.4 million from federal fiscal stabilization funds for the University of Rhode Island for FY 2013. Funding will be fully expended in FY 2012.

#### **Arts Council**

**155. Community Service Grant Adjustment.** The House Finance Committee recommends \$53,577 more for community service grants to reflect eliminating funding for two organizations that are no longer in business and provides additional funding for Waterfire and Newport Opera House.

**156. Film Office to DOA.** The House Finance Committee recommends shifting the Office of Film and Television from the Council on the Arts to the Department of Administration. This includes \$305,409 from general revenues and 2.6 full-time equivalent positions.

**157. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Commission, these total \$15,493 and the House Finance Committee reduces expenditures by this amount.

#### **Atomic Energy Commission**

**158. Federal Funds.** The Governor requested an amendment to add \$87,400 from federal funds to reflect additional available funding. The House Finance Committee concurs.

#### **Higher Education Assistance Authority**

**159. Restore HEAA.** The Governor recommends legislation that transfers all of the powers, duties, authority and resources of the Rhode Island Higher Education Assistance Authority to the Board of Governors' for Higher Education. The budget reflects the transfer of \$27.7 million and staffing of 39.6 full-time positions. The Authority and its corporate existence would be terminated on September 1, 2012. The House Finance Committee does not concur with the proposed merger and restores \$27.7 million and 38.6 positions.

#### **Historical Preservation and Heritage Commission**

**160. Community Service Grant Adjustment.** The House Finance Committee includes \$7,215 more for adjustments to community service grants.

**161. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Commission, these total \$52,387 and the House Finance Committee reduces expenditures by this amount.

#### **Rhode Island Public Telecommunications Authority**

**162. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$579 from general revenues and \$127 from Corporation funding for the Rhode Island Public Telecommunications Authority.

**163. Retirement Savings.** The Governor's budget includes retirement rates for FY 2013 that are updated for the recent pension reform and realizes general revenue savings from the pre-reform rates. Any savings from other sources are shifted to unidentified operating expenses. For the Authority, this is \$52,074 from Corporation funding that can be used to offset general revenue expenses. The House Finance Committee adjusts funding accordingly.

**164. Transition Delay to July 1, 2013.** The House Finance Committee concurs with the Governor's requested amendment to delay the elimination of state support for the Authority to July 1, 2013 and restores \$0.4 million from general revenues. The Governor originally proposed ending support on January 1, 2013.

#### **Attorney General**

**165. Foreclosure Assistance.** The House Finance Committee recommends \$4.0 million from restricted receipts for the Office for expenditures related to foreclosure protection efforts in order to bring stability to the housing market. The Office is expected to work in conjunction with Rhode Island Housing to prevent or reduce the number of initiated foreclosures in the state by providing mortgage and foreclosure prevention assistance for homeowners.

**166. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Office of the Attorney General, these total \$184,844 and the House Finance Committee reduces expenditures by this amount. These funds do not appear to be available to offset general revenue expenditures.

**167. Turnover.** The House Finance Committee recommends general revenue turnover savings of \$200,000 for the Office from maintaining 2.1 vacancies in FY 2013.

#### **Corrections**

**168. Capital - Asset Protection.** The Governor's capital budget includes \$21.4 million from Rhode Island Capital Plan funds, of which \$5.0 million is for FY 2012 for various asset protection projects at the Pastore Center. The House Finance Committee recommends eliminating \$2.8 million from FY 2012 and adding \$0.5 million for FY 2013 through FY 2017 based on updated project schedules.

**169. Capital - Intake Service Center Renovations.** The Governor's capital budget includes \$6.2 million from Rhode Island Capital Plan funds, including \$1.4 million for FY 2012 for facility renovations at the Intake Service Center. The House Finance Committee recommends delaying this project a year and shifts funding accordingly.

**170. Capital - Maximum General Renovations.** The Governor's capital budget includes a total of \$2.8 million from Rhode Island Capital Plan funds, of which \$1.4 million is in FY 2012 for heating and plumbing upgrades for the basement of Maximum. The Department notes a contractor has not yet been selected, and the House Finance Committee recommends shifting \$1.0 million from FY 2012 to FY 2013 and FY 2014 to reflect an updated project schedule.

**171. Capital - Medium Infrastructure.** The Governor's capital budget includes \$14.5 million from Rhode Island Capital Plan funds for FY 2012 for laundry, kitchen, and HVAC renovations at the Medium Moran facility. The House Finance Committee recommends delaying this project a year and shifts funding accordingly.

**172. Capital - Minimum Kitchen Expansion.** The Governor's capital budget includes \$6.0 million from Rhode Island Capital Plan funds, including \$0.3 million for FY 2012 to expand the kitchen area for the minimum security facility. The House Finance Committee recommends shifting \$4.2 million from FY 2012 and FY 2013 to FY 2014 based on updated project schedules.

**173. Capital - Women's Roof, Masonry & General Renovations.** The Governor's capital budget includes \$4.5 million from Rhode Island Capital Plan funds for FY 2012 through FY 2014 for renovation of the Dix facility for re-use as office space for several departmental units. The House Finance Committee recommends shifting \$0.7 million from FY 2012 to FY 2013 and FY 2014 based on updated project schedules.

**174. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$258,959 for the Department of Corrections.

**175. Institutional Corrections Federal Grants.** The House Finance Committee concurs with the Governor's requested amendment to reduce federal funds by \$331,492 to reflect elimination of several federal stimulus grants for FY 2013. Also, the Committee recommends a reduction of \$320,140 from federal funds to reflect the anticipated award for the State Criminal Alien Assistance Program for FY 2013.

**176. Overtime Calculation Basis.** The House Finance Committee does not concur with the Governor's proposal to change overtime threshold calculations for correctional officers and exempt them from weekly overtime provisions and adds \$325,000 from general revenues. Under the proposed legislation, correctional officers would receive overtime pay for hours worked in excess of 171 hours over a 28-day period.

**177. Population Savings.** The Governor's FY 2013 budget recommendation assumes a prison population of 3,231 inmates based on the Department's FY 2013 population projections. Recent population reports show downward trends in prison population and suggest the population will decline by an average of approximately 39 inmates for a total of 3,192 for FY 2013. The House Finance

Committee recommends a reduction of \$0.4 million to reflect anticipated savings associated with the decline.

**178. Recruitment Cost for New Officer Class.** The Governor's FY 2013 budget includes \$829,231 from general revenues for recruitment and training expenses for a new class of correctional officers, which is \$104,280 more than enacted. Subsequent to his budget recommendation, the Department submitted a corrective action plan indicating the class can be conducted with the enacted level of funds, and the House Finance Committee recommends reducing general revenues by \$104,280.

**179. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Department of Corrections, these total \$103,609 and the House Finance Committee reduces expenditures by this amount. These funds do not appear to be available to offset general revenue expenditures.

### Judicial

**180. Adult Drug Court.** The House Finance Committee concurs with the Governor's requested amendment to add \$75,000 for the adult drug court from a new federal grant. Enhancement grants are made available to jurisdictions with a fully operational drug court to continue efforts to reduce recidivism and substance abuse of nonviolent offenders. The House Finance Committee also recommends adding \$125,000 from general revenues to support the drug court for FY 2013.

**181. Community Service Grant Adjustment.** The House Finance Committee recommends removing \$29,268 from general revenues, consistent with the Governor's requested budget amendment to correctly reflect a 25.0 percent reduction in all community service grants.

**182. Personnel Savings.** The House Finance Committee recommends general revenue savings of \$0.4 million for the Judiciary for FY 2013 based on the Department's current vacancies and hiring plans for FY 2013.

**183. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Judiciary, these total \$0.8 million. The House Finance Committee reduces expenditures accordingly.

### Military Staff

**184. Capital - Armory of Mounted Commands.** The Governor's capital budget includes \$0.9 million from Rhode Island Capital Plan funds in FY 2012 for the Armory of Mounted Commands. The House Finance Committee reduces FY 2012 funding by \$0.6 million, and shifts \$0.4 million to FY 2013 and \$0.2 million to FY 2014 based on the Department's projected spending.

**185. Capital - Asset Protection.** The Governor's capital budget includes \$0.6 million from Rhode Island Capital Plan funds in FY 2012 for asset protection projects for the Military Staff. The House Finance Committee reduces FY 2012 funding by \$0.2 million, and shifts a majority of this amount to FY 2013 based on the Department's projected spending.

**186. Capital - Emergency Management Agency Building.** The Governor's capital budget includes \$0.1 million from Rhode Island Capital Plan funds in FY 2012 for a feasibility study to determine the type and location of a new Emergency Management Building. The study will not be completed in FY 2012, and the House Finance Committee shifts these funds to FY 2013 to reflect the delay in the completion of the study.

**187. Cooperative Technical Partners.** The House Finance Committee concurs with the Governor's requested amendment to more accurately reflect federal funding for the Military Staff's cooperative technical partners grant. The amendment adds \$60,888 in FY 2012 and removes the same amount from FY 2013 to reflect planned awards and expenditures. Funding is used to increase local involvement in the production, development and maintenance of flood hazard maps produced for the National Flood Insurance Program (NFIP).

**188. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$409 for the Military Staff.

**189. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Military Staff, these total \$0.3 million. The House Finance Committee recommends reducing federal funds by the same amount to reflect the removal of the unidentified savings.

**190. Turnover.** The House Finance Committee recommends general revenue savings of \$0.1 million for the Military Staff for FY 2013 based on the Department's current vacancies. As of the pay period ending April 21, 2012, the Military Staff has 5.0 vacant positions and the recommendation would eliminate funding for one of these.

### **Public Safety**

**191. Capital - Communication Towers.** The Governor's FY 2012 capital budget includes \$1.3 million for the microwave upgrade in FY 2012, including \$0.3 million carried forward from FY 2011. The House Finance Committee recommends reducing funding in FY 2012 by \$0.6 million and shifting \$0.5 million to FY 2013 to reflect revised spending estimates.

**192. Geo-Code.** The Governor's FY 2013 budget includes \$240,000 from general revenues to update the information contained in the pictometry database. The House Finance Committee does not concur and adjusts funding accordingly.

**193. Grant Awards.** The Governor requested an amendment to add \$1.1 million from federal funds and restricted receipts in FY 2012 for 11 different grants. A review of projected spending indicates that only a portion of the new funds will be used in FY 2012. The House Finance Committee recommends \$0.9 million in FY 2012 with the remainder budgeted in FY 2013.

**194. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the

holiday. The House Finance Committee concurs and restores \$137,269 for the Department of Public Safety.

**195. Local Public Safety Initiative.** The House Finance Committee includes \$5.0 million of restricted receipt funding made available through the federal forfeiture from Google. This funding will be made available to Rhode Island municipal law enforcement agencies to apply for funding for participation in cooperative non-recurring law enforcement activities.

**196. Municipal Police Academy State Support.** The House Finance Committee does not concur with the Governor's proposed legislation to allow the director of the Department of Public Safety to establish a fee structure to finance the Municipal Police Training Academy using restricted receipts. The House Finance Committee restores \$0.4 million from general revenues.

**197. Port Security Grant.** The Governor's FY 2013 budget includes \$442,591 from federal funds to purchase new equipment for the State Police dive team based on the Department's request. Subsequently, the Department indicated that the budget included this funding in error. The House Finance Committee removes the funding.

**198. Public Safety Modernization.** The House Finance Committee includes \$7.4 million of restricted receipt funding made available through the federal forfeiture from Google. This funding will be used for a statewide accreditation program, the purchase of new vehicles, the purchase of weapons and additional training programs.

**199. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect the new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Department of Public Safety, these total \$0.2 million and the House Finance Committee reduces expenditures by this amount. None of these funds appear to be available to offset general revenue expenditures.

**200. Supplemental Retirement Contribution - State Police.** The Governor proposes legislation that removes the requirement that the Governor include an appropriation to the retirement system equal to 20.0 percent of the state's savings from reductions in the prior year retirement rates to reduce the unfunded liability. The FY 2013 rates are lower than FY 2012, therefore an estimated \$3.1 million, including \$2.7 million from general revenues, would otherwise have to be appropriated to the retirement system. This includes the share for the defined contribution plan. The share for members of the State Police is \$537,557. The House Finance Committee does not recommend the proposed legislation and adds the required funding.

**201. Turnover.** The House Finance Committee recommends general revenue turnover savings of \$500,000 from keeping 4.0 additional positions vacant in the Division of Sheriffs and the State Police. The Governor's FY 2013 budget includes turnover savings equivalent to 4.0 positions in these divisions.

#### **Public Defender**

**202. Adult Drug Court Attorney.** The House Finance Committee concurs with the Governor's requested amendment to add 1.0 full-time position and \$112,215 from general revenues to provide continued support to the Adult Drug Court program for FY 2013.

**203. Retirement Savings.** Agencies used pre-reform retirement rates when preparing their budgets. The Governor's FY 2013 budget adjusts the rates to reflect new, lower costs and reduces general revenue expenses. Savings from other sources of funds were shifted to unidentified operating expenses. For the Office of the Public Defender, this totals \$17,402 and the House Finance Committee reduces expenditures by this amount. These funds do not appear to be available to offset general revenue expenditures.

### **Environmental Management**

**204. Community Service Grant Adjustment.** The House Finance Committee reduces funding for community service grants by \$12,024 to eliminate the grant to the Eastern Rhode Island Conservation Committee.

**205. Capital - Galilee Piers.** The House Finance Committee recommends shifting \$0.9 million from Rhode Island Capital Plan funds from FY 2012 to FY 2013 to reflect anticipated expenditures for construction projects at the state owned piers in Galilee.

**206. Capital - Newport Piers.** The House Finance Committee recommends removing \$0.2 million from Rhode Island Capital Plan funds from the Department's FY 2012 and FY 2013 budgets to reflect anticipated expenditures for construction projects at the state owned piers in Newport. The Governor's recommendation includes \$0.3 million for both FY 2012 and FY 2013; however, the Department anticipates that expenditures will be \$0.1 million in each of those years.

**207. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$21,980 for the Department of Environmental Management.

**208. Retirement Savings.** The Governor's budget includes retirement rates for FY 2013 that are updated for the recent pension reform and realizes general revenue savings from the pre-reform rates. Any savings from other sources are shifted to unidentified operating expenses. For the Department of Environmental Management this is \$1.7 million. The House Finance Committee shifts general revenue expenses to available restricted receipts for savings of \$0.1 million and reduces other expenditures by \$1.6 million.

**209. Turnover.** The House Finance Committee recommends additional general revenue turnover savings of \$100,000 based on the Department's current vacancies and hiring trends.

**210. Village Planning Challenge Grant.** The House Finance Committee concurs with the Governor's requested amendment to increase federal funding by \$100,000 for a new Planning Challenge Grant to be administered by Statewide Planning and provide funding for statewide, regional and local planning studies leading to implementation of the State Guide Plan. This particular grant would fund a project to assess the status of village growth, recommend incentives to encourage village growth and develop reasonable alternatives to address issues that are currently impeding village development.

### **Coastal Resources Management Council**

**211. Part-Time Staff Attorney.** The Governor proposes the addition of a 0.5 full-time equivalent staff attorney to address underrepresentation of staff recommendations during Coastal Resources



Management Council public hearings. The part-time staff attorney would be funded from general revenues and federal funds for a total of \$71,784. The House Finance Committee does not concur with this proposal and reduces funding accordingly.

**212. Retirement Savings.** The Governor's budget includes retirement rates for FY 2013 that are updated for the recent pension reform and realizes general revenue savings from the pre-reform rates. Any savings from other sources are shifted to unidentified operating expenses. For the Coastal Resources Management Council this is \$0.1 million from federal sources. The House Finance Committee reduces funding accordingly.

### **Department of Transportation**

**213. Capital - Highway Projects Match Plan.** The Governor's capital budget includes \$20.0 million from general obligation bond proceeds to be presented to the voters on the November 2012 ballot. In recent history, general obligation bonds of \$80.0 million are approved as referenda during election years, with \$40.0 million used as the state match for federal highway funds in the two following years. Under the Governor's current efforts to reduce borrowing by the Department, the upcoming ballot would be the last series of borrowing for federal funds by the Department. Due to the relatively small amount of the bond authorization, and in order to more quickly reduce debt service costs, the House Finance Committee replaces the use of general obligation bonds with Rhode Island Capital Plan funding.

**214. Capital - Maintenance Facility Fire Alarms.** The Governor's FY 2013 capital budget includes \$325,000 from Rhode Island Capital Plan funds to install fire alarms at the Department's maintenance facilities. At the end of FY 2012, the bid received by the Department for the alarms was significantly lower than originally anticipated, and work is now scheduled to be completed in FY 2012. The House Finance Committee recommends removing this funding to reflect the revised cost estimate.

**215. Gas Tax Estimate – DOT.** The House Finance Committee reduces available gasoline tax for the Department of Transportation by \$0.2 million to reflect a downward revision of the gasoline tax yield estimate. The decrease will lower the debt service payment for the Department's GARVEE bonds and also reduce available proceeds for operations in the Division of Maintenance.

**216. Gas Tax Estimate – RIPTA.** The House Finance Committee reduces available gasoline tax in the Department of Transportation to reflect a reduced transfer to the Rhode Island Public Transit Authority of \$0.1 million which was due to a downward revision of the gasoline tax yield estimate.

**217. Holiday Pay.** The Governor's budget includes legislation to remove Election Day from the list of paid holidays for state employees; however, it appears that because of provisions in existing contracts the savings will not be realized and he subsequently requested an amendment to preserve the holiday. The House Finance Committee concurs and restores \$8,611 for the Department of Transportation.

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## **Section III**

### **Special Reports**

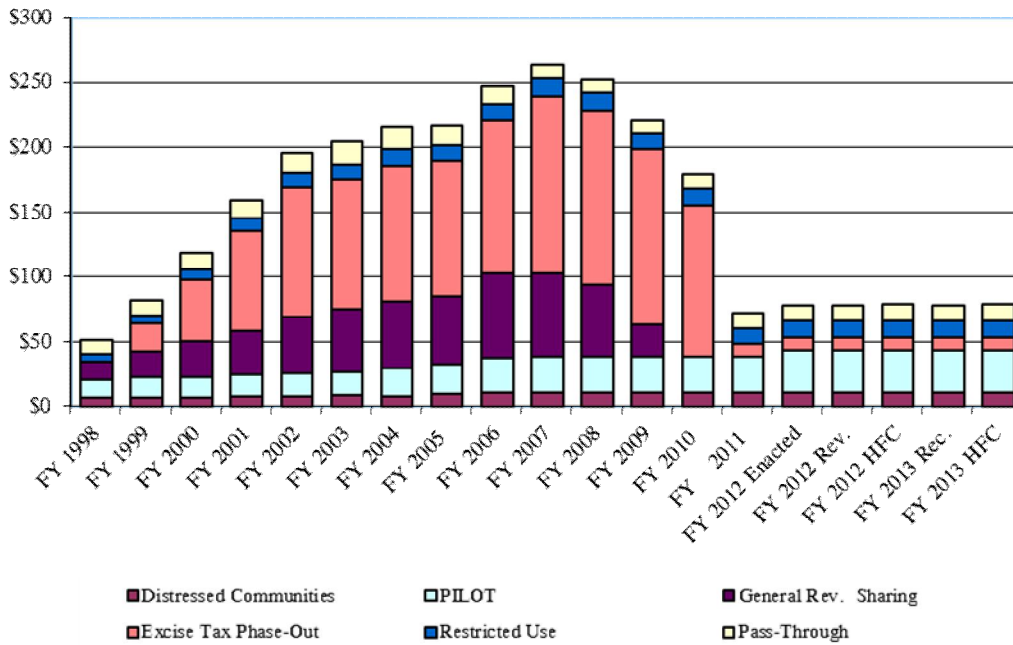
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# State Aid to Local Governments

## Introduction

The House Finance Committee recommends state aid to cities and towns totaling \$66.2 million in FY 2012 and \$66.3 million in FY 2013. Funding in FY 2012 and FY 2013 includes \$53.5 million for general aid programs, which is consistent with the enacted level. The recommendation includes \$12.7 million in FY 2012 and \$12.9 million in FY 2013 for restricted use programs. Funding in FY 2012 includes \$234,000 for municipalities conducting actuarial valuations. Local communities will also receive \$12.7 million each year in public service corporation property taxes that 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 FY 2013.



The major changes 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 each general aid program by community. There are also tables showing the distribution of library operating aid, which is considered restricted and 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.

- **General.** The House Finance Committee recommends \$53.5 million in both FY 2012 and FY 2013 for general state aid to local governments.

Fiscal Year	2000	2005	2010	2011	2012 Enacted	2012 Gov. Rev.	2012 HFC	HFC to Gov. Rev.	2013 Gov. Rec.	2013 HFC	HFC Gov. Rec.
<b>General Aid - State Sources</b>											
Distressed Communities*	\$ 6.6	\$ 9.5	\$ 10.4	\$ 10.4	\$ 10.4	\$ 10.4	\$ 10.4	\$ -	\$ 10.4	\$ 10.4	\$ -
PILOT	16.1	22.7	27.6	27.6	33.1	33.1	33.1	-	33.1	33.1	-
General Rev. Sharing	27.6	52.4	-	-	-	-	-	-	-	-	-
Excise Tax Phase-Out	47.3	105.0	117.2	10.0	10.0	10.0	10.0	-	10.0	10.0	-
<b>Subtotal</b>	<b>\$ 97.5</b>	<b>\$ 189.7</b>	<b>\$ 155.1</b>	<b>\$ 48.0</b>	<b>\$ 53.5</b>	<b>\$ 53.5</b>	<b>\$ 53.5</b>	<b>\$ -</b>	<b>\$ 53.5</b>	<b>\$ 53.5</b>	<b>\$ -</b>
<b>Restricted Use Aid - State Sources</b>											
State Aid for Libraries	\$ 5.7	\$ 8.1	\$ 8.8	\$ 8.8	\$ 8.8	\$ 8.8	\$ 8.8	\$ -	\$ 8.8	\$ 8.8	\$ -
Library Const. Aid	1.6	2.5	2.6	2.5	2.8	2.8	2.8	-	2.5	2.5	-
Police & Fire Incentive	0.9	1.1	-	-	-	-	-	-	-	-	-
Prop. Reval. Reimb.	0.0	0.6	1.6	0.8	1.1	1.0	0.9	(0.1)	1.6	1.6	-
Actuarial Valuation	-	-	-	-	-	0.2	0.2	-	-	-	-
<b>Subtotal</b>	<b>\$ 8.2</b>	<b>\$ 12.3</b>	<b>\$ 13.0</b>	<b>\$ 12.1</b>	<b>\$ 12.7</b>	<b>\$ 12.8</b>	<b>\$ 12.7</b>	<b>\$ (0.1)</b>	<b>\$ 12.9</b>	<b>\$ 12.9</b>	<b>\$ -</b>
<b>Total - State Sources</b>	<b>\$ 105.7</b>	<b>\$ 202.0</b>	<b>\$ 168.2</b>	<b>\$ 60.0</b>	<b>\$ 66.2</b>	<b>\$ 66.3</b>	<b>\$ 66.2</b>	<b>\$ (0.1)</b>	<b>\$ 66.3</b>	<b>\$ 66.3</b>	<b>\$ -</b>
<b>Other Aid - Pass-Through</b>											
<b>Public Service Corp.</b>	<b>\$ 12.8</b>	<b>\$ 14.6</b>	<b>\$ 10.2</b>	<b>\$ 11.8</b>	<b>\$ 11.8</b>	<b>\$ 11.8</b>	<b>\$ 12.7</b>	<b>\$ 0.8</b>	<b>\$ 11.8</b>	<b>\$ 12.7</b>	<b>\$ 0.8</b>

- Distressed Communities Relief Fund.** The House Finance Committee recommends \$10.4 million in FY 2013 to fund the Distressed Communities Relief Program at the enacted amount. Communities' aid distribution is based on updated qualifying tax levies. Updated data shows that Cranston now qualifies for distressed aid in FY 2013. Communities entering and exiting the program receive 50.0 percent of what would otherwise be full funding under the formula. The Committee also recommends changing the statute to allow distressed aid payments to be made in August. Communities are currently paid twice a year; August and March.
- Payment in Lieu of Taxes Program.** The House Finance Committee recommends \$33.1 million to fund the Payment in Lieu of Taxes program at the enacted level. This program reimburses cities and towns for property taxes that would have been due on real property owned by nonprofit educational institutions, nonprofit hospitals, or any state-owned hospital, veterans' residential facility or correctional facility, which is exempt from taxation by state law. Reimbursement is 27.0 percent of the forgone tax, subject to appropriation. Distributions to communities reflect updated data and a ratable reduction to the appropriation. The recommendation represents a reimbursement of 21.4 percent of the value.
- Motor Vehicle Excise Tax Phase-Out.** The House Finance Committee recommends level funding the program in FY 2012 and FY 2013 at the \$10.0 million enacted amount.
- Library Resource Sharing Aid.** The Committee provides \$8.8 million in both FY 2012 and FY 2013 to fund library operating aid at the enacted level. FY 2013 community distributions reflect updated data and a ratable reduction to the appropriation.
- Library Construction Aid.** The Committee provides \$2.8 million to fully fund library construction aid requirements in FY 2012 and \$2.5 million in FY 2013. 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 2011 Assembly adopted legislation to set a three-year moratorium on the acceptance of applications for library construction aid projects.
- Property Valuation Reimbursement.** The Committee provides full funding of \$0.9 million in FY 2012 and \$1.6 million in FY 2013 to reimburse communities conducting property valuation updates.

- **Public Service Corporation Tax.** The FY 2012 and FY 2013 budgets assume the state will collect \$12.7 million 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.
- **Actuarial Valuations.** Pension legislation adopted by the 2011 Assembly requires municipalities administering local plans to complete actuarial reviews and to submit them to the study commission, with the state reimbursing communities for half the cost. The Governor includes legislation in Article 26 of 2012-H 7323, clarifying that the state will reimburse municipalities for half of the cost of the actuarial valuations that are due on April 1, 2012. Subsequent annual actuarial valuations will not be reimbursed by the state. The FY 2012 budget includes \$234,000 for the reimbursements.



## **Distribution by Community**

## General Aid Total

Includes Distressed Communities, PILOT, and Motor Vehicles Excise Tax

<i>Community</i>	<i>FY 2012 Enacted</i>	<i>FY 2012 Revised</i>	<i>Revised Difference</i>	<i>FY 2012 HFC</i>	<i>HFC to Rev. Rec.</i>
Barrington	\$ 299,458	\$ 299,458	\$ -	\$ 299,458	\$ -
Bristol	832,543	832,543	-	832,543	-
Burrillville	573,846	573,846	-	573,846	-
Central Falls	401,735	400,398	(1,337)	400,398	-
Charlestown	41,218	41,218	-	41,218	-
Coventry	225,597	225,597	-	225,597	-
Cranston	5,758,680	5,758,680	-	5,758,680	-
Cumberland	216,637	216,637	-	216,637	-
East Greenwich	132,203	132,203	-	132,203	-
East Providence	1,355,956	1,355,956	-	1,355,956	-
Exeter	82,437	82,437	-	82,437	-
Foster	69,808	69,808	-	69,808	-
Glocester	94,919	94,919	-	94,919	-
Hopkinton	65,621	65,621	-	65,621	-
Jamestown	36,685	36,685	-	36,685	-
Johnston	382,377	382,377	-	382,377	-
Lincoln	236,662	236,662	-	236,662	-
Little Compton	23,548	23,548	-	23,548	-
Middletown	89,262	89,262	-	89,262	-
Narragansett	95,791	95,791	-	95,791	-
Newport	1,071,593	1,071,593	-	1,071,593	-
New Shoreham	8,132	8,132	-	8,132	-
North Kingstown	230,181	230,181	-	230,181	-
North Providence	1,479,595	1,476,380	(3,215)	1,476,380	-
North Smithfield	173,847	173,847	-	173,847	-
Pawtucket	2,634,322	2,624,850	(9,472)	2,624,850	-
Portsmouth	109,483	109,483	-	109,483	-
Providence	29,871,643	29,896,872	25,229	29,896,872	-
Richmond	60,200	60,200	-	60,200	-
Scituate	127,207	127,207	-	127,207	-
Smithfield	815,173	815,173	-	815,173	-
South Kingstown	332,795	332,795	-	332,795	-
Tiverton	108,700	108,700	-	108,700	-
Warren	82,773	82,773	-	82,773	-
Warwick	2,397,800	2,397,800	-	2,397,800	-
Westerly	359,417	359,417	-	359,417	-
West Greenwich	49,532	49,532	-	49,532	-
West Warwick	1,124,125	1,118,339	(5,786)	1,118,339	-
Woonsocket	1,413,369	1,407,950	(5,419)	1,407,950	-
<b>Total</b>	<b>\$ 53,464,867</b>	<b>\$ 53,464,867</b>	<b>\$ -</b>	<b>\$ 53,464,867</b>	<b>\$ -</b>



## General Aid Total

Includes Distressed Communities, PILOT, and Motor Vehicles Excise Tax

<i>Community</i>	<i>FY 2012 Enacted</i>	<i>FY 2013 Gov. Rec.</i>	<i>FY 2013 Rec. to Enacted</i>	<i>FY 2013 HFC</i>	<i>HFC to FY 2013 Rec.</i>
Barrington	\$ 299,458	\$ 284,044	\$ (15,414)	\$ 284,044	\$ -
Bristol	832,543	790,205	(42,338)	790,205	-
Burrillville	573,846	323,682	(250,164)	323,682	-
Central Falls	401,735	397,028	(4,707)	397,028	-
Charlestown	41,218	41,218	-	41,218	-
Coventry	225,597	225,597	-	225,597	-
Cranston	5,758,680	6,708,514	949,834	6,708,514	-
Cumberland	216,637	216,609	(28)	216,609	-
East Greenwich	132,203	288,083	155,880	288,083	-
East Providence	1,355,956	608,283	(747,673)	608,283	-
Exeter	82,437	82,437	-	82,437	-
Foster	69,808	69,768	(40)	69,768	-
Glocester	94,919	94,919	-	94,919	-
Hopkinton	65,621	65,621	-	65,621	-
Jamestown	36,685	36,685	-	36,685	-
Johnston	382,377	382,377	-	382,377	-
Lincoln	236,662	236,662	-	236,662	-
Little Compton	23,548	23,548	-	23,548	-
Middletown	89,262	89,262	-	89,262	-
Narragansett	95,791	95,791	-	95,791	-
Newport	1,071,593	1,044,183	(27,410)	1,044,183	-
New Shoreham	8,132	8,132	-	8,132	-
North Kingstown	230,181	230,059	(122)	230,059	-
North Providence	1,479,595	1,904,635	425,040	1,904,635	-
North Smithfield	173,847	173,847	-	173,847	-
Pawtucket	2,634,322	2,480,286	(154,036)	2,480,286	-
Portsmouth	109,483	109,483	-	109,483	-
Providence	29,871,643	29,882,983	11,340	29,882,983	-
Richmond	60,200	60,200	-	60,200	-
Scituate	127,207	127,207	-	127,207	-
Smithfield	815,173	779,098	(36,075)	779,098	-
South Kingstown	332,795	323,435	(9,360)	323,435	-
Tiverton	108,700	108,700	-	108,700	-
Warren	82,773	82,773	-	82,773	-
Warwick	2,397,800	2,307,128	(90,672)	2,307,128	-
Westerly	359,417	349,102	(10,314)	349,102	-
West Greenwich	49,532	49,532	-	49,532	-
West Warwick	1,124,125	1,041,849	(82,276)	1,041,849	-
Woonsocket	1,413,369	1,341,903	(71,466)	1,341,903	-
<b>Total</b>	<b>\$ 53,464,867</b>	<b>\$ 53,464,867</b>	<b>\$ -</b>	<b>\$ 53,464,867</b>	<b>\$ -</b>

## Distressed Communities Relief

<i>City or Town</i>	<i>FY 2012 Enacted</i>	<i>FY 2012 Revised</i>	<i>Revised Difference</i>	<i>FY 2012 HFC</i>	<i>HFC to Rev. Rec.</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	243,867	243,867	-	243,867	-
Central Falls	293,509	292,172	(1,337)	292,172	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	-	-	-	-	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	757,468	757,468	-	757,468	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	624,043	620,828	(3,215)	620,828	-
North Smithfield	-	-	-	-	-
Pawtucket	1,534,272	1,524,800	(9,472)	1,524,800	-
Portsmouth	-	-	-	-	-
Providence	5,143,906	5,169,135	25,229	5,169,135	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	900,192	894,406	(5,786)	894,406	-
Woonsocket	887,201	881,782	(5,419)	881,782	-
<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 2012 Enacted</i>	<i>FY 2013 Gov. Rec.</i>	<i>FY 2013 Rec. to Enacted</i>	<i>FY 2013 HFC</i>	<i>HFC to FY 2013 Rec.</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	243,867	-	(243,867)	-	-
Central Falls	293,509	289,707	(3,802)	289,707	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	-	1,201,480	1,201,480	1,201,480	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	757,468	-	(757,468)	-	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	624,043	1,025,738	401,695	1,025,738	-
North Smithfield	-	-	-	-	-
Pawtucket	1,534,272	1,416,751	(117,521)	1,416,751	-
Portsmouth	-	-	-	-	-
Providence	5,143,906	4,804,334	(339,572)	4,804,334	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	900,192	817,916	(82,276)	817,916	-
Woonsocket	887,201	828,531	(58,670)	828,531	-
<b>Total</b>	<b>\$ 10,384,458</b>	<b>\$ 10,384,458</b>	<b>\$ -</b>	<b>\$ 10,384,458</b>	<b>\$ -</b>

## Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2012 Enacted</i>	<i>FY 2012 Revised</i>	<i>Revised Difference</i>	<i>FY 2012 HFC</i>	<i>HFC to Rev. Rec.</i>
Barrington	\$ 54,250	\$ 54,250	\$ -	\$ 54,250	\$ -
Bristol	715,338	715,338	-	715,338	-
Burrillville	115,270	115,270	-	115,270	-
Central Falls	23,896	23,896	-	23,896	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	4,807,055	4,807,055	-	4,807,055	-
Cumberland	124	124	-	124	-
East Greenwich	8,725	8,725	-	8,725	-
East Providence	153,404	153,404	-	153,404	-
Exeter	-	-	-	-	-
Foster	475	475	-	475	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	932,981	932,981	-	932,981	-
New Shoreham	-	-	-	-	-
North Kingstown	1,981	1,981	-	1,981	-
North Providence	505,425	505,425	-	505,425	-
North Smithfield	-	-	-	-	-
Pawtucket	435,268	435,268	-	435,268	-
Portsmouth	-	-	-	-	-
Providence	23,109,815	23,109,815	-	23,109,815	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	533,237	533,237	-	533,237	-
South Kingstown	160,632	160,632	-	160,632	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,241,268	1,241,268	-	1,241,268	-
Westerly	128,720	128,720	-	128,720	-
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	152,545	152,545	-	152,545	-
<b>Total</b>	<b>\$ 33,080,409</b>	<b>\$ 33,080,409</b>	<b>\$ -</b>	<b>\$ 33,080,409</b>	<b>\$ -</b>

## Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2012 Enacted</i>	<i>FY 2013 Gov. Rec.</i>	<i>FY 2013 Rec. to Enacted</i>	<i>FY 2013 HFC</i>	<i>HFC to FY 2013 Rec.</i>
Barrington	\$ 54,250	\$ 38,836	\$ (15,414)	\$ 38,836	\$ -
Bristol	715,338	673,000	(42,338)	673,000	-
Burrillville	115,270	108,973	(6,297)	108,973	-
Central Falls	23,896	22,991	(905)	22,991	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	4,807,055	4,555,409	(251,646)	4,555,409	-
Cumberland	124	96	(28)	96	-
East Greenwich	8,725	164,605	155,880	164,605	-
East Providence	153,404	163,199	9,795	163,199	-
Exeter	-	-	-	-	-
Foster	475	435	(40)	435	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	932,981	905,571	(27,410)	905,571	-
New Shoreham	-	-	-	-	-
North Kingstown	1,981	1,859	(122)	1,859	-
North Providence	505,425	528,770	23,345	528,770	-
North Smithfield	-	-	-	-	-
Pawtucket	435,268	398,753	(36,515)	398,753	-
Portsmouth	-	-	-	-	-
Providence	23,109,815	23,460,727	350,912	23,460,727	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	533,237	497,162	(36,075)	497,162	-
South Kingstown	160,632	151,272	(9,360)	151,272	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,241,268	1,150,596	(90,672)	1,150,596	-
Westerly	128,720	118,406	(10,314)	118,406	-
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	152,545	139,749	(12,796)	139,749	-
<b>Total</b>	<b>\$ 33,080,409</b>	<b>\$ 33,080,409</b>	<b>\$ -</b>	<b>\$ 33,080,409</b>	<b>\$ -</b>

## Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2012 Enacted</i>	<i>FY 2012 Revised</i>	<i>Revised Difference</i>	<i>FY 2012 HFC</i>	<i>HFC to Rev. Rec.</i>
Barrington	\$ 245,208	\$ 245,208	\$ -	\$ 245,208	\$ -
Bristol	117,205	117,205	-	117,205	-
Burrillville	214,709	214,709	-	214,709	-
Central Falls	84,330	84,330	-	84,330	-
Charlestown	41,218	41,218	-	41,218	-
Coventry	225,597	225,597	-	225,597	-
Cranston	951,625	951,625	-	951,625	-
Cumberland	216,513	216,513	-	216,513	-
East Greenwich	123,478	123,478	-	123,478	-
East Providence	445,084	445,084	-	445,084	-
Exeter	82,437	82,437	-	82,437	-
Foster	69,333	69,333	-	69,333	-
Glocester	94,919	94,919	-	94,919	-
Hopkinton	65,621	65,621	-	65,621	-
Jamestown	36,685	36,685	-	36,685	-
Johnston	382,377	382,377	-	382,377	-
Lincoln	236,662	236,662	-	236,662	-
Little Compton	23,548	23,548	-	23,548	-
Middletown	89,262	89,262	-	89,262	-
Narragansett	95,791	95,791	-	95,791	-
Newport	138,612	138,612	-	138,612	-
New Shoreham	8,132	8,132	-	8,132	-
North Kingstown	228,200	228,200	-	228,200	-
North Providence	350,127	350,127	-	350,127	-
North Smithfield	173,847	173,847	-	173,847	-
Pawtucket	664,782	664,782	-	664,782	-
Portsmouth	109,483	109,483	-	109,483	-
Providence	1,617,922	1,617,922	-	1,617,922	-
Richmond	60,200	60,200	-	60,200	-
Scituate	127,207	127,207	-	127,207	-
Smithfield	281,936	281,936	-	281,936	-
South Kingstown	172,163	172,163	-	172,163	-
Tiverton	108,700	108,700	-	108,700	-
Warren	82,773	82,773	-	82,773	-
Warwick	1,156,532	1,156,532	-	1,156,532	-
Westerly	230,696	230,696	-	230,696	-
West Greenwich	49,532	49,532	-	49,532	-
West Warwick	223,933	223,933	-	223,933	-
Woonsocket	373,623	373,623	-	373,623	-
<b>Total</b>	<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ -</b>	<b>\$ 10,000,000</b>	<b>\$ -</b>

## Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2012 Enacted</i>	<i>FY 2013 Gov. Rec.</i>	<i>FY 2013 Rec. to Enacted</i>	<i>FY 2013 HFC</i>	<i>HFC to FY 2013 Rec.</i>
Barrington	\$ 245,208	\$ 245,208	\$ -	\$ 245,208	\$ -
Bristol	117,205	117,205	-	117,205	-
Burrillville	214,709	214,709	-	214,709	-
Central Falls	84,330	84,330	-	84,330	-
Charlestown	41,218	41,218	-	41,218	-
Coventry	225,597	225,597	-	225,597	-
Cranston	951,625	951,625	-	951,625	-
Cumberland	216,513	216,513	-	216,513	-
East Greenwich	123,478	123,478	-	123,478	-
East Providence	445,084	445,084	-	445,084	-
Exeter	82,437	82,437	-	82,437	-
Foster	69,333	69,333	-	69,333	-
Glocester	94,919	94,919	-	94,919	-
Hopkinton	65,621	65,621	-	65,621	-
Jamestown	36,685	36,685	-	36,685	-
Johnston	382,377	382,377	-	382,377	-
Lincoln	236,662	236,662	-	236,662	-
Little Compton	23,548	23,548	-	23,548	-
Middletown	89,262	89,262	-	89,262	-
Narragansett	95,791	95,791	-	95,791	-
Newport	138,612	138,612	-	138,612	-
New Shoreham	8,132	8,132	-	8,132	-
North Kingstown	228,200	228,200	-	228,200	-
North Providence	350,127	350,127	-	350,127	-
North Smithfield	173,847	173,847	-	173,847	-
Pawtucket	664,782	664,782	-	664,782	-
Portsmouth	109,483	109,483	-	109,483	-
Providence	1,617,922	1,617,922	-	1,617,922	-
Richmond	60,200	60,200	-	60,200	-
Scituate	127,207	127,207	-	127,207	-
Smithfield	281,936	281,936	-	281,936	-
South Kingstown	172,163	172,163	-	172,163	-
Tiverton	108,700	108,700	-	108,700	-
Warren	82,773	82,773	-	82,773	-
Warwick	1,156,532	1,156,532	-	1,156,532	-
Westerly	230,696	230,696	-	230,696	-
West Greenwich	49,532	49,532	-	49,532	-
West Warwick	223,933	223,933	-	223,933	-
Woonsocket	373,623	373,623	-	373,623	-
<b>Total</b>	<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ -</b>	<b>\$ 10,000,000</b>	<b>\$ -</b>

## Library Aid

<i>City or Town</i>	<i>FY 2012 Enacted**</i>	<i>FY 2012 Revised</i>	<i>Revised Difference</i>	<i>FY 2012 HFC</i>	<i>HFC to Rev. Rec.</i>
Barrington	\$ 332,622	\$ 332,622	\$ -	\$ 332,622	\$ -
Bristol	119,255	119,255	-	119,255	-
Burrillville	124,048	124,048	-	124,048	-
Central Falls	62,301	62,301	-	62,301	-
Charlestown	47,345	47,345	-	47,345	-
Coventry	203,149	203,149	-	203,149	-
Cranston	530,519	530,519	-	530,519	-
Cumberland	266,209	266,209	-	266,209	-
East Greenwich	111,399	111,399	-	111,399	-
East Providence	395,804	395,804	-	395,804	-
Exeter	40,392	40,392	-	40,392	-
Foster	31,425	31,425	-	31,425	-
Glocester	70,178	70,178	-	70,178	-
Hopkinton	29,512	29,512	-	29,512	-
Jamestown	77,618	77,618	-	77,618	-
Johnston	110,371	110,371	-	110,371	-
Lincoln	186,608	186,608	-	186,608	-
Little Compton	28,295	28,295	-	28,295	-
Middletown	126,526	126,526	-	126,526	-
Narragansett	123,812	123,812	-	123,812	-
Newport	377,002	377,002	-	377,002	-
New Shoreham	73,576	73,576	-	73,576	-
North Kingstown	257,813	257,813	-	257,813	-
North Providence	163,008	163,008	-	163,008	-
North Smithfield	63,053	63,053	-	63,053	-
Pawtucket	365,315	365,315	-	365,315	-
Portsmouth	102,565	102,565	-	102,565	-
Providence*	2,337,393	2,337,393	-	2,337,393	-
Richmond	22,762	22,762	-	22,762	-
Scituate	94,735	94,735	-	94,735	-
Smithfield	267,131	267,131	-	267,131	-
South Kingstown	203,044	203,044	-	203,044	-
Tiverton	76,399	76,399	-	76,399	-
Warren	52,283	52,283	-	52,283	-
Warwick	638,711	638,711	-	638,711	-
Westerly	269,310	269,310	-	269,310	-
West Greenwich	26,493	26,493	-	26,493	-
West Warwick	173,748	173,748	-	173,748	-
Woonsocket	191,671	191,671	-	191,671	-
<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.

\*\*Recommended distribution reflects last year's data; updated data changes enacted distribution.



## Library Aid

<i>City or Town</i>	<i>FY 2012 Enacted**</i>	<i>FY 2013 Gov. Rec.</i>	<i>FY 2013 Rec. to Enacted</i>	<i>FY 2013 HFC</i>	<i>HFC to FY 2013 Rec.</i>
Barrington	\$ 332,622	\$ 334,107	\$ 1,485	\$ 334,107	\$ -
Bristol	119,255	118,895	(360)	118,895	-
Burrillville	124,048	125,987	1,939	125,987	-
Central Falls	62,301	47,079	(15,222)	47,079	-
Charlestown	47,345	47,128	(217)	47,128	-
Coventry	203,149	207,369	4,220	207,369	-
Cranston	530,519	524,404	(6,115)	524,404	-
Cumberland	266,209	264,240	(1,969)	264,240	-
East Greenwich	111,399	114,121	2,722	114,121	-
East Providence	395,804	416,425	20,621	416,425	-
Exeter	40,392	40,082	(310)	40,082	-
Foster	31,425	29,625	(1,800)	29,625	-
Glocester	70,178	69,879	(299)	69,879	-
Hopkinton	29,512	29,999	487	29,999	-
Jamestown	77,618	79,139	1,521	79,139	-
Johnston	110,371	111,963	1,592	111,963	-
Lincoln	186,608	189,340	2,732	189,340	-
Little Compton	28,295	28,078	(217)	28,078	-
Middletown	126,526	128,935	2,409	128,935	-
Narragansett	123,812	121,555	(2,257)	121,555	-
Newport	377,002	374,002	(3,000)	374,002	-
New Shoreham	73,576	73,011	(565)	73,011	-
North Kingstown	257,813	257,842	29	257,842	-
North Providence	163,008	164,384	1,376	164,384	-
North Smithfield	63,053	62,569	(484)	62,569	-
Pawtucket	365,315	369,002	3,687	369,002	-
Portsmouth	102,565	102,367	(198)	102,367	-
Providence*	2,337,393	2,292,590	(44,803)	2,292,590	-
Richmond	22,762	24,829	2,067	24,829	-
Scituate	94,735	94,008	(727)	94,008	-
Smithfield	267,131	265,315	(1,816)	265,315	-
South Kingstown	203,044	196,594	(6,450)	196,594	-
Tiverton	76,399	91,928	15,529	91,928	-
Warren	52,283	51,832	(451)	51,832	-
Warwick	638,711	662,952	24,241	662,952	-
Westerly	269,310	270,491	1,181	270,491	-
West Greenwich	26,493	26,290	(203)	26,290	-
West Warwick	173,748	171,858	(1,890)	171,858	-
Woonsocket	191,671	193,184	1,513	193,184	-
<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.

\*\*Recommended distribution reflects last year's data; updated data changes enacted distribution.

## Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2012 Enacted</i>	<i>FY 2012 Revised</i>	<i>Revised Difference</i>	<i>FY 2012 HFC</i>	<i>HFC to Rev. Rec.</i>
Barrington	\$ 183,789	\$ 183,789	\$ -	\$ 196,291	\$ 12,502
Bristol	250,908	250,908	-	276,252	25,344
Burrillville	186,455	186,455	-	192,019	5,564
Central Falls	210,526	210,526	-	233,190	22,664
Charlestown	90,899	90,899	-	94,198	3,299
Coventry	392,965	392,965	-	421,394	28,429
Cranston	901,294	901,294	-	967,459	66,165
Cumberland	386,610	386,610	-	403,245	16,635
East Greenwich	150,021	150,021	-	158,212	8,191
East Providence	546,338	546,338	-	566,091	19,753
Exeter	70,967	70,967	-	77,325	6,358
Foster	51,057	51,057	-	55,433	4,376
Glocester	118,694	118,694	-	117,293	(1,401)
Hopkinton	90,134	90,134	-	98,543	8,409
Jamestown	61,563	61,563	-	65,049	3,486
Johnston	321,852	321,852	-	346,235	24,383
Lincoln	248,017	248,017	-	253,999	5,982
Little Compton	39,662	39,662	-	42,026	2,364
Middletown	180,392	180,392	-	194,366	13,974
Narragansett	185,510	185,510	-	190,972	5,462
Newport	263,968	263,968	-	296,928	32,960
New Shoreham	11,642	11,642	-	12,649	1,007
North Kingstown	299,817	299,817	-	318,759	18,942
North Providence	368,297	368,297	-	386,059	17,762
North Smithfield	129,864	129,864	-	144,023	14,159
Pawtucket	809,361	809,361	-	856,267	46,906
Portsmouth	190,009	190,009	-	209,277	19,268
Providence	1,933,712	1,933,712	-	2,142,738	209,026
Richmond	86,006	86,006	-	92,766	6,760
Scituate	122,080	122,080	-	124,310	2,230
Smithfield	238,524	238,524	-	257,910	19,386
South Kingstown	328,399	328,399	-	368,741	40,342
Tiverton	167,658	167,658	-	189,913	22,255
Warren	122,575	122,575	-	127,704	5,129
Warwick	953,420	953,420	-	994,959	41,539
Westerly	264,339	264,339	-	274,242	9,903
West Greenwich	71,900	71,900	-	73,835	1,935
West Warwick	329,895	329,895	-	351,314	21,419
Woonsocket	487,868	487,868	-	495,674	7,806
<b>Total</b>	<b>\$ 11,846,987</b>	<b>\$ 11,846,987</b>	<b>\$ -</b>	<b>\$ 12,667,660</b>	<b>\$ 820,673</b>

## Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2012 Enacted</i>	<i>FY 2013 Gov. Rec.</i>	<i>FY 2013 Rec. to Enacted</i>	<i>FY 2013 HFC</i>	<i>HFC to FY 2013 Rec.</i>
Barrington	\$ 183,789	\$ 183,789	\$ -	\$ 196,291	\$ 12,502
Bristol	250,908	250,908	-	276,252	25,344
Burrillville	186,455	186,455	-	192,019	5,564
Central Falls	210,526	210,526	-	233,190	22,664
Charlestown	90,899	90,899	-	94,198	3,299
Coventry	392,965	392,965	-	421,394	28,429
Cranston	901,294	901,294	-	967,459	66,165
Cumberland	386,610	386,610	-	403,245	16,635
East Greenwich	150,021	150,021	-	158,212	8,191
East Providence	546,338	546,338	-	566,091	19,753
Exeter	70,967	70,967	-	77,325	6,358
Foster	51,057	51,057	-	55,433	4,376
Glocester	118,694	118,694	-	117,293	(1,401)
Hopkinton	90,134	90,134	-	98,543	8,409
Jamestown	61,563	61,563	-	65,049	3,486
Johnston	321,852	321,852	-	346,235	24,383
Lincoln	248,017	248,017	-	253,999	5,982
Little Compton	39,662	39,662	-	42,026	2,364
Middletown	180,392	180,392	-	194,366	13,974
Narragansett	185,510	185,510	-	190,972	5,462
Newport	263,968	263,968	-	296,928	32,960
New Shoreham	11,642	11,642	-	12,649	1,007
North Kingstown	299,817	299,817	-	318,759	18,942
North Providence	368,297	368,297	-	386,059	17,762
North Smithfield	129,864	129,864	-	144,023	14,159
Pawtucket	809,361	809,361	-	856,267	46,906
Portsmouth	190,009	190,009	-	209,277	19,268
Providence	1,933,712	1,933,712	-	2,142,738	209,026
Richmond	86,006	86,006	-	92,766	6,760
Scituate	122,080	122,080	-	124,310	2,230
Smithfield	238,524	238,524	-	257,910	19,386
South Kingstown	328,399	328,399	-	368,741	40,342
Tiverton	167,658	167,658	-	189,913	22,255
Warren	122,575	122,575	-	127,704	5,129
Warwick	953,420	953,420	-	994,959	41,539
Westerly	264,339	264,339	-	274,242	9,903
West Greenwich	71,900	71,900	-	73,835	1,935
West Warwick	329,895	329,895	-	351,314	21,419
Woonsocket	487,868	487,868	-	495,674	7,806
<b>Total</b>	<b>\$ 11,846,987</b>	<b>\$ 11,846,987</b>	<b>\$ -</b>	<b>\$ 12,667,660</b>	<b>\$ 820,673</b>



## FY 2013 Education Aid

The House Finance Committee funds the second year of the education funding formula adopted by the 2010 Assembly. The calculation for FY 2013 uses March 14, 2012 student enrollment data adjusted for FY 2013 anticipated charter school enrollments, a per pupil core instruction amount of \$8,679 and state share ratio variables updated with June 30, 2011 data. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years, adjusted for the infusion of \$11.0 million to accelerate this, and districts that are going to receive less funding will have that loss phased in over ten years. The Governor had proposed using \$0.5 million from federal education jobs funds that districts will receive in FY 2012 for use in FY 2013 in lieu of general revenues. The House Finance Committee does not concur and restores the general revenues.

The budget also includes the Governor's proposed legislation to alter the payment schedule for both operations and housing aid so that districts receive funding earlier.

### Total Funding to Districts

**A.** Column **A** is the amount that districts would receive in the second year of the new 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 group home aid districts will receive in FY 2013. Group home aid will be paid pursuant to current law in addition to aid paid through the funding formula.

**C.** The formula allows for additional funding from the state for high-cost special education students, high-cost career and technical programs, early childhood education programs, transportation costs and a limited two-year bonus for regionalized districts. Column **C** shows the House Finance Committee recommendation.

**D.** The Budget adds a total of \$11.0 million from general revenues to accelerate the phase in of funding to underfunded districts. Column **D** shows the amount of additional funding allocated to school districts.

**E.** Column **E** includes the House Finance Committee's FY 2013 total education aid recommendation.

**F.** Column **F** is the FY 2012 enacted aid from all sources including group home aid, categorical aid and federal funds.

**G.** Column **G** is the difference between the House Finance Committee's FY 2013 recommendation shown in Column **E** and the FY 2012 enacted budget in Column **F**.

**H.** Column **H** is the Governor's FY 2013 recommended budget. It was based on June 30, 2011 student enrollment data.

**I.** Column **I** is the difference between the House Finance Committee's FY 2013 recommendation shown in Column **E** and the Governor's FY 2013 recommendation shown in Column **H**.

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
<i>District</i>	<i>FY 2013 Formula Aid</i>	<i>Group Home Aid</i>	<i>All Categoricals</i>	<i>Accelerate Underfunded Districts</i>	<i>Total FY 2013 HFC</i>
Barrington	\$ 3,012,410	\$ -	\$ 29,672	\$ 308,822	\$ 3,350,904
Burrillville	12,613,943	330,000	7,822	13,736	12,965,501
Charlestown	1,675,680	-	16,757	2,232	1,694,669
Coventry	19,235,812	120,000	25,561	325,701	19,707,074
Cranston	37,363,408	-	246,074	1,579,386	39,188,868
Cumberland	13,418,467	-	48,236	368,057	13,834,760
East Greenwich	1,794,473	-	22,097	138,666	1,955,236
East Providence	25,785,756	636,000	72,668	498,881	26,993,305
Foster	1,209,151	-	5,176	-	1,214,327
Glocester	2,785,722	-	6,963	-	2,792,685
Hopkinton	5,560,369	-	55,604	-	5,615,973
Jamestown	358,137	-	5,324	-	363,461
Johnston	10,519,989	120,000	166,616	276,893	11,083,498
Lincoln	7,636,035	135,000	18,317	366,977	8,156,329
Little Compton	330,671	-	-	7,995	338,666
Middletown	8,802,092	480,000	6,149	-	9,288,241
Narragansett	1,605,757	-	1,799	55,704	1,663,260
Newport	10,273,144	360,000	3,225	24,693	10,661,062
New Shoreham	67,126	-	2,658	2,508	72,292
North Kingstown	10,729,378	-	2,893	25,933	10,758,204
North Providence	13,358,663	240,000	113,415	427,030	14,139,108
North Smithfield	4,836,545	120,000	17,750	159,685	5,133,980
Pawtucket	66,213,213	855,000	5,179	1,173,249	68,246,641
Portsmouth	4,794,137	585,000	1,695	-	5,380,832
Providence	191,216,803	2,640,000	240,174	3,871,402	197,968,379
Richmond	5,420,352	-	54,204	-	5,474,556
Scituate	3,387,348	-	14,799	112,682	3,514,829
Smithfield	4,713,864	240,000	28,891	-	4,982,755
South Kingstown	8,099,120	375,000	37,855	-	8,511,975
Tiverton	5,561,609	-	5,904	110,296	5,677,809
Warwick	33,850,755	360,000	41,736	196,970	34,449,461
Westerly	6,374,084	-	11,821	186,257	6,572,162
West Warwick	19,543,409	-	35,967	195,651	19,775,027
Woonsocket	46,000,076	165,000	29,720	550,159	46,744,955
Bristol-Warren	17,121,724	210,000	500,646	-	17,832,370
Chariho	306,562	-	591,888	-	898,450
Exeter-West Greenwich	6,118,851	210,000	377,097	-	6,705,948
Foster-Glocester	5,091,550	-	197,473	-	5,289,023
Central Falls	39,705,880	-	38,808	-	39,744,688
<b>Total</b>	<b>\$ 656,492,066</b>	<b>\$ 8,181,000</b>	<b>\$ 3,088,633</b>	<b>\$ 10,979,565</b>	<b>\$ 678,741,264</b>
<i>Adjusted Chariho</i>	12,962,964	-	718,453	2,232	13,683,649

<i>District</i>	<i>F</i>	<i>G</i>	<i>H</i>	<i>I</i>
	<i>FY 2012 Enacted</i>	<i>Total FY 2013 Change to Enacted</i>	<i>FY 2013 Governor</i>	<i>FY 2013 Total Change to Gov.</i>
Barrington	\$ 2,374,854	\$ 976,050	\$ 3,370,717	\$ (19,813)
Burrillville	13,008,772	(43,271)	13,009,052	(43,551)
Charlestown	1,704,449	(9,779)	1,689,006	5,664
Coventry	18,670,838	1,036,236	19,738,694	(31,621)
Cranston	34,148,058	5,040,810	39,064,573	124,295
Cumberland	12,663,079	1,171,681	13,841,381	(6,621)
East Greenwich	1,507,198	448,038	1,950,924	4,313
East Providence	25,375,608	1,617,697	26,863,931	129,374
Foster	1,242,314	(27,986)	1,206,317	8,011
Glocester	2,862,833	(70,148)	2,790,202	2,483
Hopkinton	5,726,195	(110,221)	5,607,382	8,591
Jamestown	369,267	(5,806)	363,847	(387)
Johnston	10,131,916	951,581	11,034,658	48,839
Lincoln	6,999,556	1,156,773	8,254,537	(98,208)
Little Compton	313,858	24,808	340,598	(1,932)
Middletown	9,407,808	(119,567)	9,299,413	(11,172)
Narragansett	1,488,608	174,652	1,672,773	(9,513)
Newport	10,701,213	(40,151)	10,610,691	50,371
New Shoreham	61,851	10,442	75,024	(2,732)
North Kingstown	10,674,839	83,365	10,812,936	(54,731)
North Providence	12,751,556	1,387,552	14,051,305	87,803
North Smithfield	4,630,725	503,255	5,127,603	6,377
Pawtucket	64,600,780	3,645,861	68,567,688	(321,047)
Portsmouth	5,762,149	(381,318)	5,388,368	(7,536)
Providence	185,804,948	12,163,431	197,305,142	663,237
Richmond	5,648,866	(174,310)	5,472,384	2,173
Scituate	3,155,942	358,887	3,573,902	(59,073)
Smithfield	4,966,920	15,835	4,989,855	(7,100)
South Kingstown	8,832,470	(320,495)	8,519,438	(7,464)
Tiverton	5,329,648	348,160	5,691,872	(14,063)
Warwick	33,796,578	652,883	34,620,400	(170,938)
Westerly	5,982,372	589,790	6,552,106	20,056
West Warwick	19,143,704	631,323	19,834,395	(59,368)
Woonsocket	45,012,523	1,732,432	46,779,759	(34,803)
Bristol-Warren	18,625,047	(792,678)	17,831,569	801
Chariho	642,082	256,367	863,809	34,641
Exeter-West Greenwich	6,818,348	(112,400)	6,755,276	(49,328)
Foster-Glocester	5,372,978	(83,955)	5,378,015	(88,992)
Central Falls	41,145,437	(1,400,749)	39,481,039	263,649
<b>Total</b>	<b>\$ 647,456,187</b>	<b>\$ 31,285,077</b>	<b>\$ 678,380,580</b>	<b>\$ 360,684</b>
<i>Adjusted Chariho</i>	13,721,591	(37,943)	13,632,580	51,069

## Total Funding to Charter and State Schools

**A.** Column **A** is the amount that charter and state schools would receive in the second year of the formula's implementation pursuant to the ten-year phase in of the formula adjusted for schools adding grades. It assumes schools 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.** The House Finance Committee adds a total of \$11.0 million from general revenues to accelerate the phase in of funding to underfunded districts. Column **B** shows the amount of additional funding allocated to charter and state schools.

**C.** Column **C** includes the House Finance Committee's FY 2013 recommendation.

**D.** Column **D** is the starting point for calculating FY 2013 base formula aid. It is the amount that charter and state schools would receive in the second year of the formula's implementation before adjustments are made for schools adding grades.

**E.** Column **E** is the difference between the total FY 2013 recommended funding in Column **C** and the FY 2013 base amounts in Column **D**.

**F.** Column **F** shows the Governor's FY 2013 recommended formula aid.

**G.** Column **G** is the difference between the House Finance Committee's recommendation shown in Column **C** and the Governor's recommendation shown in Column **F**.



<i>School</i>	<i>A</i> <i>FY 2013</i> <i>Recommended</i> <i>Formula Aid</i>	<i>B</i> <i>Accelerate</i> <i>Underfunded</i> <i>Charters</i>	<i>C</i> <i>Total FY 2013</i> <i>HFC</i>	<i>D</i> <i>Base</i> <i>Calculation</i>
Beacon	\$ 1,694,107	\$ -	\$ 1,694,107	\$ 1,722,314
Blackstone	1,577,197	11,747	1,588,944	1,552,491
Compass	585,087	-	585,087	608,800
Greene School	898,333	-	898,333	667,150
Highlander	2,728,263	5,454	2,733,717	2,716,793
International	2,876,846	-	2,876,846	2,896,237
Kingston Hill	689,636	-	689,636	727,276
Learning Community	6,095,627	-	6,095,627	5,954,782
New England Laborers	1,610,314	-	1,610,314	1,648,397
Nurses Institute	1,621,866	-	1,621,866	1,130,376
Paul Cuffee	7,588,913	-	7,588,913	6,805,659
Mayoral Academies Blackstone Valle	6,076,368	-	6,076,368	4,050,453
Segue Institute	2,568,849	3,234	2,572,083	2,562,049
Textron	2,323,013	-	2,323,013	2,323,795
Times2 Academy	7,054,405	-	7,054,405	7,111,479
Trinity	1,073,542	-	1,073,542	726,533
<b><i>Charter Schools Subtotal</i></b>	<b><i>47,062,365</i></b>	<b><i>20,435</i></b>	<b><i>\$ 47,082,800</i></b>	<b><i>\$ 43,204,584</i></b>
Davies Career and Tech	13,381,539	-	13,381,539	14,090,211
Met School	11,648,256	-	11,648,256	12,236,284
<b>Total</b>	<b>\$ 72,092,161</b>	<b>\$ 20,435</b>	<b>\$ 72,112,596</b>	<b>\$ 69,531,079</b>

<i>School</i>	<i>E</i> <i>Change to</i> <i>Base</i> <i>Calculation</i>	<i>F</i> <i>Total FY 2013</i> <i>Recommended</i>	<i>G</i> <i>Change to FY</i> <i>2013</i> <i>Recommended</i>
Beacon	\$ (28,207)	\$ 1,696,172	\$ (2,065)
Blackstone	36,453	1,567,812	21,132
Compass	(23,713)	580,806	4,281
Greene School	231,183	826,152	72,181
Highlander	16,924	2,740,143	(6,426)
International	(19,391)	2,876,159	687
Kingston Hill	(37,640)	688,316	1,320
Learning Community	140,845	5,926,327	169,300
New England Laborers	(38,083)	1,616,987	(6,674)
Nurses Institute	491,490	1,771,215	(149,349)
Paul Cuffee	783,254	7,448,136	140,778
Mayoral Academies Blackstone Valle	2,025,915	6,140,294	(63,926)
Segue Institute	10,034	2,571,310	774
Textron	(782)	2,317,949	5,064
Times2 Academy	(57,074)	7,039,888	14,517
Trinity	347,009	1,072,866	675
<b><i>Charter Schools Subtotal</i></b>	<b>\$ 3,878,216</b>	<b>\$ 46,880,532</b>	<b>\$ 202,268</b>
Davies Career and Tech	(708,672)	13,410,454	(28,915)
Met School	(588,028)	11,610,471	37,785
<b>Total</b>	<b>\$ 2,581,517</b>	<b>\$ 71,901,457</b>	<b>\$ 211,138</b>

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## **Section IV**

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

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FY 2012 Changes to Governor		Gen. Rev.	Federal	Restricted	Other	Total
<b>Revenue Changes</b>						
1	May Revenue Conference	61,985,000	-	-	-	61,985,000
2	Bond Premium to RICAP	(6,000,000)	-	-	-	(6,000,000)
<b>Total</b>		<b>55,985,000</b>	<b>(28,390,341)</b>	<b>2,296,953</b>	<b>8,506,862</b>	<b>38,398,474</b>
<b>Expenditures Changes</b>						
<b>Administration</b>						
3	Capital - Big River Management Area Technical Correction	-	-	-	3,000	3,000
4	Capital - Board of Elections - New Location	-	-	-	(100,000)	(100,000)
5	Capital - Building 79 - Stabilize	-	-	-	(300,000)	(300,000)
6	Capital - Chapin Health Lab	-	-	-	(375,000)	(375,000)
7	Capital - Cranston Street Armory	-	-	-	(400,000)	(400,000)
8	Capital - Environmental Compliance	-	-	-	(100,000)	(100,000)
9	Capital - Fire Code Compliance	-	-	-	(400,000)	(400,000)
10	Capital - Interdepartmental Weapons Range	-	-	-	(150,000)	(150,000)
11	Capital - Pastore Buildings Demolition	-	-	-	(1,000,000)	(1,000,000)
12	Capital - Pastore Utilities Upgrade	-	-	-	(300,000)	(300,000)
13	Capital - State House Renovations	-	-	-	(1,490,000)	(1,490,000)
14	Capital - Washington County Government Center	-	-	-	300,000	300,000
15	Capital - Zambarano Utilities and Infrastructure	-	-	-	(750,000)	(750,000)
16	Debt Service Savings	(613,804)	-	-	-	(613,804)
17	DLT Federal Funds for DoIT Shortfall	(375,000)	375,000	-	-	-
18	Facilities Energy Efficiency Stimulus Grant	-	500,000	-	-	500,000
19	Health Benefits Consulting Delay	(70,000)	-	-	-	(70,000)
20	HUD Sustainable Communities Grant	-	62,563	-	-	62,563
21	I-195 Commission	50,000	-	-	-	50,000
22	IT Human Services Support	-	83,227	-	-	83,227
23	Medical Benefits Savings	-	(42,941)	(12,212)	(35,786)	(90,939)
24	Personnel Reform Study Delay	(300,000)	-	-	-	(300,000)
25	Transportation Debt Service	2,000,000	-	-	(2,000,000)	-
26	Utilities and Other	(555,000)	-	-	-	(555,000)
<b>Business Regulation</b>						
27	Insurance Assessment	-	-	15,000	-	15,000
28	OHIC Federal Grants	-	2,627,729	-	-	2,627,729
29	Turnover	(400,000)	-	-	-	(400,000)
<b>Labor and Training</b>						
30	Capital - Center General Asset Protection	-	-	-	(239,000)	(239,000)
31	Capital - Central General Roof	-	-	(248,328)	(1,013,266)	(1,261,594)
32	DLT Federal Funds for DoIT Shortfall	-	(270,834)	-	-	(270,834)
33	Grants and Operations	(119,000)	-	-	-	(119,000)
34	Medical Benefits Savings	-	(124,545)	(32,904)	(21,857)	(179,306)
35	Unemployment Insurance Extension	-	11,150,000	-	24,455,527	35,605,527
<b>Revenue</b>						
36	Central Falls and East Providence	729,471	-	-	-	729,471

<b>FY 2012 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
37	DMV Strategic Plan	(150,000)	-	-	-	(150,000)
38	DMV Turnover & Operations	(250,000)	-	-	-	(250,000)
39	Employer Tax Technology Improvement	-	14,788	10,342	10,893	36,023
40	Medical Benefits Savings	-	(13,886)	(9,628)	-	(23,514)
41	Other Turnover and Operations	(150,000)	-	-	-	(150,000)
42	Property Revaluation Reimbursements	(99,066)	-	-	-	(99,066)
						-
	<b>Legislature</b>					-
43	Medical Benefits Savings	-	-	(6,898)	-	(6,898)
						-
	<b>Lieutenant Governor</b>					-
44	Medical Benefits Savings	-	(557)	-	-	(557)
						-
	<b>Secretary of State</b>					-
45	Medical Benefits Savings	-	-	(1,030)	-	(1,030)
46	Turnover and Operations	(180,000)	-	-	-	(180,000)
						-
	<b>General Treasurer</b>					-
47	Crime Victim Compensation Claims	-	50,000	-	-	50,000
48	Defined Contribution Admin Costs	206,456	-	(446,626)	-	(240,170)
49	Medical Benefits Savings	-	(4,229)	(83,141)	(2,915)	(90,285)
50	Retirement Board Fiduciary Insurance	-	-	(127,500)	-	(127,500)
51	Turnover and Operating	(41,600)	-	-	-	(41,600)
52	Unclaimed Property	-	-	3,320,590	-	3,320,590
						-
	<b>Board of Elections</b>					-
53	Turnover and Operations	(64,000)	-	-	-	(64,000)
						-
	<b>Ethics Commission</b>					-
54	Turnover	(60,000)	-	-	-	(60,000)
						-
	<b>Governor's Office</b>					-
55	Medical Benefits Savings	-	-	(1,910)	-	(1,910)
56	Turnover and Operations	(102,584)	-	-	-	(102,584)
						-
	<b>Commission for Human Rights</b>					-
57	Medical Benefits Savings	(1,306)	-	-	-	(1,306)
58	Turnover and Operations	(5,000)	-	-	-	(5,000)
						-
	<b>Public Utilities Commission</b>					-
59	Medical Benefits Savings	-	(1,176)	(18,486)	-	(19,662)
						-
	<b>OHHS</b>					-
60	Medical Benefits Savings	(2,413)	-	-	-	(2,413)
						-
	<b>Children, Youth and Families</b>					-
61	Accreditation Delay	(450,000)	-	-	-	(450,000)
62	Capital - Mt. Hope - Fire Towers	-	-	-	(275,000)	(275,000)
63	Capital - NAFI Center	-	-	-	(280,000)	(280,000)

<b>FY 2012 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>64</b>	Capital - Youth Group Homes - Fire code Upgrades	-	-	-	(500,000)	(500,000)
<b>65</b>	Community Service Grant Adjustment	(18,540)	-	-	-	(18,540)
<b>66</b>	Federal Grant Adjustments	-	36,684	-	-	36,684
<b>67</b>	Medical Benefits Savings	-	(64,144)	-	-	(64,144)
<b>68</b>	Private Grants Received	176,100	-	-	-	176,100
<b>69</b>	System of Care Start Up	-	1,200,000	-	-	1,200,000
<b>70</b>	Turnover	(100,000)	-	-	-	(100,000)
	<b>Health</b>					
<b>71</b>	Cancer Screening Donations	-	-	20,000	-	20,000
<b>72</b>	Community and Family Health Grants	-	175,967	-	-	175,967
<b>73</b>	Medical Benefits Savings	(25,159)	(84,943)	-	-	(110,102)
<b>74</b>	Public Health Information New Grant	-	124,476	-	-	124,476
<b>75</b>	Turnover	(600,000)	-	-	-	(600,000)
	<b>Human Services</b>					
<b>76</b>	Elderly Affairs Assisted Living Medicaid Waiver	388,422	426,392	-	-	814,814
<b>77</b>	Elderly Affairs Federal Grants	-	212,908	-	-	212,908
<b>78</b>	Elderly Affairs FMAP Adjustment	-	(120,579)	-	-	(120,579)
<b>79</b>	Federal Grants Adjustments	-	629,330	-	-	629,330
<b>80</b>	May Caseload Adjustments	(31,259,688)	(37,666,355)	-	-	(68,926,043)
<b>81</b>	Medical Benefits Savings	(9,828)	(79,489)	-	-	(89,317)
<b>82</b>	Nursing Home Rate Adjustment	3,050,880	3,349,120	-	-	6,400,000
<b>83</b>	Rehabilitative Services Federal Grant	-	500,000	-	-	500,000
<b>84</b>	RIPAE Rebate Funds for Operating	(460,422)	-	285,422	-	(175,000)
<b>85</b>	Special Education	-	1,500,000	-	-	1,500,000
<b>86</b>	Turnover and Operations	(940,000)	-	-	-	(940,000)
<b>87</b>	Veterans Cemetery Columbarium	-	(515,000)	-	-	(515,000)
	<b>BHDDH</b>					
<b>88</b>	Capital - Community Facilities - Fire Code Upgrades	-	-	-	(500,000)	(500,000)
<b>89</b>	Capital - DD Private Waiver Community Facilities Fire Code Upgrades	-	(377,955)	-	(700,000)	(1,077,955)
<b>90</b>	Capital - Eleanor Slater Admin Bldgs. Renovation	-	-	-	(400,000)	(400,000)
<b>91</b>	Capital - Eleanor Slater Hospital Consolidation	-	-	-	(300,000)	(300,000)
<b>92</b>	Capital - Pastore Medical Center Rehab	-	-	-	(500,000)	(500,000)
<b>93</b>	Capital - Regional Center Repair\Rehabilitation	-	-	-	(200,000)	(200,000)
<b>94</b>	Capital - Residential Development	-	-	-	(100,000)	(100,000)
<b>95</b>	Capital - Substance Abuse Facilities Asset Protection	-	-	-	(200,000)	(200,000)
<b>96</b>	Capital - Zambarano Buildings	-	-	-	(133,000)	(133,000)
<b>97</b>	Medical Benefits Savings	(10,768)	(270,864)	-	-	(281,632)
	<b>Office of the Child Advocate</b>					
<b>98</b>	Medical Benefits Savings	-	(253)	-	-	(253)
<b>99</b>	Turnover	(40,000)	-	-	-	(40,000)

FY 2012 Changes to Governor		Gen. Rev.	Federal	Restricted	Other	Total
<b>Governor's Commission on Disabilities</b>						
100	Medical Benefits Savings	-	(98)	-	-	(98)
<b>Office of the Mental Health Advocate</b>						
101	Personnel and Operating	(20,000)	-	-	-	(20,000)
<b>Elementary and Secondary Education</b>						
102	Adult Education Funding from HRIC	2,295,000	-	(2,295,000)	-	-
103	Capital - Cranston Career and Tech Center	-	-	-	(828,000)	(828,000)
104	Capital - Met School Public Street	-	-	-	(425,927)	(425,927)
105	Community Service Grant Adjustment	(17,278)	-	-	-	(17,278)
106	Federal Fund Adjustments	-	(1,499,938)	-	-	(1,499,938)
107	Medical Benefits Savings	-	(156,703)	(9,782)	-	(166,485)
108	School Housing Aid	(127,688)	-	-	-	(127,688)
<b>Higher Education</b>						
109	CCRI Workforce Development Initiative	-	-	7,083	-	7,083
110	RIC Stabilization Funds - Fire Safety	-	62,605	-	-	62,605
111	URI Accounting Adjustment	-	(11,057,821)	-	11,057,821	-
<b>Arts Council</b>						
112	Community Service Grant Adjustment	(6,412)	-	-	-	(6,412)
113	Medical Benefits Savings	(2,629)	-	-	-	(2,629)
<b>Historical Preservation &amp; Heritage Commission</b>						
114	Medical Benefits Savings	-	(12,191)	(394)	-	(12,585)
<b>RI Public Telecommunications Authority</b>						
115	Medical Benefits Savings	(4,141)	-	-	-	(4,141)
<b>Attorney General</b>						
116	Capital - Building Renovations and Repairs	-	-	-	(30,000)	(30,000)
117	Medical Benefits Savings	-	(6,728)	(6,824)	-	(13,552)
118	National Criminal History Improvement Project	-	25,000	-	-	25,000
119	Personnel and Operating	(500,000)	-	-	-	(500,000)
120	Tobacco Litigation	(300,000)	-	-	-	(300,000)
<b>Department of Corrections</b>						
121	Capital - Asset Protection	-	-	-	(2,800,000)	(2,800,000)
122	Capital - Intake Service Center Renovations	-	-	-	(1,400,000)	(1,400,000)
123	Capital - Maximum General Renovations	-	-	-	(1,000,000)	(1,000,000)
124	Capital - Medium Infrastructure	-	-	-	(1,000,000)	(1,000,000)
125	Capital - Minimum Kitchen Expansion	-	-	-	(215,600)	(215,600)
126	Capital - Women's Roof, Masonry & General Renovations	-	-	-	(700,000)	(700,000)
127	Drug Market Intervention Program	-	-	40,309	-	40,309
128	Medical Benefits Savings	-	(3,284)	-	-	(3,284)
129	National Criminal History Improvement Program	-	16,705	-	-	16,705
130	Personnel and Operating	(200,000)	-	-	-	(200,000)

<b>FY 2012 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>131</b>	Population	(900,000)	-	-	-	(900,000)
<b>132</b>	Time Tracking System Delay	(350,000)	-	-	-	(350,000)
<b>Judiciary</b>						
<b>133</b>	Federal Grants Adjustment	-	79,807	-	-	79,807
<b>134</b>	Medical Benefits Savings	-	(6,568)	(27,855)	-	(34,423)
<b>135</b>	Turnover and Operations	(850,000)	-	-	-	(850,000)
<b>Military Staff</b>						
<b>136</b>	Capital - Armory of Mounted Commands	-	-	-	(600,000)	(600,000)
<b>137</b>	Capital - Asset Protection	-	-	-	(177,631)	(177,631)
<b>138</b>	Capital - Emergency Management Agency Building	-	-	-	(125,000)	(125,000)
<b>139</b>	Cooperative Technical Partners	-	60,888	-	-	60,888
<b>140</b>	Medical Benefits Savings	-	(30,854)	(703)	-	(31,557)
<b>141</b>	Personnel and Operating	(180,000)	-	-	-	(180,000)
<b>Public Safety</b>						
<b>142</b>	Capital - Barracks and Training Academy Repairs	-	-	-	(925,000)	(925,000)
<b>143</b>	Capital - Communication Towers	-	-	-	(644,000)	(644,000)
<b>144</b>	Capital - Fire Training Academy	-	-	-	(1,325,000)	(1,325,000)
<b>145</b>	Capital - Headquarters Complex Expansion	-	-	-	(150,000)	(150,000)
<b>146</b>	Capital - Headquarters Repairs and Renovations	-	-	-	(85,000)	(85,000)
<b>147</b>	Geo Code	(90,000)	-	-	-	(90,000)
<b>148</b>	Grant Awards	-	625,544	300,000	-	925,544
<b>149</b>	Medical Benefits Savings	-	(6,457)	(264)	(1,062)	(7,783)
<b>150</b>	Port Security Grant	-	(442,591)	-	-	(442,591)
<b>151</b>	Turnover - Other	(1,025,000)	-	-	-	(1,025,000)
<b>152</b>	Turnover - Sheriffs	(375,000)	-	-	-	(375,000)
<b>Public Defender</b>						
<b>153</b>	Adult Drug Court Attorney	-	30,000	-	-	30,000
<b>154</b>	Loan Repayment Incentive Grant	-	7,656	-	-	7,656
<b>155</b>	Medical Benefits Savings	-	(969)	-	-	(969)
<b>156</b>	Turnover	(70,000)	-	-	-	(70,000)
<b>Environmental Management</b>						
<b>157</b>	Boy Scouts Property Purchase	-	366,908	-	-	366,908
<b>158</b>	Brownfields Grants	-	160,000	-	-	160,000
<b>159</b>	Capital - Blackstone Valley Bikepath/State Park	-	-	-	(346,000)	(346,000)
<b>160</b>	Capital - Dam Repair	-	-	-	(250,000)	(250,000)
<b>161</b>	Capital - Galilee Piers	-	-	-	(940,000)	(940,000)
<b>162</b>	Capital - Newport Piers	-	-	-	(175,000)	(175,000)
<b>163</b>	DOT Recreational Projects	-	-	-	396,551	396,551
<b>164</b>	Medical Benefits Savings	(7,215)	(188,315)	(72,308)	(1,604)	(269,442)
<b>165</b>	Tropical Storm Irene State Match	106,530	-	-	-	106,530
<b>166</b>	Underground Injection Control Program	-	42,300	-	-	42,300
<b>167</b>	UST Program	-	170,000	-	-	170,000



<b>FY 2012 Changes to Governor</b>		<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>Coastal Resources Management Council</b>						
<b>168</b>	Capital - South Coast Restoration Project	-	-	-	(62,782)	(62,782)
<b>169</b>	Medical Benefits Savings	-	(5,671)	-	-	(5,671)
<b>Transportation</b>						
<b>170</b>	Capital - Salt Storage Facilities	-	-	-	(200,000)	(200,000)
<b>171</b>	Gas Tax Estimate - DOT	-	-	-	(375,274)	(375,274)
<b>172</b>	Gas Tax Estimate - RIPTA	-	-	-	(168,226)	(168,226)
<b>173</b>	Third Party Payments	-	-	1,700,000	-	1,700,000
<b>Total</b>		<b>(33,475,682)</b>	<b>(28,390,341)</b>	<b>2,296,953</b>	<b>8,506,862</b>	<b>(51,062,208)</b>

## FY 2012 Revised Changes to Governor

### Revenue Changes

- 1. May Revenue Conference.** The Revenue Estimating Conference concluded May 10 and revised the FY 2012 estimate to \$3,257.4 million, which is \$62.0 million more than the revenues included in the November estimate and \$56.0 million more than the Governor's budget.
- 2. Bond Premium to RICAP.** The Governor's budget includes the transfer of \$6.0 million of premiums paid on general obligation bonds from the Rhode Island Capital Fund to the General Fund in FY 2012. The House Finance Committee does not concur with this use of funds and retains them in the capital fund.

### Expenditures Changes

#### Administration

- 3. Capital - Big River Management Area Technical Correction.** The Governor's revised budget includes \$262,252 from Rhode Island Capital Plan funds for infrastructure repairs and improvements at the Big River Management Area. The Capital budget shows expenditures of \$265,252. Subsequently, the Governor requested an amendment to include expenditures consistent with the Capital Budget. The House Finance Committee concurs.
- 4. Capital - Board of Elections - New Location.** The capital budget includes a total of \$6.2 million from Rhode Island Capital Plan funds for a new office for the Board of Elections. The Board is currently located on state-owned land on Branch Avenue in Providence. The Department of Administration indicated that the Board's current facility would require extensive repairs, including HVAC and security upgrades. The House Finance Committee recommends \$1.0 million in FY 2013 to renovate the current facility.
- 5. Capital - Building 79 – Stabilize.** The Governor's Capital Budget includes \$2.5 million from Rhode Island Capital Plan funds to be used in FY 2012 and FY 2013 to stabilize building 79 at the Pastore Center, which has been vacant for more than 10 years. Subsequently, the Department indicated that the floor of the building collapsed and it has revised its plan to demolish it. The House Finance Committee removes funding based on the revised plan. The Capital Plan includes \$8.5 million for a separate project to demolish other buildings on the Pastore Center.
- 6. Capital - Chapin Health Lab.** The Governor's Capital Budget includes \$3.6 million from Rhode Island Capital Plan funds to renovate the Chapin Health building. Infrastructure updates would include laboratory exhaust retrofit, new decomposition room ventilation, a new boiler system and HVAC upgrade. The current lighting system would also be replaced throughout the building. The House Finance Committee recommends \$375,000 less in FY 2012, including a shift of \$175,000 to the Health Lab Feasibility Study project and \$200,000 less to reflect the Department's projected expenses.
- 7. Capital - Cranston Street Armory.** The FY 2012 revised budget includes \$0.6 million for ongoing renovations in the Cranston Street Armory. Subsequently, the Department indicated that it would only need \$0.2 million in FY 2012. The House Finance Committee adjusts expenditures accordingly.

- 8. Capital - Environmental Compliance.** The House Finance Committee recommends \$0.1 million less from Rhode Island Capital Plan funds for the Environmental Compliance project to reflect the Department's projected expenditures. Funds for this project, for which the FY 2012 revised budget includes \$0.3 million, are used to support the costs of mitigating asbestos and other environmental issues for buildings on the Pastore Campus under the Department's jurisdiction.
- 9. Capital - Fire Code Compliance.** The Governor's Capital Budget includes a total of \$2.9 million from Rhode Island Capital Plan funds to bring state buildings into compliance with new fire code regulations. The House Finance Committee recommends \$0.4 million less in FY 2012 and \$0.1 million more in FY 2013 to reflect the Department's revised construction schedule.
- 10. Capital - Interdepartmental Weapons Range.** The Capital Budget includes \$150,000 from Rhode Island Capital Plan funds in FY 2012 to conduct a feasibility study for the construction of an interdepartmental weapons range in FY 2014. The project has been delayed, and the House Finance Committee recommends future forfeiture funds be considered for this project.
- 11. Capital - Pastore Buildings Demolition.** The Governor's Capital Budget includes a total project cost of \$8.5 million from Rhode Island Capital Plan funds to demolish vacant buildings at the Pastore Center. This includes \$1.5 million in FY 2012 to begin hazardous remediation and demolition of Buildings A and D. The House Finance Committee shifts \$1.0 million from FY 2012 to FY 2013 and FY 2014 to reflect anticipated expenditures.
- 12. Capital - Pastore Utilities Upgrade.** The Governor's Capital Budget includes \$1.3 million from Rhode Island Capital Plan funds in FY 2012 to repair and make improvements to the electrical distribution system at the Pastore Center. The House Finance Committee shifts \$0.3 million from FY 2012 to FY 2014 based on an anticipated delay in the project.
- 13. Capital - State House Renovations.** The Governor's Capital Budget includes a total project cost of \$15.2 million from Rhode Island Capital Plan funds for renovations at the State House. The largest single component is \$12.3 million for a new central HVAC system for the building. The House Finance Committee recommends the total project cost; however, shifts \$1.5 million from FY 2012 to FY 2013 and FY 2016 to reflect a project delay.
- 14. Capital - Washington County Government Center.** The House Finance Committee recommends an additional \$0.3 million from Rhode Island Capital Plan funds based on the Department's FY 2012 projected fire code improvements and for renovations of the Washington County Government Center to accommodate staff from the Department of Children, Youth and Families.
- 15. Capital - Zambarano Utilities and Infrastructure.** The Governor's FY 2012 revised budget includes \$1.1 million from Rhode Island Capital Plan funds for capital repairs to various buildings and equipment at the Zambarano Campus of the Eleanor Slater Hospital in Burrillville. The House Finance Committee shifts \$750,000 from FY 2012 to FY 2015 and FY 2016 based on the Department's revised project schedule.
- 16. Debt Service Savings.** The House Finance Committee concurs with the Governor's requested amendment to decrease general revenue debt service payments by \$0.6 million in FY 2012, for which he recommended \$3.4 million for required payments under the Fidelity Job Rent Credits agreement. Under the incentive based agreement between the state and Fidelity, the state provides job rent credits for each full-time equivalent employee in excess of an 1,000 employee base.

**17. DLT Federal Funds for DoIT Shortfall.** The Governor's revised budget reflects a shift of \$0.8 million from federal funds to general revenues for information technology related services provided to the Department of Labor and Training. The Division of Information Technology allocates these expenses based on services rendered the year before and the various state agencies reimburse the Division for the non-general revenue portion of the service costs. If user agencies do not have other sources available, then the expense becomes general revenues. The Department of Labor and Training has received additional federal funds, which can be used for this purpose. The House Finance Committee recommends shifting \$375,000 from general revenues to available federal funds.

**18. Facilities Energy Efficiency Stimulus Grant.** The House Finance Committee concurs with the Governor's requested amendment to add \$0.5 million from available federal stimulus funds for the Division of Facilities to replace exterior lighting at the State House. The funds were received as part of the State Energy Program, which provides direct funding to state energy offices and the states use the funds to address their energy priorities and for programs to adopt or support energy efficiency and renewable energy programs and strategies.

**19. Health Benefits Consulting Delay.** The revised budget includes \$70,000 from general revenues for contractual services with Hewitt Associates to audit medical and pharmacy claims. The Department's third quarter report indicates that the funds would not be spent in FY 2012. The House Finance Committee recommends shifting the funds to FY 2013 to reflect the delay.

**20. HUD Sustainable Communities Grant.** The House Finance Committee concurs with the Governor's requested amendment to add \$62,563 from the Department of Housing and Urban Development funds for the Sustainable Communities Regional Planning Cooperative program. The program supports planning efforts that integrate housing, land use, economic and workforce development, transportation, and infrastructure investments. The funds will be used to support a position, which the Department of Administration indicates is in the interview process.

**21. I-195 Commission.** The House Finance Committee recommends \$50,000 from general revenues for operating costs for the I-195 Commission. The legislation adopted by the 2011 Assembly allows hiring staff members, including an executive director to support the work of the Commission. The Commission does not have a current stream of revenues to support its operations.

**22. IT Human Services Support.** The revised budget includes \$0.2 million from federal funds for the Department of Human Services' use of contractors in the Division of Information Technology. Subsequently, the Governor requested an amendment to include \$83,227 from federal funds to reflect actual usage. The House Finance Committee concurs.

**23. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Department of Administration, this is \$0.1 million in other sources that cannot be used, which the House Finance Committee reduces accordingly.

**24. Personnel Reform Study Delay.** The FY 2012 revised budget includes general revenue expenditures of \$0.3 million for a study and review of the state's personnel system. The current system was designed and implemented more than 50 years ago, and the Administration notes few changes have been made to it since. The Department is in the process of selecting a vendor; therefore, expenditures are unlikely to occur in the current year. The House Finance Committee recommends shifting \$0.3 million from FY 2012 to FY 2013 to reflect the delay.

**25. Transportation Debt Service.** The Department of Transportation's enacted budget includes an \$11.1 million structural deficit, which was caused by declining gasoline tax revenues and increasing costs primarily due to debt service, winter maintenance and personnel. The Department subsequently revised its projected shortfall, mainly due to savings derived from lower winter maintenance costs. The House Finance Committee provides an additional \$2.0 million from general revenues in FY 2012 to alleviate the current year deficit.

**26. Utilities and Other.** The Governor's revised budget includes \$19.6 million from all funds, of which \$16.8 million is from general revenues for utilities at state buildings under its jurisdiction, including the Pastore Campus. The Department's third quarter report projected a general revenue surplus of \$0.6 million to reflect lower natural gas and electric prices than forecasted and personnel savings. The House Finance Committee includes the savings.

### **Business Regulation**

**27. Insurance Assessment.** The Governor's FY 2012 revised budget includes \$241,140 from assessments of staff time to review rate filings of workers' compensation insurance. Subsequently, the Governor requested an amendment to add \$15,000 from restricted receipts based upon increased staff time. The House Finance Committee concurs.

**28. OHIC Federal Grants.** The Governor requested an amendment to add \$2.6 million from a new federal grant to support the implementation of the Affordability Care Act. The amendment funds 1.0 position for the final quarter of the fiscal year. The remaining funding will be used to hire consultants to help design and implement a state health insurance exchange. The House Finance Committee concurs.

**29. Turnover.** The House Finance Committee recommends reducing general revenue expenditures by \$400,000 to reflect additional turnover savings based on expenditures through the third quarter. The Department has had an average of 77.0 positions filled, or 19.0 vacant positions since the beginning of the fiscal year.

### **Labor and Training**

**30. Capital - Center General Asset Protection.** The Governor's Capital Budget includes a total project cost of \$1.7 million from Rhode Island Capital Plan funds for asset protection projects at the Center General Complex. This includes \$422,500 in FY 2012 to begin numerous projects. The House Finance Committee shifts \$239,000 from FY 2012 to FY 2014 to better reflect anticipated expenditures based upon the delayed schedule for repairing the roof.

**31. Capital - Central General Roof.** The Governor's Capital Budget includes \$770,000 from Rhode Island Capital Plan funds for repairs and renovations to the roof at the Center General Complex in FY 2012. Because of continued delays, the House Finance Committee shifts \$753,650 from FY 2012 to FY 2013. It also shifts \$507,944 from workers' compensation and temporary disability insurance funding from FY 2012 to FY 2013 and adds \$357,860 from federal unemployment insurance funding inadvertently omitted from the budget, for total expenditures of \$1.6 million in FY 2013.

**32. DLT Federal Funds for DoIT Shortfall.** The Governor includes \$0.8 million from general revenues for the Division of Information Technology in the Department of Administration. The House Finance Committee recommends shifting \$0.3 million from available federal funds from the Department of Labor and Training to the Division of Information Technology to partially offset the

need for general revenues. The House Finance Committee also recommends using \$0.1 million from federal funds made available from the medical benefits holiday.

**33. Grants and Operations.** The House Finance Committee recommends general revenue savings of \$119,000 for the Department of Labor and Training for FY 2012 based on its third quarter projected expenditures.

**34. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. This includes \$179,306 for the Department of Labor and Training, including \$104,166 to be utilized for the Department's information technology shortfall and \$75,140 which cannot be used. The House Finance Committee adjusts funding accordingly.

**35. Unemployment Insurance Extension.** The House Finance Committee concurs with the Governor's requested amendment to increase funding for benefits by \$35.6 million in FY 2012, including \$11.2 million from federal funds and \$24.5 million from Employment Security Funds. On February 22, 2012, Congress extended the Emergency Unemployment Compensation program, which was expected to end in early March 2012. This allows for full federal funding of the four federal benefit tiers and state extended benefits, extending the current program through January 2, 2013, but with restrictions.

#### **Department of Revenue**

**36. Central Falls and East Providence.** The Budget Office's third quarter report projects expenditures of \$1.8 million, of which \$1.7 million is for the Central Falls receivership and \$0.1 million is for staffing costs associated with the East Providence budget commission. This is \$0.7 million more than the Governor's revised budget primarily for legal services provided by Orson and Brusini and Edwards, Angell, Palmer and Dodge. The projection includes \$0.4 million in expenses pertaining to the status of the Central Falls School District as it relates to the bankruptcy. The House Finance Committee recommends the additional \$0.7 million from general revenues.

**37. DMV Strategic Plan.** The enacted budget includes \$0.3 million to fund 2.0 full-time positions and consultant services for the Division of Motor Vehicles to develop a strategic plan to enhance customer services. As of April 1, the Department still has not issued the Request for Proposal for the plan. The Department did fill the 2.0 positions authorized, and hired an additional 14.5 positions not funded in the enacted budget. The House Finance Committee removes the \$150,000 provided for the plan.

**38. DMV Turnover & Operations.** The Department's third quarter report projects a general revenue savings of \$0.3 million from the Division of Motor Vehicles, primarily from turnover savings. The Governor's revised budget added \$0.9 million for salaries and benefits, including \$0.6 million to fund 14.5 new positions and \$0.3 million to partially restore enacted turnover savings. Based on the Division's projection, it appears that some of the additional funds are not needed. The House Finance Committee provides \$0.3 million less from general revenues to reflect the Division's projected FY 2012 expenses.

**39. Employer Tax Technology Improvement.** The House Finance Committee concurs with the Governor's requested amendment to add \$36,023 from other sources to make various technology improvements in the Division of Taxation's Employer Tax Unit. The unit processes all quarterly tax and wage reports and accompanying tax payments submitted by Rhode Island employers.

**40. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Department of Revenue, this is \$23,514 from federal and restricted sources that cannot be used, which the House Finance Committee reduces accordingly.

**41. Other Turnover and Operations.** The Department's third quarter report projects a general revenue surplus of \$0.2 million, of which \$0.1 million is from additional turnover savings and \$0.1 million is from data tools, including computer hardware and software for the Office of Revenue Analysis and computer supplies for the Division of Municipal Finance. The House Finance Committee reduces expenditures to include the savings.

**42. Property Revaluation Reimbursements.** The Budget Office's third quarter report projects savings of \$99,066 for which the revised budget included \$1.0 million to reimburse communities conducting scheduled property revaluations or statistical updates in FY 2012. The following communities are scheduled to conduct revaluations in FY 2012: Barrington, Cranston, East Greenwich, Foster, Middletown, Pawtucket and Woonsocket. The House Finance Committee includes the savings.

### Legislature

**43. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Legislature, this is \$6,898 from restricted receipts that cannot be used, which the House Finance Committee reduces accordingly.

### Lieutenant Governor

**44. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Office of the Lieutenant Governor, this is \$557 from federal sources that cannot be used, which the House Finance Committee reduces accordingly.

### Secretary of State

**45. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Secretary of State, this is \$1,030 from restricted receipts that cannot be used, which the House Finance Committee reduces accordingly.

**46. Turnover and Operations.** The House Finance Committee recommends general revenue savings of \$180,000 for the Secretary of State based on expenditures through the third quarter.

### General Treasurer

**47. Crime Victim Compensation Claims.** The House Finance Committee recommends adding \$50,000 from federal grants to support crime victim compensation claims based on payments made to date. Federal funds come from the Victims of Violent Crimes program administered by the United States Department of Justice.

**48. Defined Contribution Admin Costs.** A major component of the new pension system is a defined contribution plan for all non-public safety state employees, teachers and municipal general employees. The Governor recommends \$0.4 million for FY 2012 and \$0.6 million for FY 2013 from fees paid by participants to fund the Treasurer's expenses associated with administering the new defined contribution plan, including staff reassigned from other Retirement System duties. The Treasurer's Office has indicated that based on revised estimates the cost will be \$0.2 million for FY 2012 and \$0.3 million for FY 2013. The House Finance Committee recommends \$0.5 million from general revenues for the two year commitment based on the request by the Treasurer to fund these expenses from general revenues.

**49. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the General Treasurer, this is \$90,285 from other sources that cannot be used, which the House Finance Committee reduces accordingly.

**50. Retirement Board Fiduciary Insurance.** The House Finance Committee recommends removing the \$127,500 from Retirement System funds recommended for FY 2012 to purchase fiduciary insurance for Retirement Board members. The Board has not yet made a decision on the procurement and it appears that no expenditure will be made in FY 2012.

**51. Turnover and Operating.** The House Finance Committee recommends general revenue savings of \$41,600 for the Office of the General Treasurer for FY 2012 based on its third quarter report which reflects additional savings.

**52. Unclaimed Property.** The House Finance Committee recommends an additional \$3.3 million for FY 2012 to reflect the estimate of the May Revenue Estimating Conference. This includes an additional \$6.2 million in transfer to the state General Fund for an FY 2012 transfer of \$14.0 million.

#### **Board of Elections**

**53. Turnover and Operations.** The House Finance Committee recommends general revenue savings of \$64,000 based on expenditures through the third quarter.

#### **Ethics Commission**

**54. Turnover.** The House Finance Committee recommends general revenue savings of \$60,000 based on updated personnel projections.

#### **Governor's Office**

**55. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Office of the Governor, this is \$1,910 in restricted sources that cannot be used, which the House Finance Committee reduces accordingly.

**56. Turnover and Operations.** The Governor's revised budget includes \$4.1 million from general revenues to fund 37.0 full-time positions in the Office of the Governor and operating expenses. The Office's third quarter report projected a \$102,584 surplus, primarily from turnover savings. The House Finance Committee reduces expenditures to reflect the projected savings.



## Commission for Human Rights

**57. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Commission for Human Rights, this is \$1,306 from federal funds that can be used to offset general revenue expenses. The House Finance Committee reduces general revenues expenses accordingly.

**58. Turnover and Operations.** The House Finance Committee recommends general revenue savings of \$5,000 for FY 2012 based on the Commission's third quarter report, which projects additional turnover and operating savings.

## Public Utilities Commission

**59. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Public Utilities Commission, this is \$19,662 from federal funds and restricted receipts that cannot be used, which the House Finance Committee reduces accordingly.

## Office of Health and Human Services

**60. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Office of Health and Human Services, this is \$2,413 from restricted receipts that can be used to offset general revenue expenses. The House Finance Committee adjusts funding accordingly.

## Children, Youth and Families

**61. Accreditation Delay.** The Governor's FY 2012 revised recommendation includes \$450,000 from general revenues for the Department to gain accreditation from the Council on Accreditation. The process has not started, and the House Finance Committee shifts funding to FY 2013.

**62. Capital - Mt. Hope - Fire Towers.** The Governor's budget includes \$275,000 from Rhode Island Capital Plan funds in FY 2012 for fire towers and building repairs to the Groden Center facility. The House Finance Committee recommends shifting \$275,000 from FY 2012 to FY 2013 based on project delays.

**63. Capital - NAFI Center.** The Governor's Capital Budget includes \$500,000 from Rhode Island Capital Plan funds for FY 2012 for repairs to the North American Family Institute on New London Avenue in Cranston. The House Finance Committee recommends shifting \$280,000 from FY 2012 to FY 2014 based on updated project schedules.

**64. Capital - Youth Group Homes - Fire Code Upgrades.** The Governor's capital budget includes \$1.0 million from Rhode Island Capital Plan funds in FY 2012 and FY 2013 for fire code upgrades to private group homes and residential facilities. The House Finance Committee recommends reducing funding by \$0.5 million in FY 2012 and FY 2013 due to project delays and includes \$0.3 million in FY 2014 to complete the project.

**65. Community Service Grant Adjustment.** The House Finance Committee reduces funding for community service grants by \$18,540 to eliminate two grants to Camp E-Hun-Tee in Exeter, which closed in September of 2011.

**66. Federal Grant Adjustments.** The House Finance Committee concurs with the Governor's requested amendment adding \$36,684 to reflect additional federal funds received by the Department through the Byrne grant and Smart Schools grant for programming at the Rhode Island Training School and an adjustment to stimulus funds.

**67. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Department of Children, Youth and Families, this is \$64,144 from Medicaid and Title IV-E funding that cannot be used, which the House Finance Committee reduces accordingly.

**68. Private Grants Received.** The House Finance Committee concurs with the Governor's requested amendment to add \$176,100 in general revenue expenditures to reflect four private grants received by the Department including the Rhode Island Foundation System of Care grant, the Annie E. Casey Family Programs Child Welfare Initiative grant, Strategic Communications grant, and the Olmstead Grant. These grants are intended to aid in the implementation of the System of Care and to divert children from residential and institutional care.

**69. System of Care Start Up.** The House Finance Committee recommends use of \$1.2 million from available federal funds for technology upgrades and administrative startup costs associated with the System of Care. Funding will support updated data systems and technical assistance with Medicaid monitoring and contract evaluation.

**70. Turnover.** The House Finance Committee recommends reducing general revenues by \$100,000 to reflect expenditures through the third quarter.

## **Health**

**71. Cancer Screening Donations.** The House Finance Committee concurs with the Governor's requested amendment to add \$20,000 from restricted receipts in each FY 2012 and FY 2013. Funding is from a donation made by the Gloria Gemma Cancer Foundation to be used to provide cancer screenings for women between the ages of 40 and 49 who do not qualify for the federal program and lack alternative options to acquire the screenings.

**72. Community and Family Health Grants.** The Governor requested an amendment to increase funding in the Department's Community Family, Health and Equity program by \$0.2 million from federal funds to be used to supplement other federal awards. The amendment would increase potential federal funds for the Department to pursue additional federal awards not included in the original recommendation. The House Finance Committee concurs.

**73. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Department of Health this amount is \$0.1 million, including \$25,159 from restricted receipts that can be used to offset general revenue expenses. The House Finance Committee reduces funding accordingly.

**74. Public Health Information New Grant.** The Governor requested an amendment to add \$0.1 million from federal funds for a state-based system of health surveys that collects information on health risk behaviors, preventive health practices, and health care access primarily related to chronic disease and injury. The House Finance Committee concurs.

**75. Turnover.** The House Finance Committee concurs with the Governor's requested amendment to include general revenue savings of \$600,000 for FY 2012 from vacant positions in the Medical Examiner's Office and the Environmental Health Services Regulations program.

### **Human Services**

**76. Elderly Affairs Assisted Living Medicaid Waiver.** The House Finance Committee concurs with the Governor's requested amendment to add \$0.8 million, including \$0.4 million from general revenues for increased costs in the assisted living Medicaid waiver program in the division of elderly affairs.

**77. Elderly Affairs Federal Grants.** The House Finance Committee concurs with the Governor's amendment to increase federal fund expenditure authority by \$0.2 million for four grant programs in the division of elderly affairs.

**78. Elderly Affairs FMAP Adjustment.** The House Finance Committee concurs with the Governor's requested amendment to reduce federal fund expenditures by \$120,579 for Medicaid-funded elder case management to align with the federal Medicaid rate. The Department's request and Governor's recommendation included the incorrect matching amounts.

**79. Federal Grants Adjustments.** The House Finance Committee concurs with the Governor's amendment to increase federal fund expenditure authority by \$0.6 million for three grant programs within the Department of Human Services. This includes authorization to spend stimulus funding for early intervention before the June 30 deadline and additional funding for the emergency food assistance and emergency shelter programs.

**80. May Caseload Adjustments.** The House Finance Committee recommends a reduction of \$68.9 million, which includes \$31.3 million less from general revenues to adjust the FY 2012 budget for the May Caseload Conference estimates for cash assistance caseloads and medical assistance expenditures.

**81. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. This is \$89,317 for the Department of Human Services; of this \$9,828 can be used to offset general revenues while the remainder cannot. The House Finance Committee adjusts funding accordingly.

**82. Nursing Home Rate Adjustment.** The House Finance Committee recommends adding \$6.4 million, including \$3.1 million from general revenues, for a nursing home rate adjustment, consistent with the Governor's requested amendment for FY 2012. He included Article 31 to allow for a reduction to nursing home rates by no more than 1.8 percent in FY 2012 and FY 2013 to clarify that the reduction taken in FY 2010 impacted the base rate assumed for the facilities. The enacted budget assumed lower nursing home payments from the base rate reduction; however as of July 1, 2011, the nursing homes rates were increased and his budget amendment allows for that rate increase in FY 2012.

**83. Rehabilitative Services Federal Grant.** The House Finance Committee concurs with the Governor's requested amendment to add \$500,000 from federal funds to reflect additional resources available from the federal Social Security Administration to provide vocational rehabilitation services.

**84. RIPAE Rebate Funds for Operating.** The House Finance Committee recommends utilizing unallocated pharmaceutical rebate funds instead of general revenues for operating expenses. The

Division of Elderly Affairs carried forward rebate funds of approximately \$0.6 million into FY 2012, but has incurred general revenue expenses for the program, while not spending the rebate funds. The House Finance Committee assumes general revenue savings of \$0.5 million and reduces total expenditures by \$175,000 to reflect lower total expenditures.

**85. Special Education.** The House Finance Committee concurs with the Governor's amendment to increase federal Medicaid expenditure authority for Early and Periodic Screening, Diagnostic and Treatment services by \$1.5 million. The services are paid by the local districts and partially reimbursed from Medicaid funding through the Department of Human Services.

**86. Turnover and Operations.** The House Finance Committee recommends general revenue savings of \$940,000, which assumes savings related to both medical and cash assistance administration, vocational rehabilitation services, and child support enforcement. This is based on expenditures through the third quarter.

**87. Veterans Cemetery Columbarium.** The House Finance Committee concurs with the Governor's requested amendment to remove \$515,000 from federal funds for the columbarium project because of delays in receiving federal approval. The project will begin in FY 2013, instead of FY 2012.

#### **Behavioral Healthcare, Developmental Disabilities and Hospitals**

**88. Capital - Community Facilities - Fire Code Upgrades.** The Governor's FY 2013 through FY 2017 Capital Budget includes \$3.8 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. It also includes \$0.8 million in FY 2012. The House Finance Committee reduces FY 2012 funding by \$0.5 million to reflect the Department's projected spending in its third quarter report.

**89. Capital - DD Private Waiver Community Facilities Fire Code Upgrades.** The Governor's FY 2013 through FY 2017 Capital Budget includes \$4.5 million to install and upgrade fire alarm and sprinkler systems in the private developmental disabilities residences. This includes \$2.2 million from Rhode Island Capital Plan funds and \$2.3 million from matching Medicaid funds. The House Finance Committee recommends reducing FY 2012 funding by \$1.1 million based on the Department's projected spending for fire code upgrades. This includes \$0.7 million less from Rhode Island Capital Plan funds and \$0.4 million less from Medicaid funds.

**90. Capital - Eleanor Slater Admin Bldgs Renovation.** The Governor's FY 2013 through FY 2017 Capital Budget includes \$6.5 million from Rhode Island Capital Plan funds for projects at Barry and Simpson halls. He also includes \$0.5 million in FY 2012 which the House Finance Committee reduces by \$0.4 million to reflect updated spending consistent with the Department's third quarter report.

**91. Capital - Eleanor Slater Hospital Consolidation.** The Governor's capital budget includes \$35.7 million to build a new hospital at the Pastore center, including \$0.6 million in FY 2012. The House Finance Committee reduces total funding by \$0.4 million and shifts the remaining funding to FY 2017 to reflect delays in progress.

**92. Capital - Pastore Medical Center Rehab.** The Governor's FY 2013 through FY 2017 Capital Budget includes \$3.1 million from Rhode Island Capital Plan funds for ongoing maintenance at Eleanor Slater Hospital in Cranston. It also contains \$1.9 million in FY 2012, which the House

Finance Committee reduces by \$0.5 million to reflect updated spending projections consistent with the Department's third quarter report.

**93. Capital - Regional Center Repair/Rehabilitation.** The Governor's FY 2013 through FY 2017 Capital Budget includes \$3.8 million for repairs and renovations to the state's 11 regional workshop centers in addition to \$0.9 million in FY 2012. The House Finance Committee reduces FY 2012 funding by \$200,000 based on the Department's projected spending in its third quarter report.

**94. Capital - Residential Development.** The Governor's recommended capital plan includes \$5.0 million from Rhode Island Capital Plan funds in FY 2013 through FY 2017 and \$1.0 million in FY 2012 for the thresholds program, which promotes residential development and the access to independence program allowing adults with developmental disability to remain in their home and furniture for the residences. The House Finance Committee reduces FY 2012 funds by \$0.1 million to reflect the Department's projected spending in its third quarter report.

**95. Capital - Substance Abuse Facilities Asset Protection.** The Governor's FY 2013 through FY 2017 Capital Budget includes \$1.5 million from Rhode Island Capital Plan funds for ongoing maintenance at the 11 community facilities housing substance abuse clients. It also contains \$0.3 million in FY 2012, which the House Finance Committee reduces by \$0.2 million to reflect updated spending consistent with the Department's third quarter report.

**96. Capital - Zambarano Buildings.** The Governor's FY 2013 through FY 2017 Capital Budget includes \$1.5 million from Rhode Island Capital Plan funds for the ongoing maintenance at the Zambarano unit of Eleanor Slater Hospital located in Burrillville in addition to \$0.3 million in FY 2012. The House Finance Committee reduces FY 2012 funding by \$0.1 million and FY 2013 funding by \$0.5 million to reflect revised spending projections.

**97. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals, this is \$0.3 million in federal funds that cannot be used, which the House Finance Committee reduces accordingly. The House Finance Committee does shift general revenue expenses to available restricted receipts for savings of \$10,768.

#### **Office of the Child Advocate**

**98. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Office of the Child Advocate, this is \$253 from federal funding that cannot be used, which the House Finance Committee adjusts accordingly.

**99. Turnover.** The House Finance Committee recommends general revenue savings of \$40,000 based on the Office's third quarter report that reflects additional turnover savings.

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

**100. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Governor's Commission on Disabilities, this is \$98 from federal funds that cannot be used, which the House Finance Committee adjusts accordingly.

## Office of the Mental Health Advocate

**101. Personnel and Operating.** The House Finance Committee recommends general revenue savings of \$20,000 to reflect updated staffing costs resulting from a vacancy and operating savings.

## Elementary and Secondary Education

**102. Adult Education Funding From HRIC.** The FY 2012 enacted budget used additional \$2.3 million from Human Resource Investment Council funds in lieu of a like amount from general revenues to support adult education grants. The House Finance Committee recommends reversing this action, effectively restoring the council funds for workforce training grants to employers.

**103. Capital - Cranston Career and Tech Center.** The Governor recommends \$1.8 million from Rhode Island Capital Plan funds for FY 2011 through FY 2015 to cover remaining miscellaneous life and fire safety repairs and the replacement of the HVAC system at the Cranston Career and Technical Center. The House Finance Committee recommends shifting \$0.8 million from FY 2012 to FY 2014 and FY 2015 based on current spending plans. Total funding is as recommended.

**104. Capital - Met School Public Street.** The Governor recommends \$0.7 million from approved general obligation bond proceeds and \$0.4 million from new Rhode Island Capital Plan funds for FY 2012 to create an "entrepreneurial center" at the Providence Public Street campus. Construction on the entrepreneurial center began in May 2011 and the project is essentially completed. The school is requesting reimbursement of \$425,927 that it paid to fund the difference between the bid and the balance available from bond funds. The House Finance Committee does not recommend reimbursing the school and removes the \$0.4 million from Rhode Island Capital Plan funds.

**105. Community Service Grant Adjustment.** The House Finance Committee recommends reducing funding for community service grants by \$17,278 to reflect eliminating funding for four grants that are no longer in business. This includes Blacks Interested in Communications, Literacy Volunteers – Newport, Volunteers in Newport Education and Southern Rhode Island Collaborative.

**106. Federal Fund Adjustments.** The House Finance Committee concurs with the Governor's amendment to reduce federal funds by \$1.5 million to reflect actual grant award. This includes shifting \$1.7 million from federal Race to the Top Early Learning Challenge grant funding from FY 2012 to FY 2013 based on delays in hiring and purchasing.

**107. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Department of Elementary and Secondary Education, this is \$166,485 from federal and restricted receipts that cannot be used, which the House Finance Committee reduces accordingly.

**108. School Housing Aid.** The House Finance Committee recommends general revenue savings of \$0.1 million in housing aid based on final anticipated expenditures. Reimbursement cannot begin until a project is completed and districts must complete new projects by June 30, 2011 in order to be eligible for reimbursement to begin in FY 2012.

## Higher Education

**109. CCRI Workforce Development Initiative.** The House Finance Committee concurs with the Governor's requested amendment to add \$7,083 to reflect correct benefit calculations for the two

employees that work on the workforce development initiative funded from Human Resource Investment Council funds.

**110. RIC Stabilization Funds - Fire Safety.** The House Finance Committee concurs with the Governor's requested amendment to add \$62,605 from federal fiscal stabilization funds for Rhode Island College for FY 2012 to reflect available funding.

**111. URI Accounting Adjustment.** The House Finance Committee concurs with the Governor's requested amendment to correctly show \$11.1 million of available sponsored research funds. The revised budget included this funding in the federal fiscal stabilization account erroneously.

#### **Arts Council**

**112. Community Service Grant Adjustment.** The House Finance Committee recommends reducing community service grants by \$6,412 to eliminate funding for the Arts and Business Council of Rhode Island, which went out of business before the grant was awarded.

**113. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Arts Council, this is \$2,629 from federal funding that can be used to offset general revenue expenses. The House Finance Committee adjusts funding accordingly.

#### **Historical Preservation and Heritage Commission**

**114. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Commission, this is \$12,191 from federal sources and \$394 from restricted receipts that cannot be used, which the House Finance Committee reduces accordingly.

#### **RI Public Telecommunications Authority**

**115. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Authority, this is \$4,141 from Corporation funding that can be used to offset general revenue expenses. The House Finance Committee adjusts funding accordingly.

#### **Attorney General**

**116. Capital - Building Renovations and Repairs.** The Governor recommends \$250,000 from Rhode Island Capital Plan funds for FY 2012 to repair and renovate the Attorney General's main building. The House Finance Committee recommends \$30,000 less based on projected expenses for the current year.

**117. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Office of the Attorney General, this is \$13,552 from federal funds and restricted receipts that cannot be used, which the House Finance Committee reduces accordingly.

**118. National Criminal History Improvement Program.** The House Finance Committee concurs with the Governor's requested amendment to add \$25,000 from federal funds for a new livescan station for fingerprint checks.

**119. Personnel and Operating.** The House Finance Committee recommends additional general revenue savings of \$0.5 million from personnel and operating expenses based on the Office's third quarter report. The personnel savings is equivalent to approximately 3.0 vacant positions.

**120. Tobacco Litigation.** The House Finance Committee recommends general revenue savings of \$0.3 million for FY 2012 for tobacco litigation based on available funding from a prior year to retain the services of outside counsel.

### **Department of Corrections**

**121. Capital - Asset Protection.** The Governor's capital budget includes \$21.4 million from Rhode Island Capital Plan funds, of which \$5.0 million is for FY 2012 for various asset protection projects at the Pastore Center. The House Finance Committee recommends eliminating \$2.8 million from FY 2012 and adding \$0.5 million for FY 2013 through FY 2017 based on updated project schedules.

**122. Capital - Intake Service Center Renovations.** The Governor's capital budget includes \$6.2 million from Rhode Island Capital Plan funds, including \$1.4 million for FY 2012 for facility renovations at the Intake Service Center. The House Finance Committee recommends delaying this project a year and shifts funding accordingly.

**123. Capital - Maximum General Renovations.** The Governor's capital budget includes a total of \$2.8 million from Rhode Island Capital Plan funds, of which \$1.4 million is in FY 2012 for heating and plumbing upgrades for the basement of Maximum. The Department notes a contractor has not yet been selected, and the House Finance Committee recommends shifting \$1.0 million from FY 2012 to FY 2013 and FY 2014 to reflect an updated project schedule.

**124. Capital - Medium Infrastructure.** The Governor's capital budget includes \$14.5 million from Rhode Island Capital Plan funds for FY 2012 for laundry, kitchen, and HVAC renovations at the Medium Moran facility. The House Finance Committee recommends delaying this project a year and shifts funding accordingly.

**125. Capital - Minimum Kitchen Expansion.** The Governor's capital budget includes \$6.0 million from Rhode Island Capital Plan funds, including \$0.3 million for FY 2012 to expand the kitchen area for the minimum security facility. The House Finance Committee recommends shifting \$4.2 million from FY 2012 and FY 2013 to FY 2014 based on an updated project schedule.

**126. Capital - Women's Roof, Masonry & General Renovations.** The Governor's capital budget includes \$4.5 million from Rhode Island Capital Plan funds for FY 2012 through FY 2014 for renovation of the Dix facility for re-use as office space for several departmental units. The House Finance Committee recommends shifting \$0.7 million from FY 2012 to FY 2013 and FY 2014 based on updated project schedules.

**127. Drug Market Intervention Program.** The House Finance Committee concurs with the Governor's requested budget amendment to add \$40,309 from restricted receipts for the Department's drug market intervention program for total funding of \$69,203.



**128. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Department of Corrections, this is \$3,284 in federal funds that cannot be used, which the House Finance Committee reduces accordingly.

**129. National Criminal History Improvement Program.** The House Finance Committee concurs with the Governor's requested amendment to add \$16,705 from federal funds for the National Criminal History Improvement Program for FY 2012.

**130. Personnel and Operating.** The House Finance Committee recommends additional general revenue turnover savings of \$0.2 million for FY 2012 based on expenditures through the third quarter.

**131. Population.** The Governor's FY 2012 revised budget recommendation assumes a prison population of 3,265 inmates based on the Department's revised FY 2012 population projections. Recent population reports from the Department show downward trends in prison population and suggest the population will decline by an average of approximately 73 inmates for a total of 3,192 for FY 2012. The House Finance Committee recommends a reduction of \$0.9 million to reflect anticipated savings associated with the reduction.

**132. Time Tracking System Delay.** The Governor recommends \$350,000 from general revenues for each FY 2012 and FY 2013 for the Department to upgrade its time and attendance tracking system. The Department has indicated the expenditures will not begin until FY 2013. The House Finance Committee reduces funding accordingly.

### Judiciary

**133. Federal Grants Adjustment.** The House Finance Committee concurs with the Governor's requested amendment to add \$79,807 from federal funds including \$65,000 for the adult drug court.

**134. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Judiciary, this is \$34,423 from federal and restricted receipts that cannot be used, which the House Finance Committee reduces accordingly.

**135. Turnover and Operations.** The House Finance Committee recommends general revenue savings of \$850,000 for the Judiciary for FY 2012 based on its third quarter report that showed additional personnel and operating savings.

### Military Staff

**136. Capital - Armory of Mounted Commands.** The Governor's capital budget includes \$0.9 million from Rhode Island Capital Plan funds in FY 2012 for the Armory of Mounted Commands. The House Finance Committee reduces FY 2012 funding by \$0.6 million, and shifts \$0.4 million to FY 2013 and \$0.2 million to FY 2014 based on the agency's projected spending.

**137. Capital - Asset Protection.** The Governor's capital budget includes \$0.6 million from Rhode Island Capital Plan funds in FY 2012 for asset protection projects for the Military Staff. The House Finance Committee reduces FY 2012 funding by \$0.2 million, and shifts a majority of this amount to FY 2013 based on the agency's projected spending.

**138. Capital - Emergency Management Agency Building.** The Governor's capital budget includes \$0.1 million from Rhode Island Capital Plan funds in FY 2012 for a feasibility study to determine the type and location of a new Emergency Management Building. The study will not be completed in FY 2012, and the House Finance Committee shifts these funds to FY 2013 to reflect the delay in the completion of the study.

**139. Cooperative Technical Partners.** The House Finance Committee concurs with the Governor's requested amendment to more accurately reflect federal funding for the Military Staff's cooperative technical partners grant. The amendment adds \$60,888 in FY 2012 and removes the same amount from FY 2013 to reflect planned awards and expenditures. Funding is used to increase local involvement in the production, development and maintenance of flood hazard maps produced for the National Flood Insurance Program (NFIP).

**140. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Military Staff, this is \$31,557 from federal and restricted receipts that cannot be used, which the House Finance Committee reduces accordingly.

**141. Personnel and Operating.** The House Finance Committee recommends general revenue savings of \$0.2 million for the Military Staff in FY 2012 based on a Governor's budget amendment, which included additional savings generated from vacant positions as well as reduced operating expenditures.

### **Public Safety**

**142. Capital - Barracks and Training Academy Repairs.** The Governor's FY 2012 capital budget includes \$1.0 million from Rhode Island Capital Plan funds for the continued renovations to the State Police barracks. The House Finance Committee shifts \$0.9 million from FY 2012 to FY 2014 and FY 2015 to reflect a project delay.

**143. Capital - Communication Towers.** The Governor's capital budget includes \$1.3 million for the microwave upgrade in FY 2012, including \$0.3 million carried forward from FY 2011. The House Finance Committee recommends reducing funding in FY 2012 by \$0.6 million and shifting \$0.5 million to FY 2013 to reflect revised spending estimates.

**144. Capital - Fire Training Academy.** The Governor's FY 2012 capital budget includes \$1.3 million from Rhode Island Capital Plan funds to build a 7,500 square foot classroom and administrative building for the Academy. The House Finance Committee recommends shifting funding from FY 2012 to FY 2014 due to project delays.

**145. Capital - Headquarters Complex Expansion.** The Governor's FY 2012 capital budget includes \$0.2 million from Rhode Island Capital Plan funds for repairs and renovations to the Headquarters Complex. The House Finance Committee recommends shifting \$150,000 from FY 2012 to FY 2014 due to project delays.

**146. Capital - Headquarters Repairs and Renovations.** The Governor's FY 2012 capital budget includes \$0.2 million from Rhode Island Capital Plan funds for repairs and renovations to the Command Staff and the supply buildings at the State Police Headquarters. The House Finance Committee eliminates \$85,000 in FY 2012 due to project delays.

**147. Geo Code.** The Governor's FY 2012 budget includes \$240,000 from all sources including \$90,000 from general revenues to update the information contained in the pictometry database. The House Finance Committee does not concur with the use of general revenues and adjusts funding accordingly.

**148. Grant Awards.** Subsequent to his budget submission, the Governor requested an amendment to add \$1.1 million from anticipated federal grant and restricted receipt expenditures in FY 2012 for eleven different grants. The House Finance Committee includes \$0.9 million based upon updated spending projections.

**149. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Department of Public Safety, this is \$7,783 in other sources that cannot be used, which the House Finance Committee reduces accordingly.

**150. Port Security Grant.** The Governor's revised budget includes \$0.9 million from federal funds to purchase new equipment for the State Police dive team. Subsequent to his budget submission, the Department indicated that the budget included \$442,591 more than required. The House Finance Committee reduces expenditures accordingly.

**151. Turnover – Other.** The House Finance Committee recommends reducing general revenues by \$1.0 million to reflect turnover savings projected in the Department's third quarter report.

**152. Turnover – Sheriffs.** The House Finance Committee recommends reducing general revenues by \$375,000 to reflect turnover savings from sheriff positions left vacant when their ten-year terms expired on November 26, 2011.

#### **Public Defender**

**153. Adult Drug Court Attorney.** The House Finance Committee concurs with the Governor's requested budget amendment to add 1.0 full-time position and \$30,000 from available federal funds to support the adult drug court program for the fourth quarter of FY 2012.

**154. Loan Repayment Incentive Grant.** The House Finance Committee concurs with the Governor's budget amendment to add \$7,656 from available federal funds for the Office's loan repayment incentive program for FY 2012.

**155. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Office of the Public Defender, this is \$969 in federal funds that cannot be used, which the House Finance Committee reduces accordingly.

**156. Turnover.** The House Finance Committee recommends additional general revenue turnover savings of \$70,000 based on the Office's third quarter report. This is equivalent to approximately 1.0 vacant position.

#### **Environmental Management**

**157. Boy Scouts Property Purchase.** Subsequent to his budget submission, the Governor requested an amendment to purchase land known as the "Boy Scouts Property" and incorporate it into the Buck

Hill Management Area in Burrillville. The amendment reflects the availability of an additional \$0.4 million, which can be used for this purpose. The House Finance Committee concurs.

**158. Brownfields Grants.** Subsequent to his budget submission, the Governor requested an amendment to reflect an additional \$0.2 million from federal funds available for Brownfields rehabilitation in the Towns of Coventry and Richmond. The House Finance Committee concurs.

**159. Capital - Blackstone Valley Bikepath/State Park.** The Governor's FY 2012 budget includes \$0.7 million from Rhode Island Capital Plan funds for the Blackstone Valley Bikepath, scheduled to be a 17.1 mile by 12-foot wide scenic bike-path that will connect to the East Bay Bikepath, eventually making a continuous 31.9 mile route for alternative transportation. The House Finance Committee recommends shifting \$0.3 million from FY 2012 to FY 2014 to reflect delays in construction.

**160. Capital - Dam Repair.** The Governor's FY 2012 budget includes \$0.8 million from Rhode Island Capital Plan funds for repairs to state owned dams. The House Finance Committee recommends shifting \$0.3 million from FY 2012 to FY 2014 to reflect delays in construction.

**161. Capital - Galilee Piers.** The House Finance Committee recommends shifting \$0.9 million from Rhode Island Capital Plan funds from FY 2012 to FY 2013 to reflect anticipated expenditures for construction projects at the state owned piers in Galilee.

**162. Capital - Newport Piers.** The House Finance Committee recommends removing \$0.2 million from Rhode Island Capital Plan funds from the Department's FY 2012 and FY 2013 budgets to reflect anticipated expenditures for construction projects at the state owned piers in Newport. The Governor's recommendation includes \$0.3 million for both FY 2012 and FY 2013; however, the Department anticipates that expenditures will be \$0.1 million in each of those years.

**163. DOT Recreational Projects.** The House Finance Committee concurs with the Governor's requested amendment to increase funding for Department of Transportation Recreational Projects by \$0.4 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 availability of additional federal Intermodal Surface and Transportation and Efficiency Act (ISTEA) funds.

**164. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Department of Environmental Management, this is \$0.3 million, including \$0.2 million from federal funds, \$0.1 million from restricted receipts and \$1,604 from other funds that cannot be used, which the House Finance Committee reduces accordingly. The House Finance Committee does shift general revenue expenses to available restricted receipts for savings of \$7,215.

**165. Tropical Storm Irene State Match.** The House Finance Committee concurs with the Governor's requested amendment to increase general revenues by \$106,530 for the state share of debris removal and emergency measures associated with Tropical Storm Irene. The Federal Emergency Management Agency has contributed 75 percent of the costs and the state's mandatory 25 percent match totals \$285,495.

**166. Underground Injection Control Program.** The House Finance Committee concurs with the Governor's requested amendment to increase funding for the Underground Injection Control Program by \$42,300. Program activities include the review of discharge applications and the issuance of Orders

of Approval, the oversight of voluntary and involuntary closures of shallow injection wells and review of facility operations for compliance with permit conditions. The amendment reflects the availability of unspent federal funds from FY 2011 for this program.

**167. UST Program.** The House Finance Committee concurs with the Governor's requested amendment to increase funding for the Underground Storage Tank Prevention, Detection and Compliance Program by \$0.2 million, which is used to fund leak prevention, compliance and other activities. The amendment reflects the availability of additional federal funds.

### **Coastal Resources Management Council**

**168. Capital - South Coast Restoration Project.** The Governor's FY 2012 budget includes \$0.7 million for dredging and habitat restoration projects as part of the South Coast Restoration Project. The House Finance Committee recommends removing \$0.1 million from FY 2012 to reflect completion of the current project.

**169. Medical Benefits Savings.** The Governor includes general revenue savings from updated medical benefit costs and he shifts any savings from other sources to unidentified operating expenses. For the Coastal Resources Management Council, this is \$5,671 in federal funds that cannot be used, which the House Finance Committee reduces accordingly.

### **Transportation**

**170. Capital - Salt Storage Facilities.** The Governor's FY 2012 capital budget includes \$1.6 million from Rhode Island Capital Plan funds for construction of salt storage facilities where salt is currently stored uncovered. The House Finance Committee removes \$0.2 million from FY 2012 to reflect revised expenditures by the Department.

**171. Gas Tax Estimate – DOT.** The House Finance Committee reduces available gasoline tax for the Department of Transportation by \$0.4 million to reflect a downward revision of the gasoline tax yield estimate. The decrease will lower the debt service payment for the Department's GARVEE bonds and also reduces available proceeds for operations in the Division of Maintenance.

**172. Gas Tax Estimate – RIPTA.** The House Finance Committee reduces available gasoline tax in the Department of Transportation to reflect a reduced transfer to the Rhode Island Public Transit Authority of \$0.2 million to reflect a downward revision of the gasoline tax yield estimate.

**173. Third Party Payments.** The House Finance Committee concurs with the Governor's requested amendment to increase funding in the Department's Infrastructure Engineering program in FY 2012. Increased funding includes \$1.7 million from restricted receipts, which are derived from funds received from municipalities as reimbursement for construction work performed by the Department. During instances when the Department is performing construction jobs, the city or town can request the Department also perform municipal related jobs for which they will later reimburse the Department.

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## **Section V**

### **Summary Tables**

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## Expenditures from All Funds

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>General Government</b>				
Administration	\$ 413,935,351	\$ 441,015,690	\$ 398,137,294	\$ 390,448,178
Business Regulation	18,007,098	19,796,370	14,108,953	13,977,309
Labor and Training	571,666,655	884,464,204	552,430,434	661,604,139
Revenue	316,676,398	330,554,182	333,341,423	333,502,288
Legislature	38,197,252	41,664,529	40,524,547	38,844,218
Lieutenant Governor	1,090,172	1,075,168	1,104,018	1,092,692
Secretary of State	6,872,860	7,072,676	7,615,856	7,416,196
General Treasurer	33,200,576	44,304,351	37,633,598	37,571,560
Board of Elections	1,875,905	1,754,261	1,944,116	1,952,116
Rhode Island Ethics Commission	1,560,008	1,462,946	1,557,881	1,557,881
Governor's Office	5,256,095	5,117,422	5,515,431	26,581,535
Human Rights	1,455,570	1,419,889	1,487,709	1,463,760
Public Utilities Commission	8,105,006	8,097,458	8,733,815	8,246,708
<b>Subtotal - General Government</b>	<b>\$ 1,417,898,946</b>	<b>\$ 1,787,799,146</b>	<b>\$ 1,404,135,075</b>	<b>\$ 1,524,258,580</b>
<b>Human Services</b>				
Health and Human Services	\$ 16,928,680	\$ 19,284,908	\$ 1,743,508,907	\$ 1,752,372,084
Children, Youth and Families	211,004,272	217,756,541	211,457,278	216,627,044
Health	110,193,818	125,573,953	119,599,803	119,522,083
Human Services	2,331,251,725	2,277,134,651	657,098,721	650,329,385
BHDDH	441,122,327	429,219,020	445,651,523	445,671,144
Child Advocate	652,432	538,615	661,503	657,572
Deaf and Hard of Hearing	387,985	386,286	390,251	390,251
Commission on Disabilities	829,892	771,737	756,292	751,439
Mental Health Advocate	468,718	393,172	447,119	447,119
<b>Subtotal - Human Services</b>	<b>\$ 3,112,839,849</b>	<b>\$ 3,071,058,883</b>	<b>\$ 3,179,571,397</b>	<b>\$ 3,186,768,121</b>
<b>Education</b>				
Elementary and Secondary	\$ 1,133,884,351	\$ 1,149,104,380	\$ 1,195,035,981	\$ 1,198,032,527
Higher Education	996,844,842	1,031,243,174	1,062,052,616	1,031,585,334
Arts Council	3,086,926	3,862,407	3,429,023	3,161,698
Atomic Energy	1,511,526	1,394,387	1,389,551	1,476,951
HEAA	27,412,147	27,920,690	-	27,722,149
Historical Preservation	2,869,173	2,743,888	2,790,501	2,745,329
Public Telecommunications	1,631,172	1,564,336	1,127,054	1,500,972
<b>Subtotal - Education</b>	<b>\$ 2,167,240,137</b>	<b>\$ 2,217,833,262</b>	<b>\$ 2,265,824,726</b>	<b>\$ 2,266,224,960</b>



## Expenditures from All Funds

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>Public Safety</b>				
Attorney General	\$ 26,711,046	\$ 26,728,399	\$ 26,394,782	\$ 30,009,938
Corrections	195,375,598	193,964,732	201,515,824	196,749,862
Judicial	101,948,934	102,763,576	105,315,405	104,248,298
Military Staff	35,119,240	48,000,209	42,252,576	42,450,127
Public Safety	104,450,377	106,323,954	110,152,260	122,500,068
Public Defender	10,876,941	10,812,572	11,118,311	11,213,124
<b>Subtotal-Public Safety</b>	<b>\$ 474,482,136</b>	<b>\$ 488,593,442</b>	<b>\$ 496,749,158</b>	<b>\$ 507,171,417</b>
<b>Natural Resources</b>				
Environmental Management	\$ 97,520,399	\$ 104,215,418	\$ 99,606,094	\$ 98,669,725
CRMC	5,254,375	7,721,667	5,274,597	5,092,818
<b>Subtotal-Natural Resources</b>	<b>\$ 102,774,774</b>	<b>\$ 111,937,085</b>	<b>\$ 104,880,691</b>	<b>\$ 103,762,543</b>
<b>Transportation</b>				
Transportation	\$ 426,986,933	\$ 441,811,488	\$ 492,273,910	\$ 511,621,101
<b>Subtotal-Transportation</b>	<b>\$ 426,986,933</b>	<b>\$ 441,811,488</b>	<b>\$ 492,273,910</b>	<b>\$ 511,621,101</b>
<b>Total</b>	<b>\$ 7,702,222,775</b>	<b>\$ 8,119,033,306</b>	<b>\$ 7,943,434,957</b>	<b>\$ 8,099,806,722</b>

## Expenditures from General Revenues

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>General Government</b>				
Administration	\$ 246,446,221	\$ 249,020,598	\$ 257,026,536	\$ 273,065,443
Business Regulation	9,436,378	8,432,882	9,612,048	9,362,048
Labor and Training	7,575,486	7,513,540	7,640,415	7,859,170
Revenue	92,610,905	96,566,087	94,991,752	95,342,244
Legislature	36,548,053	40,022,474	38,764,516	37,217,044
Lieutenant Governor	965,940	951,109	962,955	962,955
Secretary of State	6,376,312	6,514,902	7,079,873	6,911,127
General Treasurer	2,300,852	2,638,944	2,230,355	2,542,115
Board of Elections	1,825,905	1,704,261	1,944,116	1,952,116
Rhode Island Ethics Commission	1,560,008	1,462,946	1,557,881	1,557,881
Governor's Office	4,338,521	4,295,298	4,418,290	4,418,290
Human Rights	1,154,038	1,142,820	1,161,717	1,137,768
Public Utilities Commission	-	-	-	-
Commission on Women	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 411,138,619</b>	<b>\$ 420,265,861</b>	<b>\$ 427,390,454</b>	<b>\$ 442,328,201</b>
<b>Human Services</b>				
Health and Human Services	\$ 9,773,834	\$ 10,344,962	\$ 823,695,516	\$ 825,065,703
Children, Youth and Families	145,198,983	151,901,406	146,929,631	152,590,500
Health	24,248,025	23,997,366	24,503,840	24,821,836
Human Services	893,131,302	863,374,054	99,781,727	97,097,340
BHDDH	184,249,569	187,086,151	189,309,190	193,137,995
Child Advocate	603,384	488,834	611,469	611,469
Deaf and Hard of Hearing	387,985	386,286	390,251	390,251
Commission on Disabilities	388,786	387,929	371,096	371,096
Mental Health Advocate	468,718	393,172	447,119	447,119
<b>Subtotal - Human Services</b>	<b>\$ 1,258,450,586</b>	<b>\$ 1,238,360,160</b>	<b>\$ 1,286,039,839</b>	<b>\$ 1,294,533,309</b>
<b>Education</b>				
Elementary and Secondary	\$ 863,077,600	\$ 864,901,278	\$ 932,077,872	\$ 935,177,230
Higher Education	166,487,219	165,654,006	177,566,910	172,365,185
Arts Council	1,678,862	1,664,834	1,586,729	1,319,404
Atomic Energy	879,592	877,459	876,213	876,213
HEAA	5,913,104	5,911,798	-	5,617,064
Historical Preservation	1,469,797	1,337,855	1,370,938	1,378,153
Public Telecommunications	947,960	928,421	425,286	799,077
<b>Subtotal - Education</b>	<b>\$ 1,040,454,134</b>	<b>\$ 1,041,275,651</b>	<b>\$ 1,113,903,948</b>	<b>\$ 1,117,532,326</b>

## Expenditures from General Revenues

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>Public Safety</b>				
Attorney General	\$ 22,442,867	\$ 22,254,817	\$ 23,276,324	\$ 23,076,324
Corrections	182,141,365	185,999,307	183,233,598	183,293,277
Judicial	87,073,983	87,859,899	89,554,264	89,249,996
Military Staff	3,470,928	3,586,872	3,633,757	3,548,775
Public Safety	89,407,711	91,569,827	94,518,112	94,790,039
Public Defender	10,300,580	10,288,214	10,679,011	10,791,226
<b>Subtotal-Public Safety</b>	<b>\$ 394,837,434</b>	<b>\$ 401,558,936</b>	<b>\$ 404,895,066</b>	<b>\$ 404,749,637</b>
<b>Natural Resources</b>				
Environmental Management	\$ 35,383,601	\$ 35,585,780	\$ 34,622,995	\$ 34,378,514
CRMC	2,236,814	2,239,147	2,300,733	2,264,841
<b>Subtotal-Natural Resources</b>	<b>\$ 37,620,415</b>	<b>\$ 37,824,927</b>	<b>\$ 36,923,728</b>	<b>\$ 36,643,355</b>
<b>Transportation</b>				
Transportation	\$ -	\$ -	\$ -	\$ -
<b>Subtotal-Transportation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 3,142,501,188</b>	<b>\$ 3,139,285,535</b>	<b>\$ 3,269,153,035</b>	<b>\$ 3,295,786,828</b>

## Expenditures from Federal Grants

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>General Government</b>				
Administration	\$ 69,084,207	\$ 97,556,204	\$ 25,893,240	\$ 25,578,747
Business Regulation	6,803,273	9,441,337	2,514,487	2,719,081
Labor and Training	99,763,402	223,705,731	43,521,074	111,743,981
Revenue	2,636,059	2,164,649	2,563,909	2,450,709
Legislature	-	-	-	-
Lieutenant Governor	124,232	124,059	141,063	129,737
Secretary of State	-	55,438	-	-
General Treasurer	1,128,051	1,198,452	1,186,616	1,159,712
Board of Elections	50,000	50,000	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	139,898	109,768	1,097,141	22,163,245
Human Rights	301,532	277,069	325,992	325,992
Public Utilities Commission	309,373	320,311	349,167	321,795
Commission on Women	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 180,340,027</b>	<b>\$ 335,003,018</b>	<b>\$ 77,592,689</b>	<b>\$ 166,592,999</b>
<b>Human Services</b>				
Health and Human Services	\$ 6,250,134	\$ 8,042,506	\$ 907,721,810	\$ 914,833,795
Children, Youth and Families	59,625,993	61,224,853	58,706,394	58,440,291
Health	59,124,539	73,795,549	65,697,186	65,015,651
Human Services	1,419,613,547	1,391,982,280	550,578,610	539,731,758
BHDDH	225,489,947	228,350,618	233,935,148	234,125,964
Child Advocate	49,048	49,781	50,034	46,103
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	181,842	122,448	125,502	120,649
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 1,770,335,050</b>	<b>\$ 1,763,568,035</b>	<b>\$ 1,816,814,684</b>	<b>\$ 1,812,314,211</b>
<b>Education</b>				
Elementary and Secondary	\$ 238,146,015	\$ 251,161,783	\$ 230,005,233	\$ 230,760,206
Higher Education	4,594,756	24,507,261	18,601,398	4,852,615
Arts Council	973,064	979,573	998,794	998,794
Atomic Energy	324,104	183,752	180,216	267,616
HEAA	13,508,323	13,034,719	-	13,346,283
Historical Preservation	846,195	873,856	886,057	836,139
Public Telecommunications	-	-	-	-
<b>Subtotal - Education</b>	<b>\$ 258,392,457</b>	<b>\$ 290,740,944</b>	<b>\$ 250,671,698</b>	<b>\$ 251,061,653</b>

## Expenditures from Federal Grants

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>Public Safety</b>				
Attorney General	\$ 2,895,944	\$ 2,906,182	\$ 1,600,853	\$ 1,483,604
Corrections	2,914,545	3,204,407	2,747,301	1,995,588
Judicial	3,576,588	3,152,639	2,746,273	2,682,107
Military Staff	29,418,438	42,861,075	34,234,541	33,842,074
Public Safety	7,647,988	9,245,781	7,287,041	6,940,151
Public Defender	576,361	524,358	439,300	421,898
<b>Subtotal-Public Safety</b>	<b>\$ 47,029,864</b>	<b>\$ 61,894,442</b>	<b>\$ 49,055,309</b>	<b>\$ 47,365,422</b>
<b>Natural Resources</b>				
Environmental Management	\$ 38,356,542	\$ 43,328,189	\$ 35,920,173	\$ 34,997,551
CRMC	2,038,461	4,566,202	1,823,864	1,677,977
<b>Subtotal-Natural Resources</b>	<b>\$ 40,395,003</b>	<b>\$ 47,894,391</b>	<b>\$ 37,744,037</b>	<b>\$ 36,675,528</b>
<b>Transportation</b>				
Transportation	\$ 309,995,579	\$ 338,457,178	\$ 362,333,768	\$ 362,340,586
<b>Subtotal-Transportation</b>	<b>\$ 309,995,579</b>	<b>\$ 338,457,178</b>	<b>\$ 362,333,768</b>	<b>\$ 362,340,586</b>
<b>Total</b>	<b>\$ 2,606,487,980</b>	<b>\$ 2,837,558,008</b>	<b>\$ 2,594,212,185</b>	<b>\$ 2,676,350,399</b>

## Expenditures from Restricted Receipts

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>General Government</b>				
Administration	\$ 20,059,071	\$ 19,617,027	\$ 27,546,929	\$ 16,286,426
Business Regulation	1,767,447	1,922,151	1,965,873	1,896,180
Labor and Training	17,104,361	43,154,647	36,700,976	36,292,695
Revenue	1,861,496	2,201,281	1,921,682	1,845,255
Legislature	1,649,199	1,642,055	1,760,031	1,627,174
Lieutenant Governor	-	-	-	-
Secretary of State	496,548	502,336	535,983	505,069
General Treasurer	29,544,084	40,217,240	33,944,815	33,618,221
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	777,676	712,356	-	-
Human Rights	-	-	-	-
Public Utilities Commission	7,795,633	7,777,147	8,384,648	7,924,913
Commission on Women	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 81,055,515</b>	<b>\$ 117,746,240</b>	<b>\$ 112,760,937</b>	<b>\$ 99,995,933</b>
<b>Human Services</b>				
Health and Human Services	\$ 904,712	\$ 897,440	\$ 12,091,581	\$ 12,472,586
Children, Youth and Families	3,389,296	2,825,382	2,825,253	2,825,253
Health	26,757,854	27,609,038	29,226,777	29,512,596
Human Services	14,089,597	17,389,133	2,349,200	9,111,103
BHDDH	7,997,979	7,118,447	7,188,834	7,188,834
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	9,264	11,360	9,694	9,694
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 53,148,702</b>	<b>\$ 55,850,800</b>	<b>\$ 53,691,339</b>	<b>\$ 61,120,066</b>
<b>Education</b>				
Elementary and Secondary	\$ 26,334,421	\$ 24,726,436	\$ 26,501,653	\$ 25,643,868
Higher Education	941,338	817,347	817,872	702,583
Arts Council	-	-	-	-
Atomic Energy	-	-	-	-
HEAA	-	-	-	-
Historical Preservation	478,181	457,177	458,506	456,037
Public Telecommunications	-	-	-	-
<b>Subtotal - Education</b>	<b>\$ 27,753,940</b>	<b>\$ 26,000,960</b>	<b>\$ 27,778,031</b>	<b>\$ 26,802,488</b>

## Expenditures from Restricted Receipts

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>Public Safety</b>				
Attorney General	\$ 1,122,235	\$ 1,347,400	\$ 1,230,105	\$ 5,162,510
Corrections	34,371	104,336	64,925	61,397
Judicial	10,198,363	10,629,955	11,339,868	10,641,195
Military Staff	609,311	470,030	481,278	481,278
Public Safety	335,749	600,087	701,460	12,687,548
Public Defender	-	-	-	-
<b>Subtotal-Public Safety</b>	<b>\$ 12,300,029</b>	<b>\$ 13,151,808</b>	<b>\$ 13,817,636</b>	<b>\$ 29,033,928</b>
<b>Natural Resources</b>				
Environmental Management	\$ 14,131,035	\$ 13,682,519	\$ 14,827,473	\$ 14,309,942
CRMC	250,000	250,000	250,000	250,000
<b>Subtotal-Natural Resources</b>	<b>\$ 14,381,035</b>	<b>\$ 13,932,519</b>	<b>\$ 15,077,473</b>	<b>\$ 14,559,942</b>
<b>Transportation</b>				
Transportation	\$ 1,000,000	\$ 2,698,891	\$ 998,758	\$ 998,758
<b>Subtotal-Transportation</b>	<b>\$ 1,000,000</b>	<b>\$ 2,698,891</b>	<b>\$ 998,758</b>	<b>\$ 998,758</b>
<b>Total</b>	<b>\$ 189,639,221</b>	<b>\$ 229,381,218</b>	<b>\$ 224,124,174</b>	<b>\$ 232,511,115</b>

## Expenditures from Other Funds

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>General Government</b>				
Administration	\$ 78,345,852	\$ 74,821,861	\$ 87,670,589	\$ 75,517,562
Business Regulation	-	-	16,545	-
Labor and Training	447,223,406	610,090,286	464,567,969	505,708,293
Revenue	219,567,938	229,622,165	233,864,080	233,864,080
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	-	-	-	-
General Treasurer	227,589	249,715	271,812	251,512
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	-	-	-	-
Commission on Women	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 745,364,785</b>	<b>\$ 914,784,027</b>	<b>\$ 786,390,995</b>	<b>\$ 815,341,447</b>
<b>Human Services</b>				
Health and Human Services	\$ -	\$ -	\$ -	\$ -
Children, Youth and Families	2,790,000	1,804,900	2,996,000	2,771,000
Health	63,400	172,000	172,000	172,000
Human Services	4,417,279	4,389,184	4,389,184	4,389,184
BHDDH	23,384,832	6,663,804	15,218,351	11,218,351
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	250,000	250,000	250,000	250,000
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 30,905,511</b>	<b>\$ 13,279,888</b>	<b>\$ 23,025,535</b>	<b>\$ 18,800,535</b>
<b>Education</b>				
Elementary and Secondary	\$ 6,326,315	\$ 8,314,883	\$ 6,451,223	\$ 6,451,223
Higher Education	824,821,529	840,264,560	865,066,436	853,664,951
Arts Council	435,000	1,218,000	843,500	843,500
Atomic Energy	307,830	333,176	333,122	333,122
HEAA	7,990,720	8,974,173	-	8,758,802
Historical Preservation	75,000	75,000	75,000	75,000
Public Telecommunications	683,212	635,915	701,768	701,895
<b>Subtotal - Education</b>	<b>\$ 840,639,606</b>	<b>\$ 859,815,707</b>	<b>\$ 873,471,049</b>	<b>\$ 870,828,493</b>



## Expenditures from Other Funds

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>Public Safety</b>				
Attorney General	\$ 250,000	\$ 220,000	\$ 287,500	\$ 287,500
Corrections	10,285,317	4,656,682	15,470,000	11,399,600
Judicial	1,100,000	1,121,083	1,675,000	1,675,000
Military Staff	1,620,563	1,082,232	3,903,000	4,578,000
Public Safety	7,058,929	4,908,259	7,645,647	8,082,330
Public Defender	-	-	-	-
<b>Subtotal-Public Safety</b>	<b>\$ 20,314,809</b>	<b>\$ 11,988,256</b>	<b>\$ 28,981,147</b>	<b>\$ 26,022,430</b>
<b>Natural Resources</b>				
Environmental Management	\$ 9,649,221	\$ 11,618,930	\$ 14,235,453	\$ 14,983,718
CRMC	729,100	666,318	900,000	900,000
<b>Subtotal-Natural Resources</b>	<b>\$ 10,378,321</b>	<b>\$ 12,285,248</b>	<b>\$ 15,135,453</b>	<b>\$ 15,883,718</b>
<b>Transportation</b>				
Transportation	\$ 115,991,354	\$ 100,655,419	\$ 128,941,384	\$ 148,281,757
<b>Subtotal-Transportation</b>	<b>\$ 115,991,354</b>	<b>\$ 100,655,419</b>	<b>\$ 128,941,384</b>	<b>\$ 148,281,757</b>
<b>Total</b>	<b>\$ 1,763,594,386</b>	<b>\$ 1,912,808,545</b>	<b>\$ 1,855,945,563</b>	<b>\$ 1,895,158,380</b>

## Full-Time Equivalent Positions

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>General Government</b>				
Administration	694.6	694.2	665.6	687.2
Business Regulation	96.0	96.0	94.0	94.0
Labor and Training	470.2	470.1	364.4	462.5
Revenue	434.5	449.0	458.0	458.0
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	57.0	57.0
General Treasurer	82.0	82.0	82.0	82.0
Board of Elections	12.0	11.0	11.0	11.0
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	46.0	46.0	47.0	47.0
<b>Subtotal - General Government</b>	<b>2,270.3</b>	<b>2,283.3</b>	<b>2,157.0</b>	<b>2,276.7</b>
<b>Human Services</b>				
Health and Human Services	149.0	158.0	163.0	168.0
Children, Youth and Families	662.5	662.5	665.5	665.5
Health	426.3	422.3	423.3	497.3
Human Services	984.2	949.2	947.7	940.7
BHDDH	1,378.2	1,383.2	1,383.2	1,383.2
Child Advocate	5.8	5.8	5.8	5.8
Deaf and Hard of Hearing	3.0	3.0	3.0	3.0
Commission on Disabilities	4.0	4.0	4.0	4.0
Mental Health Advocate	3.7	3.7	3.7	3.7
<b>Subtotal - Human Services</b>	<b>3,616.7</b>	<b>3,591.7</b>	<b>3,599.2</b>	<b>3,671.2</b>
<b>Education</b>				
Elementary and Secondary	348.4	355.4	355.4	355.4
Higher Education	4,214.6	4,215.0	4,280.6	4,241.0
Arts Council	8.6	8.6	8.6	6.0
Atomic Energy	8.6	8.6	8.6	8.6
Higher Education Assistance Authority	41.6	41.6	-	38.6
Historical Preservation	16.6	16.6	16.6	16.6
Public Telecommunications	15.0	15.0	14.0	14.0
<b>Subtotal - Education</b>	<b>4,653.4</b>	<b>4,660.8</b>	<b>4,683.8</b>	<b>4,680.2</b>

## Full-Time Equivalent Positions

	FY 2012 Enacted	FY 2012 Committee	FY 2013 Recommended	FY 2013 Committee
<b>Public Safety</b>				
Attorney General	231.1	233.1	233.1	233.1
Corrections	1,419.0	1,419.0	1,419.0	1,419.0
Judicial	723.3	723.3	723.3	723.3
Military Staff	117.0	113.0	112.0	112.0
Public Safety	605.8	606.2	609.2	609.2
Public Defender	93.0	92.0	92.0	93.0
<b>Subtotal-Public Safety</b>	<b>3,189.2</b>	<b>3,186.6</b>	<b>3,188.6</b>	<b>3,189.6</b>
<b>Natural Resources</b>				
Environmental Management	410.0	410.0	407.0	407.0
CRMC	30.0	30.0	29.5	29.0
<b>Subtotal-Natural Resources</b>	<b>440.0</b>	<b>440.0</b>	<b>436.5</b>	<b>436.0</b>
<b>Transportation</b>				
Transportation	772.6	772.6	772.6	772.6
<b>Subtotal-Transportation</b>	<b>772.6</b>	<b>772.6</b>	<b>772.6</b>	<b>772.6</b>
<b>Total Positions</b>	<b>14,942.2</b>	<b>14,935.0</b>	<b>14,837.7</b>	<b>15,026.3</b>

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## **Section VI**

### **Article Explanations**

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## Explanations of Budget Articles

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### 2012-H 7323, Substitute A

#### Article 1

**Section 1. Appropriations.** This section of Article 1 contains the appropriations for FY 2013.

**Section 2. Line Item Appropriations.** This section establishes that each line of Section 1 in 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 2013. This section appears annually.

**Section 8. Employment Security Funds.** This section appropriates all funds required for benefit payments to the unemployed from the Employment Security Fund for FY 2013. This section appears annually.

**Section 9. Lottery.** This section appropriates to the Lottery Division any funds required for the payment of prizes and commissions. Prizes are not included as expenditures in the budget.

**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 2013. 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.

It also provides that no contracted employee could be hired nor may any agency contract for services replacing work done by state employees without public hearings and recommendations by the Budget Officer and the State Director of Personnel and determination of need by the Director of

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## Explanations of Budget Articles

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Administration. The Governor's budget recommendation excluded this language included in prior years; however, the budget restores this language.

Total staffing is 15,026.3 full-time equivalent positions, which are 84.1 more than the FY 2012 enacted budget.

**Section 11. Multi Year Appropriations.** This section makes multi-year appropriations for a number of capital projects included in the FY 2013 through FY 2017 period that are funded from Rhode Island Capital Plan funds. The FY 2013 and multi-year appropriations supersede appropriations made for capital projects in Section 12 of Article 1 of the FY 2012 Appropriations Act.

**Section 12. Reappropriations.** This section provides for automatic appropriation of unexpended balances from FY 2012 Rhode Island Capital Plan fund projects over \$500. However, any such reappropriations are subject to final approval by the General Assembly as part of the supplemental appropriations act. Balances of less than \$500 can be reappropriated at the discretion of the State Budget Officer.

**Section 13. Neighborhood Opportunities.** 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 submit 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 created.

**Section 14. Foreclosure Settlement Fund.** This section requires the Attorney General, in consultation with Rhode Island Housing, to develop the Rhode Island Foreclosure Protection Program by September 1, 2012. The Program will be supported by \$8.6 million that the state expects to receive from the \$25.0 billion mortgage fraud settlement. The funds will be used to prevent or reduce the number of initiated foreclosures in the state and assist homeowners struggling with mortgage payments.

**Section 15. Fleet Replacement Transfer.** This section transfers \$8.0 million from the State General Fund to the State Fleet Replacement Fund by July 30, 2012.

**Section 16. Information Technology Transfer.** This section transfers \$9.0 million from the State General Fund to the Information Technology Investment Fund by July 30, 2012.

**Section 17. Effective Date.** This section of Article 1 establishes July 1, 2012 as the effective date of the article.

### Article 2. Tax Anticipation Notes

Article 2 allows the state to borrow a maximum of \$250.0 million during FY 2013 for cash flow purposes in anticipation of tax receipts. The note must be repaid by June 30, 2013.

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## Explanations of Budget Articles

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### Article 3. Abused and Neglected Children

Article 3 amends Rhode Island General Law 40-11-7 to include language that would allow discretion on the part of the Department of Children, Youth and Families and the Family Court to have oversight, by directly petitioning the Court, in cases where abuse or neglect have been indicated but a child has not been removed from the home.

### Article 4. Government Restructuring

**Sections 1 through 3. Higher Education.** Section 1 clarifies that Higher Education Assistance Authority reserve funds be used solely for the purpose of guaranteeing eligible loans. It also states that it is the intent of the General Assembly that these funds eventually be used to increase scholarships to Rhode Island students.

Section 2 removes members of the Higher Education Assistance Authority board from the Rhode Island Student Loan Authority Board since membership currently overlaps.

Section 3 abolishes the Board of Governors for Higher Education and the Board of Regents effective January 1, 2014 and creates a new Rhode Island Board of Education to be headed by a chancellor that shall answer to the Board of Education. It also directs the Governor to appoint an interim chancellor to serve a limited time to facilitate the merger.

**Sections 4 through 7. Office of Management and Budget.** These sections of Article 4 establish a new Office of Management and Budget. This Office will assume the responsibilities of the Office of Economic Recovery and Reinvestment. It will include a Federal Grants Management Office to coordinate federal grants and assist agencies to secure federal funds. The legislation creates a restricted receipt account within the Office with receipts from administrative costs incurred for the oversight and management of federal funds. The legislation also requires the Office to perform a study on transportation programs. The budget includes \$0.4 million from restricted receipts and 11.0 new positions, including a director to be appointed by the Director of the Department of Administration.

**Section 8. State Fleet Replacement Revolving Loan Fund.** This section requires that \$4.2 million of State Fleet Revolving Loan funds be made available to the Rhode Island Public Transit Authority to be used as the 20 percent state match for federal funds to purchase buses for its fleet through FY 2017.

**Section 9. Office of Digital Excellence.** This section creates the Office of Digital Excellence within the Department of Administration. It authorizes a chief digital officer, who must be appointed by the Director of the Department of Administration, with approval from the Governor. The Office shall coordinate its efforts with the Division of Information Technology. The legislation requires the chief digital officer to report to the Governor, Speaker of the House of Representatives, and the Senate President every January 31 the status of all technology infrastructure projects, website improvements, number of e-government transactions and revenues generated and projects supported by the Information Technology Investment Fund.

**Section 10. Low Income Home Energy and Weatherization Assistance Programs.** Section 11 transfers the functions and resources of the weatherization and low income home energy assistance

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## Explanations of Budget Articles

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programs, including the emergency fuel program from the Office of Energy Resources within the Department of Administration to the Department of Human Services, pursuant to legislation passed by the 2011 General Assembly to transfer these programs on July 1, 2012.

**Sections 11 through 16. Renewable Energy Programs.** These sections allow unused funds from the Regional Greenhouse Gas Initiative for administrative purposes to be carried forward. The Initiative is a cooperative effort by Northeastern and Mid-Atlantic states to reduce carbon dioxide emissions. Current law allows the Public Utilities Commission to allocate up to 2.0 percent of the Demand Side Management Fund to the Energy Efficiency and Resources Management Council for costs associated with planning and evaluation of energy efficiency programs to the Energy Office. The legislation changes the allocation to allow the Office of Energy to obtain 40.0 percent of the funds and the remaining 60.0 percent would go to the Council. It requires the Office of Energy Resources to post several reports on its website.

Section 14 expands the use of the Renewable Energy Development Fund to allow for a residential renewable energy program and allows funds to be used to assist municipalities for interconnection and feasibility studies and or the installation of renewable energy projects. Section 16 centralizes purposes and functions of the Office.

**Section 17. Rhode Island Public Telecommunications Authority.** This section requires the Administration to submit a plan to the Chairpersons of the House and Senate Finance Committees by November 1, 2012 for the Authority's transition from a state to a privately supported entity by July 1, 2013. The Administration also must include any statutory changes required for the transition as part of the Governor's FY 2014 recommended budget.

**Sections 18 through 20. Electronic Permitting.** These sections of Article 4 authorize the purchase or lease and operation of a web-accessible plan review management and inspection software system. This would create a standardized system available to the State Building Code Commission and all municipalities. The legislation authorizes the State Fire Marshal and the Office of Regulatory Reform to coordinate with the State Building Commissioner for the purchase or lease of this system. The legislation also requires that the State Building Commissioner reports the status and any recommendations for improving the system to the Governor and General Assembly on or before April 1, 2013 and each April 1 thereafter.

**Section 21. Public Safety Communications Dispatch.** This section of Article 4 reverses the transfer of the dispatch functions from the Department of Environmental Management to the Department of Public Safety approved by the 2011 Assembly that was to occur by January 1, 2012.

**Section 22. Effective Date.** This section establishes that Article 4 is effective upon passage.

### Article 5. Capital Development Program

Article 5 places \$209.0 million of new general obligation bond authorizations on the November 2012 ballot for voter approval. The referenda would provide \$50.0 million to renovate and modernize buildings at Rhode Island College, \$20.0 million for Clean Water Finance Agency infrastructure loans and \$20.0 million for the Department of Environmental Management to restore and protect the state's watersheds, acquire open space and develop municipal recreational facilities. The article would also



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## Explanations of Budget Articles

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authorize \$25.0 million of new general obligation bonds for affordable housing projects and \$94.0 million for a new Veterans' Home including an assisted living facility, and to renovate the existing home.

### **Article 6. Bond Premiums**

The 2006 Assembly enacted legislation to mandate that the state use bond premiums paid by buyers of state debt in exchange for higher yield to lower the debt issuance instead of being available as general revenues for general use. Article 6 includes language to clarify the original legislation to provide that any bond premiums and accrued interest, net of the cost of bond issuance and underwriter discounts, shall become part of the Rhode Island Capital Plan Fund. Although this is included in the 2006 Public Laws, and it has been the practice, Article 6 will codify this practice in the General Laws.

### **Article 7. Public Corporation Debt Management**

The Public Corporation Debt Management Act requires that all new debt authorizations be approved by the Assembly except in certain circumstances. This article contains three authorizations totaling \$254.3 million, including \$40.3 million for information technology improvements, \$174.0 million for various improvements at T.F. Green Airport and \$40.0 million for a leachate pretreatment facility at the state's central landfill.

### **Article 8. Information Technology Investment Fund**

The 2011 Assembly enacted legislation to create an Information Technology Investment Fund to be supported from land sales proceeds. The funds will be used for acquiring information technology improvements, including, but not limited to, hardware, software, and ongoing maintenance. Repayments from user agencies from sources available to them would be deposited into the fund. Article 8 deletes the reference "revolving loan fund" from the statute. Article 14 exempts this account from the state's 10.0 percent indirect cost surcharge and this article takes effect upon passage.

### **Article 9. Department of Health Fees**

Article 9 makes numerous changes to current law establishing fees for professional licenses and renewals that are regulated by the Department of Health. These changes include both increases and decreases; and also establish a minimum of \$25 for each fee. The FY 2013 Budget includes \$1.8 million of additional general revenues through these and similar regulatory changes.

### **Article 10. Revised Budget**

**Section 1. Appropriations.** This section of Article 10 contains the revised appropriations for FY 2012.

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

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## Explanations of Budget Articles

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**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 2012. 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. It also includes language that no contracted employee could be hired nor may any agency contract for services replacing work done by state employees without public hearings and recommendations by the Budget Officer and the State Director of Personnel and determination of need by the Director of Administration. The Governor's revised budget removed this language; however, the final budget restores it.

Total staffing is 14,935.0 full-time equivalent positions, 7.2 fewer than the FY 2012 enacted budget.

**Section 5. Effective Date.** This section of Article 10 establishes an effective date upon passage of the article.

### Article 11. Medical Assistance Recoveries

Article 11 requires that any insurance liability or workers' compensation payment that is \$500 or more made to an individual who has received \$500 or more in medical assistance benefits as a result of a specific accident or loss dating back to the date of the injury will be recovered by the Office and Health and Human Services to pay for applicable expenses; and gives the right of subrogation to the Office for the purposes of the recovery. The article lowers the child support intercept threshold from \$3,000 to \$500 to be consistent with the medical assistance recovery change and maintains that the child support intercept supersedes any medical benefit recoveries.

The article amends the requirement to settle an estate that has not been admitted to probate and the information required to be submitted to the Office when probating an estate and includes the form to be completed within 30 days of the Office's request for information. It also requires notification to the Office, within ten days, by any individual receiving medical assistance who has transferred any real or personal property.

### Article 12. Education Aid

Sections 1 and 2: School Budgets. Sections 1 and 2 require the newly developed uniform chart of accounts to include a standardized budget process and require that all districts, state schools and charter schools implement a budget model approved by the Regents and use best practices established by the Department of Elementary and Secondary Education. It requires school districts to use the uniform budget process and that failure to comply with this requirement would allow the state to withhold education aid. The Department of Elementary and Secondary Education in consultation with the Division of Municipal Finance must review and report deficits to the Auditor General, Superintendent, Mayor and others. These sections also give the Commissioner the authority to

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## Explanations of Budget Articles

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exercise control and management over Central Falls School District whenever he or she deems it necessary.

Section 3: Housing Aid. Section 3 maintains the state's minimum housing aid reimbursement at 35.0 percent. Projects that received approval from the Board of Regents prior to June 30, 2012 will receive 40.0 percent. The 2010 funding formula legislation included a two-year phased increase to provide that no local district receives less than a 40.0 percent state reimbursement by FY 2013 for projects completed after June 30, 2011. The minimum had been 30.0 percent and was 35.0 percent for FY 2012. The Budget assumes savings of \$440,000 from this change.

Section 4: Central Falls. The funding formula legislation includes a transition fund to stabilize the Central Falls School District until the city can begin paying its local share. Section 4 clarifies the method for calculating the amount to be put into the fund and requires that the fund be supported through a reallocation of current resources to the school district and that the state does not have to provide new funding. It also adds language that states the fund shall be annually reviewed to determine the amount of the state and city shares.

Section 5: Payment of Aid. This section would change the July payment of education aid from 2.5 percent of total aid to 2.54 percent. The August payment would go from 2.5 percent to 8.86 percent and the September through June payments would go from 9.5 percent to 8.86 percent. East Providence would remain at the current October and April payments. School housing aid payments would move from October and April to September and March for all communities.

Sections 6 and 7: Local Maintenance of Effort. Rhode Island General Law, Section 16-7-23 requires that each community contribute local funds to its school committee in an amount not less than its local contribution for schools in the previous fiscal year. Sections 6 and 7 amend the local maintenance of effort requirement for local communities to provide as much funding for education as the prior year. It allows that any supplemental funds paid to eliminate or reduce a school budget deficit shall not be used in the calculation of local maintenance of effort. Additionally, any defeased debt service shall not be used in maintenance of effort calculations or included in the annual budget.

Section 8: Visually Impaired Children. Section 8 would eliminate the ability of parents who believe the state cannot meet their deaf, blind or visually impaired children's needs to apply to the Department of Elementary and Secondary Education to appoint the child to attend any suitable institution or school. The enacted budget includes \$0.4 million for three students to attend the Perkins School for the Blind; one student will age out in FY 2013. The budget removes the \$0.4 million and provides the first year of the special education categorical funding for which the budget includes \$0.5 million to be used for the same purpose.

Section 9: Urban Collaborative. This section requires that beginning in FY 2014, the Urban Collaborative will be funded pursuant to the education funding formula. These students are currently in the district enrollment counts and the state is currently paying education aid for these students to the sending communities. The state will remit education aid for these students directly to the school and the sending districts will send the local share to the school similar to the way the Met School is funded. The Urban Collaborative operates as an independent public school dedicated to reducing the dropout rates in Providence, Central Falls and Cranston.

### **Article 13. Historic Preservation Tax Credit Trust Fund**

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## Explanations of Budget Articles

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This article transfers the Historic Tax Credit processing fee restricted receipt account from the General Fund to the Historic Preservation Credit Trust Tax Fund to be in compliance with a ruling from the Governmental Accounting Standards Board Statement 54 pertaining to special revenues. On June 30, 2011, the Historic Tax Credit processing fee restricted receipt account had a balance of \$1.6 million. The state collected processing fees for projects qualifying under the Historic Tax Credit program which were deposited as restricted receipts. The funds are needed to refund or reimburse developers for those projects that are abandoned or overpaid. The article takes effect upon passage.

### **Article 14. Restricted Receipts**

Article 14 establishes a new restricted receipt account to accept an early childhood grant from the Rhode Island Foundation and exempts it from the 10.0 percent indirect cost recovery charge. It also exempts the following existing accounts from the state's indirect cost recovery charge: funds to support a National Guard counter drug program, federal funds for performance management, and the information technology investment fund.

### **Article 15. Hospital Uncompensated Care**

Article 15 extends the uncompensated care payments to the community hospitals with the state making a payment that does not exceed \$128.3 million for FY 2014 and updates the FY 2013 payment. It also includes an outpatient upper payment limit reimbursement to the community hospitals in FY 2013 and allows for the payment in subsequent fiscal years.

### **Article 16. Municipalities**

Sections 1 and 2 of the article specify that \$784,458 of the appropriation in FY 2013 from the Distressed Communities Relief Fund shall be distributed equally to each qualifying distressed community. This provision is consistent with current practice and has been included in past budgets. In FY 2012, eight communities received funding from this program and seven are qualified to receive distressed aid in FY 2013. The article would also allow municipalities to receive their distressed payments in August. Currently, payments are made twice a year.

Pension legislation adopted by the 2011 Assembly requires municipalities administering local plans to complete actuarial revaluations and to submit them to the study commission, with the state reimbursing communities for half the cost. Section 3 states that the state will reimburse municipalities for half of the cost of the actuarial valuations that are due on April 1, 2012. Subsequent annual actuarial valuations will not be reimbursed by the state. The FY 2012 budget includes \$234,000 for the reimbursements.

Section 4 requires the Department of Public Safety to implement policies and procedures consistent with federal guidelines by September 1, 2012, to share \$25.0 million of the total federal forfeiture funds received by state agencies from the online search engine company Google to be distributed to local law enforcement agencies, excluding the City of East Providence and the Town of North Providence. Preferences will be given to applications that result in cooperative one-time use of funds. The article takes effect upon passage.

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## Explanations of Budget Articles

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### **Article 17. Environmental Management**

Article 17 repeals the pollution monitoring system for point source discharges of municipally owned wastewater treatment facilities and privately owned organizations effective July 1, 2012 and makes changes to the well drilling registration program effective January 1, 2013. The article eliminates the well driller registration program administered by the Department of Environmental Management and specifies that well drillers still need to be registered with the Contractors' Registration and Licensing Board. The Board will be required to promulgate regulations establishing a well drilling licensing program. This article also requires that the State Building Code be amended to include wells that are considered part of a building. Contractors seeking a well drilling license will still pay the same \$200 fee, but the fees will now be deposited into the Contractors' Registration and Licensing Board restricted receipt account instead of the state general fund. The budget assumes a net savings to the state of \$0.1 million.

### **Article 18. Office of Health and Human Services**

The article eliminates reference to the Department of Elderly Affairs which is now part of the Department of Human Services and lists four agencies instead of five under the umbrella of the Executive Office of Health and Human Services. It identifies the Office as the designated state Medicaid agency and updates the medical assistance and public assistance caseload estimating conference statute to reflect the Office's responsibilities. This article also replaces any reference to the Department of Mental Health, Retardation and Hospitals with the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals.

The article also transfers the HIV/AIDS care and treatment program from the Department of Human Services to the Office of Health and Human Services to be consistent with the Governor's transfer of the Medicaid program to the Office. Finally, the article provides an additional \$206 a month to individuals who, on or after July 1, 2012, receive the state supplemental security income payment and live in an assisted living facility that is not eligible to receive Medicaid. The article is effective July 1, 2012.

### **Article 19. Medicaid Global Waiver Resolution**

Article 19 is a resolution to notify the Assembly and seek approval to make changes to the Medicaid global waiver for programs under the Office of Health and Human Services. The changes add alternative benefits to encourage non-invasive approaches to address obesity issues and reduce hospital readmissions and allow the Medicaid agency to pursue requirements or opportunities under the Affordable Care Act that do not have an adverse impact on beneficiaries or appropriated funds. The resolution also allows a reduction in payments for durable medical equipment to 85 percent of the Medicare rate and instructs the Medicaid agency to review its process and oversight activities when purchasing durable medical equipment.

### **Article 20. East Bay Bridge System**

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## Explanations of Budget Articles

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Article 20 includes legislation to allow the transfer of the Sakonnet River Bridge and the Jamestown Verrazano Bridge to the Rhode Island Turnpike and Bridge Authority, and would also allow for the establishment and collection of tolls on those bridges. Language included in the article would establish the East Bay Infrastructure Fund, which would be funded through excess toll revenue and used for road and bridge projects in the East Bay. Article 20 is effective upon passage; however, due to the length of time for implementation and the federal approval process, it is estimated that tolls would not be implemented until FY 2014 at the earliest.

### Article 21. Taxes and Revenues

**Section 1. Hospital Licensing Fee.** This section imposes a FY 2013 licensing fee of 5.35 percent on net patient services revenue for the hospital fiscal year ending on or after September 30, 2011 for all community hospitals except South County and Westerly which, subject to federal approval, will be assessed a 3.37 percent license fee. It includes the due date for filing returns and making the payment.

Revenue from the two-tiered fee will be \$141.3 million including \$136.0 million from community hospital payments and \$5.3 million from state payments for Eleanor Slater Hospital. This article appears annually in the Appropriations Act.

**Section 2. Tax Amnesty Program.** This section of Article 21 provides for a 75-day tax amnesty effective September 1 through November 15, 2012 for all taxes owed for periods on or before December 31, 2011. Filers will not be subject to penalties or prosecution and will pay 12.0 percent interest from the date the taxes were owed until payment. Filers may enter into a tax payment plan with the tax administrator, or pay one-half of the amount owed immediately, 25.0 percent the following month, and 25.0 percent the month after that. The Budget assumes \$10.9 million in one-time revenues and expenditures of \$0.3 million for expenses relating to the Tax Amnesty, making the net revenue impact \$10.6 million.

**Sections 3 through 5. Sales Tax.** These sections repeal the sales tax on package tour and sightseeing services and the exemption on clothing and footwear that costs more than \$250 per item. It stipulates that in the event Congress enacts legislation to require remote sellers to collect and remit taxes, this tiered system would be repealed. It adds several items to the sales and use tax, including taxicab and limousine and other road transportation, such as charter bus services; pet care services, but excludes veterinary services and laboratory testing; and car washes. It also requires that any retailers who provide services to register with the tax administrator.

The repeal of the sales tax on package tour is effective July 1, 2012. The new items being subjected to the sales and use tax would be effective October 1, 2012. The budget assumes a total revenue impact of \$9.7 million, including a revenue loss of \$1.8 million for noncompliance with the Streamlined Sales and Use Tax Agreement.

**Sections 6 and 7. Tobacco Tax.** These sections increase the cigarette tax from \$3.46 to \$3.50 per pack. They also include an inventory tax on cigarettes on hand July 1 upon which the current rate had been paid for the tax stamps. Whenever rates change, a tax on the differential rate on existing inventory that had been taxed at the old rate is levied. This differential rate is often called an inventory or floor tax. The article includes a floor tax adjustment of \$0.04 per stamped but unsold pack on hand at 12:01 a.m. on July 1, 2012. The budget assumes \$1.8 million in revenues.

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## Explanations of Budget Articles

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**Section 8. Little Cigars.** This section changes the definition of little cigars to ensure they remain subject to the cigarette sales tax. Currently, many little cigars exceed the weight threshold in statute, which allows them to be taxed like other cigars, which is 80.0 percent of their wholesale cost up to a maximum of \$0.50 per cigar. The Budget assumes new revenues of \$2.4 million from this change.

**Section 9. Beverage Container Fee.** Section 9 extends the \$0.04 per case litter control fee to all beverage containers. The current definition excludes sports drinks, fruit beverages and ready to drink tea and coffee. The legislation retains the exemption for milk containers. The Budget assumes \$0.2 million in revenues.

**Sections 10 through 13. Motion Picture Tax Credit.** These sections establish the “musical and theatrical production tax credit” which allows for accredited theater productions to become eligible for tax credits up to 25.0 percent of the total production, performance, and transportation expenses up to \$2.5 million. It also transfers the Office of Film and Television from the Council on the Arts to the Department of Administration. The definition of eligible motion picture production companies is expanded and it decreases the minimum production budget, including pre and post production from \$300,000 to \$100,000. The musical and theatrical production tax credit also requires a minimum production budget of \$100,000. The musical and theatrical production credit is limited to \$5.0 million for a motion picture or a musical or theatrical production. Both tax credits are subject to the same \$15.0 million cap established in 2007.

These sections prohibit any motion picture company from receiving tax credits if it receives a loan or loan guarantee in the application year. The changes also sunset the issuance of new credits on or after July 1, 2019. There is no change to the \$15.0 million cap on the program and thus no fiscal impact.

**Section 14. Division of Motor Vehicles.** This section imposes a new \$100 fee for the re-inspection of a school bus, in the event the initial inspection failed; the Budget assumes \$58,650 from the imposition of this new fee.

**Section 15. Alcohol Beverage Reporting.** This section of the article requires licensees of alcoholic beverages at wholesale or retail establishments to file an annual report on or before February 1 with the Division of Taxation to include data such as total sales of alcoholic beverages, sales tax and excise tax collections for the preceding calendar year. The Division must prepare and submit to the chairs of the House and Senate Finance Committees a report reflecting the data.

**Section 16. Effective Date.** Section 4 of this article is effective on October 1, 2012; the remaining sections take effect on July 1, 2012.

### Article 22. Central Falls

This legislation provides a \$2.6 million appropriation for the City of Central Falls to fund the agreement reached with the City’s police and fire retirees, whose pensions were reduced by up to 55.0 percent before the bankruptcy from FY 2012 through FY 2016. The article sets the restrictions on the use of the fund. The appropriation would allow the City to increase the payments to an amount not less than 75.0 percent of the annual pension payments that the retirees had been receiving pre-bankruptcy. After this period, the retirees would receive the originally imposed pension reductions.

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## Explanations of Budget Articles

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The article amends current law to extend the maximum length of collective bargaining agreements for firefighters, police officers, certified school teachers and municipal employees from three to five years in the cases where a budget commission or a receiver has been appointed.

The state incurred expenses for oversight costs pertaining to the receivership. These expenses totaled \$1.1 million through FY 2011. The City was billed for the oversight costs. The article states that the payment for the cost incurred shall be paid to the state no later than FY 2021.

The legislation requires the Office of the General Treasurer, in consultation with the Department of Revenue to develop a framework to transition the city's employees and retirees into the Municipal Employee's Retirement System. The General Treasurer must report its findings to the General Assembly by January 1, 2013. The article takes effect upon passage.

### **Article 23. Effective Date**

Article 23 provides that the act shall take effect upon passage, except where a provision within an article specifies a retroactive or prospective effective date.



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RI Resource Recovery Corporation

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