

House Fiscal Advisory Staff

2018-H 7200, Substitute A As Recommended by the House Finance Committee



Submitted to the 2018 House of Representatives

House Committee on Finance

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Introduction

Introduction

This document provides information concerning the FY 2019 budget contained in 2018-H 7200, Substitute A as passed out of House Finance Committee on June 8. The sections that follow contain descriptions of the Committee's recommended changes to the Governor and current law. Section I is a short summary of the budget.

Section II presents the changes to the Governor's recommendations for FY 2019 introduced and referred to House Finance on January 18. 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 contains State Aid to Cities and Towns and Education Aid.

Section IV contains the changes to the Governor's revised budget which was included as Article 10 of 2018-H 7200. 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 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 2019 enacted budget, the final FY 2018 budget as reported by the House Finance Committee, the Governor's FY 2019 recommendations and the House Finance Committee's recommendations.

Section VI contains brief descriptions of the articles contained in 2018-H 7200, Substitute A.

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

General Government Agencies

Analyst and Phone Number (222)

Department of Administration	Chantale Sarrasin (2485)
Executive Office of Commerce	Timothy Donahue (1303)
Department of Business Regulation.....	Timothy Donahue (1303)
Department of Labor and Training	Mark Singleton, II (3876)
Department of Revenue	Timothy Donahue (1303)
Legislature	Liza Pinto (2059)
Office of the Lieutenant Governor.....	John H. Hart (1386)
Office of the Secretary of State.....	Mark Singleton, II (3876)
Office of the General Treasurer	Liza Pinto (2457)
Rhode Island Board of Elections	Mark Singleton, II (3876)
Rhode Island Ethics Commission	Patricia Arruda (1304)
Office of the Governor.....	Patricia Arruda (1304)
Rhode Island Commission for Human Rights	John H. Hart (1386)
Public Utilities Commission	Liza Pinto (2059)

Human Services Agencies

Executive Office of Health and Human Services	Linda M. Haley (1164)
Department of Children, Youth and Families	Linda M. Haley (1164)
Department of Health.....	Chantale Sarrasin (2485)
Department of Human Services	Patricia Arruda (1304)
Behavioral Healthcare, Developmental Disabilities and Hospitals	Linda M. Haley (1164)
Office of the Child Advocate	Linda M. Haley (1164)
Commission on the Deaf and Hard of Hearing.....	Chantale Sarrasin (2485)
Governor's Commission on Disabilities	Chantale Sarrasin (2485)
Office of the Mental Health Advocate.....	Linda M. Haley (1164)

Education Agencies

Department of Elementary and Secondary Education	Patricia Arruda (1304)
Public Higher Education	Liza Pinto (2059)
Rhode Island Council on the Arts	Timothy Donahue (1303)
Rhode Island Atomic Energy Commission	Liza Pinto (2059)
Historical Preservation and Heritage Commission	Timothy Donahue (1303)

Public Safety Agencies

Office of the Attorney General	Linda M. Haley (1164)
Department of Corrections.....	Liza Pinto (2059)
Judicial Department	John H. Hart (1386)
Military Staff.....	John H. Hart (1386)
Rhode Island Emergency Management Agency	John H. Hart (1386)
Department of Public Safety	Chantale Sarrasin (2485)
Office of the Public Defender	John H. Hart (1386)

Natural Resources Agencies

Department of Environmental Management.....	Mark Singleton, II (3876)
Coastal Resources Management Council.....	Mark Singleton, II (3876)
Rhode Island Infrastructure Bank	Mark Singleton, II (3876)
Narragansett Bay Commission	Mark Singleton, II (3876)
Rhode Island Resource Recovery Corporation.....	Mark Singleton, II (3876)

Transportation Agencies

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

Section I Overview

Summary

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
Expenditures by Function*				
General Government	\$ 1,503.6	\$ 1,492.1	\$ 1,546.1	\$ 1,533.9
Human Services	3,935.3	4,073.4	3,897.5	4,053.4
Education	2,589.5	2,597.7	2,640.3	2,660.7
Public Safety	591.6	603.9	591.7	605.3
Natural Resources	108.8	109.0	109.7	114.9
Transportation	514.1	588.1	592.4	591.0
Total	\$ 9,242.8	\$ 9,464.3	\$ 9,377.7	\$ 9,559.1
Expenditures by Category*				
Salaries and Benefits	\$ 1,700.1	\$ 1,682.6	\$ 1,750.5	\$ 1,763.2
Contracted Services	279.6	316.7	289.9	280.5
Subtotal	\$ 1,979.7	\$ 1,999.3	\$ 2,040.4	\$ 2,043.6
Other State Operations	859.2	946.4	961.1	957.9
Aid to Local Units of Government	1,318.7	1,320.8	1,362.9	1,371.1
Assistance, Grants, and Benefits	4,170.8	4,225.4	4,085.5	4,244.8
Capital	449.6	516.1	425.4	446.4
Capital Debt Service	238.8	237.2	242.1	241.0
Operating Transfers	226.1	219.1	260.3	254.3
Total	\$ 9,242.8	\$ 9,464.3	\$ 9,377.7	\$ 9,559.1
Sources of Funds*				
General Revenue	\$ 3,767.7	\$ 3,831.1	\$ 3,829.3	\$ 3,904.7
Federal Aid	3,134.1	3,231.8	3,091.9	3,198.4
Restricted Receipts	261.7	278.0	285.5	281.8
Other	2,079.2	2,123.5	2,171.1	2,174.2
Total	\$ 9,242.8	\$ 9,464.3	\$ 9,377.7	\$ 9,559.1
FTE Authorization	15,160.2	15,187.2	15,426.5	15,207.7

**Data in millions*

Summary

The Governor's budget recommendations for FY 2019, along with her revisions to the FY 2018 enacted budget, are contained in 2018-H 7200, introduced on January 18, 2018, which is the day it was due by law. Most supporting documents required as part of that submission were not made available with the introduction, with the exception of the executive summary. Draft documents were made available during the weeks that followed. The Capital Budget was not available until the first week of February.

The Governor recommends a total FY 2019 budget of \$9,377.7 million. Total expenditures increase \$134.9 million from the FY 2018 budget enacted by the 2017 Assembly, or 1.5 percent. Her FY 2018 revised budget totals \$9,462.3 million; FY 2017 expenditures were \$8,759.3 million.

The Governor’s budget includes \$3,829.3 million of expenditures funded from general revenues, \$61.6 million, or 1.6 percent more than the enacted general revenue funded budget. They are also \$22.6 million more than her revised recommendation.

The House Finance Committee recommends total expenditures of \$9,559.1 million, which is \$181.4 million more than the Governor recommended. It contains \$3,904.7 million from general revenues, which is \$75.4 million more than the Governor recommended.

FY 2019	General				
	Revenue	Federal	Restricted	Other	All Funds
FY 2018 Enacted	\$ 3,767.7	\$ 3,134.1	\$ 261.7	\$ 2,079.2	\$ 9,242.8
Governor	3,829.3	3,091.9	285.5	2,171.1	9,377.7
Change to Enacted	\$ 61.6	\$ (42.3)	\$ 23.8	\$ 91.9	\$ 134.9
Percent Change	1.6%	-1.3%	9.1%	4.4%	1.5%
HFC	\$ 3,904.7	\$ 3,198.4	\$ 281.8	\$ 2,174.2	\$ 9,559.1
Change to Enacted	137.0	64.2	20.1	95.0	316.3
Percent Change	3.6%	2.0%	7.7%	4.6%	3.4%
Change to Governor	\$ 75.4	\$ 106.5	\$ (3.7)	\$ 3.1	\$ 181.4
HFC Change to FY 2018	\$ 73.6	\$ (33.4)	\$ 3.8	\$ 50.8	\$ 94.8
Percent Change to FY 2018	1.9%	-1.0%	1.4%	2.4%	1.0%
HFC Change to FY 2017	\$ 232.2	\$ 221.0	\$ 53.8	\$ 292.8	\$ 799.9
Percent Change to FY 2017	6.3%	7.4%	23.6%	15.6%	9.1%

General revenue expenditures recommended by the Committee are \$61.6 million, or 1.6 percent more than general revenues appropriated for FY 2018 by the 2017 Assembly. General revenue expenditures are \$73.6 million more than the FY 2018 revised budget also contained in 2018-H 7200, Substitute A.

The Budget Office originally estimated that in preparing the FY 2019 budget, the Governor faced a projected revenue-expenditure gap of about \$237 million. This was significantly larger than the House Fiscal Staff’s June projections because it assumed lower revenues and not achieving the \$25 million savings target in the enacted budget. By November it was clear that agency overspending and increased caseload costs would outstrip increased resources available from the FY 2017 closing and revised consensus revenue estimates. Lack of authorization for the Children’s Health Insurance Program also contributed to the gap. The House Fiscal Staff estimated in December that those factors meant a roughly \$55 million current year deficit would have to be solved as well as a now \$180 million issue for FY 2019. This represents approximately 4.6 percent of general revenue expenditures. This differs from the Budget Office’s updated estimate of \$260 million across the two years, again largely because of its treatment of the \$25 million of enacted budget savings as one-time.

The Governor’s budget solves about half of the current year problem with increased revenues along with new proposals to rein in overspending in human services agencies. Her FY 2019 budget proposal relies on new revenues for almost 40 percent of the solution and reductions to human services spending for nearly half of it.

Following the May revenue and caseload conferences, available resources over the two year period were increased by \$121.6 million. The House Finance Committee used those resources to cover nearly \$30 million of unbudgeted commitments for employee raises retroactive to FY 2018 as well as almost \$35 million in current year and ongoing spending issues for services to individuals with developmental disabilities and children in state care. The recommendation also restores most of the transfers from quasi-public agencies, restores about half of the remaining human service reductions and excludes some new revenue items.

The unbudgeted and under budgeted items noted above were not considered in the Governor's out-year budget gap projections which remain unresolved in the House Finance Committee's budget. Like the Governor's budget, it does continue investment in programs designed to position the state for more growth than currently assumed in the five-year economic forecast.

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.

- ***Cigarette Tax.*** The Governor's budget assumes \$3.9 million in revenues from her proposal to increase the cigarette excise tax by \$0.25 per pack, to \$4.50 per 20-pack, effective August 1, 2018. The House Finance Committee does not concur.
- ***Other Tobacco Products Tax.*** The Governor's budget assumes \$2.3 million in revenues associated with proposed legislation to impose the other tobacco products tax on electronic nicotine delivery systems, require other tobacco products dealers to purchase from a state-licensed supplier, and raise the per cigar tax from \$0.50 to \$0.80. The House Finance Committee does not concur.
- ***Sales and Use Tax on Software as a Service.*** The Governor's budget assumes \$4.8 million in revenues associated with expansion of the state sales and use tax to include online third-party hosted subscription services effective October 1, 2018. The House Finance Committee concurs.
- ***Sales and Use Tax on Security Services.*** The Governor's budget assumes \$9.7 million in revenues associated with the proposed expansion of the state sales and use tax to include security services, such as investigation, guard and armored car services, effective July 1, 2018. The House Finance Committee concurs.
- ***Division of Taxation Restructuring.*** The Governor's budget assumes a total of \$13.5 million in additional personal income, business, sales and use tax revenues and associated fines and fees from restructuring the Division of Taxation. The Governor recommends 22.0 full-time equivalent positions. Accounting for \$3.5 million in technology support and staffing costs, the net budget impact is \$10.0 million. The House Finance Committee concurs.
- ***Division of Collections.*** The Governor's budget assumes a total of \$1.3 million in additional enhanced collections of fines and fees from establishing a Division of Collections within the Department of Revenue. The Governor recommends 7.0 full-time equivalent positions. Accounting for \$0.6 million in staffing and contracted services costs, the net budget impact is \$0.8 million. The House Finance Committee concurs but recommends additional limitations, annual reporting requirements, and a three year sunset provision.
- ***Inspection Violations.*** The Budget counts on \$2.6 million from fines that would be paid for reinstatement of registrations suspended based on expired inspections. The Division of Motor Vehicles now has the technology to know when inspections expire without update. The supporting documents refer to the revenues as a place holder pending a decision by the Assembly on the amount of the fee. However, the budget assumes the full amount of the original revenue estimate that used the \$250 reinstatement fee. The budget does not appear to include any new resources to implement the proposal. The Department of Revenue had requested about \$250,000 to do so. The House Finance Committee does not recommend these revenues.
- ***Sports Betting.*** The Governor's budget assumes \$23.5 million from the legalization of sports betting, restricted to the state's casinos beginning October 1, 2018, in anticipation of a pending United States Supreme Court decision. The House Finance Committee concurs.

- ***Lottery Gaming Innovation Pilot Initiatives.*** The Governor’s budget assumes \$4.1 million from new gaming initiatives such as stadium gaming, effective July 1, 2018. The House Finance Committee concurs.
- ***Insurance Claims Adjusters’ Fee.*** The Governor’s budget assumes \$3.0 million in new revenues from increasing the insurance claims adjusters’ fee from \$150 to \$250; the fee is biennial. Rhode Island is only one of eight states to assess the fee; most insurance adjusters are from out-of-state, and the fee is paid by the company. The House Finance Committee concurs.
- ***Mutual Funds Fees.*** The Governor’s budget assumes \$4.6 million in new revenues associated with increasing the upper limit fee cap on closed-end funds from \$1,000 to \$1,500 and increasing open-end mutual fund fees from \$1,000 to \$1,500. Currently, Massachusetts charges fees of 0.05 percent of the total offer between \$300 and \$1,500 for closed-end funds, and \$2,500 for its initial registration and \$1,250 for subsequent renewals for open-end funds; Connecticut charges a maximum of \$500 for both types of funds. The House Finance Committee recommends a \$750 increase for total additional revenues of \$6.9 million.
- ***Real ID Duplicate License Fees.*** The Governor’s budget assumes \$2.1 million in revenues associated with issuing duplicate credentials compliant of federal Real ID requirements and exempts this fee from being transferred to the transportation fund. It also assumes these collections will offset a recommendation for 32.0 new positions for implementation. The House Finance Committee concurs.
- ***Duplicate License Fees.*** The Governor’s budget assumes \$1.0 million in revenues from increasing the cost, from \$5 to \$25, for any duplicate license issued for routine information updates such as name or address and exempting this fee from being transferred to the transportation fund. The House Finance Committee recommends the fee only be increased by \$10.
- ***Small Business Omnibus Initiative.*** The Governor recommends four initiatives, including eliminating business licensing fees associated with hair design shop chair fees and retail frozen desserts processing, reducing the wholesale food processing licensing fee from \$500 to \$300, and extending the certified food safety license from three to five years. The recommended budget lowers expected revenues by \$0.3 million to reflect these changes. The House Finance Committee concurs.
- ***RI Infrastructure Bank Transfer.*** The enacted budget includes a \$3.5 million transfer from the Rhode Island Infrastructure Bank to state general revenues by June 30, 2018. The Governor proposes to increase this amount to \$8.5 million. The House Finance Committee does not concur with this additional transfer but does recommend a transfer of \$4.0 million to state general revenues by June 30, 2019.
- ***RI Resource Recovery Corporation Transfer.*** The Governor proposes that the Rhode Island Resource Recovery Corporation transfer \$3.0 million to state general revenues by June 30, 2018 and another \$3.0 million by June 30, 2019. The House Finance Committee does not concur with either transfer.
- ***RI Health and Educational Building Corporation Transfer.*** The Governor’s revised budget includes the enacted transfer of \$6.0 million from the Rhode Island Health and Educational Building Corporation to state general revenues by June 30, 2018. The House Finance Committee concurs.
- ***RI Housing Transfer.*** The Governor proposes that Rhode Island Housing transfer \$6.0 million, \$5.0 million more than enacted, to state general revenues by June 30, 2018, and transfer another \$5.0 million to state general revenues by June 30, 2019. The House Finance Committee does not recommend the additional \$10 million in transfers.
- ***RI Student Loan Authority Transfer.*** The Governor proposes that the Rhode Island Student Loan Authority transfer \$3.0 million to state general revenues by June 30, 2018. The House Finance Committee does not concur.

- ***RI Turnpike and Bridge Authority Transfer.*** The Governor proposes that the Rhode Island Turnpike and Bridge Authority transfer \$1.5 million to state general revenues by June 30, 2018. The House Finance Committee does not concur.
- ***Medical Marijuana Program Expansion.*** The Governor’s budget assumes \$5.1 million in sales and use tax, and other surcharges and fees from establishing 12 new compassion centers, authorizing temporary medical marijuana eligibility to include acute pain, allowing Massachusetts and Connecticut medical marijuana cardholders to purchase at Rhode Island compassion centers and establishing a license for medical marijuana manufacturing and research and development. The additional revenues are inclusive of a \$2.6 million increase of the annual transfer to state general revenues of any remaining medical marijuana related receipts collected by the Departments of Business Regulation and Health after expenses are covered. The House Finance Committee does not concur with most of the proposals. It does recommend an increase in fees paid by the current compassion centers and allowing access to out of state card holders.
- ***Qualified Jobs Tax Credit.*** The Governor’s budget includes legislation to establish a lower job creation threshold for manufacturers to participate in the Qualified Jobs tax credit program. The minimum new jobs would be the lesser of 10.0 percent of existing full-time jobs or 100, effectively requiring the creation of only one job in the case of small employers. The current minimum is 10 jobs for employers in targeted industries. The House Finance Committee does not concur.
- ***Job Training Tax Credit Repeal.*** The Governor’s budget assumes \$0.5 million in additional revenues by ending the tax credit which provides qualifying employers with credits against their state tax obligations for expenses associated with offering training to their employees. The provision states that no credits will be awarded for tax years beginning on or after January 1, 2018. This repeal is related to a separate proposal to establish permanent funding for Real Jobs Rhode Island. The Governor also recommends a \$450,000 appropriation from general revenues to Real Jobs to reflect reinvestment of those resources. The House Finance Committee concurs with the repeal and the additional funding.
- ***Air Service Development.*** The Governor’s budget adds \$0.5 million from general revenues to provide direct incentives, revenue guarantees, and/or other support for additional air service routes to major metropolitan areas. The FY 2017 and FY 2018 budgets provided \$2.0 million. The Air Service Development Council has partnered with the Rhode Island Airport Corporation to provide reimbursements for qualifying marketing expenses, and has committed all of the fund’s resources. The House Finance Committee recommends a sunset provision of June 30, 2020 consistent with other initiatives.
- ***I-195 Redevelopment Project Fund.*** The Governor’s budget includes an additional \$1.0 million from general revenues to provide developers and businesses with financing for capital investment, including land acquisition to promote the development of the former I-195 land, administered by the I-195 Redevelopment District Commission. The House Finance Committee concurs.
- ***Industry Cluster Grants.*** The Governor’s budget includes \$0.1 million for the Industry Cluster Grants program, which enables the Commerce Corporation to provide startup and technical assistance grants ranging from \$75,000 to \$250,000 and to provide competitive grants ranging from \$100,000 to \$500,000 for activities within an industry cluster and to close industry cluster gaps. The House Finance Committee concurs.
- ***Innovate RI Small Business Programs.*** The Governor’s budget includes the enacted level of \$1.0 million to support Small Business Innovation Research grants and the Bioscience and Engineering Internship Programs. The House Finance Committee concurs.

- ***Innovation Initiative.*** The Governor’s budget includes \$1.0 million from general revenues for Innovation Initiative grants and vouchers for businesses with less than 500 employees. Vouchers of up to \$50,000 may be given for research and development assistance from a Rhode Island university, research center, or medical center, or to a small business manufacturer for internal research and development. Grants may be given to organizations that offer technical assistance to businesses or to businesses in targeted industries. Grants must be matched by funds from a private sector or non-profit partner. The House Finance Committee concurs.
- ***Main Street Streetscape Improvement Fund.*** The Governor recommends providing an additional \$0.5 million for the Main Street Streetscape Improvement Fund for FY 2019. The FY 2016, FY 2017, and FY 2018 budgets provided a total of \$2.5 million for the fund and authorized the Commerce Corporation to award loans, matching grants and other forms of financing to enhance sidewalks, signage of public space and lighting in order to create an attractive environment in local business districts. The House Finance Committee concurs.
- ***Polaris Manufacturing Extension Partnership.*** The Governor’s budget includes an additional \$100,000 to provide a total of \$350,000 from general revenues to support Rhode Island manufacturers by continuing to deploy technical experts to provide LEAN training facilities layout and provide assistance in manufacturing optimization. Polaris Manufacturing Extension Partnership is a Providence-based nonprofit organization. It receives funding from the National Institute of Standards and Technology to subsidize its consulting services to make them more affordable to smaller manufacturing business owners, and fund awareness activities and educational seminars. The House Finance Committee concurs.
- ***Real Jobs Rhode Island.*** The Governor recommends codifying the Real Jobs Rhode Island program into law within the Governor’s Workforce Board of the Department of Labor and Training. This would establish it as the primary program by which the state creates, coordinates, and supports industry-led partnerships to help fill immediate job openings, up-skill existing employees, and address future workforce needs. The Governor’s budget amends the Job Development Fund to allow a portion of the fund to support employment security and employment services so that Real Jobs has long term funding. The Governor also recommends a change to the job development assessment that effectively allows the equivalent of the Employment Security Trust Fund’s prior year investment earnings to be redirected to the Job Development Fund. The Governor recommends a \$450,000 general revenue appropriation as well, reflecting the revenues added from her proposal to repeal the Job Training Tax Credit.

The House Finance Committee recommends providing \$5.0 million in additional general revenue funding for the program, which would provide \$11.0 million in new resources to support the program in FY 2019, and limits the changes to the unemployment insurance trust fund to allow no more than 75.0 percent of the prior year earnings to be redirected. This change will generate approximately \$5.5 million for the program and will only be applicable for tax year 2019.

- ***Quonset Infrastructure.*** The Governor’s budget includes \$14.0 million from Rhode Island Capital Plan funds for infrastructure improvements at the Quonset Business Park, including increasing roadway crossing capacity and utility relocation for additional future development of heavier shipping weights. The Governor recommends \$4.0 million in each FY 2019 and FY 2020, and \$6.0 million in FY 2021. The House Finance Committee concurs.
- ***38 Studios Debt Service.*** The Governor’s budget includes no state support for debt service relating to 38 Studios; the debt service will be paid with settlement funds that the Commerce Corporation received. The House Finance Committee concurs.
- ***Distressed Communities Relief Fund.*** The Governor recommends the enacted level of \$12.4 million for the Distressed Communities Relief Fund; there is a redistribution of funding among qualifying communities based on updated tax levies. In the first year a community qualifies, it receives a transition payment of half its proportional share; in the year a community no longer qualifies, it also receives a

transition payment of half its proportional share. The FY 2019 recommendation reflects the inclusion of Cranston as a qualifying community. Cranston will receive a transition payment. The House Finance Committee concurs.

- ***Motor Vehicles Excise Tax.*** The Governor's budget funds the Motor Vehicles Excise Tax and phase-out program at \$34.5 million for FY 2018 and \$54.7 million for FY 2019. The recommendation represents \$1.5 million less for FY 2018 and \$18.7 million more for FY 2019 based on updated estimates of the cost. The 2017 Assembly restarted the phase-out, which had been frozen for several years. For FY 2019 the changes include increasing the minimum exemption from \$1,000 to \$2,000, lowering the assessed value from 95.0 percent to 90.0 percent, and lowering the tax rate cap from \$60 to \$50, per \$1,000. As of FY 2018, cars older than 15 years are no longer taxed. The House Finance Committee concurs.

- ***Payment in Lieu of Taxes Program.*** The Governor recommends \$46.1 million for the Payment in Lieu of Taxes program that reimburses cities and towns for property taxes that would have been due on real property exempted from taxation by state law. Municipalities may be reimbursed up to 27.0 percent of the tax that would have been collected if the property had been taxable, subject to appropriation. The recommendation is \$0.9 million more than enacted and represents full funding for the program. The House Finance Committee concurs.

- ***FY 2019 Formula Education Aid.*** The Governor recommends \$922.2 million for school formula aid for school districts, including Central Falls, the Metropolitan Career and Technical School, Davies Career and Technical School and charter schools pursuant to the funding formula. This is \$11.0 million more than enacted and fully funds current estimates for the core formula. The House Finance Committee concurs and recommends an additional \$6.4 million to reflect March 2018 enrollment.

- ***Early Childhood Funds.*** The education funding formula allows for additional resources from the state to increase access to voluntary, free, high-quality pre-kindergarten programs. The Governor recommends \$6.2 million from general revenues and \$1.1 million from the Permanent School Fund for FY 2019. This is \$1.1 million more than enacted and represents the match committed on a \$5.6 million federal grant award. The House Finance Committee concurs.

- ***English Language Learners Funds.*** The Governor's budget includes \$2.5 million to support English language learners that are in the most intensive programs. The funding is calculated at the level of 10.0 percent of the core instruction amount, applied to students in the most intensive English learner programs. Funds may only be used on evidence-based programs proven to increase outcomes for English learners and are monitored by the Department of Elementary and Secondary Education. The House Finance Committee recommends an additional \$250,000.

- ***Special Education Funds.*** The education funding formula allows for additional resources from the state for high-cost special education students when those costs exceed five times the district's combined per pupil core instruction amount and student success factor amount. The Governor recommends \$4.5 million for FY 2019, consistent with the enacted budget. The House Finance Committee concurs.

- ***Non-Public School Transportation Funds.*** The education funding formula allows for additional resources from the state to districts for some out-of-district non-public school transportation costs. The Governor recommends \$3.0 million for FY 2019, which is consistent with the FY 2018 enacted level. The House Finance Committee concurs.

- ***Regional District Transportation Funds.*** The education funding formula allows for additional resources from the state to districts for some transportation costs within regional school districts. The Governor recommends \$3.8 million for FY 2019, which is consistent with the FY 2018 enacted level. The House Finance Committee recommends an additional \$500,000 for total funding of \$4.3 million.

- ***School Construction Changes.*** The Governor proposes temporarily enhancing school housing aid reimbursements in order to encourage new school construction and renovation projects. Districts would be eligible for up to 20.0 percent increases for projects that address health and safety deficiencies, specific high-demand subject areas, replacing facilities, and consolidating facilities. Charter schools would be eligible to receive these new incentives and would receive an increase in their minimum share ratio from 30.0 percent to 35.0 percent. The incentives require minimum project costs; some projects must begin by December 30, 2022 and others by December 30, 2023. The likely increase in the costs for the traditional aid program from the enhanced reimbursements are not reflected in the out-year projections. The House Finance Committee concurs but excludes the minimum reimbursement increase for charter schools. The Committee also increases minimum spending requirements from 25.0 percent or \$250,000 to 25.0 percent or \$500,000 per temporary incentive, includes phasing-in minimum maintenance spending requirements, and authorizes some participation of prior project approvals.
- ***School Construction Bond.*** The Governor recommends \$250.0 million of new general obligation bonds to be submitted to the voters on the November 2018 ballot for public school construction and repairs. No more than \$100.0 million in bonds would be issued per year. The House Finance Committee concurs.
- ***Recovery High School.*** Consistent with the enacted budget, the Governor’s budget provides \$0.5 million from general revenues to support the state’s recovery high school, which provides programs to students recovering from substance abuse. The House Finance Committee concurs.
- ***Managed Care Organizations Reimbursements.*** The Governor’s budget proposes savings of \$70.0 million, including \$23.7 million from general revenues, from reducing reimbursements made to the managed care plans through a variety of measures. There is an offsetting revenue loss of \$1.4 million from this proposal. The House Finance Committee concurs only with reducing the administrative rate and half of the medical component reductions.
- ***Long Term Care Services and Supports.*** The Governor’s budget includes savings of \$14.9 million, including \$10.0 million from general revenues, from an undefined “redesign” of Rhody Health Options managed care program that provides services to individuals eligible for Medicare and Medicaid and providing home and community care services through the Community First Choice option, effective January 1, 2019. This savings is net of \$0.5 million in administrative expenses included to implement the proposal. There is an offsetting revenue loss of \$0.3 million from this proposal, making the general revenue impact \$9.7 million for FY 2019. The savings for FY 2020 should annualize to approximately \$20 million. The House Finance Committee concurs.
- ***Nursing Home Eligibility Processes.*** The Governor’s budget includes savings of \$10.5 million, of which \$5.0 million is from general revenues, from instituting changes to the eligibility process for nursing home care including asset verification, transfers and elimination of the allowance for 90 days of retroactive coverage effective January 1, 2019. This savings is net of \$0.6 million in new staff expenses included to implement the proposal; it does not appear to include possible software or other costs to change the current system. There is an offsetting revenue loss of \$0.2 million from this proposal making the general revenue impact \$4.4 million for FY 2019. The savings for FY 2020 should annualize to approximately \$9 million. The House Finance Committee does not concur with the proposal to eliminate retroactive coverage but concurs with the asset verification process.
- ***Sullivan/Perry Long Term Care Funding.*** The Governor’s FY 2018 and FY 2019 budgets do not include the \$6.2 million, of which \$3.1 million is from general revenues, that was in the enacted budget for home and community care services. Funding was added to comply with the Sullivan/Perry provision of state law that invests resources in the services if there was a reduction in the statewide nursing home census. The enacted budget did include a separate \$5.2 million appropriation for a wage increase for home health and personal care attendants. The Governor’s recommendation suggests the Sullivan/Perry funding be used

for that purpose. The House Finance Committee adds \$7.0 million to raise home care rates that impact programs in the Executive Office of Health and Human Services and Department of Human Services and services to developmentally disabled adults through the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals.

- ***Hospital Rates.*** The Governor's budget includes savings of \$15.5 million, \$5.4 million from general revenues, from freezing hospital rates at the FY 2018 level. There is a statutory requirement for an annual price adjustment, and the November caseload estimate includes a 2.8 percent increase for inpatient services and 1.8 percent for outpatient services. The House Finance Committee concurs.

- ***Graduate Medical Education.*** The Governor proposes eliminating the \$4.0 million state payment to Lifespan for graduate medical education activities for FY 2018. For FY 2019, the budget includes a total of \$1.5 million from state and federal funds for a Graduate Medical Education pool available to all teaching hospitals with a focus on improving mental health and substance abuse treatment and training. The House Finance Committee restores the funding for both years.

- ***Inpatient Upper Payment Limit Reimbursement.*** The Governor's budget includes savings of \$14.1 million, including \$5.6 million from general revenues, in FY 2019 from eliminating the inpatient upper payment limit reimbursement made to community hospitals for Medicaid services based on Medicare rates. The outpatient payment totaling \$6.4 million, including \$2.6 million from general revenues, would be continued. The House Finance Committee does not concur.

- ***Non-Emergency Transportation Services.*** The Governor's budget includes savings of \$9.2 million, including \$3.5 million from general revenues, from changing the current contract with Logisticare or reprocurring and reducing payments made for transportation services effective January 1, 2019. The savings is net of funding for a new position to manage the contract changes. This appears to reflect an annualized savings in excess of 50 percent of program costs. The House Finance Committee concurs.

- ***Co-Payments for Adults.*** The Governor's budget proposes savings of \$9.9 million, including \$2.9 million from general revenues, from instituting co-payments for non-elderly non-disabled adults, including parents enrolled in RIte Care, for non-emergency visits to emergency rooms, non-preventive physician visits and prescription drugs. The total savings is net of \$1.0 million added for administrative costs related to the proposal, including two new positions and system changes that would be required. However, the savings appear to be based on an effective date of July 1, 2018. There is also an offsetting revenue loss of \$0.2 million from this proposal. The House Finance Committee does not concur.

- ***Revenue Maximization.*** The Governor's budget includes savings of \$1.7 million, including \$1.3 million from general revenues, from expanding the RIte Share program to cover those enrolled in Rhody Health Partners who have access to employer sponsored insurance, moving parents who were covered under RIte Care to the expansion program when they no longer have a dependent child, and having disabled children remain on parents' commercial coverage through age 26. The savings assumes an effective date of January 1, 2019 and is net of the costs for two new positions to implement the proposals. The House Finance Committee concurs with the exception of the provision regarding disabled individuals.

- ***Developmental Disabilities Services.*** The Governor's budget includes \$209.5 million, of which \$99.3 million is from general revenues for services to developmentally disabled adults in the privately-operated system for FY 2019. She includes \$227.8 million, including \$110.2 million from general revenues for FY 2018 which is \$11.3 million above the enacted budget based on current spending. Her FY 2019 recommendation is \$18.3 million below the revised budget, including \$10.9 million less from general revenues and assumes savings from the Department reviewing its assessment tool and using other payment models. The House Finance Committee recommends \$19.5 million for services including \$9.5 million from general revenues and includes language directing resources to consent decree implementation.

- ***Eleanor Slater Hospital.*** The Governor provides \$116.6 million, including \$55.5 million from general revenues for FY 2018 and \$115.5 million, including \$54.6 million from general revenues, for FY 2019 to support the operations at Eleanor Slater Hospital. The FY 2018 enacted budget includes savings of \$11.1 million from reorganization of the state-run hospital, including \$5.2 million from general revenues. For FY 2018, \$2.6 million from general revenues is added and \$2.1 million is added for FY 2019. The House Finance Committee’s recommendation adds funding for the statewide adjustments and medical benefit savings and uses available restricted receipts to offset general revenue expenses.
- ***Eleanor Slater Hospital – Zambarano Unit.*** The Governor’s budget includes general revenue overtime savings of \$0.5 million for FY 2018 and \$1.0 million for FY 2019 from consolidating patient units at the Burrillville campus of the state-run hospital. The House Finance Committee recommends savings be shifted to the Pastore complex reorganization based on where current year savings are being achieved.
- ***Eleanor Slater Hospital – Patient Transfer.*** The Governor’s budget includes general revenue savings of \$46,000 for FY 2018 and \$234,330 for FY 2019 from transferring patients at the state-run hospital to other residential settings; the number of patients and those other settings have not been identified. This represents the cost differential between the hospital and another setting for which costs would likely appear in another part of the state budget. The House Finance Committee concurs.
- ***Behavioral Healthcare Link.*** The Governor’s budget includes \$650,000 from general revenues to establish a Behavioral Healthcare Link, which is a statewide resource to provide 24-hour community based assessment and treatment for those experiencing a behavioral health care crisis. The House Finance Committee concurs.
- ***Foster Care Rates.*** The Governor’s budget includes \$1.4 million, including \$1.1 million from general revenues to increase rates paid for foster care placements. This is consistent with language in the preliminary settlement of the lawsuit with Children’s Rights. The funding is intended to build additional foster care capacity in support of the Department’s efforts to reduce congregate care placements. The House Finance Committee concurs.
- ***Voluntary Extension of Care Program.*** The Governor proposes using \$1.7 million from general revenues to match federal funds to expand existing programs for youth age 18 to 21 formerly in foster care. The House Finance Committee concurs.
- ***Senior Center Support.*** The Governor includes \$800,000 from general revenues to support the state’s senior centers through a grant process, which is \$400,000 more than enacted. The House Finance Committee concurs.
- ***Family Child Care Providers.*** In April 2018, the state entered into a contract with SEIU 1199, the union representing family child care providers. The contract includes a 2.5 percent rate increase, retroactive to January 1, 2018, as well as additional rate increases effective January 1, 2019 and January 1, 2020. Current rates are established in statute and any changes to rates requires Assembly approval. The contract also included stipends to be made in FY 2018 for those providers who received late child care payments and implementation of sick time in FY 2019. The House Finance Committee includes \$0.2 million in FY 2018 and \$0.6 million in FY 2019 to reflect increased provider rates, \$0.3 million for stipends, and \$0.2 million for sick time payments.
- ***Child Care Rates.*** The Governor’s budget establishes a tiered system of reimbursement for child care providers, reflecting the quality rating the provider has achieved in the Bright Stars system. Those providers with higher Bright Stars rankings will receive additional funding compared to those in the lower tiers. The budget includes an additional \$1.5 million to support this new system of reimbursement. The proposal also appears to raise all base child care rates by linking minimum reimbursement to a recent market survey, the

funding impact of which is unclear. The House Finance Committee recommends \$3.6 million from federal funds to provide tiered reimbursement for infant, toddler, and pre-school aged children at child care centers. This includes \$3.4 million for the Department of Human Services and \$0.2 million for the Department of Children, Youth and Families.

- ***Veterans' Programs and Services.*** The Governor includes the enacted level of \$200,000 from general revenues to support various veterans' programs and services with the Office of Veterans' Affairs determining how the funding is allocated. The House Finance Committee concurs.
- ***Northern RI Education Center.*** The Governor recommends \$4.0 million from Rhode Island Capital Plan funds to replicate the public-private education model being used at the Westerly Higher Education and Jobs Skills Center in northern Rhode Island. Rhode Island Capital Plan funds would be used to construct one or more education centers; it is unclear if there are private funds available as there were when the Westerly center was constructed. The House Finance Committee concurs but adds proviso language that state funding shall comprise no more than 50 percent of the total cost.
- ***Horace Mann Hall Renovation.*** The Governor recommends \$25.0 million of new general obligation bonds to be submitted to the voters on the November 2018 ballot for renovations to Horace Mann Hall at Rhode Island College. The House Finance Committee concurs.
- ***URI Narragansett Bay Campus Renewal.*** The Governor recommends \$45.0 million of new general obligation bonds to be submitted to the voters on the November 2018 ballot to renovate or replace the buildings, laboratories and infrastructure at the University's Narragansett Bay Campus. Improvements would also be done to the waterfront research vessel dock, roadways and walkways. The House Finance Committee concurs.
- ***URI Fine Arts Center.*** The Governor's capital budget recommendation includes \$11.0 million from Rhode Island Capital Plan funds for the University's fine arts center renovation project over four years. The University's request includes \$63.2 million over that same period. The House Finance Committee concurs with the Governor's requested amendment to advance funding from later years and provide \$6.4 million for FY 2019 and \$4.6 million for FY 2020.
- ***Guaranty Agency Operations.*** The Governor's budget assumes that the guaranty agency operations are transferred to a non-governmental successor agency by the end of FY 2018 to preserve resources for scholarships. It should be noted that the Governor's budget continues to fund non-guaranty agency operating functions from these resources, impacting availability for scholarships. The House Finance Committee concurs and adds language limiting the Office of Postsecondary Commissioner's use of guaranty agency fees for scholarships and limits the amount of reserve funds that can be used for personnel and operating costs.
- ***Third Grade Reading Action Plan.*** The Governor's budget includes \$100,000 from general revenues to fund a new investment in high quality early learning curriculum and provide support to educators to ensure coherence among curriculum practices in the early education grades. Of this, \$50,000 will be used to purchase materials and provide coaching services, and \$50,000 will be used for curriculum development and tools to implement the curriculum. The House Finance Committee concurs.
- ***E-911 Telecommunicators.*** The Budget includes \$0.2 million from general revenues to fund 2.0 new telecommunicator positions. The House Finance Committee concurs and recommends \$0.3 million from general revenues to fund an additional three telecommunicators. The Committee also recommends \$0.7 million from general revenues for the E-911 Division to perform technology upgrades and statewide assessment of needs to implement Next Generation 911.

- ***Municipal Police Training Academy.*** The Governor proposes legislation authorizing the Municipal Police Training School to charge tuition and a physical training test fee to each applicant. The amounts would be determined through rules and regulations. The Budget assumes receipts of \$0.3 million, which would be used to support operating costs of the Academy. . The House Finance Committee does not concur and maintains state support for the Academy.
- ***Public Defender.*** The Governor’s budget includes \$0.2 million from general revenues for two new attorney positions in FY 2019 in an effort to relieve the caseload burden in the Office of the Public Defender. The House Finance Committee concurs.
- ***Transition Employment.*** The Governor’s budget includes the enacted amount of \$300,000 from general revenues for a second year of the Pay for Success transition employment program, which is intended to increase employment and reduce recidivism of formerly incarcerated individuals. A contract was awarded; however, the Administration indicates that it was subsequently rescinded due to lack of participants. The House Finance Committee recommends removing funding in both years.
- ***Green Economy and Clean Water Bond.*** The Governor recommends \$48.5 million of new general obligation bonds to be submitted to the voters on the November 2018 ballot to be used for environmental and recreational purposes within the Department of Environmental Management. Proposed projects include improvements to state-owned recreational facilities, grants for coastal resiliency, as well as state-owned dam and bikeway repair. The recommendation supplants \$11.9 million in the approved plan from Rhode Island Capital Plan funds with the proposed bond proceeds. The House Finance Committee recommends a bond totaling \$47.3 million and funds recreational facilities projects through Rhode Island Capital Plan funds. The Committee recommends including \$7.0 million on the bond for the dredging of downtown Providence’s rivers and provides increased resources for water projects.
- ***Local Agriculture and Seafood Program.*** The Governor recommends the enacted amount of \$0.1 million for the local agriculture and seafood program to allow small businesses in the food sector to receive grants. Funding is matched by private sources. The House Finance Committee concurs.
- ***World War II State Park Improvements.*** The Governor includes \$250,000 from general revenues in FY 2019 for the fourth year of a five-year initiative to transfer maintenance and operation of the Park from the state to the City of Woonsocket following the completion of the capital project. The House Finance Committee concurs.
- ***Toll Revenue.*** The Budgets assumes toll revenues of \$4.0 million in the current year, based on two gantries being operational and \$41.0 million in FY 2019 from all 14 gantries being operational. The House Finance Committee concurs.
- ***Rhode Island Public Transit Authority Transfer.*** The Budget includes a transfer of \$9.6 million from the Highway Maintenance Account to the Rhode Island Public Transit Authority in FY 2019. This includes the enacted amount of \$5.0 million that the 2017 Assembly provided to fund the free-fare program for low income seniors and persons with disabilities and debt. The House Finance Committee concurs.
- ***Local Roads and Infrastructure.*** The Governor recommends one-time funding of \$10.0 million from Rhode Island Capital Plan funds for FY 2019 to fund pavement repair and other transportation asset protection projects. It appears that funding for this would be used for municipally owned infrastructures and state paving projects. The House Finance Committee does not concur with the new funding source but recommends that unused federal funds available from turnover savings be used for a statewide pavement program.

- **Providence Transit Connector.** The Governor’s capital budget includes a total of \$2.0 million from Rhode Island Capital Plan funds, including \$0.5 million in FY 2018 and \$1.6 million in FY 2019 to provide matching funds to improve the transit corridor between Kennedy Plaza, the Providence Train Station and other hubs. The Rhode Island Public Transit Authority was awarded a \$13.0 million federal grant for this purpose. The House Finance Committee concurs.

- **Pawtucket Bus Hub and Transit Corridor.** The Governor’s capital budget includes \$7.1 million, including \$1.3 million from Rhode Island Capital Plan funds, to match federal funds for the Rhode Island Public Transit Authority to build a transit hub adjacent to the new commuter rail station on the Pawtucket/Central Falls border. The House Finance Committee concurs.

General Revenue Surplus Statement

The following table shows the general revenue balances as recommended by the House Finance Committee. The Committee recommends an FY 2019 surplus of \$0.7 million, and has an operating deficit of \$31.5 million reflecting use of the FY 2018 surplus. The FY 2019 surplus is revenues minus the transfer to the Budget Reserve Fund minus expenditures. It represents the gap between useable revenues and expenditures. The budget reserve and cash stabilization account, the “rainy day fund” would have ending balances of \$191.6 million in FY 2017, \$192.2 million in FY 2018, and \$193.6 million in FY 2019. The account receives 3.0 percent of general revenues plus free surplus.

	FY 2017	FY 2018	FY 2019
Opening Surplus			
Free Surplus	\$ 167,818,207	\$ 61,660,230	\$ 32,177,840
Reappropriated Surplus	7,848,853	10,338,899	-
Subtotal	\$ 175,667,060	\$ 71,999,129	\$ 32,177,840
Revenues			
Actual/Enacted/Estimated	\$ 3,684,357,619	\$ 3,834,722,506	\$ 3,681,600,000
Governor	-	17,690,626	266,758,008
Assembly	-	58,050,000	45,616,853
Revenues	\$ 3,684,357,619	\$ 3,910,463,132	\$ 3,993,974,861
Cash Stabilization Fund	\$ (115,565,275)	\$ (119,163,701)	\$ (120,784,581)
From Cash Stabilization Fund	-	-	-
Total Available Resources	\$ 3,744,459,404	\$ 3,863,298,560	\$ 3,905,368,120
Expenditures			
Actual/Enacted/Estimated	\$ 3,672,460,275	\$ 3,767,715,656	\$ 3,912,098,171
Reappropriations	-	10,338,899	-
Governor	-	28,667,043	(82,817,999)
Assembly	-	24,399,122	75,428,011
Total Expenditures	\$ 3,672,460,275	\$ 3,831,120,720	\$ 3,904,708,183
Total Surplus	\$ 71,999,129	\$ 32,177,840	\$ 659,937
Reappropriations	(10,338,899)	-	-
Free Surplus	\$ 61,660,230	\$ 32,177,840	\$ 659,937
<i>Operating Surplus/(Deficit)</i>	<i>(95,819,078)</i>	<i>(29,482,390)</i>	<i>(31,517,903)</i>
Budget Stabilization and Cash Reserve	\$ 191,581,535	\$ 192,182,280	\$ 193,646,254
Percent of Revenues	5.2%	4.9%	4.8%

Section II

Adjustments to Governor's FY 2019 Budget

	FY 2019 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
	<i>Revenue Changes</i>					
1	May Revenue Conference	59,756,675	-	-	-	59,756,675
2	Commerce Anchor Institution Unused Allocation	750,000	-	-	-	750,000
3	DMV - Duplicate license fees	(504,575)	-	-	-	(504,575)
4	Hospital License Fee to 6%	(1,150,196)	-	-	-	(1,150,196)
5	Infrastructure Bank Transfer	4,000,000	-	-	-	4,000,000
6	Lapsed Inspection Penalty Revised Fee	(2,550,000)	-	-	-	(2,550,000)
7	Medicaid Proposals	750,000	-	-	-	750,000
8	Medical Marijuana Proposals	(3,925,508)	-	-	-	(3,925,508)
9	Real ID Implementation - Vital Records (GBA)	350,351	-	-	-	350,351
10	Resource Recovery Transfer	(3,000,000)	-	-	-	(3,000,000)
11	RI Housing Transfer	(5,000,000)	-	-	-	(5,000,000)
12	Sales Tax on Microbrewery Kegs	(15,000)	-	-	-	(15,000)
13	Tobacco Changes	(6,144,894)	-	-	-	(6,144,894)
14	Securities Fees	2,300,000	-	-	-	2,300,000
	Total	45,616,853	106,492,618	(3,663,219)	3,138,920	151,585,172
	<i>Expenditures Changes</i>					
	Statewide					
	Administration					
15	Capital - Convention Center Energy	(250,000)	-	-	4,300,000	4,050,000
16	Capital - Facility Renovations - Accessibility (GBA)	-	-	-	500,000	500,000
17	Capital - Pastore Center Buildings	-	-	-	(575,000)	(575,000)
18	Capital - Pastore Hospital Consolidation	-	-	-	(11,810,000)	(11,810,000)
19	Capital - Shepard Building	-	-	-	(250,000)	(250,000)
20	Capital - State House Energy Management Improvement	-	-	-	(150,000)	(150,000)
21	Capital - William Powers Building (GBA)	-	-	-	(500,000)	(500,000)
22	City Year	30,000	-	-	-	30,000
23	Cranston Street Armory Facilities Management (GBA)	777,314	-	-	-	777,314
24	Cost Allocation for Governor's Office Position	(187,566)	-	-	-	(187,566)
25	Debt Service Savings (GBA)	(1,925,754)	-	-	-	(1,925,754)
26	Facilities Management Services Savings (GBA)	(154,228)	-	-	-	(154,228)
27	Facility Charges to DOT	(540,000)	-	-	-	(540,000)
28	Fraud and Waste Delayed Savings (GBA)	(6,134,559)	-	-	-	(6,134,559)
29	HealthSource RI Funding Adjustment (GBA)	-	-	665,202	-	665,202
30	Hospital Consolidation Project Debt Service (GBA)	1,100,000	-	-	-	1,100,000
31	Lean Initiatives	(50,000)	-	-	-	(50,000)
32	Pay for Success Pilot Program	(300,000)	-	-	-	(300,000)
33	Performance Management Portal	(120,000)	-	-	-	(120,000)

	FY 2019 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
34	Project Management Staffing	700,000	-	-	-	700,000
35	Regulatory Reform – APA Staff Conversion (2.0 FTE)	(28,512)	-	-	-	(28,512)
36	Statewide COLA	563,895	-	-	-	563,895
37	VRI Savings	(68,201)	(7,348)	-	-	(75,549)
38	Water Resources Board Transfer	574,757	-	-	-	574,757
39	Workers' Compensation Savings Delay (GBA)	(250,000)	-	-	-	(250,000)
Business Regulation						
40	Center General Facilities Management from DOA (GBA)	154,228	-	-	-	154,228
41	Maintain Licensing Boards & Commissions in DOH (2.0 FTE)	(158,614)	-	-	-	(158,614)
42	Medical Marijuana (4.0 FTE)	-	-	(285,000)	-	(285,000)
43	Statewide COLA	371,492	-	-	-	371,492
44	Turnover	(103,000)	-	-	-	(103,000)
Executive Office of Commerce						
45	Capital - Quonset Piers	-	-	-	660,000	660,000
46	Chafee Center at Bryant	100,000	-	-	-	100,000
47	First Wave Closing Fund	(1,000,000)	-	-	-	(1,000,000)
48	Cost Allocation for Governor's Office Position	(61,282)	-	-	-	(61,282)
49	Manufacturing Investment Tax Credit	(300,000)	-	-	-	(300,000)
50	Manufacturing Site Readiness	(200,000)	-	-	-	(200,000)
51	Municipal Technical Assistance Fund	(200,000)	-	-	-	(200,000)
52	Rebuild Cash Flow Adjustment	(4,300,000)	-	-	-	(4,300,000)
53	Small Business Assistance	(500,000)	-	-	-	(500,000)
54	Statewide COLA	49,683	-	-	-	49,683
55	Supply RI	(175,000)	-	-	-	(175,000)
56	Tax Stabilization Incentive	(20,000)	-	-	-	(20,000)
57	Turnover	(419,000)	-	-	-	(419,000)
Labor and Training						
58	Capital - Center General Asset Protection	-	-	-	500,000	500,000
59	Centralized Services (GBA)	-	(154,228)	-	-	(154,228)
60	Cost Allocation for Governor's Office Position	-	-	(78,950)	-	(78,950)
61	Misclassification Task Force Expansion	-	-	(931,041)	-	(931,041)
62	Opportunities Industrialization Center	100,000	-	-	-	100,000
63	Real Jobs RI - State Funding	5,000,000	-	-	-	5,000,000
64	Supportive Employment Initiative	(400,000)	-	-	-	(400,000)
65	Statewide COLA	74,206	-	-	-	74,206
Revenue						
66	Central Falls Operating Support	600,000	-	-	-	600,000
67	Cost Allocation for Governor's Office	(58,114)	-	-	-	(58,114)
68	Statewide COLA	1,014,260	-	-	-	1,014,260

	FY 2019 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
Legislature						
69	Statewide COLA	777,289	-	-	-	777,289
Lieutenant Governor						
70	Staffing	50,000	-	-	-	50,000
71	Statewide COLA	24,626	-	-	-	24,626
Secretary of State						
72	Help America Vote Act Election Security	-	1,983,770	-	-	1,983,770
73	Interns	(36,000)	-	-	-	(36,000)
74	Statewide COLA	152,630	-	-	-	152,630
75	Turnover	(102,000)	-	-	-	(102,000)
Office of the General Treasurer						
76	Statewide COLA	56,144	-	-	-	56,144
77	Unclaimed Property	-	-	442,265	-	442,265
78	VRI Savings	(50,000)	-	-	-	(50,000)
Board of Elections						
79	Elections Telecommunications	(24,000)	-	-	-	(24,000)
80	Project Manager (1.0 FTE) (GBA)	113,433	-	-	-	113,433
81	Seasonal Staff	(100,000)	-	-	-	(100,000)
82	Statewide COLA	42,566	-	-	-	42,566
83	Turnover	(95,000)	-	-	-	(95,000)
Ethics Commission						
84	Statewide COLA	41,677	-	-	-	41,677
Governor's Office						
85	Statewide COLA	137,319	-	-	-	137,319
86	Contingency Fund	(150,000)	-	-	-	(150,000)
Commission for Human Rights						
87	Statewide COLA	24,985	-	-	-	24,985
Public Utilities Commission						
88	New Consumer Affairs Administrator (1.0 FTE)	-	-	(126,366)	-	(126,366)
89	Cost Allocation for Governor's Office Position	-	-	(25,451)	-	(25,451)
90	Water Resources Board Transfer	-	-	(574,757)	-	(574,757)
Executive Office of Health and Human Services						
91	Medicaid Caseload - May Conference	16,438,166	33,424,908	(2,250,063)	-	47,613,011
92	Consent Decree Payment Medicaid Correction	(300,000)	150,000	-	-	(150,000)
93	Co-Payments for Adults (2.0 FTE)	1,331,126	5,281,986	-	-	6,613,112

	FY 2019 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
94	Cortical Integrated Therapy to Enacted Cost Allocation for Governor's Office	1,000,000	-	-	-	1,000,000
95	Position	(112,186)	-	-	-	(112,186)
96	Enhanced Medicaid Claiming Technical Assistance	(250,000)	(250,000)	-	-	(500,000)
97	Hospitals - Upper Payment Limit	3,633,958	5,716,522	-	-	9,350,480
98	Hospitals - Graduate Medical Education	5,000,000	-	-	-	5,000,000
99	Long Term Care Rebalancing - Home Modification	250,000	-	-	-	250,000
100	Long Term Care Rebalancing - Home Care Rates	2,940,599	3,102,556	-	-	6,043,155
101	Managed Care Reserve Reduction	6,912,796	13,560,597	-	-	20,473,393
102	Managed Care Medical Component Reduction to 1.0%	5,776,976	11,378,582	-	-	17,155,558
103	Mental Health Parity Study	(150,000)	-	-	-	(150,000)
104	Nursing Homes Retroactive Coverage	2,303,034	2,524,118	-	-	4,827,152
105	One time Contract Savings from FY 2018	(704,264)	(1,590,793)	-	-	(2,295,057)
106	Statewide COLA	393,256	-	-	-	393,256
107	VRI Savings	(28,460)	(28,460)	-	-	(56,920)
Children, Youth and Families						
108	Caseload and Initiative Rebase	12,688,893	4,540,540	-	-	17,229,433
109	Child Care Rate Increase	-	249,000	-	-	249,000
110	New Federal Waiver Impact	(1,000,000)	1,000,000	-	-	-
111	Statewide COLA	1,287,942	-	-	-	1,287,942
Health						
112	Maintain Licensing Boards & Commissions in DOH (2.0 FTE)	158,614	-	-	-	158,614
113	VRI Savings	(46,055)	(95,620)	(38,829)	-	(180,504)
114	Real ID Implementation - Vital Records (GBA) (1.0 FTE)	325,534	-	-	-	325,534
115	Statewide COLA	516,513	-	-	-	516,513
Human Services						
116	Cash Assistance Caseload - May Conference	(5,161,387)	727,337	-	-	(4,434,050)
117	Child Care Pilot	(200,000)	-	-	-	(200,000)
118	Child Care Provider Tiered Incentives - Block Grant	(1,500,000)	3,370,542	-	-	1,870,542
119	Crossroads	200,000	-	-	-	200,000
120	Family Child Care Provider Union Contract	-	860,715	-	-	860,715
121	Federal Funds Correction	-	(442,892)	-	-	(442,892)
122	Long Term Care Rebalancing - Home Care Rates	183,000	192,924	-	-	375,924
123	State Assisted Living Supplement Enrollment Update	(113,120)	-	-	-	(113,120)
124	Statewide COLA	889,138	-	-	-	889,138

	FY 2019 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
BHDDH						
125	Capital - Community Facilities - Fire Code Upgrades	-	-	-	(200,000)	(200,000)
126	Case Management Health Homes Initiative	(1,491,450)	1,491,450	-	-	-
127	Correction to Court Monitor Transfer (GBA)	375,000	399,784	-	-	774,784
128	Developmental Disabilities Services	8,750,000	9,231,915	-	-	17,981,915
129	Developmental Disabilities Consent Decree	750,000	791,307	-	-	1,541,307
130	Eleanor Slater Hospital License Fee	179,617	(197,599)	-	-	(17,982)
131	Internal Service Fund Medicaid Match Correction	(1,359,843)	1,359,843	-	-	-
132	Long Term Care Rebalancing - Home Care Rates	301,692	318,308	-	-	620,000
133	Statewide COLA	1,362,909	-	-	-	1,362,909
134	VRI Savings	(177,450)	(177,455)	-	-	(354,905)
Child Advocate						
135	New Staff (1.4 FTE)	27,722	78,399	-	-	106,121
136	Statewide COLA	18,496	-	-	-	18,496
Deaf and Hard of Hearing						
137	Statewide COLA	11,711	-	-	-	11,711
Governor's Commission on Disabilities						
138	Statewide COLA	9,980	-	-	-	9,980
Office of the Mental Health Advocate						
139	Statewide COLA	13,496	-	-	-	13,496
Elementary & Secondary Education						
140	Advanced Placement Waivers at Current Level	25,000	-	-	-	25,000
141	Capital - Davies Advanced Manufacturing	-	-	-	3,250,000	3,250,000
142	Capital - Davies School - HVAC	-	-	-	(1,774,000)	(1,774,000)
143	Computer Science for RI	(50,000)	-	-	-	(50,000)
144	Cost Allocation for Governor's Office Position	(116,229)	-	-	-	(116,229)
145	COZ Support	100,000	-	-	-	100,000
146	Education Formula Aid March Update	6,449,514	-	-	-	6,449,514
147	ELL Aid Category	250,000	-	-	-	250,000
148	SAT and PSAT Excess Funding	(150,000)	-	-	-	(150,000)
149	School Resource Officer Support	2,000,000	-	-	-	2,000,000
150	Statewide COLA	778,778	-	-	-	778,778
151	Teacher Retirement	(1,000,000)	-	-	-	(1,000,000)
152	Transportation Categorical	500,000	-	-	-	500,000
Higher Education						
153	Best Buddies	30,000	-	-	-	30,000
154	Capital - CCRI Knight Campus Renewal	-	-	-	600,000	600,000
155	Capital - URI Biological Resources Lab	-	-	-	2,300,000	2,300,000

	FY 2019 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
156	Capital - URI Fine Arts Center Renovation (GBA)	-	-	-	5,400,000	5,400,000
157	Cost Allocation for Governor's Office Position	(58,534)	-	-	-	(58,534)
158	OPC - 2.0 New Unidentified Positions	-	-	(207,205)	-	(207,205)
159	OPC Turnover Savings	(150,000)	-	-	-	(150,000)
160	Promise - Updated Enrollment Assumptions	(355,000)	-	-	-	(355,000)
161	Statewide COLA	598,051	-	-	-	598,051
162	URI Operating Support	2,000,000	-	-	-	2,000,000
Arts Council						
163	Statewide COLA	18,300	-	-	-	18,300
Atomic Energy						
164	Statewide COLA	25,677	-	-	-	25,677
Historical Preservation & Heritage						
165	Statewide COLA	22,763	-	-	-	22,763
166	Federal Funds Correction	-	(155,027)	-	-	(155,027)
Attorney General						
167	Civil Division Staff	185,000	-	-	-	185,000
168	Medicaid Fraud, Waste and Abuse System Shift from FY 2018	62,500	-	-	-	62,500
169	Statewide COLA	621,370	-	-	-	621,370
170	VRI Savings	(62,400)	-	-	-	(62,400)
Corrections						
171	Capital - Intake Service Center Renovations	-	-	-	250,000	250,000
172	Capital - Dix Building Renovations	-	-	-	500,000	500,000
173	New Mental Health and Substance Abuse	-	205,537	-	-	205,537
174	Population Related Savings	(300,000)	-	-	-	(300,000)
175	Statewide COLA	4,740,377	-	-	-	4,740,377
176	VRI Savings	(400,000)	-	-	-	(400,000)
Judicial						
177	Capital - Noel Shelled Courtroom Build Out	-	-	-	1,600,000	1,600,000
178	Pay-Go Judges Pensions	(184,724)	-	-	-	(184,724)
179	Family Court Staffing	308,000	126,400	-	-	434,400
180	District Court Staffing	300,000	-	-	-	300,000
181	Statewide COLA	1,963,538	-	-	-	1,963,538
182	VRI Savings	(500,000)	-	-	-	(500,000)
Military Staff						
183	Capital - Armory of Mounted Commands	-	-	-	700,000	700,000
184	Capital - Bristol Readiness Center	-	-	-	125,000	125,000
185	Capital - Joint Force Headquarters Building	-	-	-	2,400,000	2,400,000

	FY 2019 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
	Cranston Street Armory Facilities					
186	Management (GBA)	(777,314)	-	-	-	(777,314)
187	Quonset Firefighter IOD Savings	150,000	-	-	-	150,000
188	Statewide COLA	34,204	-	-	-	34,204
	Public Safety					
189	Capital - Three Bay Garage	-	-	-	(100,000)	(100,000)
190	Capitol Police Screeners (2.0 FTE)	(144,512)	-	-	-	(144,512)
191	Position	(49,526)	-	-	-	(49,526)
192	E-911 Staffing	300,000	-	-	-	300,000
193	E-911 Technology Upgrades	700,000	-	-	-	700,000
194	Municipal Police Training Academy	253,024	-	(253,024)	-	-
195	Municipal Aid Withholding	296,002	-	-	-	296,002
196	Public Information Officer (1.0 FTE)	(143,776)	-	-	-	(143,776)
197	Sheriffs - IOD Savings	331,986	-	-	-	331,986
198	State Police - 57th Training Academy Delay to Jan. 2019	(1,719,735)	-	-	-	(1,719,735)
199	Statewide COLA	2,005,997	-	-	-	2,005,997
200	VRI Savings	(56,400)	-	-	-	(56,400)
	Public Defender					
201	Statewide COLA	274,644	-	-	-	274,644
	Emergency Management Agency					
202	Turnover	(81,000)	-	-	-	(81,000)
203	Statewide COLA	16,054	-	-	-	16,054
	Environmental Management					
204	Capital - Blackstone Valley Park	-	-	-	250,000	250,000
205	Capital - Dam Repair	-	-	-	1,900,000	1,900,000
206	Capital - Galilee Piers	-	-	-	500,000	500,000
207	Capital - Marine Infrastructure/Pier Development	-	-	-	250,000	250,000
208	Capital - Natural Resources Office/Visitor's Center	-	-	-	500,000	500,000
209	Capital - Recreational Facilities Improvements	-	-	-	900,000	900,000
210	Statewide COLA	778,495	-	-	-	778,495
211	VRI Impact	(160,000)	-	-	-	(160,000)
	Coastal Resources Management Council					
212	Beach Profile Monitoring	(15,000)	-	-	-	(15,000)
213	Capital - Narragansett Bay SAMP (GBA)	-	-	-	50,000	50,000
214	Legal Expenditures	(20,000)	-	-	-	(20,000)
215	Staffing (1.0 FTE)	188,877	-	-	-	188,877
216	Statewide COLA	58,383	-	-	-	58,383
217	Stormtools	(50,000)	-	-	-	(50,000)

	FY 2019 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
	Transportation					
218	Capital - Local Roads and Infrastructure	-	-	-	(10,000,000)	(10,000,000)
219	Cost Allocation for Governor's Office	-	-	-	(99,053)	(99,053)
220	Facility Charges from DOA	-	-	-	540,000	540,000
221	Statewide Repaving Projects	-	10,000,000	-	-	10,000,000
222	Gas Tax DOT Yield	-	-	-	649,745	649,745
223	Gas Tax RIPTA Yield	-	-	-	329,092	329,092
224	Gas Tax Turnpike & Bridge Authority Yield	-	-	-	118,136	118,136
225	Turnover Savings	-	(2,000,000)	-	-	(2,000,000)
226	VRI Savings	-	(475,000)	-	(475,000)	(950,000)
	Total	75,428,011	106,492,618	(3,663,219)	3,138,920	181,396,330

FY 2019 Changes to Governor

Revenue Changes

- 1. May Revenue Conference.** The May 2018 Revenue Estimating Conference increased the FY 2019 forecast to \$3,741.0 million based on its FY 2018 revisions and the new economic forecast. The estimate is \$59.4 million more than the November estimate and \$59.8 million more than the Governor's proposed budget, adjusted for recommended changes that could not be included in the estimate.
- 2. Commerce Anchor Institution Unused Allocation.** The House Finance Committee recommends transferring \$750,000 from the Commerce Corporation's unused resources from the Anchor Institution Tax Credit program to general revenue. The 2015 Assembly enacted the program; no credits have been awarded to date. The program sunsets on December 31, 2018, and with no awards made against the fund, the Committee recommends recouping the original appropriation.
- 3. DMV - Duplicate License Fees.** The Governor's budget assumes \$1.0 million in revenues from increasing the cost, from \$5 to \$25, for any duplicate license issued for routine information updates such as name or address and exempting this fee from being transferred to the transportation fund. The House Finance Committee recommends increasing the fee only to \$15 and decreases revenues by \$0.5 million to reflect this change.
- 4. Hospital License Fee to 6%.** The House Finance Committee recommends changing the hospital license fee from 5.856 percent to 6.0 percent in FY 2019. This is applied to FY 2017 revenues which are lower than FY 2016 and reflect the closure of Memorial Hospital. Total license fees collected would be \$180.8 million including \$174.0 million from community hospital payments and \$6.8 million from state payments for Eleanor Slater Hospital. This is \$1.2 million less from general revenues than the Governor's budget assumed.
- 5. Infrastructure Bank Transfer.** The House Finance Committee recommends that the Infrastructure Bank transfer \$4.0 million to state general revenues by June 30, 2019.
- 6. Lapsed Inspection Penalty Revised Fee.** The House Finance Committee does not concur with the Governor's proposal for automated enforcement of the state's inspection requirements and the resulting \$2.6 million of revenues from registration suspensions and reinstatements for failure to comply.
- 7. Medicaid Proposals.** The House Finance Committee recommends adding \$0.8 million in revenues based on the restoration of several Medicaid savings initiatives included in the Governor's budget that were not accepted; this increases the amount the state collects from the premium tax paid by these providers.
- 8. Medical Marijuana Proposals.** The House Finance Committee does not concur with the Governor's proposed changes to the state's medical marijuana program and adjusts revenues accordingly. She proposed \$5.1 million in additional revenues from expansion including up to 12 new compassion centers, authorizing temporary medical marijuana eligibility to include acute pain, allowing Massachusetts and Connecticut medical marijuana cardholders to purchase at Rhode Island compassion centers, and establishing a license for medical marijuana manufacturing and research and development. The House Finance Committee does not concur with most of the expansion items, but does provide for an increased fee for the existing compassion centers from \$5,000 to \$250,000.
- 9. Real ID Implementation - Vital Records (GBA).** The House Finance Committee concurs with the Governor's requested amendment to include revenues of \$0.4 million from increasing the fees for copies of birth and marriage certificates to fund implementation of federal Real ID requirements. The amendment

also includes expenditures of \$0.3 million from general revenues and 1.0 new position for costs and staffing associated with issuing more vital records. Funds will also be used to set up a satellite location at the Division of Motor Vehicles branch in Cranston that will provide customers the ability to obtain their birth and marriage certificates onsite.

10. Resource Recovery Transfer. The House Finance Committee does not concur with the Governor's proposal requiring that the Resource Recovery Corporation transfer \$3.0 million to general revenues by June 30, 2019.

11. RI Housing Transfer. The Governor's revised budget recommendation includes a transfer of \$5.0 million from RI Housing to state general revenues in FY 2019 as well as an increased transfer for FY 2018 of \$5.0 million. The House Finance Committee does not concur.

12. Sales Tax on Microbrewery Kegs. The House Finance Committee recommends reducing revenues by \$15,000 to recognize the impact of legislation exempting keg and barrel containers sold to alcohol beverage producers from the sales and use tax.

13. Tobacco Changes. The Governor's budget includes \$6.1 million in additional revenues from proposals to increase the cigarette tax from \$4.25 to \$4.50 per pack, extend tobacco taxes to electronic nicotine delivery systems, require other tobacco products dealers to purchase from a state-licensed supplier and raise the cap on the per cigar tax by \$0.30. The 2017 Assembly increased the cigarette tax from \$3.75 to \$4.25 per pack, effective August 2017. The House Finance Committee does not concur and adjusts revenues accordingly.

14. Securities Fees. The House Finance Committee does not concur with the Governor's budget proposal to increase the upper limit fee cap on closed-end funds from \$1,000 to \$1,500 and increasing open-end mutual fund fees from \$1,000 to \$1,500. The House Finance Committee recommends an additional \$250, for a cap of \$1,750 on both types of funds, and assumes \$6.9 million in new revenues from this change.

Expenditures Changes

Administration

15. Capital - Convention Center Energy Improvements. The House Finance Committee does not concur with the Governor's requested amendment to allow the Convention Center Authority to borrow \$4.3 million from the Rhode Island Infrastructure Bank's Energy Efficiency Fund to make energy efficiency improvements at the Convention Center and the Dunkin Donuts Center. It provides pay-go funding of \$4.3 million from Rhode Island Capital Plan funds in FY 2019 and assumes \$0.3 million of general revenue savings. Once completed, the improvements are estimated to save \$0.5 million annually from general revenues.

16. Capital - Facility Renovations - Accessibility (GBA). The approved plan assumes use of \$1.0 million annually from Rhode Island Capital Plan funds for renovations of state-owned long-term care and community based facilities, health centers, group homes, fire safety improvements, accessibility renovations to state administrative, higher education institutions and senior centers. The Governor's recommendation reduced the approved funding by \$0.1 million in FY 2018 and \$0.5 million annually for FY 2019 through FY 2021. The House Finance Committee concurs with her subsequent amendment to restore \$0.1 million in FY 2018 and \$0.5 million in FY 2019.

17. Capital - Pastore Center Buildings Demolition. The House Finance Committee recommends a total project cost of \$3.2 million from Rhode Island Capital Plan funds to demolish buildings on the Pastore

Center including Pinel and the Welcome Arnold buildings, three facility shops and the old power plant on the Pastore Center. This is based on revised project plans and is \$175,000 less than the Governor recommended for FY 2018 and \$575,000 less for FY 2019.

18. Capital - Pastore Hospital Consolidation (GBA). The House Finance Committee concurs with the Governor's requested amendments to shift \$11.8 million of Rhode Island Capital Plan funds from FY 2019 to FY 2020 and to issue \$22.0 million through Certificates of Participation for the Hospital Consolidation project on the Pastore Center.

19. Capital - Shepard Building. The House Finance Committee concurs with the Governor's total project costs of \$3.8 million from Rhode Island Capital Plan funds for repairs to the Shepard Building; however, shifted a total of \$0.4 million from FY 2018 and FY 2019 to FY 2020 and FY 2021 to reflect current scheduling. Funds will be used for roof and receiving door replacement, renovations to the Westminster Street entrance, structural facade repair, and new restroom floors.

20. Capital - State House Energy Management Improvement. The approved plan includes \$5.0 million from Rhode Island Capital Plan funds to renovate the boiler room of the State House. The Department's capital budget assumes use of \$0.3 million in FY 2018 and FY 2019 and indicates that the construction that is being considered will be substantially different from what was originally approved. Once the design is complete, it will have a better estimate for the construction costs. The Governor recommends \$150,000 in FY 2019 for architectural and engineering services for design options for the relocation of the boiler room. The Administration indicates that the project is currently not moving. The House Finance Committee concurs with the Governor's requested amendment to remove Rhode Island Capital Plan Fund expenditures of \$150,000 programmed in FY 2019.

21. Capital - William Powers Building (GBA). The Department anticipates Rhode Island Capital Plan fund expenditures of \$1.0 million for asset protection of the William Powers Administration building in FY 2018 for which the revised budget includes \$1.4 million. The House Finance Committee concurs with the Governor's requested amendment to reduce funding by \$350,000 in FY 2018 and \$0.5 million in FY 2019.

22. City Year. The House Finance Committee recommends an additional \$30,000 from general revenues for total funding of \$130,000 to City Year for the Whole School Whole Child Program, which provides individualized support to at-risk students.

23. Cranston Street Armory Facilities Management (GBA). The Governor's budget reflects the transfer of funding for centralized facilities management services to state agencies. The recommendation inadvertently included \$0.8 million of these expenditures from general revenues for the Cranston Street Armory in the Military Staff's budget. The House Finance Committee concurs with the Governor's requested amendment to include these costs in the Department of Administration's budget.

24. Cost Allocation for Governor's Office Position. The House Finance Committee does not concur with the Governor's proposal to allocate personnel expenditures for positions within the Governor's Office to other state agencies. The budget includes a total of \$0.8 million charged to various state agencies; the amount allocated to Department of Administration is \$0.2 million.

25. Debt Service Savings (GBA). The House Finance Committee concurs with the Governor's requested amendment to recognize \$1.9 million of general revenue debt service savings. This includes \$1.1 million less for general obligation bond debt service based on the recent issuance in April. It also reflects \$0.9 million less to cover the first-year debt service for the Garrahy Garage project for which the budget included \$2.5 million from general revenues. Those bonds were issued in January; the adjustment reflects the amount due in FY 2019.

26. Facilities Management Services Savings (GBA). The Governor's budget reflects the transfer of funding for centralized services from the Department of Administration to state agencies. She subsequently requested an amendment to reflect general revenue savings of \$0.2 million in both years based on building occupancy on the Pastore Center.

27. Facility Charges to DOT. The Governor's revised budget funds centralized facility charges for the Department of Transportation from general revenues in the Department of Administration's budget. This contradicts the intent of the 2017 Assembly's authorization of the establishment of internal service funds for centralized services to be billed to user agencies to maximize available non-general revenue sources. Based on square footage of the facilities, the Department of Administration indicates that \$0.5 million was paid in FY 2017. The House Finance Committee recommends that these expenditures be paid from resources within the Department of Transportation's budget.

28. Fraud and Waste Delayed Savings (GBA). The House Finance Committee concurs with the Governor's requested amendment to delay general revenue savings of \$3.2 million from the fraud and waste detection initiative from FY 2018 to FY 2019. It appears that \$3.0 million of the savings have been deemed to be achieved through cost avoidance as part of the Medicaid caseload projections. The House Finance Committee assumes those savings as well for a total of \$6.1 million.

29. HealthSource RI Funding Adjustment (GBA). The Governor's recommendation inadvertently reduced salary and benefit expenditures for HealthSource RI by \$0.7 million from the health reform assessment, which the Administration indicates was in error. The Governor subsequently requested an amendment to correct this. The House Finance Committee concurs.

30. Hospital Consolidation Project Debt Service (GBA). The House Finance Committee concurs with the Governor's requested amendment to include \$1.1 million from general revenues for first year's debt service for the issuance of \$22.0 million through Certificates of Participation for the Hospital Consolidation project on the Pastore Center.

31. Lean Initiatives. The House Finance Committee does not concur with the Governor's recommendation to include new expenditures of \$50,000 from general revenues to fund lean process improvement projects to improve operational efficiency throughout state government. This includes \$30,000 for three projects that the Department has yet to identify, \$6,500 to fund interns to support the program, and \$13,500 for operating supplies.

32. Pay for Success Pilot Program. The FY 2018 revised and the FY 2019 recommended budgets include \$0.3 million from general revenues to fund a new Pay for Success Pilot program, which is intended to increase employment and reduce recidivism of formerly incarcerated individuals. A contract was awarded; however, the Administration indicates that it was subsequently rescinded due to lack of participants. The House Finance Committee recommends removing funding in both years.

33. Performance Management Portal. The Governor's recommended FY 2019 budget includes the enacted amount of \$0.1 million from general revenues to make modifications to the performance management portal, tying performance measures to departments' new strategic plans. The House Finance Committee recommends removing the funding consistent with her recommendation for FY 2018.

34. Project Management Staffing. The Governor's budget inadvertently reduced requested general revenue funding for project manager positions in the Division of Capital Asset Management and Maintenance by \$0.8 million. Based on current staffing, the House Finance Committee recommends restoring \$0.7 million.

35. Regulatory Reform – APA Staff Conversion (2.0 FTE). The enacted budget includes \$170,704 from general revenues for the Office of Regulatory Reform to obtain contracted legal services for the review of state regulations. The FY 2018 revised and FY 2019 recommended budgets convert the funding from contracted services to salaries and benefits and add \$28,512 and staffing authorization for the two new positions. The House Finance Committee does not concur and recommends funding consistent with the enacted budget.

36. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Administration for FY 2019 is \$0.6 million.

37. VRI Savings. The House Finance Committee recommends savings of \$0.1 million from all sources, including \$68,201 from general revenues for FY 2019 based on savings available from the voluntary retirement incentive. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee’s longevity capped at \$40,000. The Governor’s budget includes a portion of the savings, but final participation data shows additional savings are available.

38. Water Resources Board Transfer. The House Finance Committee does not concur with the Governor’s proposal to achieve \$0.6 million of general revenue savings by transferring the Water Resources Board from the Department of Administration to the Public Utilities Commission. Under the proposal, operating costs for the Water Resources Board would be charged to regulated utilities. The FY 2019 recommendation is \$0.2 million more than enacted to fully fund the Board’s 3.0 full-time equivalent positions. The House Finance Committee recommends maintaining funding and the 3.0 employees in the budget of the Department of Administration.

39. Workers' Compensation Savings Delay (GBA). The House Finance Committee concurs with the Governor’s requested amendment to delay general revenue savings of \$0.3 million to FY 2019 from an initiative to privatize the administration of the Workers’ Compensation program.

Business Regulation

40. Center General Facilities Management from DOA (GBA). The House Finance Committee concurs with the Governor’s requested amendment to add \$154,228 from general revenues in both FY 2018 and FY 2019 to the Department of Business Regulation based on the Division of Capital Asset Management and Maintenance reassessment of its square footage at the Center General Building, which is shared with the Department of Labor and Training.

41. Maintain Licensing Boards & Commissions in DOH (2.0 FTE). The House Finance Committee does not concur with the Governor’s proposal to transfer the licensure of several professions from the Department of Health to the Department of Business Regulation. It maintains funding of \$0.2 million from general revenues and staffing of 2.0 full-time equivalent positions in the Department of Health to support the boards and commissions.

42. Medical Marijuana (4.0 FTE). The Governor’s recommendation includes \$0.3 million more than enacted to add 4.0 full-time equivalent positions in support of her proposal for significant changes which is not recommended by the Committee. The House Finance Committee does not concur with those changes and reduces funding accordingly.

43. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January

2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Business Regulation for FY 2019 is \$371,492.

44. Turnover. The House Finance Committee recommends general revenue turnover savings of \$103,000 for FY 2019 based on the current staffing level. This is equivalent to 1.0 vacant position. The Department currently has 8.4 vacancies but anticipates half of those positions being filled for the beginning of FY 2019.

Executive Office of Commerce

45. Capital - Quonset Piers. The Governor's capital budget includes \$90.0 million to refurbish Quonset Development Corporation's Pier 2. Funding includes \$15.0 million from Rhode Island Capital Plan funds, \$50.0 million from general obligation bond funds, \$21.0 million from Corporation revenue bonds and \$4.0 million from other Corporation resources. The House Finance Committee recommends shifting \$1.7 million of the Rhode Island Capital Plan funds from FY 2018 to the FY 2019 through FY 2021 period, including \$0.7 million in FY 2019 and \$0.5 million in FY 2020 and FY 2021 respectively, based on current spending.

46. Chafee Center at Bryant. The House Finance Committee recommends \$100,000 more than enacted for the Chafee Center at Bryant College, for a total of \$476,200. The Chafee Center at Bryant University, helps local companies initiate and/or develop international trade opportunities; its consultants work closely with each client company to offer guidance and advice to both research and international trade.

47. First Wave Closing Fund. The House Finance Committee does not concur with the Governor's recommendation to provide an additional \$1.0 million for FY 2019. Since enacting the First Wave Closing Fund, the Assembly has appropriated \$15.3 million to support the program. The program has made awards to six companies totaling \$2.4 million; the Corporation has not awarded any funds since December 2017. The program has approximately \$12.9 million in reserves from which to draw awards. The fund was enacted in 2015 to provide financing to ensure that certain transactions that are critical to the state's economy occur, subject to the Commerce Corporation's Board approval.

48. Cost Allocation for Governor's Office Position. The House Finance Committee does not concur with the Governor's proposal to allocate personnel expenditures for positions within the Governor's Office to other state agencies. The budget includes a total of \$0.8 million charged to various state agencies; the amount charged to the Executive Office of Commerce is \$61,282 from general revenues for a quarter of the cost of a deputy chief of staff position.

49. Manufacturing Investment Tax Credit. The House Finance Committee does not concur with the Governor's recommendation to include \$0.3 million from general revenues to establish a new refundable tax credit, up to \$0.1 million against state personal income or business taxes, for investments in tangible property, and construction of facilities.

50. Manufacturing Site Readiness. The House Finance Committee does not concur with the Governor's recommendation to include \$0.2 million from general revenues to establish a new fund to be administered by the Commerce Corporation to develop an inventory of "vetted pad-ready sites" capable of supporting facilities for manufacturing, industrial, or distribution sites.

51. Municipal Technical Assistance Fund. The House Finance Committee does not concur with the Governor's recommendation to provide \$200,000 from general revenues to establish a new fund at the Commerce Corporation to award loans, grants and other forms of financing to support municipalities'

access to technical assistance to evaluate and streamline zoning, planning, and permitting codes and processes.

52. Rebuild Cash Flow Adjustment. The House Finance Committee recommends \$11.2 million for FY 2019 to fund future credit redemption of the Rebuild Rhode Island program. This brings resources available through FY 2019 to \$49.7 million. As of May 2018, the Corporation has awarded \$95.8 million in credits under the Rebuild Rhode Island program which are paid out over time.

53. Small Business Assistance. The House Finance Committee does not concur with the Governor's recommendation to provide \$0.5 million from general revenues to recapitalize the Small Business Assistance Program for businesses with less than 200 employees that are having difficulties obtaining financing from traditional lending organizations.

54. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Executive Office of Commerce for FY 2019 is \$49,683.

55. Supply RI. The Governor's recommendation includes \$475,000 from general revenues for a new Supply RI initiative to connect small suppliers with the state's largest commercial purchasers. The funds would be used to maintain a database and provide information sessions and networking events. The Supply RI initiative was approved by the Commerce Corporation Board of Directors at its December 2017 board meeting, with a budget of \$325,000, including \$140,000 from its own resources, with the remainder of funding coming from other sources, including participation fees. The House Finance Committee recommends \$300,000.

56. Tax Stabilization Incentive. The House Finance Committee does not concur with the Governor's recommendation to add \$20,000 from general revenues for the Tax Stabilization Incentive program in FY 2019. Under Rhode Island General Law, the Commerce Corporation is permitted to use resources from the Rebuild Rhode Island Tax Credit fund to reimburse municipalities for the Tax Stabilization Incentive program.

57. Turnover. The House Finance Committee recommends general revenue turnover savings of \$419,000 for FY 2019 by maintaining the two current vacancies within the Office. The Governor's FY 2019 recommended budget assumes turnover savings of \$38,891.

Labor and Training

58. Capital - Center General Asset Protection. The Governor's capital budget includes a total of \$6.1 million from Rhode Island Capital Plan funds from FY 2018 through FY 2023 for asset protection projects for the Center General Complex in Cranston and the Arrigan Rehabilitation Center in Providence. The House Finance Committee recommends reducing FY 2018 expenses by \$1.0 million and shifting \$0.5 million of that to FY 2019 based on updated spending plans.

59. Centralized Services (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$154,228 from general revenues in both FY 2018 and FY 2019 to the Department of Business Regulation based on the Division of Capital Asset Management and Maintenance reassessment of its square footage at the Center General Building, which is shared with the Department of Labor and Training. There is like decrease in federal funding for the Department of Labor and Training.

60. Cost Allocation for Governor's Office Position. The House Finance Committee does not concur with the Governor's proposal to allocate personnel expenditures for positions within the Governor's Office

to other state agencies. The budget includes a total of \$0.8 million charged to various state agencies; the amount allocated to Department of Labor and Training is \$0.1 million.

61. Misclassification Task Force Expansion (Article 11). The Governor recommends \$0.9 million from restricted receipts to fund 9.0 new full-time equivalent misclassification task force and workplace fraud unit positions. The recommendation includes 6.0 labor standards examiners, 2.0 prevailing wage investigators, and 1.0 legal counsel. The unit currently is staffed by 12.0 positions. The House Finance Committee does not recommend the new positions or funding.

62. Opportunities Industrialization Center. The House Finance Committee recommends a \$0.1 million appropriation from general revenues for FY 2019 to support the Opportunities Industrialization Center, a nonprofit organization which provides training, employment, minority business enterprise, and urban policy development services to underserved urban populations through collaboration with public and private sectors as well as community based organizations.

63. Real Jobs RI - State Funding. The House Finance Committee recommends providing \$5.0 million in additional general revenue funding for the Real Jobs RI program, which would provide \$11.0 million in new resources to support the program in FY 2019. This includes \$5.5 million from a one year change to the unemployment insurance trust fund to allow no more than 75.0 percent of the prior year earnings to be redirected. Further, the changes will only be applicable for tax year 2019. It also includes \$0.5 million from the repeal of the Job Training Tax Credit.

64. Supportive Employment Initiative. The Governor recommends \$0.4 million from general revenues for a new program in FY 2019 under the purview of the Governor's Workforce Board for those in recovery. Job training through the Department's current programs would be paired with services such as substance use disorder counseling, recovery coaching, or housing aid. The House Finance Committee does not recommend new general revenues for this program.

65. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Labor and Training for FY 2019 is \$74,206.

Revenue

66. Central Falls Operating Support. The Governor's recommended budget excludes the \$0.6 million from general revenues in the enacted budget to support the operations of the City of Central Falls. The House Finance Committee recommends providing the enacted level of funding.

67. Cost Allocation for Governor's Office Position. The House Finance Committee does not concur with the Governor's proposal to allocate personnel expenditures for positions within the Governor's Office to other state agencies. The budget includes a total of \$0.8 million charged to various state agencies; the amount charged to the Department of Revenue is \$58,114 from general revenues for a quarter of the cost of a deputy chief of staff position.

68. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Revenue for FY 2019 is \$1.0 million.

Legislature

69. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Legislature for FY 2019 is \$0.8 million.

Lieutenant Governor

70. Staffing. The Governor's budget includes \$65,199 less than enacted from general revenues for personnel costs for the Office of the Lieutenant Governor for FY 2019. The House Finance Committee recommends increasing the salaries and benefits by \$50,000 based on information subsequently provided by the Office of the Lieutenant Governor.

71. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Lieutenant Governor for FY 2019 is \$24,626.

Secretary of State

72. Help America Vote Act Election Security Grant (GBA). The federal Omnibus Appropriations Act signed into law March 23, 2018 includes \$380 million in Help America Vote Act funding for enhancements of election technology and security improvements. The Secretary of State in conjunction with the Board of Elections will be receiving \$3.0 million of that funding, which requires a \$150,000 state match. The House Finance Committee concurs with the Governor's requested amendment to add expenditures totaling \$2.0 million for election upgrades in FY 2019 from this new grant.

73. Interns. The Governor recommends \$72,000 from general revenues for interns for the Office of the Secretary of State. This mistakenly doubles the cost and the House Finance Committee recommends removing the \$36,000 of excess funding to correct the total.

74. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Secretary of State for FY 2019 is \$152,630.

75. Turnover. The House Finance Committee recommends reducing general revenue funding for the Office by \$102,000 based on FY 2018 experience. The Office has averaged 3.0 vacancies and the Governor's budget fully funds all authorized positions.

Office of the General Treasurer

76. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of General Treasurer for FY 2019 is \$56,144.

77. Unclaimed Property. The House Finance Committee recommends adding \$0.4 million for the unclaimed transfer to the state for FY 2019 to reflect the May Revenue Estimating Conference estimate of \$9.7 million.

78. VRI Savings. The House Finance Committee recommends general revenue savings of \$50,000 for FY 2019 based on two individuals opting to take the voluntary retirement incentive during FY 2018. The \$50,000 reduction equates to leaving those two positions vacant for approximately four months. The Governor's FY 2019 recommended budget did not assume any savings from the program.

Board of Elections

79. Elections Telecommunications. The Governor recommends \$80,000 from general revenues to support telecommunications expenses related to the new voting machines. The Board indicates the total amount should be \$56,000. The House Finance Committee recommends removing the excess \$24,000.

80. Project Manager (1.0 FTE) (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$0.1 million from general revenues and authorization for 1.0 new full-time equivalent position for the Board of Elections in FY 2019. The position would be responsible for the coordination, deployment, and maintenance of epoll books throughout the state, as well as a role in risk limiting audit implementation, website maintenance, and any other duties that arise.

81. Seasonal Staff. The House Finance Committee recommends reducing the amount for seasonal staff by \$0.1 million to reflect expected lower needs as a result of purchasing mail ballot processing machinery through the Help America Vote Act Election Security grant as well as historical expenditures. The Governor recommends \$0.4 million from general revenues for seasonal staff to help the Board with the November 2018 election. The Board spent \$112,945 on seasonal staff in FY 2013, \$190,992 in FY 2015, and \$228,684 in FY 2017.

82. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Board of Elections for FY 2019 is \$42,566.

83. Turnover. The Governor's FY 2019 budget fully funds the Board's 12.0 authorized positions; as of May 12, 2018 the Board has averaged 10.1 filled positions. The House Finance Committee recommends reducing funding for the Board by \$0.1 million for FY 2019, which is equivalent to one vacant position.

Ethics Commission

84. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Ethics Commission for FY 2019 is \$41,677.

Governor's Office

85. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January

2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Governor for FY 2019 is \$137,319.

86. Contingency Fund. The Contingency Fund may be used for expenditures in any state department or agency where funding is insufficient, or where such requirements are due to unforeseen conditions or are non-recurring items of an unusual nature. Expenditures for the last five fiscal years averaged \$89,744. The House Finance Committee recommends providing \$100,000, which is \$150,000 less than the Governor recommended.

Commission for Human Rights

87. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Commission for Human Rights for FY 2019 is \$24,985.

Public Utilities Commission

88. New Consumer Affairs Administrator (1.0 FTE). The House Finance Committee does not concur with the Governor's proposal to add \$0.1 million and 1.0 new full-time associate administrator position. The position would supervise the consumer and engineering sections of the Division.

89. Cost Allocation for Governor's Office Position. The House Finance Committee does not concur with the Governor's proposal to allocate personnel expenditures for positions within the Governor's Office to other state agencies. The budget includes a total of \$0.8 million charged to various state agencies; the amount charged to the Public Utilities Commission is \$25,451 from restricted receipts for a quarter of the cost of a policy advisor employee.

90. Water Resources Board Transfer. The House Finance Committee does not concur with the Governor's proposal to achieve \$0.6 million of general revenue savings by transferring the Water Resources Board from the Department of Administration to the Public Utilities Commission. Under the proposal, operating costs for the Water Resources Board would be charged to regulated utilities. The House Finance Committee recommends maintaining funding and the 3.0 employees in the budget of the Department of Administration.

Executive Office of Health and Human Services

91. Medicaid Caseload - May Conference. The House Finance Committee recommends increasing medical assistance expenses by \$47.6 million for FY 2019. This reflects the \$35.1 million change made at the May caseload estimate for projected program costs. The estimate includes general revenue savings of \$17.5 million, which includes savings from reauthorization of the Children's Health Insurance Program, which was already assumed in the Governor's budget along with other initiatives. Accounting for the savings already assumed in the Governor's budget, FY 2019 spending is estimated to be \$16.4 million more from general revenues, \$33.4 million more from federal funds, and \$2.3 million less from restricted receipts.

92. Consent Decree Payment Medicaid Correction. The House Finance Committee recommends \$300,000, including \$150,000 from general revenues, to pay the costs for the consent decree court monitor for FY 2019 consistent with the legal limit. The Governor's recommended budget includes \$450,000 from general revenues and she subsequently requested an amendment to reflect a 50.0 percent Medicaid match but left the expense overfunded by \$150,000.

93. Co-Payments for Adults (2.0 FTE). The House Finance Committee does not concur with the Governor's recommendation to institute co-payments for adults receiving certain Medicaid services and restores the \$6.6 million of savings. This includes restoring \$7.6 million, of which \$1.6 million is from general revenues, in the medical assistance program and eliminating the proposal to add two positions and \$1.0 million, including \$0.3 million from general revenues, for implementation.

94. Cortical Integrated Therapy to Enacted. The House Finance Committee recommends restoring the \$1.0 million from general revenues for cortical integrated therapy services, which was reduced in the Governor's recommended budget. This was also reduced to \$750,000 in the Governor's revised budget as part of her plan to meet a \$25.0 million administrative savings target and was restored by the Committee.

95. Cost Allocation for Governor's Office Position. The House Finance Committee does not concur with the Governor's proposal to allocate personnel expenditures for positions within the Governor's Office to other state agencies. The budget includes a total of \$0.8 million charged to various state agencies; the amount charged to the Executive Office of Health and Human Services is \$0.1 million from general revenues.

96. Enhanced Medicaid Claiming Technical Assistance. The Governor's budget includes the enacted level of \$500,000 including \$250,000 from general revenues, to provide technical assistance to the Department of Children, Youth and Families and the Executive Office with increasing federal claiming opportunities. Funding was not used for this purpose in FY 2018. The House Finance Committee recommends removing the FY 2019 funding.

97. Hospitals - Upper Payment Limit. The House Finance Committee does not concur with the Governor's recommendation to eliminate the inpatient upper payment limit reimbursement and restores \$9.4 million from all sources, including \$3.6 million from general revenues.

98. Hospitals - Graduate Medical Education. The House Finance Committee recommends \$5.0 million from general revenues for graduate medical education funding for academic medical centers that meet certain criteria, including designation as Level 1 trauma centers. The Governor's budget eliminates the enacted funding of \$4.0 million.

99. Long Term Care Rebalancing - Home Modification. The House Finance Committee recommends adding \$250,000 from general revenues to bring total funding for home modification projects to \$500,000. The funding supports home modifications and accessibility enhancements to construct, retrofit and/or renovate residences to allow individuals to remain in community settings; this will be in coordination with the Governor's Commission on Disabilities.

100. Long Term Care Rebalancing - Home Care Rates. The House Finance Committee recommends adding \$7.0 million, including \$3.4 million to increase fee-for-service home care rates impacting both the Executive Office of Health and Human Services' budget and the Department of Human Services as well as for services provided to developmentally disabled adults through the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. For the Executive Office's budget, this is \$6.0 million, including \$2.9 million from general revenues, above the Governor's recommendation for these services.

101. Managed Care Reserve Reduction. The House Finance Committee does not concur with the Governor's proposal to reduce the reserve retained by the managed care plans and restores \$20.5 million, including \$6.9 million from general revenues. The state entered into five-year contracts with Neighborhood Health Plan of Rhode Island, United Healthcare, and Tufts Health Plan of Rhode Island. As part of the contracts, the state agreed to the plans retaining 1.5 percent of administrative and medical premiums to mitigate the risk of operating in the commercial insurance market.

102. Managed Care Medical Component Reduction to 1.0%. The House Finance Committee recommends adding \$17.2 million, including \$5.8 million from general revenues, to restore a portion of the savings taken in the Governor's recommended budget impacting the rate paid to the managed care programs through the medical component. The change lowers the Governor's recommended 2.0 percent reduction to 1.0 percent.

103. Mental Health Parity Study. The House Finance Committee does not concur with the Governor's recommendation to add \$150,000 from general revenues to conduct a mental health parity study through the Office of the Health Insurance Commissioner and reduces funding accordingly.

104. Nursing Homes Retroactive Coverage. The House Finance Committee does not concur with the Governor's proposal to eliminate retroactive coverage and restores \$4.8 million, including \$2.3 million from general revenues, in the medical assistance program.

105. One Time Contract Savings from FY 2018. The House Finance Committee recommends reducing spending on contracted services by \$2.3 million, including \$0.7 million from general revenues for FY 2019. The Executive Office entered into several new one-year contracts in FY 2018 using available resources that were not identified for any specific purposes in the enacted budget. The Committee recommends adjusting FY 2019 expenditures to reflect the expiration of the time-limited contracts.

106. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Executive Office of Health and Human Services for FY 2019 is \$393,256.

107. VRI Savings. The House Finance Committee recommends savings of \$56,920 from all sources, including \$28,460 from general revenues, for FY 2019 based on longevity savings available from five individuals taking the voluntary retirement incentive. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000. The Governor's budget did not include any savings.

Children, Youth and Families

108. Caseload and Initiative Rebase. The House Finance Committee recommends adding \$17.2 million, including \$12.7 million from general revenues, to reflect updated FY 2019 projected costs for community based programs in the Department of Children, Youth and Families. This includes foster care and residential services. The Committee also recommends adding \$17.2 million, including \$13.5 million from general revenues, for FY 2018 for the same programs.

109. Child Care Rate Increase. The Governor recommends adding \$1.5 million from general revenues to raise child care rates through the Department of Human Services' subsidized child care program. The House Finance Committee recommends the increase using available federal funds. Of this amount, \$0.2 million is for increased child care costs in the Department of Children, Youth and Families' budget that are subject to this rate increase. The House Finance Committee shifts the funding accordingly and also includes \$49,000 to reflect costs related to the new union contract with the family based providers.

110. New Federal Waiver Impact. The House Finance Committee recommends savings of \$1.0 million from general revenues from leveraging Medicaid funds available to support services to those in voluntary placements. This is in anticipation of a new opportunity included in the Medicaid waiver application.

111. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January

2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Children, Youth and Families for FY 2019 is \$1.3 million.

Health

112. Maintain Licensing Boards & Commissions in DOH (2.0 FTE). The House Finance Committee does not concur with the Governor's proposal to transfer the licensure of several professions from the Department of Health to the Department of Business Regulation. It maintains funding of \$0.2 million from general revenues and staffing of 2.0 full-time equivalent positions in the Department of Health to support the boards and commissions.

113. VRI Savings. The House Finance Committee recommends savings of \$0.2 million from all sources, including \$46,055 from general revenues, for FY 2019 based on longevity savings available from the voluntary retirement incentive participation not reflected in the Governor's budget. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000.

114. Real ID Implementation - Vital Records (GBA) (1.0 FTE). The House Finance Committee concurs with the Governor's requested amendment to provide the Department of Health with \$0.3 million from general revenues and 1.0 new position for costs and staffing associated with issuing more vital records for implementation of federal Real ID requirements. Funds will also be used to set up a satellite location at the Division of Motor Vehicles branch in Cranston that will provide customers the ability to obtain their birth certificates onsite. The budget assumes revenues of \$0.4 million from fees associated with obtaining copies of birth and marriage certificates.

115. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Health for FY 2019 is \$0.5 million.

Human Services

116. Cash Assistance Caseload - May Conference. The House Finance Committee recommends reducing expenditures for cash assistance caseloads by \$4.4 million, including \$5.2 million from general revenues, to reflect the May Caseload Estimating Conference estimates for Rhode Island Works, subsidized child care, supplemental security income and general public assistance bridge programs.

117. Child Care Pilot. The House Finance Committee does not concur with the Governor's proposal to provide \$200,000 from general revenues for a new child care pilot program. The Governor's recommended budget includes the funding to allow parents enrolled in one of the state's public institutions of higher education to qualify for child care assistance.

118. Child Care Provider Tiered Incentives - Block Grant. The Governor recommends \$1.5 million from general revenues for a new tiered incentive program for infant and toddler care providers. The incentives would be tied to the state's voluntary quality rating system, with providers with higher rankings receiving more funding than those in lower tiers. The House Finance Committee recommends a total of \$3.6 million from available federal Child Care Development Block Grant funds to support this initiative and expand the tiered incentive program to pre-school aged children. This includes \$3.4 million for the Department of Human Services and \$0.2 million for the Department of Children, Youth and Families.

119. Crossroads. The House Finance Committee recommends an additional \$200,000 from general revenues for FY 2019 to support activities provided by Crossroads Rhode Island, for total funding of \$500,000.

120. Family Child Care Provider Union Contract. In April 2018, the state entered into a contract with SEIU 1199, the union representing family child care providers. The contract includes a 2.5 percent rate increase, retroactive to January 1, 2018, as well as additional rate increases effective January 1, 2019 and January 1, 2020. Current rates are established in statute and any changes to rates require Assembly approval. The contract also includes implementation of required sick time and gradually increases the maximum number of hours that can be earned over the FY 2019 through FY 2020 period. The Governor subsequently requested an amendment to include \$860,715 from general revenues for these payments in FY 2019, consistent with the Department of Human Services' testimony at the May Caseload Estimating Conference. The House Finance Committee concurs but recommends use of available federal funds in lieu of general revenues.

121. Federal Funds Correction. The House Finance Committee recommends a \$0.4 million reduction from federal funds to correct the budget for the Head Start program; total funding will remain consistent with the enacted budget. The Department requested additional funds in error, and the Governor's recommended budget reflects that request.

122. Long Term Care Rebalancing - Home Care Rates. The House Finance Committee recommends adding \$7.0 million, including \$3.4 million to increase fee-for-service home care rates impacting both the Executive Office of Health and Human Services' budget and the Department of Human Services as well as for services provided to developmentally disabled adults through the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. For the Department of Human Services, this is \$0.4 million more than the Governor's recommendation, including \$0.2 million from general revenues.

123. State Assisted Living Supplement Enrollment Update. The House Finance Committee recommends a \$0.1 million reduction to general revenue expenditures for the state's assisted living supplemental payment based on historical spending.

124. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Human Services for FY 2019 is \$0.9 million.

BHDDH

125. Capital - Community Facilities - Fire Code Upgrades. The Governor's capital budget includes \$1.0 million from Rhode Island Capital Plan funds to install new and upgrade existing fire alarm and sprinkler systems throughout the community developmental disability and mental health facilities. This includes \$416,061 for FY 2018. The House Finance Committee recommends reducing FY 2018 funding by \$366,061 based on current spending and FY 2019 funding by \$0.2 million based on expected work.

126. Case Management Health Homes Initiative. The House Finance Committee recommends general revenue savings of \$1.5 million by recognizing the available Medicaid match rates for the case management health home initiative. This includes a 90/10 Medicaid match for direct services and a 50/50 administrative match for the contracted administrative services. The Governor's recommended budget did not assume federal match on the contractor and retained a 50/50 match for the direct services.

127. Correction to Court Monitor Transfer (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$375,000 from general revenues and \$399,784 from federal funds to correct the inadvertent adjustment made in the Governor's budget when the funding for the court monitor was transferred to the Executive Office of Health and Human Services' budget.

128. Developmental Disabilities Services. The House Finance Committee recommends adding \$18.0 million, including \$8.8 million from general revenues, to reflect anticipated costs for community based programs supporting adults with developmental disabilities totaling \$229.2 million in FY 2019. This includes \$107.5 million from general revenues and is \$1.3 million above FY 2018.

129. Developmental Disabilities Consent Decree. The House Finance Committee recommends \$1.5 million, including \$0.8 million from general revenues, to support technical and other assistance for community based agencies to ensure they transition to providing integrated services to adults with developmental disabilities that comply with the consent decree.

130. Eleanor Slater Hospital License Fee. The House Finance Committee recommends \$6.8 million for the FY 2019 hospital license fee for Eleanor Slater Hospital. The fee, paid by both the community hospitals and the state, is increasing from 5.856 percent to 6.0 percent with an updated base year. There is also a corresponding revenue adjustment.

131. Internal Service Fund Medicaid Match Correction. The House Finance Committee recommends shifting \$1.4 million of expenditures from general revenues to federal funds by correcting the Medicaid match applied to centralized service costs transferred from the Department of Administration to the Division of Developmental Disabilities and Eleanor Slater Hospital system. The Governor's recommended budget did not use the 50.0 percent administrative rate, and the Committee's recommendation corrects that.

132. Long Term Care Rebalancing - Home Care Rates. The House Finance Committee recommends adding \$7.0 million, including \$3.4 million to increase fee-for-service home care rates impacting both the Executive Office of Health and Human Services' budget and the Department of Human Services as well as for services provided to developmentally disabled adults through the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. For the Department's budget, this \$0.6 million, including \$0.3 million from general revenues, above the Governor's recommendation for these services.

133. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals for FY 2019 is \$1.4 million.

134. VRI Savings. The House Finance Committee recommends savings of \$0.4 million from all sources, including \$0.2 million from general revenues, for FY 2019 based on longevity savings available from 38 individuals who participated in the voluntary retirement incentive program. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000. The Governor's budget did not include any savings.

Child Advocate

135. New Staff (1.4 FTE). The House Finance Committee recommends adding \$106,121, including \$27,722 from general revenues and \$78,399 from federal funds to increase the staffing authorization for the Office of the Child Advocate to 10.0 full-time equivalent positions. This is to enhance the ability of the Office to fulfill its mission and meet its responsibilities under the Children's Rights Settlement. The

Governor recommended a total of 8.6 full-time equivalent positions, which included a new part-time position. All eight authorized positions are currently filled.

136. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Child Advocate for FY 2019 is \$18,496.

Deaf and Hard of Hearing

137. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Commission on the Deaf and Hard of Hearing for FY 2019 is \$11,711.

Governor's Commission on Disabilities

138. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Governor's Commission on Disabilities for FY 2019 is \$9,980.

Office of the Mental Health Advocate

139. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Mental Health Advocate for FY 2019 is \$13,496.

Elementary & Secondary Education

140. Advanced Placement Waivers at Current Level. The House Finance Committee recommends \$25,000 from general revenues to support the Department's advanced placement test fee waiver program. The Governor's budget includes \$55,000 from Title IV(a) funds to support this program. With additional general revenues, total funding for the program would be \$80,000, consistent with FY 2016 and FY 2017 actual spending.

141. Capital - Davies Advanced Manufacturing. The Governor recommends the enacted amount of \$3.7 million from Rhode Island Capital Plan funds for renovations to the Advanced Manufacturing program at the Davies Career and Technical School. Based on the current project schedule, the House Finance Committee recommends shifting \$3.3 million from FY 2018 to FY 2019.

142. Capital - Davies School – HVAC. The Governor recommends \$3.0 million from Rhode Island Capital Plan funds for FY 2018 and FY 2019 to repair the HVAC system at the Davies Career and Technical School. Work on the third-floor freshman wing is complete, but the school reports that remaining repairs are delayed until a facility master plan is completed. Based on that, the House Finance Committee recommends shifting \$0.7 million from FY 2018 and \$1.8 million from FY 2019 to FY 2020 and FY 2021, respectively.

143. Computer Science for RI. The House Finance Committee recommends the enacted level of \$210,000 from general revenues to fund Computer Science for RI, which is \$50,000 less than the Governor's recommendation. The initiative was created as part of the FY 2017 enacted budget to expand access to computer science courses for elementary and secondary education students to improve science, technology, engineering and mathematics (STEM) education in Rhode Island schools. For FY 2019, the Department intends to use funding for students to receive post-secondary credentials.

144. Cost Allocation for Governor's Office Position. The House Finance Committee does not concur with the Governor's proposal to allocate personnel expenditures for positions within the Governor's Office to other state agencies. The budget includes a total of \$0.8 million charged to various state agencies; the amount charged to the Department of Elementary and Secondary Education is \$116,229 from general revenues for one-half of the cost of a deputy chief of staff.

145. COZ Support. The House Finance Committee recommends an additional \$100,000 from general revenues to support child opportunity zones (COZ), for total FY 2019 funding of \$345,000.

146. Education Formula Aid March Update. The House Finance Committee recommends an additional \$6.4 million from general revenues for the eighth year of the education funding formula aid based on updated student enrollment data provided in April. The increase reflects higher district and charter school enrollments. The update affects districts differently with some receiving more and some receiving less than the Governor's budget assumed. The recommendation also includes an additional \$0.4 million of stabilization funding for the Central Falls School District, reflecting recent contract negotiations with its teachers' unions.

147. ELL Aid Category. The House Finance Committee recommends an additional \$250,000 from general revenues to support English language learners that are in the most intensive programs. Total FY 2019 funding would be \$2.7 million.

148. SAT and PSAT Excess Funding. The House Finance Committee recommends the enacted level of funding to provide free PSAT and SAT to all Rhode Island public school students during a school day, which is \$150,000 less from general revenues than the Governor recommended. This includes \$500,000 from general revenues and \$133,600 from federal funds. The Department may use federal state assessment funding to support any expenses that exceed the enacted amount.

149. School Resource Officer Support. The House Finance Committee recommends \$2.0 million from general revenues to establish a three-year pilot program for a new category of education aid to support school resource officers for a period of three years beginning in FY 2019. Funding would be used to reimburse school districts or municipalities one-half of the total cost of employing a new school resource officer at a middle or high school. Staffing levels that exceed one officer per school with less than 1,200 students and two officers per school with 1,200 or more students would not be eligible for reimbursement.

150. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Elementary and Secondary Education for FY 2019 is \$0.8 million.

151. Teacher Retirement. The House Finance Committee recommends a reduction of \$1.0 million from general revenues for teacher retirement. Actual wages through March 2018 have been lower than assumed in the Governor's budget resulting in a \$0.2 million savings in FY 2018; original estimates assumed wages would grow by 2.5 percent in FY 2018 and 3.0 percent in FY 2019. Based on lower actual wages in FY

2018, the estimated expenditures would be \$1.0 million less than the Governor's FY 2019 recommended budget.

152. Transportation Categorical. The House Finance Committee recommends an additional \$0.5 million from general revenues for the regional transportation categorical, for total FY 2019 funding of \$4.3 million. Funding is provided to offset excess costs associated with transporting students within regional school districts.

Higher Education

153. Best Buddies. The House Finance Committee recommends adding \$30,000 in general revenue support for the Best Buddies program. The mission of the organization is to establish a global volunteer movement that creates opportunities for one-to-one friendships, integrated employment and leadership development for people with intellectual and developmental disabilities. This would provide a total of \$60,000 for FY 2019.

154. Capital - CCRI Knight Campus Renewal. The Governor's capital budget includes \$22.3 million from Rhode Island Capital Plan funds for the Knight Campus Renewal project. Funding is programmed through FY 2020. Projects for FY 2018 include the repairs to the main entry ramp, structural repairs to the building, common lighting upgrades, plaza re-design with Americans with Disabilities Act compliant parking and bus drop off, completion of elevator upgrades, door replacements and electronic locks, and acoustical upgrades in the main commons area. Based on delays in several components of the project, the House Finance Committee recommends reducing FY 2018 funding by \$3.6 million and shifting \$0.6 million of it to FY 2019, and \$1.5 million each to FY 2020 and FY 2021.

155. Capital - URI Biological Resources Lab. The Governor's capital budget includes \$5.9 million to renovate a facility designed to centralize and replace the numerous small laboratory animal care facilities on the Kingston Campus. Funding includes \$5.7 million from Rhode Island Capital Plan funds and \$0.2 million from University funds. Based on a revised project schedule, the House Finance Committee recommends reducing FY 2018 funding by \$3.0 million and shifting \$2.3 million of it to FY 2019 and \$0.7 million to FY 2020.

156. Capital - URI Fine Arts Center Renovation (GBA). The Governor's capital budget includes \$11.0 million for the first phase of the renovation and enhancement of the 120,720 square foot fine arts center on the Kingston Campus in addition to the \$1.0 million provided in the enacted budget for planning. The first phase involves HVAC system replacements and exterior envelope repairs and the Governor's capital budget includes \$1.0 million for FY 2019, \$2.0 million for FY 2020, \$5.0 million for FY 2021, and \$3.0 million for FY 2022. The University indicated that this phase cannot proceed with funding spread over so many years. The House Finance Committee concurs with the Governor's subsequent amendment request to advance funding from later years and provide \$6.4 million for FY 2019 and \$4.6 million for FY 2020, which is \$5.4 million more than recommended for FY 2019.

157. Cost Allocation for Governor's Office Position. The House Finance Committee does not concur with the Governor's proposal to allocate personnel expenditures for positions within the Governor's Office to other state agencies. The budget includes a total of \$0.8 million charged to various state agencies; the amount charged to the Office of Postsecondary Commissioner is \$58,534 from general revenues for half the cost of an education policy advisor employee.

158. OPC - 2.0 New Unidentified Positions. The House Finance Committee does not concur with the Governor's proposal to add \$0.2 million from restricted receipts for 2.0 new unidentified positions for the Office of Postsecondary Commissioner. In the event the Office does receive funding to support new

positions, there is a mechanism to increase both position authorization and restricted receipt expenditure authority.

159. OPC Turnover Savings. The House Finance Committee recommends general revenue turnover savings of \$150,000 for FY 2019 based on projected FY 2018 spending for general revenue funded staff in the Office of Postsecondary Commissioner. The Governor's FY 2019 recommended budget assumes turnover savings equivalent to 0.5 positions.

160. Promise - Updated Enrollment Assumptions. Based on the enrollment and attrition experience of the first cohort of Rhode Island Promise Scholarship students in FY 2018, the House Finance Committee recommends reducing the FY 2019 funding recommendation of \$6.4 million by \$0.4 million. This assumes that the cohort enrolling in the fall of 2018 is 25.0 percent larger than the cohort that enrolled in the fall of 2017. It also assumes that attrition between the fall and spring semester for the second cohort mirrors the experience of the first cohort with 16 percent attrition, and that 46 percent of all first-time, full-time students that enroll as part of the second cohort have their tuition fully supported by the Promise program, which also is the experience of the first cohort.

161. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for Public Higher Education for FY 2019 is \$0.6 million.

162. URI Operating Support. The House Finance Committee recommends adding \$2.0 million in general revenue operating support for the University of Rhode Island. The Council on Postsecondary Education's Finance Committee directed each of the institutions to revise their original budget submissions to specific targets. The budget approved by the Council included \$3.9 million less for the University. Adjusted for debt service and the Crime Lab, the Governor's recommendation was \$0.7 million more from general revenues than enacted and \$3.8 million less than requested.

Arts Council

163. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Arts Council for FY 2019 is \$18,300.

Atomic Energy

164. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Atomic Energy Commission for FY 2019 is \$25,677.

Historical Preservation & Heritage Commission

165. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Historical Preservation and Heritage Commission for FY 2019 is \$22,763.

166. Federal Funds Correction. The House Finance Committee recommends eliminating \$0.2 million from federal funds to reflect the actual award amount from the Commission's Maritime Heritage Grant.

Attorney General

167. Civil Division Staff. The House Finance Committee recommends adding \$185,000 from general revenues to fund new staff attorney and paralegal positions in the Civil Division. The new positions are within the Office's current staffing authorization of 235.1 positions.

168. Medicaid Fraud, Waste and Abuse System Shift from FY 2018. The Governor's FY 2018 and FY 2019 budgets include \$250,000 from general revenues for a new data mining system for the Attorney General's Medicaid Fraud Unit. This is required to match \$750,000 from Medicaid for total funding of \$1.0 million for the new project. The House Finance Committee recommends shifting the \$62,500 from general revenues recommended for FY 2018 to FY 2019 to reflect a delay in purchasing the system. This provides the full \$250,000 match to the \$750,000 from Medicaid funds in the FY 2019 recommended budget.

169. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Attorney General for FY 2019 is \$621,370.

170. VRI Savings. The House Finance Committee recommends reducing general revenues by \$62,400 for FY 2019 based on longevity savings available from five individuals who chose the voluntary retirement incentive. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000. The Governor's budget includes a portion of the savings but additional related savings are available.

Corrections

171. Capital - Intake Service Center Renovations. The Governor's capital budget includes \$11.8 million from Rhode Island Capital Plan funds, including \$2.0 million for the current year, to restore the exterior of the Intake Center, a \$3.6 million increase from the approved plan. This increase includes \$2.0 million to replace, instead of repair, the building's exterior envelope and \$1.6 million to replace interior and exterior lighting. Based on a delay in several components of the project, the House Finance Committee recommends reducing FY 2018 funding by \$1.3 million and adding \$250,000 each to FY 2019 and FY 2020, \$300,000 to FY 2021 and \$500,000 to FY 2022. Total funding is as recommended.

172. Capital - Dix Building Renovations. The Governor's capital budget includes \$1.3 million for the current year and \$0.9 million for FY 2019 through FY 2020 for renovations to the Dix Building. Based on architectural and engineering work taking longer than originally anticipated, the House Finance Committee recommends shifting \$1.0 million of FY 2018 funding to FY 2019 and FY 2020 with \$500,000 each year.

173. New Mental Health and Substance Abuse Grant (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million from federal funds in both FY 2018 and FY 2019 from the Second Chance Act Grant for Probation Violators with Substance Use and Mental Disorders. The grant would augment the existing medication assisted treatment program by providing screenings and assessments for qualifying probation violators. The Department will contract with a community based mental health and substance abuse treatment provider to identify eligible program participants awaiting trial at the Intake Service Center based on three evidence-based screening and assessment tools, participants'

residence, and probation violation status. The Department anticipates serving 115 individuals during each full program year during the three years of the grant.

174. Population Related Savings. The Governor's FY 2019 budget recommendation assumes a population of 2,865 inmates and \$4,996 per inmate for population related expenditures calculated on a per diem basis, excluding staffing and mental health services. Based on spending through the end of March 2018, the Department is on track to spend \$14.0 million, which would be \$4,937 per inmate. From July through April, the Department has averaged 2,792 inmates. Based on current year spending and a declining population, the House Finance Committee recommends general revenue savings of \$0.3 million for FY 2019.

175. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Corrections for FY 2019 is \$4.7 million.

176. VRI Savings. The House Finance Committee recommends general revenue savings of \$0.4 million for FY 2019 based on 16 individuals opting to take the voluntary retirement incentive during FY 2018. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000. The Governor's FY 2019 recommended budget does not assume any savings from the voluntary retirement incentive program. The \$0.4 million reduction equates to leaving 15 of those positions vacant for approximately three months during FY 2019.

Judicial

177. Capital - Noel Shelled Courtroom Build Out. The Governor recommends \$6.3 million from Rhode Island Capital Plan funds for FY 2018 and FY 2019 to build out the shelled courtrooms at the Noel Judicial Complex and construct a new parking lot. The House Finance Committee recommends shifting \$1.6 million from FY 2018 to FY 2019 to reflect that the project is behind schedule. The Judiciary indicates it still expects to complete the project in FY 2019.

178. Pay-Go Judges Pensions. The Governor recommends \$5.8 million from all sources, including \$5.2 million from general revenues for retirement costs for judges and magistrates hired before 1990 who are not part of the state employees' retirement system. The recommendation is \$0.1 million less than enacted and \$0.2 million more than requested. Based on supporting documents and information from the Budget Office, it appears the recommendation should have been consistent with Judiciary's requested amount. Accordingly, the House Finance Committee recommends reducing general revenues by \$0.2 million.

179. Family Court Staffing. The House Finance Committee recommends adding \$0.4 million from all sources for FY 2019 for a Family Court magistrate as well as two attorneys in Family Court to be filled from vacancies within the Judiciary's staffing authorization. The funding includes \$0.3 million from general revenues and \$0.1 million from federal funds.

180. District Court Staffing. The House Finance Committee recommends adding \$0.3 million from general revenues for FY 2019 for a District Court magistrate and a position in pretrial diversion to be filled from vacancies within the Judiciary's staffing authorization.

181. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January

2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Judiciary for FY 2019 is \$2.0 million.

182. VRI Savings. The House Finance Committee recommends reducing general revenues by \$0.5 million for FY 2019 based on longevity savings available from 21 individuals opting to take the voluntary retirement incentive. State employee's eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employees longevity capped at \$40,000. The Governor's FY 2019 recommended budget did not assume any savings from the program.

Military Staff

183. Capital - Armory of Mounted Commands. The Governor recommends \$1.0 million from Rhode Island Capital Plan funds for FY 2018 for the rehabilitation of the Armory of Mounted Commands building. Individual components include heating, ventilation and air conditioning systems upgrades, elevator installation, roof replacement and parking lot paving. Based on several delays in the project, the House Finance Committee recommends reducing FY 2018 funding by \$960,000 and shifting \$700,000 of it to FY 2019 and \$260,000 to FY 2020.

184. Capital - Bristol Readiness Center. The Governor recommends the enacted level of \$125,000 from Rhode Island Capital Plan funds for FY 2018 for a feasibility study and environmental assessment related to a new armory facility in Bristol that meets updated federal requirements and can support two Rhode Island National Guard units and a field maintenance shop. Based on delays in the project, the House Finance Committee recommends shifting the \$125,000 from FY 2018 to FY 2019.

185. Capital - Joint Force Headquarters Building. The Governor's capital recommendation includes the previously approved \$10.7 million from Rhode Island Capital Plan funds to build a new joint force headquarters at Camp Fogarty in East Greenwich, including \$6.0 million in FY 2018 and \$4.7 million in FY 2019. Based on delays in the project, the House Finance Committee recommends shifting \$4.2 million of FY 2018 funding to later years, with \$2.4 million for FY 2019 and \$1.8 million for FY 2020.

186. Cranston Street Armory Facilities Management (GBA). The Governor's budget reflects the transfer of funding for centralized facilities management services to state agencies. The recommendation inadvertently included \$0.8 million of these expenditures from general revenues for the Cranston Street Armory in the Military Staff's budget. The House Finance Committee concurs with the Governor's requested amendment to shift these costs back to the Department of Administration's budget.

187. Quonset Firefighter IOD Savings. The Governor proposes legislation in her budget recommendation to reform the injured on duty laws and assumes \$0.3 million of general revenue savings in FY 2019 for the Military Staff from these changes. The House Finance Committee does not concur with the Governor's legislation and restores \$0.2 million for the Military Staff in FY 2019 based on FY 2018 experience.

188. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Military Staff for FY 2019 is \$34,204.

Public Safety

189. Capital - Three Bay Garage. The Governor recommends a total of \$0.3 million from Rhode Island Capital Plan funds, including \$0.2 million in FY 2018 and \$0.1 million in FY 2019, to determine the

building needs of the State Police and its personnel. The Governor also recommends \$0.1 million from Rhode Island Capital Plan funds to conduct a feasibility study for renovations to the Radio Bureau building and attached three-bay garage, located at the headquarters facility in North Scituate. The House Finance Committee does not recommend funding for this feasibility study as the master plan will encompass this work.

190. Capitol Police Screeners (2.0 FTE). The House Finance Committee does not concur with the Governor's proposal to include \$0.1 million from general revenues to fund two new screener positions in the Capitol Police Division.

191. Cost Allocation for Governor's Office Position. The House Finance Committee does not concur with the Governor's proposal to allocate personnel expenditures for positions within the Governor's Office to other state agencies. The budget includes a total of \$0.8 million charged to various state agencies; the amount allocated to the Department of Public Safety is \$49,526.

192. E-911 Staffing. The House Finance Committee recommends an additional \$0.3 million from general revenues for three new telecommunicator positions in the E-911 Division.

193. E-911 Technology Upgrades. The House Finance Committee recommends an additional \$0.7 million from general revenues for the E-911 Division to perform technology upgrades. Funds will also be used for a statewide assessment of needs to implement Next Generation 911.

194. Municipal Police Training Academy. The House Finance Committee does not concur with the Governor's proposal to allow the Municipal Police Training School to charge tuition and a physical training test to each applicant. It restores \$0.3 million of general revenue funding for operations of the training academy.

195. Municipal Aid Withholding. The House Finance Committee does not concur with the Governor's proposal to expand the options for revenues that can be withheld from cities and towns that owe the state to include meal and beverage, tourism, and public service corporation taxes. It restores \$0.3 million of general revenue savings for the State Police.

196. Public Information Officer (1.0 FTE). The 2017 Assembly did not concur with the Governor's recommendation to fund a new public information officer position to assist State Police staff with media inquiries and public relations. The Department filled the position during the second half of FY 2017. The Governor recommends \$0.1 million from general revenues to fund the position in both years. The House Finance Committee does not concur and removes the funding as well as the staffing authorization.

197. Sheriffs - IOD Savings. The House Finance Committee does not concur with the Governor's proposal to allow an independent medical examiner to certify that a person has reached the threshold for the medical improvement triggering the 60-day clock to apply for accidental disability benefits and maintains current law. It restores \$0.3 million of general revenue savings for the Sheriffs.

198. State Police - 57th Training Academy Delay to Jan 2019. The House Finance Committee includes general revenue savings of \$1.7 million from delaying the start of the 57th Training Academy by six months. The Governor's budget had assumed a start date of July 2018. The Committee recommends \$0.7 million from general revenues for trainee stipend payments and \$0.8 million from Google settlement funds for operating costs to conduct the academy.

199. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January

2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Public Safety for FY 2019 is \$2.0 million.

200. VRI Savings. The House Finance Committee recommends savings of \$0.1 million from general revenues for FY 2019 based on savings available from the voluntary retirement incentive. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000. The savings were not included in the Governor's recommended budget.

Public Defender

201. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Public Defender for FY 2019 is \$0.3 million.

Emergency Management Agency

202. Turnover. The Governor recommends fully funding the Emergency Management Agency's 32.0 authorized positions for FY 2019. Since its establishment as an independent agency at the beginning of FY 2015, the Agency has always had at least two vacant positions and has averaged over five vacancies during that period. The House Finance Committee recommends reducing general revenues by \$0.1 million, which is equivalent to less than one vacant position.

203. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Emergency Management Agency for FY 2019 is \$16,054.

Environmental Management

204. Capital - Blackstone Valley Park Improvements. The Governor recommends \$0.7 million from Rhode Island Capital Plan funds for FY 2018 for ongoing efforts at improving access to the Blackstone River Valley and related work in the Blackstone Valley Corridor. Based on current delays and updated plans for the project, the House Finance Committee recommends removing \$0.5 million from FY 2018 and adding \$0.3 million to FY 2019.

205. Capital - Dam Repair. The Governor recommends the previously authorized level of \$2.4 million from Rhode Island Capital Plan funds for FY 2018 for repair of "high hazard" state owned dams at various recreational and management areas. The current funding is for design and repairs at the Lower Curran Reservoir Dam, the Upper Wyoming Pond Dam in Richmond/Hopkinton, the Trestle Trail culvert, the Browning Mill Pond Dam, and the Silver Spring Dam from FY 2018 through FY 2023. The House Finance Committee recommends reducing \$2.1 million from FY 2018 and adding \$1.9 million to FY 2019 and \$0.2 million to FY 2020 as a result of delays. The funding will allow the Department to continue projects pending approval of the Green Economy and Clean Water Bond in November 2018 and is essentially as recommended.

206. Capital - Galilee Piers. The Governor recommends \$4.1 million from Rhode Island Capital Plan funds from FY 2018 through FY 2023 for replacing the 1,500-foot long northern bulkhead section at the Port of Galilee. This includes all structural elements, dolphin clusters, electrical services, parking lot

improvements and a new maintenance building. The Governor requested an amendment based on projected spending to decrease FY 2018 funding by \$1.0 million and increase FY 2019 funding to \$1.8 million. The House Finance Committee recommends all but \$50,000 of the Governor's amendment.

207. Capital - Marine Infrastructure/Pier Development. The Governor recommends \$5.6 million from Rhode Island Capital Plan funds from FY 2018 through FY 2023 for marine infrastructure and pier development at sites critical to Rhode Island's tourism and fishing economy. Based on the updated project timeline, the House Finance Committee recommends shifting \$250,000 from FY 2018 to FY 2019.

208. Capital - Natural Resources Office/Visitor's Center. The Governor recommends \$5.4 million from Rhode Island Capital Plan funds for FY 2018 and FY 2019 for the construction of a new office facility for the Natural Resources Offices Visitor's Center in the Arcadia Management Area at Browning Mill Pond in the Town of Richmond. Based on current delays in the project, the House Finance Committee recommends reducing funding for FY 2018 by \$0.8 million and increasing funding for FY 2019 by \$0.5 million. The Department indicated that costs may be revised as the project needs to go back out to bid.

209. Capital - Recreational Facilities Improvements. The Governor recommends \$5.3 million from Rhode Island Capital Plan funds for FY 2018 and FY 2019 for a variety of major capital development projects at state parks, beaches and campgrounds. Her recommendation shifted this project to the proposed Green Economy and Clean Water Bond to be submitted to the voters in November 2018. The House Finance Committee recommends funding the project with Rhode Island Capital Plan funds, reduces expenditures by \$1.5 million in FY 2018 based on current expenditures, and shifts \$0.9 million to FY 2019. The Committee recommends \$9.9 million from this source over the five-year period.

210. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Environmental Management for FY 2019 is \$0.8 million.

211. VRI Impact. The House Finance Committee recommends savings of \$0.2 million from general revenues for FY 2019 based on savings available from employees who participated in the voluntary retirement incentive. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000. The Department had 26 people take the incentive. This savings is in addition to the \$0.1 million that was included in the Governor's recommended budget and represents 1.3 vacancies for the year as well as the collective longevity from employees who retired.

Coastal Resources Management Council

212. Beach Profile Monitoring. The House Finance Committee does not concur with the Governor's recommendation for new funding of \$15,000 from general revenues for FY 2019 for the Council to monitor shoreline migration off the barrier at Charlestown.

213. Capital - Narragansett Bay SAMP (GBA). The House Finance Committee concurs with the Governor's requested amendment to shift the \$100,000 of funding recommended for FY 2018 to FY 2019 and FY 2020, \$50,000 each. Funding is for a new special area management plan along the Narragansett Bay, which has experienced delays in the current year.

214. Legal Expenditures. The recommendation includes \$126,000 from general revenues for the Council's contracted legal services. As of May 14, 2018, the Council has only spent \$67,000 of the

appropriation. In FY 2017, the Council spent \$73,000. The House Finance Committee recommends reducing the funding for legal services in FY 2019 by \$20,000 based on more recent experience.

215. Staffing (1.0 FTE). The Governor's recommendation includes \$2.3 million from general revenues for staffing the Council. This funds approximately 28 of the 29.0 full-time equivalent positions. The House Finance Committee recommends increasing the funding for staff in FY 2019 by \$0.2 million and authorizing a new ocean engineer position for the Council to assist with wind energy projects, bringing the Council to 30.0 authorized positions.

216. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Coastal Resources Management Council for FY 2019 is \$58,383.

217. Stormtools. The Governor recommends \$0.2 million, including \$50,000 from general revenues, to support a new data project called StormTools which shows detailed risks and maps associated with any property in the coastal zone resulting from storm activity. The House Finance Committee does not recommend the new general revenues.

Transportation

218. Capital - Local Roads and Infrastructure. The Governor recommends \$10.0 million from Rhode Island Capital Plan funds in FY 2019 to fund pavement repair and other transportation asset protection projects. It appears that funding for this would be used for municipally owned infrastructure and state paving projects. The House Finance Committee does not concur and adjusts funding accordingly.

219. Cost Allocation for Governor's Office Position. The House Finance Committee does not concur with the Governor's proposal to allocate personnel expenditures for positions within the Governor's Office to other state agencies. The budget includes a total of \$0.8 million charged to various state agencies; the amount allocated to the Department of Transportation is \$0.1 million.

220. Facility Charges from DOA. The Governor's revised budget funds centralized facility charges for the Department of Transportation from general revenues in the Department of Administration's budget. This contradicts the intent of the 2017 Assembly's authorization of the establishment of internal service funds for centralized services to be billed to user agencies to maximize available non-general revenue sources. Based on the square footage of the facilities, the Department of Administration indicates that \$0.5 million was paid in FY 2017. The House Finance Committee recommends that these expenditures be paid from resources within the Department of Transportation's budget.

221. Statewide Repaving Projects. Based on projected staffing costs for FY 2018 and FY 2019, the House Finance Committee includes \$10.0 million in savings from federal funds and repurposes these savings for statewide repaving projects in FY 2019.

222. Gas Tax DOT Yield. The House Finance Committee recommends increasing gasoline tax expenditures for the Department of Transportation by \$0.6 million to reflect an upward revision of the gasoline tax yield estimate. The adjustment will increase the debt service payment for the Department's GARVEE bonds, which are paid for with the equivalent of two cents of the gasoline tax, and also increases available proceeds for operations in the Division of Maintenance.

223. Gas Tax RIPTA Yield. The House Finance Committee recommends increasing available gasoline tax in the Department of Transportation to reflect an increased transfer to the Rhode Island Public Transit Authority of \$0.3 million to reflect an upward revision of the gasoline tax yield estimate.

224. Gas Tax Turnpike & Bridge Authority Yield. The House Finance Committee recommends increasing available gasoline tax in the Department of Transportation to reflect an increased transfer to the Rhode Island Turnpike and Bridge Authority of \$0.1 million to reflect an upward revision of the gasoline tax yield estimate.

225. Turnover Savings. The House Finance Committee recommends \$2.0 million in turnover savings from federal funds based on projected salary and benefit costs for which the FY 2019 budget includes \$90.6 million from all sources. The Department's average filled positions through the last pay period in March 2018 were 664.1 full-time equivalent positions, or 110.9 positions below the authorized level of staffing.

226. VRI Savings. The House Finance Committee recommends savings of \$1.0 million from all sources for FY 2019 based on half of the total savings available from the voluntary retirement incentive. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000. It appears that the Governor's budget does not include any of these savings.

Section III

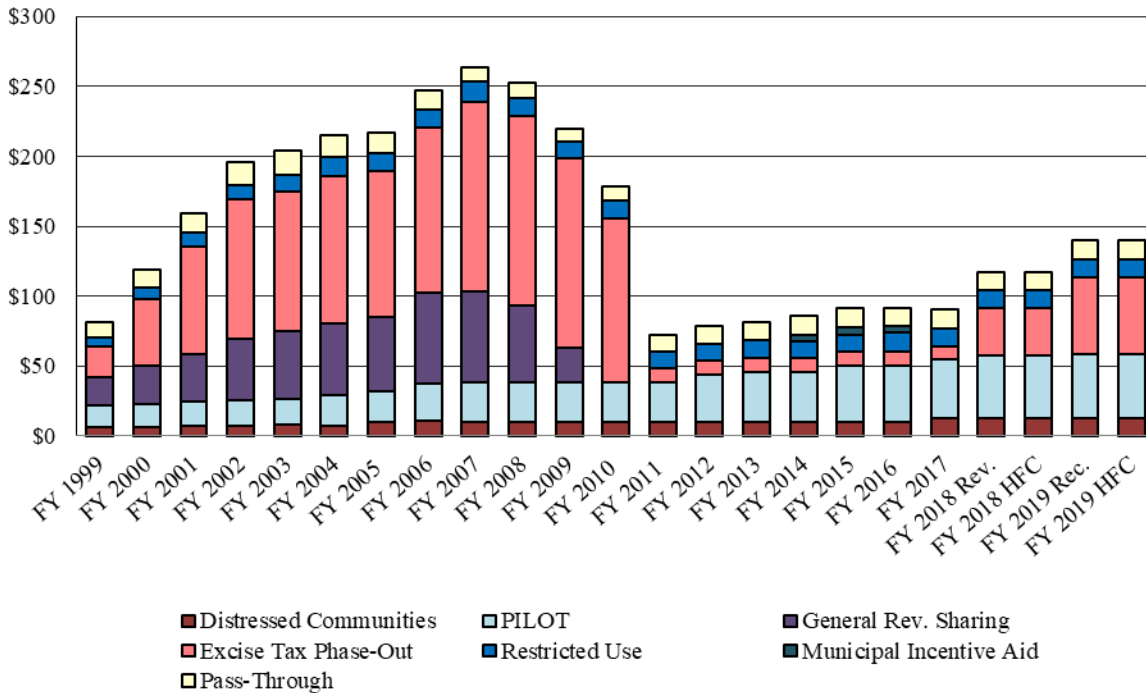
Special Reports

State Aid to Local Governments

Introduction

The House Finance Committee recommends state aid to cities and towns totaling \$104.7 million in FY 2018 and \$126.4 million in FY 2019. Funding for general aid programs in FY 2018 includes \$92.1 million, which is \$1.5 million less than the enacted level and is consistent with the Governor’s revised budget. Funding for general aid programs in FY 2019 includes \$113.2 million, \$19.6 million more than enacted, consistent with the Governor recommendation. The recommendation for restricted use programs includes the enacted level of \$12.6 million for FY 2018 and \$13.2 million for FY 2019. Local communities will also receive \$13.2 million for FY 2018 and FY 2019 in public service corporation property taxes, which the state collects and passes through to the communities. The FY 2019 figure is likely to change once updated data becomes available.

The following graph shows historical funding data, in millions. The graph below also shows the allocation of funding for state aid programs from FY 1999 through FY 2019.



The major changes included in the aid proposal are discussed on the following pages, followed by tables that show the recommended distribution of general aid by community as well as restricted aid programs by community, including library operating aid, which is considered restricted and is not included in the general aid totals, and public service corporations’ tax collections, a local levy collected at the state level and returned to local governments for tax collection efficiency purposes. It should be noted that the FY 2019 recommendations for the Motor Vehicle Excise Phase-out and Public Service Corporations taxes will require data updates not reflected in the distributions. An estimated impact has been included in the total for those updates, but will change allocations to each community.

General. The House Finance Committee recommends \$92.1 million for FY 2018 and \$113.2 million for FY 2019 for general state aid programs to local governments.

Fiscal Year	2018 Enacted	2018 Gov. Rev.	Rev. Diff.	2018 HFC	HFC to Gov. Rev.	2019 Gov. Rec.	Rec. Diff.	2019 HFC	HFC to Gov. Rec.
General Aid - State Sources									
Distressed Communities	\$ 12.4	\$ 12.4	\$ -	\$ 12.4	\$ -	\$ 12.4	\$ -	\$ 12.4	\$ -
PILOT	45.2	45.2	-	45.2	-	46.1	0.9	46.1	-
Excise Tax Phase-Out	36.0	34.5	(1.5)	34.5	-	54.7	18.7	54.7	-
Municipal Incentive Aid	-	-	-	-	-	-	-	-	-
General Rev. Sharing	-	-	-	-	-	-	-	-	-
Subtotal	\$ 93.6	\$ 92.1	\$ (1.5)	\$ 92.1	\$ -	\$ 113.2	\$ 19.6	\$ 113.2	\$ -
Restricted Use Aid - State Sources									
Library Resource Aid	\$ 9.4	\$ 9.4	\$ -	\$ 9.4	\$ -	\$ 9.4	\$ -	\$ 9.4	\$ -
Library Const. Aid	2.2	2.2	(0.0)	2.2	-	2.2	(0.0)	2.2	-
Police & Fire Incentive	-	-	-	-	-	-	-	-	-
Prop. Val. Reimb.	0.9	0.9	-	0.9	-	1.6	0.7	1.6	-
Oversight Reimbursement	0.1	0.1	(0.0)	0.1	-	0.1	(0.1)	0.1	-
Subtotal	\$ 12.6	\$ 12.6	\$ (0.0)	\$ 12.6	\$ -	\$ 13.2	\$ 0.6	\$ 13.2	\$ -
Total - State Sources	\$ 106.2	\$ 104.7	\$ (1.5)	\$ 104.7	\$ -	\$ 126.4	\$ 20.2	\$ 126.4	\$ -
Other Aid - Pass-Through									
Public Service Corp.	\$ 13.2	\$ 13.2	\$ -	\$ 13.2	\$ -	\$ 13.2	\$ -	\$ 13.2	\$ -

In millions

- **Distressed Communities Relief Fund.** The House Finance Committee recommends the enacted level of \$12.4 million for the Distressed Communities Relief Fund in both years. Communities' aid distribution is based on updated qualifying tax levies and reflects the first full year of funding for Johnston and the inclusion of Cranston, which requalified as a distressed community for FY 2019. For both the first year of a community's qualification as a distressed community and the year that a community no longer qualifies, it receives a transition payment of half its proportional share.

The 2016 Assembly enacted legislation requiring that all communities qualifying as distressed participate in the Division of Taxation's refund offset program to collect taxes owed. All do participate.

- **Payment in Lieu of Taxes Program.** Consistent with the Governor's budget, the House Finance Committee recommends \$46.1 million for FY 2019 for the Payment in Lieu of Taxes program that reimburses municipalities for property taxes that would have been due on real property exempted from taxation by state law, including property owned by private nonprofit higher educational institutions, nonprofit hospitals, or any state-owned hospital, veterans' residential facility, or correctional facility. Municipalities may be reimbursed up to 27.0 percent of the tax that would have been collected if the property had been taxable, subject to appropriation. If the appropriation is less than the necessary amount, the reimbursements are ratably reduced. The recommendation is \$0.9 million more than enacted and represents full funding for the program. The enacted budget also provided full funding with reimbursements totaling \$45.2 million.

- **Motor Vehicle Excise Tax Phase-Out.** Consistent with the Governor's budget, the House Finance Committee funds the Motor Vehicles Excise Tax Phase-Out program at \$34.5 million for FY 2018 and \$54.7 million for FY 2019. The recommendation represents \$1.5 million less for FY 2018 and \$18.7 million more for FY 2019 for the next year based on updated estimates of the cost. The 2017 Assembly restarted the phase-out, which had been frozen for several years. The FY 2019 total is \$6.3 million less than prior estimates. For FY 2019, the changes include increasing the minimum exemption from \$1,000 to \$2,000, lowering the assessed value from 95.0 percent to 90.0 percent, and lowering the tax rate cap from \$60 to \$50, per \$1,000. As of FY 2018, cars older than 15 years are no longer taxed.

- **Library Resource Sharing Aid.** The House Finance Committee recommends the enacted amount of \$9.4 million for library aid. Current law allows 25.0 percent reimbursement of second prior year expenditures. The funds represent 22.3 percent.

- ***Library Construction Aid.*** Consistent with the Governor’s budget, the House Finance Committee recommends \$2.2 million, or \$14,843 less than enacted, to fund library construction aid requirements. The state reimburses libraries up to half of the total costs for eligible projects on an installment basis, for a period of up to 20 years. The payments do not begin until the state fiscal year following the completion, acceptance, and audit of the project. The 2011 Assembly adopted a three-year moratorium on the acceptance of applications for library construction aid projects that ended July 1, 2014. In 2017, a reimbursement was approved for the Barrington Public Library; reimbursement is set to begin in FY 2019.
- ***Property Valuation Reimbursement.*** The House Finance Committee recommends \$0.9 million for FY 2018 and \$1.6 million for FY 2019 to reimburse communities conducting property valuation updates.
- ***Oversight Reimbursement.*** Consistent with the Governor’s recommended budget, the House Finance Committee recommends \$62,160 for FY 2019 to provide reimbursements of 50.0 percent of the cost of a financial advisor position to communities no longer under state Fiscal Stability Act oversight. This is \$61,443 less than enacted and reflects the anticipated end of oversight for Central Falls in April 2018 and East Providence in October 2018.
- ***Public Service Corporation Tax.*** The FY 2019 budget assumes the state will collect and distribute the enacted level of \$13.2 million of property taxes from public service corporations on behalf of municipalities and pass that back to them. A final figure will be calculated when updated data becomes available. The 2009 Assembly adopted the Governor’s recommendation to freeze the tax rate applied to the tangible personal property of public service corporations at the FY 2008 rate.

General Aid Total

Includes Distressed Communities, PILOT, Motor Vehicles Excise Tax

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2018 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2018 HFC</i>	<i>FY 2018 HFC to Gov. Rev.</i>
Barrington	\$ 653,355	\$ 659,347	\$ 5,992	\$ 659,347	\$ -
Bristol	1,437,620	1,454,013	16,393	1,454,013	-
Burrillville	792,150	857,044	64,894	857,044	-
Central Falls	658,924	675,427	16,503	675,427	-
Charlestown	153,869	166,072	12,203	166,072	-
Coventry	946,836	947,921	1,085	947,921	-
Cranston	10,060,422	10,092,140	31,718	10,092,140	-
Cumberland	837,112	943,920	106,808	943,920	-
East Greenwich	734,771	745,513	10,742	745,513	-
East Providence	1,913,055	759,967	(1,153,088)	759,967	-
Exeter	339,178	368,648	29,470	368,648	-
Foster	312,994	339,582	26,588	339,582	-
Glocester	429,132	399,418	(29,714)	399,418	-
Hopkinton	288,401	312,823	24,422	312,823	-
Jamestown	72,145	72,189	44	72,189	-
Johnston ¹	2,325,115	2,394,142	69,027	2,394,142	-
Lincoln	620,593	648,266	27,673	648,266	-
Little Compton	44,361	46,640	2,279	46,640	-
Middletown	218,789	229,034	10,245	229,034	-
Narragansett	199,464	203,128	3,664	203,128	-
Newport	1,664,177	1,668,559	4,382	1,668,559	-
New Shoreham	28,561	31,058	2,497	31,058	-
North Kingstown	614,912	637,651	22,739	637,651	-
North Providence	2,850,249	2,622,390	(227,859)	2,622,390	-
North Smithfield	610,666	634,700	24,034	634,700	-
Pawtucket	5,326,395	5,167,237	(159,158)	5,167,237	-
Portsmouth	301,276	302,409	1,133	302,409	-
Providence	44,898,543	45,035,963	137,420	45,035,963	-
Richmond	256,116	248,574	(7,542)	248,574	-
Scituate	233,537	237,174	3,637	237,174	-
Smithfield	1,548,572	1,572,460	23,888	1,572,460	-
South Kingstown	670,014	687,864	17,850	687,864	-
Tiverton	208,862	216,859	7,997	216,859	-
Warren	362,400	374,205	11,805	374,205	-
Warwick	4,757,842	4,784,408	26,566	4,784,408	-
Westerly	981,202	1,013,573	32,371	1,013,573	-
West Greenwich	223,181	209,706	(13,475)	209,706	-
West Warwick	1,635,457	1,702,064	66,608	1,702,064	-
Woonsocket	2,549,628	2,639,800	90,172	2,639,800	-
Subtotal	\$ 92,759,878	\$ 92,101,889	\$ (657,989)	\$ 92,101,889	\$ -
FY 2018 MV Data Update ²	830,186	-	(830,186)	-	-
MV Phase Out - Fire Districts		32,369	32,369	32,369	-
Total	\$ 93,590,064	\$ 92,134,258	\$ (1,455,806)	\$ 92,134,258	\$ -

FY 2018 Enacted MV Figures reflect value of FY 2017 levy, the FY 2018 Gov. Rev. reflects updated data

General Aid Total

Includes Distressed Communities, PILOT, Motor Vehicles Excise Tax

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2019 Gov. Rec.</i>	<i>FY 2019 Rec. to Enacted</i>	<i>FY 2019 HFC</i>	<i>FY 2019 HFC to Gov. Rec.</i>
Barrington	\$ 653,355	\$ 841,884	\$ 188,529	\$ 841,884	\$ -
Bristol	1,437,620	1,844,851	407,231	1,844,851	-
Burrillville	792,150	1,209,727	417,577	1,209,727	-
Central Falls	658,924	778,330	119,406	778,330	-
Charlestown	153,869	243,681	89,812	243,681	-
Coventry	946,836	1,448,240	501,404	1,448,240	-
Cranston	10,060,422	12,662,699	2,602,277	12,662,699	-
Cumberland	837,112	1,369,021	531,909	1,369,021	-
East Greenwich	734,771	1,040,604	305,833	1,040,604	-
East Providence	1,913,055	1,898,113	(14,942)	1,898,113	-
Exeter	339,178	534,739	195,561	534,739	-
Foster	312,994	468,246	155,252	468,246	-
Glocester	429,132	582,819	153,687	582,819	-
Hopkinton	288,401	439,028	150,627	439,028	-
Jamestown	72,145	99,177	27,032	99,177	-
Johnston ¹	2,325,115	3,637,649	1,312,534	3,637,649	-
Lincoln	620,593	842,552	221,959	842,552	-
Little Compton	44,361	62,951	18,590	62,951	-
Middletown	218,789	296,803	78,014	296,803	-
Narragansett	199,464	277,376	77,912	277,376	-
Newport	1,664,177	1,793,359	129,182	1,793,359	-
New Shoreham	28,561	43,379	14,818	43,379	-
North Kingstown	614,912	821,119	206,207	821,119	-
North Providence	2,850,249	3,565,889	715,640	3,565,889	-
North Smithfield	610,666	970,239	359,573	970,239	-
Pawtucket	5,326,395	7,100,592	1,774,197	7,100,592	-
Portsmouth	301,276	376,198	74,922	376,198	-
Providence	44,898,543	50,625,447	5,726,904	50,625,447	-
Richmond	256,116	360,344	104,228	360,344	-
Scituate	233,537	325,391	91,854	325,391	-
Smithfield	1,548,572	1,835,094	286,522	1,835,094	-
South Kingstown	670,014	829,698	159,684	829,698	-
Tiverton	208,862	294,968	86,106	294,968	-
Warren	362,400	534,788	172,388	534,788	-
Warwick	4,757,842	5,554,815	796,973	5,554,815	-
Westerly	981,202	1,420,419	439,217	1,420,419	-
West Greenwich	223,181	311,443	88,262	311,443	-
West Warwick	1,635,457	2,145,263	509,806	2,145,263	-
Woonsocket	2,549,628	3,666,480	1,116,852	3,666,480	-
Subtotal	\$ 92,759,878	\$ 113,153,415	\$ 20,393,537	\$ 113,153,415	\$ -
FY 2018 MV Data Update ²	830,186	-	(830,186)	-	-
MV Phase Out - Fire Districts		69,496	-	69,496	-
Total	\$ 93,590,064	\$ 113,222,911	\$ 19,563,351	\$ 113,222,911	\$ -

FY 2018 Enacted MV Figures reflect value of FY 2017 levy, the FY 2019 Gov. Rec. reflects updated data

Distressed Communities Relief

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2018 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2018 HFC</i>	<i>FY 2018 HFC to Gov. Rev.</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	-	-	-	-	-
Central Falls	225,398	225,398	-	225,398	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	1,341,001	1,341,001	-	1,341,001	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	-	-	-	-	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	601,333	601,333	-	601,333	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	1,030,137	1,030,137	-	1,030,137	-
North Smithfield	-	-	-	-	-
Pawtucket	1,539,903	1,539,903	-	1,539,903	-
Portsmouth	-	-	-	-	-
Providence	5,797,634	5,797,634	-	5,797,634	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	924,370	924,370	-	924,370	-
Woonsocket	924,681	924,681	-	924,681	-
Total	\$ 12,384,458	\$ 12,384,458	\$ -	\$ 12,384,458	\$ -

Distressed Communities Relief

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2019 Gov. Rec.</i>	<i>FY 2019 Rec. to Enacted</i>	<i>FY 2019 HFC</i>	<i>FY 2019 HFC to Gov. Rec.</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	-	-	-	-	-
Central Falls	225,398	217,757	(7,641)	217,757	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	1,341,001	1,233,378	(107,623)	1,233,378	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	-	-	-	-	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	601,333	1,065,944	464,611	1,065,944	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	1,030,137	1,000,937	(29,200)	1,000,937	-
North Smithfield	-	-	-	-	-
Pawtucket	1,539,903	1,507,940	(31,963)	1,507,940	-
Portsmouth	-	-	-	-	-
Providence	5,797,634	5,606,831	(190,803)	5,606,831	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	924,370	904,159	(20,211)	904,159	-
Woonsocket	924,681	847,512	(77,169)	847,512	-
Total	\$ 12,384,458	\$ 12,384,458	\$ -	\$ 12,384,458	\$ -

Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2018 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2018 HFC</i>	<i>FY 2018 HFC to Gov. Rev.</i>
Barrington	\$ 16,157	\$ 16,157	\$ -	\$ 16,157	\$ -
Bristol	1,035,981	1,035,981	-	1,035,981	-
Burrillville	97,322	97,322	-	97,322	-
Central Falls	25,295	25,295	-	25,295	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	5,287,952	5,287,952	-	5,287,952	-
Cumberland	135	135	-	135	-
East Greenwich	459,869	459,869	-	459,869	-
East Providence	243,053	243,053	-	243,053	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	1,405,248	1,405,248	-	1,405,248	-
New Shoreham	-	-	-	-	-
North Kingstown	1,712	1,712	-	1,712	-
North Providence	-	-	-	-	-
North Smithfield	-	-	-	-	-
Pawtucket	554,958	554,958	-	554,958	-
Portsmouth	-	-	-	-	-
Providence	33,303,459	33,303,459	-	33,303,459	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	718,669	718,669	-	718,669	-
South Kingstown	204,036	204,036	-	204,036	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,690,561	1,690,561	-	1,690,561	-
Westerly	161,199	161,199	-	161,199	-
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	-	-	-	-	-
Total	\$ 45,205,606	\$ 45,205,606	\$ -	\$ 45,205,606	\$ -

Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2019 Gov. Rec.</i>	<i>FY 2019 Rec. to Enacted</i>	<i>FY 2019 HFC</i>	<i>FY 2019 HFC to Gov. Rec.</i>
Barrington	\$ 16,157	\$ 17,514	\$ 1,357	\$ 17,514	\$ -
Bristol	1,035,981	1,335,274	299,293	1,335,274	-
Burrillville	97,322	98,273	951	98,273	-
Central Falls	25,295	895	(24,400)	895	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	5,287,952	5,403,870	115,918	5,403,870	-
Cumberland	135	-	(135)	-	-
East Greenwich	459,869	659,856	199,987	659,856	-
East Providence	243,053	244,237	1,184	244,237	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	1,405,248	1,431,152	25,904	1,431,152	-
New Shoreham	-	-	-	-	-
North Kingstown	1,712	1,762	50	1,762	-
North Providence	-	-	-	-	-
North Smithfield	-	-	-	-	-
Pawtucket	554,958	575,928	20,970	575,928	-
Portsmouth	-	-	-	-	-
Providence	33,303,459	33,497,659	194,200	33,497,659	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	718,669	763,295	44,626	763,295	-
South Kingstown	204,036	207,011	2,975	207,011	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,690,561	1,687,863	(2,698)	1,687,863	-
Westerly	161,199	164,915	3,716	164,915	-
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	-	-	-	-	-
Total	\$ 45,205,606	\$ 46,089,504	\$ 883,898	\$ 46,089,504	\$ -

Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2018 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2018 HFC</i>	<i>FY 2018 HFC to Gov. Rev.</i>
Barrington	\$ 637,198	\$ 643,190	\$ 5,992	\$ 643,190	\$ -
Bristol	401,639	418,032	16,393	418,032	-
Burrillville	694,828	759,722	64,894	759,722	-
Central Falls	408,231	424,734	16,503	424,734	-
Charlestown	153,869	166,072	12,203	166,072	-
Coventry	946,836	947,921	1,085	947,921	-
Cranston	3,431,469	3,463,187	31,718	3,463,187	-
Cumberland	836,977	943,785	106,808	943,785	-
East Greenwich	274,902	285,644	10,742	285,644	-
East Providence	1,670,002	516,914	(1,153,088)	516,914	-
Exeter	339,178	368,648	29,470	368,648	-
Foster	312,994	339,582	26,588	339,582	-
Glocester	429,132	399,418	(29,714)	399,418	-
Hopkinton	288,401	312,823	24,422	312,823	-
Jamestown	72,145	72,189	44	72,189	-
Johnston	1,723,782	1,792,809	69,027	1,792,809	-
Lincoln	620,593	648,266	27,673	648,266	-
Little Compton	44,361	46,640	2,279	46,640	-
Middletown	218,789	229,034	10,245	229,034	-
Narragansett	199,464	203,128	3,664	203,128	-
Newport	258,929	263,311	4,382	263,311	-
New Shoreham	28,561	31,058	2,497	31,058	-
North Kingstown	613,200	635,939	22,739	635,939	-
North Providence	1,820,112	1,592,253	(227,859)	1,592,253	-
North Smithfield	610,666	634,700	24,034	634,700	-
Pawtucket	3,231,534	3,072,376	(159,158)	3,072,376	-
Portsmouth	301,276	302,409	1,133	302,409	-
Providence	5,797,450	5,934,870	137,420	5,934,870	-
Richmond	256,116	248,574	(7,542)	248,574	-
Scituate	233,537	237,174	3,637	237,174	-
Smithfield	829,903	853,791	23,888	853,791	-
South Kingstown	465,978	483,828	17,850	483,828	-
Tiverton	208,862	216,859	7,997	216,859	-
Warren	362,400	374,205	11,805	374,205	-
Warwick	3,067,281	3,093,847	26,566	3,093,847	-
Westerly	820,003	852,374	32,371	852,374	-
West Greenwich	223,181	209,706	(13,475)	209,706	-
West Warwick	711,086	777,694	66,608	777,694	-
Woonsocket	1,624,947	1,715,119	90,172	1,715,119	-
Municipalities					
Subtotal	\$ 35,169,814	\$ 34,511,822	\$ (657,992)	\$ 34,511,822	\$ -
FY 2018 MV Data Update	830,186	-	(830,186)	-	-
Phase Out - Fire Districts	-	32,369	32,369	32,369	-
Total	\$ 36,000,000	\$ 34,544,191	\$ (1,455,809)	\$ 34,544,191	\$ -

FY 2018 Enacted MV Figures reflect value of FY 2017 levy, the recommendation reflects updated data

Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2019 Gov. Rec.</i>	<i>FY 2019 Rec. to Enacted</i>	<i>FY 2019 HFC</i>	<i>FY 2019 HFC to Gov. Rec.</i>
Barrington	\$ 637,198	\$ 824,370	\$ 187,172	\$ 824,370	\$ -
Bristol	401,639	509,577	107,938	509,577	-
Burrillville	694,828	1,111,454	416,626	1,111,454	-
Central Falls	408,231	559,678	151,447	559,678	-
Charlestown	153,869	243,681	89,812	243,681	-
Coventry	946,836	1,448,240	501,404	1,448,240	-
Cranston	3,431,469	6,025,451	2,593,982	6,025,451	-
Cumberland	836,977	1,369,021	532,044	1,369,021	-
East Greenwich	274,902	380,748	105,846	380,748	-
East Providence	1,670,002	1,653,876	(16,126)	1,653,876	-
Exeter	339,178	534,739	195,561	534,739	-
Foster	312,994	468,246	155,252	468,246	-
Glocester	429,132	582,819	153,687	582,819	-
Hopkinton	288,401	439,028	150,627	439,028	-
Jamestown	72,145	99,177	27,032	99,177	-
Johnston	1,723,782	2,571,705	847,923	2,571,705	-
Lincoln	620,593	842,552	221,959	842,552	-
Little Compton	44,361	62,951	18,590	62,951	-
Middletown	218,789	296,803	78,014	296,803	-
Narragansett	199,464	277,376	77,912	277,376	-
Newport	258,929	362,207	103,278	362,207	-
New Shoreham	28,561	43,379	14,818	43,379	-
North Kingstown	613,200	819,357	206,157	819,357	-
North Providence	1,820,112	2,564,952	744,840	2,564,952	-
North Smithfield	610,666	970,239	359,573	970,239	-
Pawtucket	3,231,534	5,016,724	1,785,190	5,016,724	-
Portsmouth	301,276	376,198	74,922	376,198	-
Providence	5,797,450	11,520,957	5,723,507	11,520,957	-
Richmond	256,116	360,344	104,228	360,344	-
Scituate	233,537	325,391	91,854	325,391	-
Smithfield	829,903	1,071,799	241,896	1,071,799	-
South Kingstown	465,978	622,687	156,709	622,687	-
Tiverton	208,862	294,968	86,106	294,968	-
Warren	362,400	534,788	172,388	534,788	-
Warwick	3,067,281	3,866,952	799,671	3,866,952	-
Westerly	820,003	1,255,504	435,501	1,255,504	-
West Greenwich	223,181	311,443	88,262	311,443	-
West Warwick	711,086	1,241,104	530,018	1,241,104	-
Woonsocket	1,624,947	2,818,968	1,194,021	2,818,968	-
Municipalities					
Subtotal	\$ 35,169,814	\$ 54,679,453	\$ 19,509,639	\$ 54,679,453	\$ -
FY 2018 MV Data Update	830,186	-	(830,186)	-	-
Phase Out - Fire Districts	-	69,496	69,496	69,496	-
Total	\$ 36,000,000	\$ 54,748,948	\$ 18,748,948	\$ 54,748,948	\$ -

FY 2018 Enacted MV Figures reflect value of FY 2017 levy, the recommendation reflects updated data

Library Aid

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2018 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2018 HFC</i>	<i>FY 2018 HFC to Gov. Rev.</i>
Barrington	\$ 380,070	\$ 380,070	\$ -	\$ 380,070	\$ -
Bristol	187,103	187,103	-	187,103	-
Burrillville	170,118	170,118	-	170,118	-
Central Falls	27,075	27,075	-	27,075	-
Charlestown	50,815	50,815	-	50,815	-
Coventry	238,140	238,140	-	238,140	-
Cranston	582,746	582,746	-	582,746	-
Cumberland	285,364	285,364	-	285,364	-
East Greenwich	132,321	132,321	-	132,321	-
East Providence	415,613	415,613	-	415,613	-
Exeter	52,931	52,931	-	52,931	-
Foster	34,371	34,371	-	34,371	-
Glocester	77,938	77,938	-	77,938	-
Hopkinton	35,323	35,323	-	35,323	-
Jamestown	126,828	126,828	-	126,828	-
Johnston	124,168	124,168	-	124,168	-
Lincoln	203,414	203,414	-	203,414	-
Little Compton	35,067	35,067	-	35,067	-
Middletown	145,593	145,593	-	145,593	-
Narragansett	191,652	191,652	-	191,652	-
Newport	411,403	411,403	-	411,403	-
New Shoreham	74,303	74,303	-	74,303	-
North Kingstown	282,085	282,085	-	282,085	-
North Providence	202,114	202,114	-	202,114	-
North Smithfield	78,305	78,305	-	78,305	-
Pawtucket	409,155	409,155	-	409,155	-
Portsmouth	113,853	113,853	-	113,853	-
Providence*	2,028,860	2,028,860	-	2,028,860	-
Richmond	26,001	26,001	-	26,001	-
Scituate	104,815	104,815	-	104,815	-
Smithfield	294,639	294,639	-	294,639	-
South Kingstown	218,810	218,810	-	218,810	-
Tiverton	123,043	123,043	-	123,043	-
Warren	56,598	56,598	-	56,598	-
Warwick	739,962	739,962	-	739,962	-
Westerly	318,791	318,791	-	318,791	-
West Greenwich	33,299	33,299	-	33,299	-
West Warwick	162,506	162,506	-	162,506	-
Woonsocket	186,880	186,880	-	186,880	-
Total	\$ 9,362,072	\$ 9,362,072	\$ -	\$ 9,362,072	\$ -

*Includes the Statewide Reference Library Resource Grant.

Library Aid

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2019 Gov. Rec.</i>	<i>FY 2019 Rec. to Enacted</i>	<i>FY 2019 HFC</i>	<i>FY 2019 HFC to Enacted</i>
Barrington	\$ 380,070	\$ 377,408	\$ (2,662)	\$ 377,408	\$ (2,662)
Bristol	187,103	192,571	5,468	192,571	5,468
Burrillville	170,118	173,440	3,322	173,440	3,322
Central Falls	27,075	26,487	(588)	26,487	(588)
Charlestown	50,815	51,117	302	51,117	302
Coventry	238,140	232,971	(5,169)	232,971	(5,169)
Cranston	582,746	599,627	16,881	599,627	16,881
Cumberland	285,364	279,091	(6,273)	279,091	(6,273)
East Greenwich	132,321	131,335	(986)	131,335	(986)
East Providence	415,613	418,643	3,030	418,643	3,030
Exeter	52,931	49,367	(3,564)	49,367	(3,564)
Foster	34,371	33,624	(747)	33,624	(747)
Glocester	77,938	78,446	508	78,446	508
Hopkinton	35,323	34,850	(473)	34,850	(473)
Jamestown	126,828	123,716	(3,112)	123,716	(3,112)
Johnston	124,168	120,586	(3,582)	120,586	(3,582)
Lincoln	203,414	202,908	(506)	202,908	(506)
Little Compton	35,067	34,306	(761)	34,306	(761)
Middletown	145,593	145,601	8	145,601	8
Narragansett	191,652	187,492	(4,160)	187,492	(4,160)
Newport	411,403	412,478	1,075	412,478	1,075
New Shoreham	74,303	84,344	10,041	84,344	10,041
North Kingstown	282,085	278,709	(3,376)	278,709	(3,376)
North Providence	202,114	197,946	(4,168)	197,946	(4,168)
North Smithfield	78,305	77,887	(418)	77,887	(418)
Pawtucket	409,155	390,645	(18,510)	390,645	(18,510)
Portsmouth	113,853	114,736	883	114,736	883
Providence*	2,028,860	2,045,707	16,847	2,045,707	16,847
Richmond	26,001	24,913	(1,088)	24,913	(1,088)
Scituate	104,815	104,590	(225)	104,590	(225)
Smithfield	294,639	295,708	1,069	295,708	1,069
South Kingstown	218,810	213,881	(4,929)	213,881	(4,929)
Tiverton	123,043	122,624	(419)	122,624	(419)
Warren	56,598	56,679	81	56,679	81
Warwick	739,962	737,667	(2,295)	737,667	(2,295)
Westerly	318,791	315,893	(2,898)	315,893	(2,898)
West Greenwich	33,299	36,772	3,473	36,772	3,473
West Warwick	162,506	160,224	(2,282)	160,224	(2,282)
Woonsocket	186,880	197,081	10,201	197,081	10,201
Total	\$ 9,362,072	\$ 9,362,072	\$ -	\$ 9,362,072	\$ -

*Includes the Statewide Reference Library Resource Grant.

Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2018 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2018 HFC</i>	<i>FY 2018 HFC to Gov. Rev.</i>
Barrington	\$ 203,389	\$ 203,389	\$ -	\$ 203,389	\$ -
Bristol	279,397	279,397	-	279,397	-
Burrillville	202,015	202,015	-	202,015	-
Central Falls	242,093	242,093	-	242,093	-
Charlestown	97,097	97,097	-	97,097	-
Coventry	437,024	437,024	-	437,024	-
Cranston	1,008,961	1,008,961	-	1,008,961	-
Cumberland	426,317	426,317	-	426,317	-
East Greenwich	163,835	163,835	-	163,835	-
East Providence	590,502	590,502	-	590,502	-
Exeter	83,592	83,592	-	83,592	-
Foster	58,356	58,356	-	58,356	-
Glocester	123,645	123,645	-	123,645	-
Hopkinton	101,482	101,482	-	101,482	-
Jamestown	68,263	68,263	-	68,263	-
Johnston	363,489	363,489	-	363,489	-
Lincoln	267,304	267,304	-	267,304	-
Little Compton	43,776	43,776	-	43,776	-
Middletown	200,603	200,603	-	200,603	-
Narragansett	196,380	196,380	-	196,380	-
Newport	305,570	305,570	-	305,570	-
New Shoreham	11,319	11,319	-	11,319	-
North Kingstown	328,695	328,695	-	328,695	-
North Providence	403,417	403,417	-	403,417	-
North Smithfield	151,904	151,904	-	151,904	-
Pawtucket	891,950	891,950	-	891,950	-
Portsmouth	216,894	216,894	-	216,894	-
Providence	2,232,279	2,232,279	-	2,232,279	-
Richmond	95,248	95,248	-	95,248	-
Scituate	130,554	130,554	-	130,554	-
Smithfield	268,766	268,766	-	268,766	-
South Kingstown	382,004	382,004	-	382,004	-
Tiverton	197,617	197,617	-	197,617	-
Warren	131,578	131,578	-	131,578	-
Warwick	1,022,628	1,022,628	-	1,022,628	-
Westerly	283,383	283,383	-	283,383	-
West Greenwich	76,421	76,421	-	76,421	-
West Warwick	360,940	360,940	-	360,940	-
Woonsocket	514,881	514,881	-	514,881	-
Total	\$ 13,163,564	\$ 13,163,564	\$ -	\$ 13,163,564	\$ -

**FY 2019 Gov. Rec. and HFC based on prior data pending an update.*

Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2018 Enacted</i>	<i>FY 2019 Gov. Rec.*</i>	<i>FY 2019 Rec. to Enacted</i>	<i>FY 2019 HFC*</i>	<i>FY 2019 HFC to Gov. Rec.</i>
Barrington	\$ 203,389	\$ 203,389	\$ -	\$ 203,389	\$ -
Bristol	279,397	279,397	-	279,397	-
Burrillville	202,015	202,015	-	202,015	-
Central Falls	242,093	242,093	-	242,093	-
Charlestown	97,097	97,097	-	97,097	-
Coventry	437,024	437,024	-	437,024	-
Cranston	1,008,961	1,008,961	-	1,008,961	-
Cumberland	426,317	426,317	-	426,317	-
East Greenwich	163,835	163,835	-	163,835	-
East Providence	590,502	590,502	-	590,502	-
Exeter	83,592	83,592	-	83,592	-
Foster	58,356	58,356	-	58,356	-
Glocester	123,645	123,645	-	123,645	-
Hopkinton	101,482	101,482	-	101,482	-
Jamestown	68,263	68,263	-	68,263	-
Johnston	363,489	363,489	-	363,489	-
Lincoln	267,304	267,304	-	267,304	-
Little Compton	43,776	43,776	-	43,776	-
Middletown	200,603	200,603	-	200,603	-
Narragansett	196,380	196,380	-	196,380	-
Newport	305,570	305,570	-	305,570	-
New Shoreham	11,319	11,319	-	11,319	-
North Kingstown	328,695	328,695	-	328,695	-
North Providence	403,417	403,417	-	403,417	-
North Smithfield	151,904	151,904	-	151,904	-
Pawtucket	891,950	891,950	-	891,950	-
Portsmouth	216,894	216,894	-	216,894	-
Providence	2,232,279	2,232,279	-	2,232,279	-
Richmond	95,248	95,248	-	95,248	-
Scituate	130,554	130,554	-	130,554	-
Smithfield	268,766	268,766	-	268,766	-
South Kingstown	382,004	382,004	-	382,004	-
Tiverton	197,617	197,617	-	197,617	-
Warren	131,578	131,578	-	131,578	-
Warwick	1,022,628	1,022,628	-	1,022,628	-
Westerly	283,383	283,383	-	283,383	-
West Greenwich	76,421	76,421	-	76,421	-
West Warwick	360,940	360,940	-	360,940	-
Woonsocket	514,881	514,881	-	514,881	-
Total	\$ 13,163,564	\$ 13,163,564	\$ -	\$ 13,163,564	\$ -

**FY 2019 Gov. Rec. and HFC based on prior data pending an update.*

FY 2019 Education Aid

The House Finance Committee budget funds the eighth year of the education funding formula adopted by the 2010 Assembly. The calculation for FY 2019 uses March 15, 2018 student enrollment data adjusted for FY 2019 anticipated charter school enrollments, a per pupil core instruction amount of \$9,422, and state share ratio variables updated with June 30, 2017 data. It was designed such that districts that are going to receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less funding will have that loss phased in over ten years. As FY 2019 is the eighth year of the transition period, only districts that are receiving less state aid will have that remaining loss phased in; the gaining districts receive the full amount of the aid produced by the formula each year.

Total Funding to Districts

A. Column **A** is the amount that districts would receive in the eighth year of the formula's implementation pursuant to the ten-year phase in of the formula. As FY 2019 is the eighth year of the transition period, only districts that are receiving less state aid will have that remaining loss phased in; the gaining districts receive the full amount of the aid produced by the formula each year.

B. Column **B** is the amount of group home aid districts will receive in FY 2019. Group home aid is paid pursuant to current law in addition to aid paid through the funding formula.

C. The formula allows for additional resources from the state for high-cost special education students, high-cost career and technical programs, early childhood education programs, English language learners and transportation costs. Also included is the final year of density aid funding, a three-year program that will phase out in FY 2020. Column **C** shows the House Finance Committee recommendation for distribution from high-cost special education, transportation, English language learners and charter school density funds.

D. Column **D** shows the House Finance Committee's FY 2019 total education aid recommendation. It is based on March 15, 2018 student enrollment data.

E. Column **E** is the FY 2018 enacted aid.

F. Column **F** is the difference between the House Finance Committee's FY 2019 recommendation shown in Column **D** and the FY 2018 enacted budget in Column **E**.

G. Column **G** is the Governor's FY 2019 recommended budget. It was based on March 15, 2017 student enrollment data.

H. Column **H** is the difference between the House Finance Committee's FY 2019 recommendation shown in Column **D** and the Governor's FY 2019 recommendation shown in Column **G**.

<i>District</i>	<i>A</i> <i>FY2019</i> <i>Formula Aid</i>	<i>B</i> <i>Group Home Aid</i>	<i>C</i> <i>Categoricals</i>	<i>D</i> <i>Total FY2019</i> <i>HFC</i>
Barrington	\$ 5,290,812	\$ -	\$ 190,423	\$ 5,481,235
Burrillville	12,310,751	81,848	75,172	12,467,771
Charlestown	1,598,581	-	3,988	1,602,569
Coventry	22,643,353	87,528	59,642	22,790,523
Cranston	60,596,918	39,375	1,268,633	61,904,926
Cumberland	20,634,323	-	161,935	20,796,258
East Greenwich	2,950,351	-	217,034	3,167,385
East Providence	34,957,824	523,497	229,163	35,710,484
Foster	1,101,212	-	63,096	1,164,308
Glocester	2,294,441	-	28,913	2,323,354
Hopkinton	5,222,822	-	227	5,223,049
Jamestown	464,161	-	58,073	522,234
Johnston	17,985,420	-	413,159	18,398,579
Lincoln	12,031,312	107,866	186,086	12,325,264
Little Compton	355,487	-	38	355,525
Middletown	7,718,262	183,909	77,176	7,979,347
Narragansett	2,280,362	-	33,212	2,313,574
Newport	12,234,060	149,465	49,598	12,433,123
New Shoreham	156,532	-	394	156,926
North Kingstown	10,044,602	-	83,064	10,127,666
North Providence	22,862,888	150,389	415,015	23,428,292
North Smithfield	6,040,807	104,209	74,119	6,219,135
Pawtucket	87,472,187	245,140	613,857	88,331,184
Portsmouth	3,637,712	465,947	75,021	4,178,680
Providence	250,190,833	568,961	2,952,464	253,712,258
Richmond	4,596,331	-	196	4,596,527
Scituate	3,238,501	-	131,003	3,369,504
Smithfield	7,537,638	205,184	112,153	7,854,975
South Kingstown	5,840,706	115,989	336,734	6,293,429
Tiverton	6,667,683	-	111,835	6,779,518
Warwick	36,725,883	286,252	367,078	37,379,213
Westerly	8,566,630	-	200,250	8,766,880
West Warwick	26,108,923	-	77,115	26,186,038
Woonsocket	62,092,562	45,243	316,329	62,454,134
Bristol-Warren	13,259,905	101,418	1,523,958	14,885,281
Chariho	76,641	-	2,011,457	2,088,098
Exeter-West Greenwich	4,728,792	113,526	1,206,080	6,048,398
Foster-Glocester	4,576,385	-	611,425	5,187,810
Central Falls	40,752,939	-	420,180	41,173,119
Total	\$ 827,845,541	\$ 3,575,746	\$ 14,755,296	\$ 846,176,578
<i>Adjusted Chariho</i>	11,494,375	-	2,015,868	13,510,243

<i>District</i>	<i>E</i> <i>FY2018</i> <i>Enacted</i>	<i>F</i> <i>FY2019 HFC</i> <i>Chg. To Enacted</i>	<i>G</i> <i>FY2019</i> <i>Governor</i>	<i>H</i> <i>FY2019 HFC</i> <i>Chg. to Governor</i>
Barrington	\$ 5,347,807	\$ 133,428	\$ 5,477,438	\$ 3,797
Burrillville	13,185,862	(718,091)	12,766,501	(298,730)
Charlestown	1,667,742	(65,172)	1,624,262	(21,693)
Coventry	23,202,975	(412,452)	22,495,195	295,328
Cranston	59,005,591	2,899,335	61,779,402	125,525
Cumberland	19,188,663	1,607,595	20,307,546	488,712
East Greenwich	2,739,941	427,444	3,168,472	(1,087)
East Providence	35,519,125	191,359	35,438,819	271,665
Foster	1,207,049	(42,742)	1,150,340	13,967
Glocester	2,407,384	(84,029)	2,339,775	(16,420)
Hopkinton	5,273,139	(50,090)	5,247,196	(24,147)
Jamestown	473,751	48,483	505,888	16,346
Johnston	18,638,808	(240,228)	18,130,600	267,979
Lincoln	12,510,493	(185,228)	11,929,334	395,930
Little Compton	397,113	(41,588)	357,169	(1,644)
Middletown	8,262,827	(283,480)	8,021,417	(42,069)
Narragansett	2,139,471	174,103	2,363,342	(49,768)
Newport	11,589,919	843,204	12,234,009	199,114
New Shoreham	142,068	14,859	154,179	2,748
North Kingstown	10,749,543	(621,877)	10,236,257	(108,590)
North Providence	22,019,145	1,409,147	22,620,132	808,160
North Smithfield	6,025,062	194,073	6,093,269	125,866
Pawtucket	89,154,022	(822,839)	89,565,144	(1,233,960)
Portsmouth	4,476,100	(297,420)	4,190,508	(11,828)
Providence	248,790,857	4,921,401	250,816,352	2,895,906
Richmond	4,676,150	(79,624)	4,657,312	(60,785)
Scituate	3,612,503	(242,999)	3,392,961	(23,456)
Smithfield	6,341,204	1,513,772	7,851,891	3,084
South Kingstown	6,955,455	(662,025)	6,321,790	(28,361)
Tiverton	6,531,284	248,233	6,871,394	(91,876)
Warwick	39,146,338	(1,767,125)	38,052,652	(673,439)
Westerly	8,851,953	(85,072)	8,799,418	(32,538)
West Warwick	24,376,898	1,809,140	25,279,581	906,456
Woonsocket	59,646,576	2,807,558	60,890,170	1,563,963
Bristol-Warren	15,727,351	(842,070)	14,712,027	173,255
Chariho	2,010,375	77,724	1,897,305	190,793
Exeter-West Greenwich	6,190,095	(141,697)	5,912,084	136,315
Foster-Glocester	5,030,941	156,869	5,047,478	140,332
Central Falls	40,320,646	852,473	40,804,252	368,867
Total	\$ 833,532,227	\$ 12,644,351	\$ 839,502,818	\$ 6,673,760
<i>Adjusted Chariho</i>	13,627,405	(117,162)	13,426,075	84,168

Total Funding to Charter and State Schools

- A.** Column *A* is the FY 2018 enacted formula aid.
- B.** Column *B* includes mid-year revisions to FY 2018 based on current law requirements that any changes in enrollment as of October 1 that are greater than 10.0 percent get adjusted in that year.
- C.** Column *C* is the base formula aid calculation for FY 2019. It uses March 15, 2018 enrollment and lottery data.
- D.** Column *D* is the difference between FY 2019 base funding and FY 2018 enacted formula aid.
- E.** Column *E* shows the transition calculation. Charter and state schools that will receive more state funding will have the additional funding phased in over seven years and those that are going to receive less state funding will have that loss phased in over ten years. As FY 2019 is the eighth year of the transition period, Column *E* is the same as Column *D* for gaining districts. Beginning in FY 2019, only districts that are receiving less state aid will have that remaining loss phased in.
- F.** Column *F* is the House Finance Committee's FY 2019 recommended formula aid. It is the transition calculation in Column *E* added or subtracted from the FY 2018 enacted formula aid shown in Column *A*. Growth due to adding grades is paid in the year of the growth.
- G.** Column *G* is the difference between the eighth year of funding under the formula and total state formula aid shown in Column *C*.
- H.** The formula allows for additional resources from the state for high-cost special education students, high-cost career and technical programs, early childhood education programs, English language learners and transportation costs. Column *H* shows the House Finance Committee recommendation for distribution from high-cost special education and English language learners funds.
- I.** Column *I* shows the Governor's FY 2019 recommended formula aid.
- J.** Column *J* is the difference between the House Finance Committee's recommendation shown in Column *F* and the Governor's recommendation shown in Column *H*.

<i>School</i>	<i>A</i> <i>FY2018</i> <i>Enacted</i> <i>Formula Aid*</i>	<i>B</i> <i>FY2018 Rev.</i> <i>Formula Aid*</i>	<i>C</i> <i>FY2019 Base</i> <i>Formula</i> <i>Funding</i>	<i>D</i> <i>Change to</i> <i>Enacted</i>	<i>E</i> <i>Transition =D</i> <i>or 1/3rd*</i>
Academy for Career Exploration (Textron)	\$ 2,291,526	\$ 2,291,526	\$ 2,100,129	\$ (191,397)	\$ (63,799)
Achievement First	9,209,052	9,209,052	11,647,816	2,438,764	2,438,764
Beacon	2,761,557	2,761,557	2,848,622	87,065	87,065
Blackstone	3,713,520	3,713,520	3,736,546	23,026	23,026
Charette	-	-	921,368	921,368	921,368
Compass	454,750	454,750	356,966	(97,784)	(32,595)
Greene School	1,259,306	1,259,306	1,190,698	(68,608)	(68,608)
Highlander	5,489,465	5,489,465	5,808,501	319,036	319,036
Hope Academy	1,415,780	1,415,780	1,813,351	397,571	397,571
International	3,166,641	3,166,641	3,380,912	214,271	214,271
Kingston Hill	574,403	574,403	482,452	(91,951)	(30,650)
Learning Community	6,323,147	6,323,147	6,455,494	132,347	132,347
New England Laborers	1,142,634	1,142,634	1,157,857	15,223	15,223
Nowell	1,594,720	1,594,720	1,720,108	125,388	125,388
Nurses Institute	2,589,415	2,589,415	2,726,258	136,843	136,843
Paul Cuffee	8,401,014	8,401,014	8,534,952	133,938	133,938
RI Mayoral Academies					
Blackstone Prep.	15,265,732	15,265,732	16,949,496	1,683,764	1,683,764
RISE Mayoral Academy	1,351,280	1,351,280	1,879,994	528,714	528,714
Segue Institute	2,716,009	2,716,009	2,823,238	107,229	107,229
Southside Elementary	1,034,710	1,034,710	1,301,720	267,010	267,010
Times2 Academy	7,545,913	7,545,913	7,900,487	354,574	354,574
Trinity	2,187,948	2,187,948	2,255,877	67,929	67,929
Village Green	2,260,023	2,260,023	2,246,369	(13,654)	(13,654)
Charter Schools Subtotal	\$ 82,748,546	\$ 82,748,546	\$ 90,239,211	\$ 7,490,666	\$ 7,744,753
Davies Career and Tech	13,358,058	13,358,058	7,879,682	(2,312,908)	(770,969)
Met School	9,342,007	9,342,007	6,661,708	(1,920,503)	(640,168)
Urban Collaborative	1,494,741	1,494,741	1,466,306	(28,435)	(71,053)
Total	\$ 106,943,352	\$ 106,943,352	\$ 106,246,908	\$ 3,228,820	\$ 6,262,563

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

*Includes a state schools stabilization payment of \$3.2 million to Davies and \$0.8 million to Met.

<i>School</i>	<i>F</i> <i>FY 2019 HFC</i> <i>Formula Aid**</i>	<i>G</i> <i>Change to</i> <i>Base</i> <i>Calculation</i>	<i>H</i> <i>Categoricals</i>	<i>I</i> <i>FY 2019</i> <i>Governor Rec.</i> <i>Formula Aid*</i>	<i>J</i> <i>Change to</i> <i>Governor</i>
Academy for Career Exploration (Textron)	\$ 2,227,727	\$ 127,598	\$ 11,786	\$ 2,259,752	\$ (20,239)
Achievement First	11,647,816	-	31,129	12,348,224	(669,279)
Beacon	2,848,622	-	468	2,911,249	(62,159)
Blackstone	3,736,546	-	6,587	3,784,147	(41,014)
Charette	921,368	-	-	-	921,368
Compass	422,155	65,189	-	419,937	2,218
Greene School	1,190,698	-	2,223	1,272,775	(79,854)
Highlander	5,808,501	-	22,840	5,830,123	1,218
Hope Academy	1,813,351	-	1,746	1,814,708	389
International	3,380,912	-	24,391	3,323,787	81,516
Kingston Hill	543,753	61,301	229	549,747	(5,765)
Learning Community	6,455,494	-	26,315	6,505,809	(24,000)
New England Laborers	1,157,857	-	2,082	1,163,440	(3,501)
Nowell	1,720,108	-	8,311	1,569,789	158,630
Nurses Institute	2,726,258	-	9,630	2,653,048	82,840
Paul Cuffee	8,534,952	-	31,866	8,627,854	(61,036)
RI Mayoral Academies					
Blackstone Prep.	16,949,496	-	27,123	16,783,301	193,318
RISE Mayoral Academy	1,879,994	-	-	1,887,883	(7,889)
Segue Institute	2,823,238	-	7,494	2,764,965	65,767
Southside Elementary	1,301,720	-	1,310	1,325,862	(22,832)
Times2 Academy	7,900,487	-	15,278	7,737,314	178,451
Trinity	2,255,877	-	7,857	2,246,624	17,110
Village Green	2,246,369	-	9,635	2,319,029	(63,025)
Charter Schools Subtotal	\$ 90,493,298	\$ 254,088	\$ 248,301	\$ 90,099,368	\$ 642,234
Davies Career and Tech	13,658,087	5,778,405	9,567	13,338,254	329,400
Met School	9,342,007	2,680,299	13,127	9,353,938	1,196
Urban Collaborative	1,423,688	(42,618)	8,357	1,550,593	(118,548)
Total	\$ 114,917,080	\$ 8,670,174	\$ 279,353	\$ 114,342,153	\$ 854,283

**Includes a state schools stabilization payment of \$4.2 million to Davies and \$1.4 million to Met.

*Includes a state schools stabilization payment of \$3.2 million to Davies and \$0.8 million to Met.

Section IV

Adjustments to Governor's Revised Budget

	FY 2018 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
	<i>Revenue Changes</i>					
1	May Revenue Conference	75,550,000	-	-	-	75,550,000
2	Infrastructure Bank Transfer	(5,000,000)	-	-	-	(5,000,000)
3	Resource Recovery Transfer	(3,000,000)	-	-	-	(3,000,000)
4	RI Housing Transfer	(5,000,000)	-	-	-	(5,000,000)
5	RISLA Transfer	(3,000,000)	-	-	-	(3,000,000)
6	Turnpike and Bridge Transfer	(1,500,000)	-	-	-	(1,500,000)
	Total	58,050,000	9,724,892	2,176,054	(34,227,372)	2,072,696
	<i>Expenditures Changes</i>					
	Administration					
7	Bldg./Fire Codes Economic Impact Study Savings	(43,700)	-	-	-	(43,700)
8	Capital - Big River Management Area (GBA)	-	-	-	(75,000)	(75,000)
9	Capital - Chapin Health Lab. (GBA)	-	-	-	(100,000)	(100,000)
10	Capital - Cranston Street Armory (GBA)	-	-	-	575,000	575,000
11	Capital - DoIT Enterprise Operations (GBA)	-	-	-	(75,000)	(75,000)
12	Capital - Dunkin Donuts Center (GBA)	-	-	-	(865,000)	(865,000)
13	Capital - Environmental Compliance (GBA)	-	-	-	(300,000)	(300,000)
14	Capital - Facility Renovations - Accessibility (GBA)	-	-	-	110,000	110,000
15	Capital - McCoy Stadium Repairs (GBA)	-	-	-	300,000	300,000
16	Capital - Old Colony House (GBA)	-	-	-	(75,000)	(75,000)
17	Capital - Pastore Center Medical Rehab. (GBA)	-	-	-	2,500,000	2,500,000
18	Capital - Pastore Center Buildings Demolition	-	-	-	(175,000)	(175,000)
19	Capital - Pastore Center Power Plant (GBA)	-	-	-	(750,000)	(750,000)
20	Capital - Replacement of Fueling Tanks (GBA)	-	-	-	(275,000)	(275,000)
21	Capital - RI Convention Center Facility (GBA)	-	-	-	865,000	865,000
22	Capital - Security Measures (GBA)	-	-	-	250,000	250,000
23	Capital - Shepard Building	-	-	-	(100,000)	(100,000)
24	Capital - State House Renovations (GBA)	-	-	-	(400,000)	(400,000)
25	Capital - State Office Building (GBA)	-	-	-	(300,000)	(300,000)
26	Capital - Veterans Memorial Auditorium (GBA)	-	-	-	58,000	58,000
27	Capital - Virks Building Renovations (GBA)	-	-	-	(1,110,000)	(1,110,000)
28	Capital - Washington County Gov. Center (GBA)	-	-	-	(250,000)	(250,000)
29	Capital - William Powers Building (GBA)	-	-	-	(350,000)	(350,000)
30	Capital - Zambarano Buildings & Infrastructure (GBA)	-	-	-	700,000	700,000
31	Cranston Street Armory Facilities Management (GBA)	749,894	-	-	-	749,894
32	DoIT Internal Service Fund Adjustment	(285,000)	-	-	-	(285,000)
33	DOT Facility Charges to Gas Tax	(540,000)	-	-	-	(540,000)
34	Facilities Management Services Savings (GBA)	(154,228)	-	-	-	(154,228)
35	Fraud & Waste Data Tools - (Q3)	(410,699)	-	-	-	(410,699)
36	Fraud and Waste Savings Distribution (GBA)	8,500,000	-	-	-	8,500,000
37	Internal Service Fund - (Q3)	(428,603)	-	-	-	(428,603)
38	Pay for Success Pilot Program	(300,000)	-	-	-	(300,000)
39	Personnel Classification & Compensation Study Savings	(219,559)	-	-	-	(219,559)

	FY 2018 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
40	Regulatory Reform – APA Staff Conversion (2.0 FTE)	(38,727)	-	-	-	(38,727)
41	Statewide COLA	198,935	-	-	-	198,935
42	Turnover Savings	(636,046)	-	-	-	(636,046)
43	Unachieved E-Procurement Savings	250,000	-	(539,204)	-	(289,204)
44	VRI Savings	(197,423)	(28,759)	(89,849)	-	(316,031)
45	Water Resources Board Transfer	409,152	-	-	-	409,152
46	Workers' Compensation Savings Delay	250,000	-	-	-	250,000
Business Regulation						
47	Center General Facilities Management from DOA (GBA)	154,228	-	-	-	154,228
48	DoIT Internal Service Fund Adjustment	100,000	-	-	-	100,000
49	Statewide COLA	81,914	-	-	-	81,914
50	Turnover and Operations (Q3)	(463,550)	-	-	-	(463,550)
Executive Office of Commerce						
51	Capital - Quonset Piers	-	-	-	(1,660,000)	(1,660,000)
52	Reverse Rebuild Shift to FY 2019	3,000,000	-	-	-	3,000,000
53	Statewide COLA	14,275	-	-	-	14,275
54	Turnover and Operations (Q3)	(419,250)	-	-	-	(419,250)
Labor and Training						
55	Capital - Center General Asset Protection (GBA)	-	-	-	(1,000,000)	(1,000,000)
56	Centralized Services (GBA)	-	(154,228)	-	-	(154,228)
57	VRI Savings	(137,218)	(639,233)	(80,470)	(107,235)	(964,156)
58	Police and Fire Relief Benefits	126,366	-	-	-	126,366
59	Statewide COLA	28,249	-	-	-	28,249
Department of Revenue						
60	DoIT Internal Service Fund Adjustment	(205,000)	-	-	-	(205,000)
61	Federal Tax Analysis	330,000	-	-	-	330,000
62	Lottery Funds (GBA)	-	-	-	(669,034)	(669,034)
63	Statewide COLA	325,029	-	-	-	325,029
Legislature						
64	Statewide COLA	265,396	-	-	-	265,396
Lieutenant Governor						
65	Statewide COLA	8,491	-	-	-	8,491
Secretary of State						
66	Statewide COLA	51,115	-	-	-	51,115
67	Turnover Savings (Q3)	(150,000)	-	-	-	(150,000)
Office of the General Treasurer						
68	Statewide COLA	18,716	-	-	-	18,716
69	Unclaimed Property	-	-	803,641	-	803,641
						-

	FY 2018 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
Board of Elections						
70	Statewide COLA	9,859	-	-	-	9,859
71	Turnover (Q3) and Operations	(95,000)	-	-	-	(95,000)
Ethics Commission						
72	Statewide COLA	13,426	-	-	-	13,426
73	Turnover (Q3)	(38,900)	-	-	-	(38,900)
Office of the Governor						
74	Contingency Fund Reappropriation	(100,000)	-	-	-	(100,000)
75	Statewide COLA	44,988	-	-	-	44,988
Commission for Human Rights						
76	Statewide COLA	9,047	-	-	-	9,047
77	VRI Savings (Q3)	(28,250)	-	-	-	(28,250)
Public Utilities Commission						
78	VRI Savings	-	-	(144,000)	-	(144,000)
79	Water Resources Board Transfer	-	-	(409,152)	-	(409,152)
Executive Office of Health and Human Services						
80	Cortical Integrated Therapy Restoration to Enacted	750,000	-	-	-	750,000
81	DD Consent Decree Payment Medicaid Correction	(225,000)	225,000	-	-	-
82	Enhanced Medicaid Claiming Technical Assistance	(250,000)	(250,000)	-	-	(500,000)
83	Fraud and Waste Savings Distribution (GBA)	(1,965,441)	-	-	-	(1,965,441)
84	Graduate Medical Education Restoration to Enacted	4,000,000	-	-	-	4,000,000
85	Medicaid Caseload - May Conference	(1,235,907)	#####	-	-	13,251,995
86	Statewide COLA	106,635	-	-	-	106,635
87	Turnover	(200,000)	(200,000)	-	-	(400,000)
Children, Youth and Families						
88	Foundation Grants (GBA)	-	-	301,104	-	301,104
89	Caseload (Q3)	13,500,000	3,700,000	-	-	17,200,000
90	Statewide COLA	429,781	-	-	-	429,781
Health						
91	Opioid Overdose Prevention Grants (GBA)	-	-	600,000	-	600,000
92	Statewide COLA	167,761	-	-	-	167,761
Human Services						
93	Capital - Blind Vending Facilities (GBA)	-	-	-	73,000	73,000
94	Cash Assistance Caseload - May Conference	(344,306)	(1,908,882)	-	-	(2,253,188)
95	DoIT Internal Service Fund Adjustment	250,000	-	-	-	250,000

	FY 2018 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
96	Family Child Care Provider Rate Increase - Union Contract	-	190,595	-	-	190,595
97	Family Child Care Provider Stipend - Union Contract	-	337,778	-	-	337,778
98	New Veterans' Home Project (GBA)	-	497,225	-	-	497,225
99	Statewide COLA	360,506	-	-	-	360,506
BHDDH						
100	Capital - Community Facilities - Fire Code Upgrades	-	-	-	(366,061)	(366,061)
101	Capital - DD Private Community Facilities Fire Code Upgrades	-	-	-	(183,299)	(183,299)
102	Capital - Medical Center Rehabilitation	-	-	-	(200,000)	(200,000)
103	Capital - Regional Center Repair	-	-	-	(400,000)	(400,000)
104	Correction to Court Monitor Transfer (GBA)	(8,004)	249,784	-	-	241,780
105	Eleanor Slater Hospital Restricted Receipts	(365,542)	-	1,165,542	-	800,000
106	ESH Physicians- Retroactive Increase (Q3)	577,520	577,520	-	-	1,155,040
107	Eleanor Slater Hospital Turnover (Q3)	(427,520)	(427,520)	-	-	(855,040)
108	Internal Service Fund Transfer Medicaid Correction	(1,251,685)	1,251,685	-	-	-
109	Legal Settlement (Q3)	500,000	-	-	-	500,000
110	Statewide COLA	505,764	-	-	-	505,764
Office of the Child Advocate						
111	Statewide COLA	4,922	-	-	-	4,922
112	Turnover and Operations (Q3)	(64,245)	(23,960)	-	-	(88,205)
Deaf and Hard of Hearing						
113	DoIT Internal Service Fund Adjustment	35,000	-	-	-	35,000
114	Statewide COLA	3,051	-	-	-	3,051
115	Turnover and Interpreter Services	(20,000)	-	-	-	(20,000)
Governor's Commission on Disabilities						
116	Statewide COLA	3,409	-	-	-	3,409
Office of the Mental Health Advocate						
117	Statewide COLA	4,702	-	-	-	4,702
Elementary and Secondary Education						
118	Capital - Davies Advanced Manufacturing	-	-	-	(3,250,000)	(3,250,000)
119	Capital - Davies School - HVAC	-	-	-	(682,000)	(682,000)
120	Capital - Davies School Asset Protection (GBA)	-	-	-	(100,000)	(100,000)
121	RI Foundation Grant (GBA)	-	-	44,680	-	44,680
122	SAT and PSAT Funding	(150,000)	-	-	-	(150,000)
123	Statewide COLA	282,603	-	-	-	282,603
124	Teacher Retirement (Q3)	(200,000)	-	-	-	(200,000)
Higher Education						
125	Capital - CCRI Knight Campus Renewal	-	-	-	(3,600,000)	(3,600,000)

	FY 2018 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
126	Capital - URI Biological Resources Lab	-	-	-	(3,000,000)	(3,000,000)
127	OPC Turnover Savings (Q3)	(150,000)	-	-	-	(150,000)
128	Statewide COLA	312,069	-	-	-	312,069
Arts Council						
129	Statewide COLA	6,193	-	-	-	6,193
130	Turnover and Operations (Q3)	(44,000)	-	-	-	(44,000)
Atomic Energy Commission						
131	Capital - Asset Protection	-	-	-	27,649	27,649
132	Statewide COLA	8,206	-	-	-	8,206
Historical Preservation & Heritage Commission						
133	Statewide COLA	7,930	-	-	-	7,930
134	Turnover (Q3)	(100,000)	-	22,140	-	(77,860)
Attorney General						
135	Medicaid Fraud, Waste and Abuse System to FY 2019	(62,500)	(750,000)	-	-	(812,500)
136	Statewide COLA	211,529	-	-	-	211,529
137	Turnover and Operations (Q3)	(792,182)	-	-	-	(792,182)
Corrections						
138	Capital - Asset Protection	-	-	-	(500,000)	(500,000)
139	Capital - Intake Service Center Renovations	-	-	-	(1,300,000)	(1,300,000)
140	Capital - Medium Infrastructure	-	-	-	(3,000,000)	(3,000,000)
141	Capital - New Gloria McDonald	-	-	-	(151,133)	(151,133)
142	Capital - Dix Building Renovations	-	-	-	(1,000,000)	(1,000,000)
143	Capital - Correctional Facilities Study	-	-	-	(850,000)	(850,000)
144	Population Related Savings	(300,000)	-	-	-	(300,000)
145	Statewide COLA	1,640,268	-	-	-	1,640,268
146	Substance Abuse and Mental Health Grant (GBA)	-	235,359	-	-	235,359
Judicial						
147	Capital - Noel Shelled Courtroom Build Out	-	-	-	(1,600,000)	(1,600,000)
148	Statewide COLA	677,834	-	-	-	677,834
149	VRI Savings (Q3)	(597,022)	-	(23,303)	-	(620,325)
Military Staff						
150	Capital - Armory of Mounted Commands	-	-	-	(960,000)	(960,000)
151	Capital - Asset Protection (GBA)	-	-	-	(300,000)	(300,000)
152	Capital - Bristol Readiness Center	-	-	-	(125,000)	(125,000)
153	Capital - Joint Force Headquarters Building	-	-	-	(4,200,000)	(4,200,000)
154	Capital - Middletown Armory Land Transfer (GBA)	-	-	-	700,000	700,000
155	Cranston Street Armory Facilities Management (GBA)	(749,894)	-	-	-	(749,894)
156	Military Family Relief Fund (GBA)	-	-	(50,000)	-	(50,000)
157	Operations and VRI Savings	(196,244)	(50,250)	-	-	(246,494)

	FY 2018 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
158	Statewide COLA	14,661	-	-	-	14,661
Public Safety						
159	DoIT Internal Service Fund Adjustment	105,000	-	-	-	105,000
160	Fire Training Academy Classes (GBA)	-	-	187,834	-	187,834
161	Public Information Officer (1.0 FTE)	(142,713)	-	-	-	(142,713)
162	State Police Overtime & Security Supplies (GBA)	-	-	388,304	-	388,304
163	Statewide COLA	676,598	-	-	-	676,598
164	Turnover Savings	(972,837)	-	-	-	(972,837)
165	Utilities and Operating Expenses	356,459	-	-	-	356,459
Public Defender						
166	Statewide COLA	93,015	-	-	-	93,015
167	VRI Savings and Turnover	(171,406)	-	-	-	(171,406)
Emergency Management						
168	Statewide COLA	4,496	-	-	-	4,496
169	VRI Savings	(30,376)	(49,411)	(1,213)	-	(81,000)
Environmental Management						
170	Capital - Blackstone Valley Park Improvements	-	-	-	(496,270)	(496,270)
171	Capital - Dam Repair	-	-	-	(2,132,643)	(2,132,643)
172	Capital - Galilee Piers Upgrade	-	-	-	(1,000,000)	(1,000,000)
173	Capital - Marine Infrastructure/Pier Development	-	-	-	(250,000)	(250,000)
174	Capital - Natural Resources Office/Visitor's Center	-	-	-	(822,744)	(822,744)
175	Capital - Recreational Facilities Improvements	-	-	-	(1,500,000)	(1,500,000)
176	Capital - State Recreation Building Demolition (GBA)	-	-	-	(100,000)	(100,000)
177	Statewide COLA	261,956	-	-	-	261,956
178	VRI Savings	(470,284)	-	-	-	(470,284)
Coastal Resources Management Council						
179	Capital - RI Coastal Storm Risk Study	-	-	-	(150,000)	(150,000)
180	Capital - Narragansett Bay SAMP (GBA)	-	-	-	(100,000)	(100,000)
181	Legal Services (Q3)	(40,000)	-	-	-	(40,000)
182	Statewide COLA	20,435	-	-	-	20,435
Transportation						
183	Capital - T.F. Green Airport Improvements (GBA)	-	-	-	(700,000)	(700,000)
184	DOT Facility Charges to Gas Tax	-	-	-	540,000	540,000
185	Gas Tax DOT Yield	-	-	-	968,276	968,276
186	Gas Tax RIPTA Yield	-	-	-	490,415	490,415
187	Gas Tax Turnpike & Bridge Authority Yield	-	-	-	176,047	176,047
188	Turnover Savings	-	(6,516,610)	-	-	(6,516,610)
189	VRI Savings	-	(1,029,103)	-	(905,340)	(1,934,443)
Total		24,399,122	9,724,892	2,176,054	(34,227,372)	2,072,696

FY 2018 Revised Changes to Governor

Revenue Changes

- 1. May Revenue Conference.** The Revenue Estimating Conference concluded May 10 and revised the FY 2018 estimate to \$3,899.9 million, which is \$75.5 million more than the revenues included in the November estimate and \$75.6 million more than the Governor's budget revised for her changes included in the estimate.
- 2. Infrastructure Bank Transfer.** The Governor's budget increases the transfer from the Infrastructure Bank to state general revenues in FY 2018 by \$5.0 million. The House Finance Committee does not concur.
- 3. Resource Recovery Transfer.** The House Finance Committee does not concur with the Governor's proposal requiring that the Resource Recovery Corporation transfer \$3.0 million to general revenues by June 30, 2018.
- 4. RI Housing Transfer.** The Governor's budget increases the transfer from RI Housing to state general revenues in FY 2018 by \$5.0 million. The House Finance Committee does not concur.
- 5. RISLA Transfer.** The Governor's revised budget requires the Rhode Island Student Loan Authority to transfer \$3.0 million to state general revenues by June 30, 2018. The House Finance Committee does not concur.
- 6. Turnpike and Bridge Transfer.** The House Finance Committee does not concur with the Governor's proposal requiring that the Rhode Island Turnpike and Bridge Authority transfer \$1.5 million to general revenues by June 30, 2018.

Expenditures Changes

Administration

- 7. Bldg./Fire Codes Economic Impact Study Savings.** The revised budget includes \$250,000 from general revenues to obtain contractual services for an economic impact statement of proposed changes to building and fire codes that must be done prior to implementation. Based on the projected cost of the study, the House Finance Committee recommends reducing funding by \$43,700.
- 8. Capital - Big River Management Area (GBA).** The revised budget includes \$102,307 from Rhode Island Capital Plan funds for infrastructure repairs and improvements, security, litter/dumping enforcement and demolition of vacant homes through the Big River Management Area project. Based on updated expenditure projections, the House Finance Committee recommends \$75,000 less.
- 9. Capital - Chapin Health Lab (GBA).** The revised budget includes \$1.1 million from Rhode Island Capital Plan funds to address mechanical and electrical issues, and to upgrade the heating and air conditioning system. Based on anticipated expenditures, the Governor requested an amendment to include savings of \$0.1 million. The House Finance Committee concurs and adjusts expenditures accordingly.
- 10. Capital - Cranston Street Armory (GBA).** The House Finance Committee concurs with the Governor's requested amendment to restore \$0.6 million of Rhode Island Capital Plan funds for the Cranston Street Armory project, which will be used to stabilize the exterior of the building. The Governor had reduced the previously authorized funding in her revised budget below actual spending needs.

11. Capital - DoIT Enterprise Operations (GBA). The Governor's revised budget includes \$0.2 million in the current year for asset protection projects at the Division of Information Technology's Operations Center in Warwick. This was \$0.6 million below authorized funding. The House Finance Committee concurs with the Governor's requested amendment to further reduce funding by \$75,000 to reflect the Department's anticipated expenditures.

12. Capital - Dunkin Donuts Center (GBA). The FY 2018 revised budget includes \$1.5 million from Rhode Island Capital Plan funds for project expenses at the Dunkin Donuts Center including improvements to common areas and the arena. Based on updated expenditure plans, the Governor requested an amendment to reduce funding by \$865,000. The House Finance Committee concurs.

13. Capital - Environmental Compliance (GBA). The Governor recommended \$0.4 million from Rhode Island Capital Plan funds or \$0.2 million more than enacted for projects that assist state agencies in maintaining compliance with all state and federal environmental rules and regulations. Based on the updated expenditure data, the House Finance Committee recommends a total of \$0.1 million, or \$0.3 million less.

14. Capital - Facility Renovations - Accessibility (GBA). The approved plan assumes use of \$1.0 million annually from Rhode Island Capital Plan funds for renovations of state-owned long-term care and community based facilities, health centers, group homes, fire safety improvements, accessibility renovations to state administrative, higher education institutions and senior centers. The Governor's recommendation reduced the approved funding by \$0.1 million in FY 2018 and \$0.5 million annually for FY 2019 through FY 2021. The House Finance Committee concurs with her subsequent amendment to restore \$0.1 million in FY 2018 and \$0.5 million in FY 2019.

15. Capital - McCoy Stadium Repairs (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$0.3 million from Rhode Island Capital Plan funds for asset protection projects at McCoy Stadium. This covers preventative maintenance and small scale repair projects.

16. Capital - Old Colony House (GBA). The revised budget includes \$100,000 from Rhode Island Capital Plan funds to repair and renovate the Old Colony House, specifically repointing the exterior of the building and replacing the gutters. Based on the Department's projected expenditures, the House Finance Committee recommends \$75,000 less. The FY 2019 budget includes \$50,000 to complete the work.

17. Capital - Pastore Center Medical Rehab. (GBA). The House Finance Committee concurs with the Governor's requested amendment to include an additional \$2.5 million from Rhode Island Capital Plan funds in FY 2018 to cover excess costs related to asbestos abatement in Barry and Simpson Halls and to replace windows in Benjamin Rush and the Louis Pasteur buildings. The Governor's capital plan had revised the funding schedule for this \$21.2 million plan shifting costs into later years.

18. Capital - Pastore Center Buildings Demolition. The House Finance Committee recommends a total project cost of \$3.2 million from Rhode Island Capital Plan funds to demolish buildings on the Pastore Center including Pinel and the Welcome Arnold buildings, three facility shops and the old power plant on the Pastore Center. This is based on revised project plans and is \$175,000 less than the Governor recommended for FY 2018 and \$575,000 less for FY 2019.

19. Capital - Pastore Center Power Plant (GBA). The House Finance Committee concurs with the Governor's requested amendment to reduce FY 2018 costs for repairs to the Pastore Center Power Plant by \$750,000 from Rhode Island Capital Plan funds to reflect the updated projections.

- 20. Capital - Replacement of Fueling Tanks (GBA).** The FY 2018 revised budget includes \$343,960 from Rhode Island Capital Plan funds to replace failing tanks at state-owned and operated fueling stations for state vehicles. The Governor requested an amendment to reduce the expenditures by \$275,000, based on updated plans. The House Finance Committee concurs.
- 21. Capital - RI Convention Center Facility (GBA).** The House Finance Committee concurs with the Governor's subsequent amendment to add \$0.9 million from Rhode Island Capital Plan funds in the current year for asset protection projects and improvements to the Convention Center facility. The Governor's revised budget had reduced previously authorized funding by \$0.4 million.
- 22. Capital - Security Measures (GBA).** The House Finance Committee concurs with the Governor's subsequent amendment to restore her proposed \$250,000 reduction to Rhode Island Capital Plan funds authorized to address security issues at the Cannon Building and other state facilities.
- 23. Capital - Shepard Building.** The House Finance Committee concurs with the Governor's total project costs of \$3.8 million from Rhode Island Capital Plan funds for repairs to the Shepard Building; however, shifted a total of \$0.4 million from FY 2018 and FY 2019 to FY 2020 and FY 2021 to reflect current scheduling. Funds will be used for roof and receiving door replacement, renovations to the Westminster Street entrance, structural facade repair, and new restroom floors.
- 24. Capital - State House Renovations (GBA).** Based on anticipated expenditures, the House Finance Committee recommends \$0.4 million less from Rhode Island Capital Plan funds for the State House Renovations project. The Governor's budget added \$0.7 million over FY 2018 and FY 2019 with a total of \$3.1 million over that period.
- 25. Capital - State Office Building (GBA).** The revised budget includes \$1.7 million from Rhode Island Capital Plan funds for renovations at the State Office Building including \$1.0 million unspent in FY 2017. Based on updated expenditures, the House Finance Committee recommends \$0.3 million less for FY 2018.
- 26. Capital - Veterans Memorial Auditorium (GBA).** The House Finance Committee concurs with the Governor's requested amendment to restore the \$0.1 million of Rhode Island Capital Plan funds reduced in her budget recommendation for the Veterans Memorial Auditorium project based on anticipated expenditures.
- 27. Capital - Virks Building Renovations (GBA).** Based on updated expenditure projections, the House Finance Committee recommends \$1.1 million less from Rhode Island Capital Plan funds for the renovation of the Virks building in the Pastore Center. The building is now occupied by the Executive Office of Health and Human Services.
- 28. Capital - Washington County Gov. Center (GBA).** The revised budget includes \$425,000 from Rhode Island Capital Plan funds for ongoing renovations at the Washington County Government Center. The House Finance Committee concurs with the Governor's requested amendment to reduce funding by \$250,000.
- 29. Capital - William Powers Building (GBA).** The Department anticipates Rhode Island Capital Plan fund expenditures of \$1.0 million for asset protection of the William Powers Administration building in FY 2018 for which the revised budget includes \$1.4 million. The House Finance Committee concurs with the Governor's requested amendment to reduce funding by \$350,000 in FY 2018 and \$0.5 million in FY 2019.
- 30. Capital - Zambarano Buildings & Infrastructure (GBA).** The House Finance Committee concurs with the Governor's requested amendment to restore \$0.7 million of Rhode Island Capital Plan funds that

she had reduced in her revised budget. The funds will be used for capital repairs to various buildings and equipment at the Zambarano Campus of the Eleanor Slater Hospital in Burrillville.

31. Cranston Street Armory Facilities Management (GBA). The Governor's budget reflects the transfer of funding for centralized facilities management services to state agencies. The recommendation inadvertently included \$0.7 million of these expenditures from general revenues for the Cranston Street Armory in the Military Staff's budget. The House Finance Committee concurs with the Governor's requested amendment to shift these costs back to the Department of Administration's budget.

32. DoIT Internal Service Fund Adjustment. The 2017 Assembly authorized the establishment of internal service funds for centralized information technology, capital asset management and maintenance, and human resources. The Governor's revised budget allocates those costs to user agencies. Based on a subsequent request, the House Finance Committee recommends \$0.3 million less for the Department of Administration's Division of Information Technology for FY 2018 to reflect projected expenditures.

33. DOT Facility Charges to Gas Tax. The Department of Administration indicates that centralized facility charges for the Department of Transportation are covered from general revenues, which contradicts the intent of the 2017 Assembly's authorization of the establishment of internal service funds for centralized services in order to maximize available non-general revenue sources. Based on square footage of the facilities, the Department of Administration indicates that \$0.5 million was paid in FY 2017. The House Finance Committee recommends that these expenditures be paid with gasoline tax and be reflected in the Department of Transportation's budget.

34. Facilities Management Services Savings (GBA). The Governor's budget reflects the transfer of funding for centralized services to state agencies. She subsequently requested an amendment to reflect general revenue savings of \$0.2 million in both years based on building occupancy on the Pastore Center. The House Finance Committee concurs.

35. Fraud & Waste Data Tools (Q3). The Department's third quarter report projects spending \$1.6 million of the \$2.0 million from general revenues in the revised budget for fraud and waste data tools. These were authorized to assist the Office of Internal Audit to detect patterns of fraud. The House Finance Committee recommends reducing funding by \$0.4 million to reflect projected expenditures.

36. Fraud and Waste Savings Distribution (GBA). The House Finance Committee concurs with the Governor's requested amendment to distribute and delay a portion of the \$8.5 million general revenue savings from the fraud and waste detection initiative, with the exception of restoring \$3.0 million deemed to be achieved through cost avoidance as part of the Medicaid caseload projections. It assumes \$2.4 million of the savings will be achieved from death file matching and reflected in the Executive Office of Health and Human Services and delays \$3.2 million of the savings to FY 2019.

37. Internal Service Fund (Q3). The Governor's budget reflects the transfer of funding for centralized facilities management services to state agencies. The revised budget includes \$7.7 million from general revenues for the Department's share of facilities management services; its third quarter report projects savings of \$0.4 million. The House Finance Committee adjusts expenditures consistent with projected spending.

38. Pay for Success Pilot Program. The FY 2018 revised and the FY 2019 recommended budgets include \$0.3 million from general revenues to fund a new Pay for Success Pilot program, which is intended to increase employment and reduce recidivism of formerly incarcerated individuals. A contract was awarded; however, the Administration indicates that it was subsequently rescinded due to lack of participants. The House Finance Committee recommends removing funding in both years.

39. Personnel Classification & Compensation Study Savings. The revised budget includes \$329,559 from general revenues to obtain outside services to redesign the state's classification and compensation system. Based on expenditures to date, it appears that only \$0.1 million is needed; the study was completed in the summer of 2017. The House Finance Committee recommends \$0.2 million less to reflect the actual cost of the study.

40. Regulatory Reform – APA Staff Conversion (2.0 FTE). The enacted budget includes \$170,704 from general revenues for the Office of Regulatory Reform to obtain contracted legal services for the review of state regulations. The FY 2018 revised and FY 2019 recommended budgets convert the funding from contracted services to salaries and benefits and add \$38,727 and staffing authorization for the two new positions. The House Finance Committee does not concur and recommends funding consistent with the enacted budget.

41. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Administration for FY 2018 is \$0.2 million.

42. Turnover Savings. The House Finance Committee recommends reducing general revenue expenditures by \$0.6 million to reflect additional turnover savings based on updated projections. More than two-thirds of the savings is from the Office of Legal Services and the Office of Management and Budget.

43. Unachieved E-Procurement Savings. The 2017 Assembly concurred with the Governor's proposal authorizing the chief purchasing officer to establish, charge, and collect a statewide contract administrative fee not to exceed 1.0 percent of master price agreements from vendors. The funds would be deposited as restricted receipts and would be used for the implementation of an electronic procurement system. The enacted budget had also assumed general revenue savings of \$350,000 from the implementation of the system. The Department's third quarter report restores \$250,000 of the general revenue savings based on the Governor's recent decision not to charge vendors the administrative fee. System development costs will be paid from the Information Technology Investment Fund. The House Finance Committee recommends restoring \$250,000 of the general revenue savings.

44. VRI Savings. The House Finance Committee recommends savings of \$0.3 million from all sources, including \$0.2 million from general revenues, for FY 2018 based on savings available from the voluntary retirement incentive. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000. The Governor's budget includes a portion of the savings, but additional savings are available based on the actual participation in the program.

45. Water Resources Board Transfer. The House Finance Committee does not concur with the Governor's proposal to achieve \$0.4 million of general revenue savings by transferring the Water Resources Board from the Department of Administration to the Public Utilities Commission. Under the proposal, operating costs for the Water Resources Board would be charged to regulated utilities. The House Finance Committee recommends maintaining funding and the 3.0 employees in the budget of the Department of Administration.

46. Workers' Compensation Savings Delay. The Governor's revised budget restores \$1.0 million of the \$1.3 million enacted general revenue savings from an initiative to privatize the administration of the Workers' Compensation program. No further information was provided in terms of how the remaining

savings will be achieved. The House Finance Committee concurs with the Governor's requested amendment to delay the remaining \$0.3 million of savings to FY 2019.

Business Regulation

47. Center General Facilities Management from DOA (GBA). The House Finance Committee concurs with the Governor's requested amendment to increase general revenues for centralized facilities management services by \$0.2 million based on an updated assessment of assigned square footage for the Department of Business Regulation.

48. DoIT Internal Service Fund Adjustment. The 2017 Assembly authorized the establishment of internal service funds for centralized information technology, capital asset management and maintenance, and human resources. The Governor's revised budget allocates those costs to user agencies. Based on a subsequent request, the House Finance Committee recommends \$0.1 million more for the Department of Business Regulation for FY 2018 to reflect projected expenditures.

49. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Business Regulation for FY 2018 is \$81,914.

50. Turnover and Operations (Q3). The House Finance Committee recommends reducing general revenues by \$0.5 million based on spending through the third quarter. This includes \$0.3 million in turnover savings reflected in the Department's third quarter report to reflect a vacancy level about twice that which was assumed in the enacted budget. The Department is also projected to have \$0.2 million of operational savings.

Executive Office of Commerce

51. Capital - Quonset Piers. The Governor's capital budget includes \$90.0 million to refurbish Quonset Development Corporation's Pier 2. Funding includes \$15.0 million from Rhode Island Capital Plan funds, \$50.0 million from general obligation bond funds, \$21.0 million from Corporation revenue bonds and \$4.0 million from other Corporation resources. The House Finance Committee recommends shifting \$1.7 million of the Rhode Island Capital Plan funds from FY 2018 to the FY 2019 through FY 2021 period, including \$0.7 million in FY 2019 and \$0.5 million in FY 2020 and FY 2021 respectively, based on current spending.

52. Reverse Rebuild Shift to FY 2019. The Governor's revised recommendation shifted \$3.0 million of the appropriation for the Rebuild Rhode Island program from the enacted budget to FY 2019 to free up resources for use in FY 2018. As of May 2018, the Corporation has awarded \$95.8 million in credits under this program. The House Finance Committee recommends the enacted amount of \$12.5 million for FY 2018 to fund future credit redemption. This brings resources available through FY 2018 to \$38.5 million.

53. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Executive Office of Commerce for FY 2018 is \$14,275.

54. Turnover and Operations (Q3). The House Finance Committee recommends reducing general revenues by \$0.4 million to reflect available turnover savings based on spending through the third quarter

and projected spending for the remainder of the year. This is equivalent to 3.0 positions. The Executive Office has averaged 3.1 vacancies through FY 2018.

Labor and Training

55. Capital - Center General Asset Protection (GBA). The Governor's capital budget includes a total of \$6.1 million from Rhode Island Capital Plan funds from FY 2018 through FY 2023 for asset protection projects for the Center General Complex in Cranston and the Arrigan Rehabilitation Center in Providence. The House Finance Committee recommends reducing FY 2018 expenses by \$1.0 million and shifting \$0.5 million of that to FY 2019 based on updated spending plans.

56. Centralized Services (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$154,228 from general revenues in both FY 2018 and FY 2019 to the Department of Business Regulation based on the Division of Capital Asset Management and Maintenance reassessment of its square footage at the Center General Building which is shared with the Department of Labor and Training. There is an equal decrease in federal funding for the Department of Labor and Training.

57. VRI Savings. The House Finance Committee recommends reducing FY 2018 expenditures by \$1.0 million, including \$0.1 million from general revenues, to reflect the savings related to 18 employees who opted to take the voluntary retirement incentive. State employees eligible to retire on or before December 31, 2017 were eligible for the incentive, which is two times the employee's longevity capped at \$40,000.

58. Police and Fire Relief Benefits. The House Finance Committee recommends adding \$126,366 from general revenues for the Police and Fire Relief program based on updated projections including notification of a request for a one-time death benefit payment for an eligible participant.

59. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Labor and Training for FY 2018 is \$28,249.

Department of Revenue

60. DoIT Internal Service Fund Adjustment. The 2017 Assembly authorized the establishment of internal service funds for centralized information technology, capital asset management and maintenance, and human resources. The Governor's revised budget allocates those costs to user agencies. Based on a subsequent request, the House Finance Committee recommends \$0.2 million less for the Department of Revenue for FY 2018 to reflect projected expenditures.

61. Federal Tax Analysis. The House Finance Committee recommends an additional \$0.3 million from general revenues for contracted services for the Division of Taxation. Passage of federal tax reform at the close of 2017 was comprehensive with potentially significant impacts to state tax revenues. The Division required new tax modeling software and legal services to determine the impact of the tax reforms to the state.

62. Lottery Funds (GBA). The House Finance Committee concurs with the Governor's requested amendment to reduce Lottery expenses by \$669,034 to reflect an expenditure reduction inadvertently excluded from the budget. The Governor's revised recommendation for the Department of Revenue includes a series of recommended revenues and reductions that amount to the Department's share of \$25.0 million of unspecified savings, including a \$0.6 million reduction to Lottery expenditures to increase revenues.

63. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Revenue for FY 2018 is \$325,029.

Legislature

64. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Legislature for FY 2018 is \$0.3 million.

Lieutenant Governor

65. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Lieutenant Governor for FY 2018 is \$8,491.

Secretary of State

66. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Secretary of State for FY 2018 is \$51,115.

67. Turnover Savings (Q3). The House Finance Committee recommends reducing general revenue expenditures by \$150,000 to reflect turnover savings based on updated projections from the Office's third quarter report. The Governor's budget assumed turnover savings equivalent to approximately one position. The Office has averaged three vacant positions for FY 2018.

Office of the General Treasurer

68. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of General Treasurer for FY 2018 is \$18,716.

69. Unclaimed Property. The House Finance Committee recommends adding \$0.8 million from restricted receipts to adjust the unclaimed property program transfer to the state, to reflect the May Revenue Estimating Conference estimate of \$10.9 million.

Board of Elections

70. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January

2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Board of Elections for FY 2018 is \$9,859.

71. Turnover (Q3) and Operations. The House Finance Committee recommends reducing general revenue expenditures by \$95,000 to reflect additional turnover savings based on updated projections from the Board's third quarter report as well as minor operational savings available for FY 2018 assumed in the Governor's FY 2019 recommendation. The Governor's budget assumed turnover savings equivalent to 0.7 positions; the Board has averaged 1.9 vacant positions.

Ethics Commission

72. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Ethics Commission for FY 2018 is \$13,426.

73. Turnover (Q3). The House Finance Committee recommends a reduction of \$38,900 from general revenues reflecting personnel savings in the Ethics Commission from a current vacancy.

Office of the Governor

74. Contingency Fund Reappropriation. The Contingency Fund may be used for expenditures in any state department or agency where funding is insufficient, or where such requirements are due to unforeseen conditions or are non-recurring items of an unusual nature. In her revised budget recommendation, the Governor reappropriates \$67,089 of unspent funds from FY 2017. Through May 15, 2018, the Office has spent \$206,586 from the Fund, more than \$100,000 less than the Governor's revised recommendation. The House Finance Committee recommends reducing the Contingency Fund appropriation by \$100,000.

75. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Governor for FY 2018 is \$44,988.

Commission for Human Rights

76. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Commission for Human Rights for FY 2018 is \$9,047.

77. VRI Savings (Q3). The House Finance Committee recommends reducing general revenues by \$28,250 to reflect savings not included in the Governor's revised budget from an employee who took the voluntary retirement incentive. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000.

Public Utilities Commission

78. VRI Savings. The House Finance Committee recommends restricted receipt savings of \$144,000 for FY 2018 based on two individuals opting to take the voluntary retirement incentive. State employees

eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000. The Governor's budget funds these positions for the entire fiscal year.

79. Water Resources Board Transfer. The House Finance Committee does not concur with the Governor's proposal to achieve \$0.4 million of general revenue savings by transferring the Water Resources Board from the Department of Administration to the Public Utilities Commission. Under the proposal, operating costs for the Water Resources Board would be charged to regulated utilities. The House Finance Committee recommends maintaining funding and the 3.0 employees in the budget of the Department of Administration.

Executive Office of Health and Human Services

80. Cortical Integrated Therapy Restoration to Enacted. The House Finance Committee recommends restoring the \$750,000 from general revenues for cortical integrated therapy services which was reduced in the Governor's revised budget. This brings funding to the enacted level of \$1.0 million. The Governor's budget reduced the funding as part of her plan to meet a \$25.0 million administrative savings target.

81. DD Consent Decree Payment Medicaid Correction. The House Finance Committee concurs with the Governor's requested amendment to correct the Medicaid match for funding recommended in the Executive Office of Health and Human Services to pay the court monitor as part of the state's consent decree settlement for programs provided to developmentally disabled adults. The Governor's revised budget transfers \$450,000 from general revenues to the Executive Office of Health and Human Services. The amendment reduces general revenues by \$225,000 and increases federal funds by the same amount.

82. Enhanced Medicaid Claiming Technical Assistance. The Governor's budget includes the enacted level of \$500,000 including \$250,000 from general revenues to provide technical assistance to the Department of Children, Youth and Families and the Executive Office with increasing federal claiming opportunities. Funding was not used for this purpose in FY 2018, and the Committee recommends reducing funding accordingly. The House Finance Committee also recommends removing the FY 2019 funding.

83. Fraud and Waste Savings Distribution (GBA). The House Finance Committee concurs with the Governor's requested amendment to distribute and delay a portion of the \$8.5 million general revenue savings from the fraud and waste detection initiative. It assumes \$2.4 million of the savings will be achieved from the death file match and is reflected in the Executive Office of Health and Human Services. Of that \$2.4 million, \$0.4 million was assumed in the May caseload estimating conference and \$2.0 million is assumed outside of the conference estimate.

84. Graduate Medical Education Restoration to Enacted. The House Finance Committee recommends restoring the enacted level of \$4.0 million from general revenues for graduate medical education funding for academic medical centers that meet certain criteria, including designation as a Level 1 trauma center. The Governor's budget eliminates the funding as part of her plan to meet a \$25.0 million administrative savings target.

85. Medicaid Caseload - May Conference. The House Finance Committee recommends increasing medical assistance expenses by \$13.3 million for FY 2018. This reflects the \$12.3 million change made at the May caseload estimate for updated program costs. The estimate includes general revenue savings of \$8.1 million primarily from reauthorization of the Children's Health Insurance Program, which was already assumed in the Governor's budget along with other initiatives. Accounting for the savings already assumed in the Governor's budget, FY 2018 spending is estimated to be \$1.2 million less from general revenues and \$14.5 million more from federal funds.

86. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Executive Office of Health and Human Services for FY 2018 is \$106,635.

87. Turnover. The House Finance Committee includes savings of \$0.4 million, of which \$0.2 million is from general revenues, to reflect updated staffing costs in the current year.

Children, Youth and Families

88. Foundation Grants (GBA). The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.3 million from restricted receipts for three grants the Department has received in FY 2018. This includes \$70,000 to host the foster care recruitment weekend and \$64,304 to support personalized learning initiatives at the Training School; both are from the Rhode Island Foundation. The third is \$166,800 from the Kellogg Foundation to address educational outcomes for children through age five who are involved in the child welfare system.

89. Caseload. The House Finance Committee concurs with the Governor's requested amendment to add \$17.2 million, including \$13.5 million from general revenues, to the Department of Children, Youth and Families' budget consistent with its third quarter report that shows updated expenses to reflect current services and caseload mix based on services provided.

90. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Children, Youth and Families for FY 2018 is \$429,781.

Health

91. Opioid Overdose Prevention Grants (GBA). The House Finance Committee concurs with the Governor's requested amendment to include \$0.6 million from restricted receipts to reflect three foundation grants that the Department of Health received for an opioid overdose prevention campaign called the Truth Initiative.

92. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Health for FY 2018 is \$0.2 million.

Human Services

93. Capital - Blind Vending Facilities (GBA). The Governor's recommendation for ongoing construction and renovation of statewide blind vending facilities includes \$165,000 annually from Rhode Island Capital Plan funds through FY 2023 and eliminated funds carry forward from FY 2017. However, the Department had spent those funds and most of its annual allocation before the Governor released her budget. She subsequently requested an amendment to restore \$73,000 for FY 2018. The House Finance Committee concurs with the amendment.

94. Cash Assistance Caseload - May Conference. The House Finance Committee recommends reducing expenditures for cash assistance caseloads by \$2.3 million, including \$0.3 million from general revenues, to reflect the May Caseload Estimating Conference estimates for Rhode Island Works, subsidized child care, supplemental security income and general public assistance bridge programs.

95. DoIT Internal Service Fund Adjustment. The 2017 Assembly authorized the establishment of internal service funds for centralized information technology, capital asset management and maintenance, and human resources. The Governor's revised budget allocates those costs to user agencies. Based on a subsequent request the House Finance Committee recommends \$250,000 more for the Department of Human Services for FY 2018 to reflect projected expenditures.

96. Family Child Care Provider Rate Increase - Union Contract. In April 2018, the state entered into a contract with SEIU 1199, the union representing family child care providers. The contract includes a 2.5 percent rate increase, retroactive to January 1, 2018, as well as additional rate increases effective January 1, 2019 and January 1, 2020. Rates for child care providers are currently set in statute and any rate increase requires Assembly approval. The Governor subsequently submitted a budget amendment to add \$190,595 from general revenues for these payments in FY 2018, consistent with the Department of Human Services' testimony at the May Caseload Estimating Conference. The House Finance Committee concurs but shifts expenditures to available federal funds.

97. Family Child Care Provider Stipend - Union Contract. In April 2018, the state entered into a contract with SEIU 1199, the union representing family child care providers. The contract includes a 2.0 percent stipend for all family based providers that received late payments; the stipend will be paid in lieu of an interest payment that would have otherwise been due. However, Assembly approval of this change is required. The Governor subsequently submitted a budget amendment that includes \$337,778 from general revenues for these payments in FY 2018, consistent with the Department of Human Services' testimony at the May Caseload Estimating Conference. The House Finance Committee concurs but shifts expenditures to available federal funds.

98. New Veterans' Home Project (GBA). The Governor's revised budget recommendation includes \$10.5 million from federal funds to complete construction of the new Veterans' Home in Bristol, as well as demolition of the former home. She subsequently requested an amendment to add \$0.5 million from federal funds, reflecting available unspent funds. The House Finance Committee concurs with the amendment.

99. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Human Services for FY 2018 is \$0.4 million.

BHDDH

100. Capital - Community Facilities - Fire Code Upgrades. The Governor's capital budget includes \$1.0 million from Rhode Island Capital Plan funds to install new and upgrade existing fire alarm and sprinkler systems throughout the community developmental disability and mental health facilities. This includes \$416,061 for FY 2018. The House Finance Committee recommends reducing FY 2018 funding by \$366,061 based on current spending and FY 2019 funding by \$0.2 million based on expected work.

101. Capital - DD Private Community Facilities Fire Code Upgrades. The Governor's capital budget includes \$0.8 million to install and upgrade fire alarm and sprinkler systems in the private developmental disabilities residences. This includes \$0.4 million from Rhode Island Capital Plan funds and \$0.4 million

from matching Medicaid funds. The House Finance Committee recommends reducing FY 2018 funding by \$0.2 million from Rhode Island Capital Plan funds to reflect current spending.

102. Capital - Medical Center Rehabilitation. The Governor's capital budget includes \$1.8 million from Rhode Island Capital Plan funds for current and future asset protection projects at the Cranston campus unit of Eleanor Slater Hospital. This includes \$0.5 million in FY 2018, which the House Finance Committee recommends reducing by \$0.2 million to reflect current projected spending.

103. Capital - Regional Center Repair. The House Finance Committee recommends reducing Rhode Island Capital Plan funds for repairs and renovations to the 11 state-owned regional centers for individuals with developmental disabilities by \$0.4 million to reflect current spending.

104. Correction to Court Monitor Transfer (GBA). The House Finance Committee concurs with the Governor's requested amendment to reduce general revenues by \$8,004 and increase federal funds by \$249,784 to correct the inadvertent adjustment made in the Governor's budget when the funding for the court monitor was transferred to the Executive Office of Health and Human Services' budget.

105. Eleanor Slater Hospital Restricted Receipts. The House Finance Committee concurs with the Governor's amendment to add \$800,000 from a \$1.2 million prior year balance from restricted receipts that was inadvertently excluded from the recommendation. This adjustment leaves \$0.4 million available to offset general revenue costs at the state hospital and the House Finance Committee includes that adjustment.

106. ESH Physicians - Retroactive Increase (Q3). The House Finance Committee adds \$1.2 million, including \$0.6 million from general revenues, to make retroactive payments for 12 physicians at Eleanor Slater Hospital as part of the new union agreement that totals \$1.5 million. The Governor's FY 2018 revised recommendation includes \$0.3 million from all sources and the Department's third quarter report included another \$0.3 million with the Department using current year staffing savings to make up the difference. The House Finance Committee adds the amount necessary for the retro payment and adjusts for staff savings separately.

107. Eleanor Slater Hospital Turnover (Q3). The House Finance Committee includes savings of \$0.9 million, of which \$0.4 million is from general revenues, from the Department not filling ten vacant positions at the state hospital. The Department used the available resources to offset costs related to the retroactive payment made to physicians as part of the new union agreement.

108. Internal Service Fund Transfer Medicaid Correction. The House Finance Committee recommends shifting of \$1.3 million of general revenues to federal funds from correcting the Medicaid match applied to centralized service costs transferred from the Department of Administration to the Department's Division of Developmental Disabilities and Eleanor Slater Hospital system. The Governor's recommended budget did not use the 50.0 percent administrative rate, and the Committee's recommendation corrects that.

109. Legal Settlement (Q3). The Department of Behavioral Healthcare, Developmental Disabilities and Hospitals third quarter report includes a \$0.5 million legal settlement paid from general revenues to a family who appealed the services being provided through the Division of Developmental Disabilities. The House Finance Committee recommends the funding.

110. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for

FY 2019. The estimate for the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals for FY 2018 is \$505,764.

Office of the Child Advocate

111. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Child Advocate for FY 2018 is \$4,922.

112. Turnover and Operations (Q3). The House Finance Committee recommends savings of \$88,205, including \$64,245 from general revenues consistent with the Office's third quarter report. This includes savings from one position becoming vacant, updated costs for newly filled positions and adjustments to other expenses.

Deaf and Hard of Hearing

113. DoIT Internal Service Fund Adjustment. The 2017 Assembly authorized the establishment of internal service funds for centralized information technology, capital asset management and maintenance, and human resources. The Governor's revised budget allocates those costs to user agencies. Based on a subsequent request, the House Finance Committee recommends \$35,000 more for the Commission for FY 2018 to reflect projected expenditures.

114. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Commission on the Deaf and Hard of Hearing for FY 2018 is \$3,051.

115. Turnover and Interpreter Services. The House Finance Committee recommends \$20,000 in general revenue savings based on projected expenditures for FY 2018. This includes \$30,000 of turnover savings from a vacant staff interpreter position and \$10,000 more for contracted interpreter services.

Governor's Commission on Disabilities

116. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Governor's Commission on Disabilities for FY 2018 is \$3,409.

Office of the Mental Health Advocate

117. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Mental Health Advocate for FY 2018 is \$4,702.

Elementary and Secondary Education

118. Capital - Davies Advanced Manufacturing. The Governor recommends the enacted amount of \$3.7 million from Rhode Island Capital Plan funds for renovations to the Advanced Manufacturing program at the Davies Career and Technical School. Based on the current project schedule, the House Finance Committee recommends shifting \$3.3 million from FY 2018 to FY 2019.

119. Capital - Davies School – HVAC. The Governor recommends \$3.0 million from Rhode Island Capital Plan funds for FY 2018 and FY 2019 to repair the HVAC system at the Davies Career and Technical School. Work on the third-floor freshman wing is complete, but the school reports that remaining repairs are delayed until a facility master plan is completed. Based on that, the House Finance Committee recommends shifting \$0.7 million from FY 2018 and \$1.8 million from FY 2019 to FY 2020 and FY 2021, respectively.

120. Capital - Davies School Asset Protection (GBA). The Governor recommends \$1.2 million from Rhode Island Capital Plan funds for FY 2018 through FY 2023 for asset protection projects at Davies Career and Technical School. The School anticipates expenditures of \$0.3 million in FY 2018, reflecting building repairs and engineering services for its facility master plan. Upon its completion, the master plan will guide school construction and renovation needs. The Governor subsequently requested an amendment to reduce funding for FY 2018 by \$100,000, as significant asset protection projects are pending the completion of the master plan. The House Finance Committee concurs.

121. RI Foundation Grant (GBA). The House Finance Committee concurs with the Governor's requested amendment to include \$44,680 from restricted receipts from a new grant from the Rhode Island Foundation. Funding will be used to support local educators in receiving a Graduate Certificate in Dyslexia Knowledge and Practice from the University of Rhode Island.

122. SAT and PSAT Funding. The Governor's revised budget includes \$150,000 more than enacted from general revenues to support the provision of the SAT and PSAT for free to public high school students during the school day. The enacted budget includes \$500,000 from general revenues and \$133,600 from federal funds. Based on October 2017 enrollments, expenses are not projected to exceed enacted funding, and the House Finance Committee recommends reducing expenditures accordingly.

123. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Elementary and Secondary Education for FY 2018 is \$0.3 million.

124. Teacher Retirement (Q3). Based on the Department of Elementary and Secondary Education's third quarter report, the House Finance Committee recommends reducing the teacher retirement appropriation by \$0.2 million. The Governor's FY 2018 revised budget increased funding by \$0.1 million based on the Department's earlier projection; that adjustment appears unnecessary.

Higher Education

125. Capital - CCRI Knight Campus Renewal. The Governor's capital budget includes \$22.3 million from Rhode Island Capital Plan funds for the Knight Campus Renewal project. Funding is programmed through FY 2020. Projects for FY 2018 include the repairs to the main entry ramp, structural repairs to the building, common lighting upgrades, plaza re-design with Americans with Disabilities Act compliant parking and bus drop off, completion of elevator upgrades, door replacements and electronic locks, and

acoustical upgrades in the main commons area. Based on delays in several components of the project, the House Finance Committee recommends reducing FY 2018 funding by \$3.6 million and shifting \$0.6 million of it to FY 2019, and \$1.5 million each to FY 2020 and FY 2021.

126. Capital - URI Biological Resources Lab. The Governor's capital budget includes \$5.9 million to renovate a facility designed to centralize and replace the numerous small laboratory animal care facilities on the Kingston Campus. Funding includes \$5.7 million from Rhode Island Capital Plan funds and \$0.2 million from University funds. Based on a revised project schedule, the House Finance Committee recommends reducing FY 2018 funding by \$3.0 million and shifting \$2.3 million of it to FY 2019 and \$0.7 million to FY 2020.

127. OPC Turnover Savings (Q3). The House Finance Committee recommends general revenue turnover savings of \$150,000 based on spending through the third quarter and projected spending through June for staffing in the Office of Postsecondary Commissioner.

128. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for Public Higher Education for FY 2018 is \$0.3 million.

Arts Council

129. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Arts Council for FY 2018 is \$6,193.

130. Turnover and Operations (Q3). The House Finance Committee recommends reducing general revenues by \$44,000 to reflect savings based on third quarter spending, primarily turnover savings.

Atomic Energy Commission

131. Capital – Asset Protection. The Governor's capital budget includes \$50,000 annually from Rhode Island Capital Plan funds for asset protection projects at the Rhode Island Nuclear Science Center in Narragansett. The Governor's budget eliminated the \$27,649 of unused FY 2017 funds that reappropriated to FY 2018, however the Commission has spent most of its previously authorized funding. Based on this, the House Finance Committee recommends restoring the reduction.

132. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Atomic Energy Commission for FY 2018 is \$8,206.

Historical Preservation & Heritage Commission

133. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January

2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Historical Preservation and Heritage Commission for FY 2018 is \$7,930.

134. Turnover (Q3). The House Finance Committee recommends reducing appropriations by \$77,860, including \$100,000 less from general revenues based on available turnover savings, and \$22,140 more from restricted receipt funds consistent with a Governor's requested amendment. The Commission has averaged 1.0 vacancy through FY 2018.

Attorney General

135. Medicaid Fraud, Waste and Abuse System to FY 2019. The Governor recommends \$62,500 for FY 2018 and \$187,500 for FY 2019 to provide the \$250,000 required to match \$750,000 from Medicaid funds for a new data mining system for the Medicaid Fraud Unit that totals \$1.0 million. The Governor's recommendation overfunds the Medicaid match by including \$750,000 for both FY 2018 and FY 2019. The project will not be started until FY 2019 and the House Finance Committee shifts \$62,500 from general revenues from FY 2018 to FY 2019 and eliminates \$750,000 from Medicaid funds.

136. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Attorney General for FY 2018 is \$211,529.

137. Turnover and Operations (Q3). The House Finance Committee recommends general revenue savings of \$0.8 million from turnover and other operations for the Office of the Attorney General based on the Office's projected expenditures from its third quarter report. This includes savings of \$0.6 million from keeping four positions vacant and filling new positions at entry level salaries. The Governor's budget assumed filling 232.1 positions and keeping three positions vacant. As of May 12, the Office has 228.1 filled positions. The remainder of the savings is primarily from contracted services and adjustments to other expenses.

Corrections

138. Capital - Asset Protection. The Governor's capital budget includes \$17.0 million for the five-year period for asset protection projects for the Department of Corrections. This includes \$3.0 million in each year for FY 2019 through FY 2021 and \$4.0 million in each FY 2022 and FY 2023. Based on the Department's planned expenditures for FY 2018, the House Finance Committee recommends reducing FY 2018 funding by \$0.5 million.

139. Capital - Intake Service Center Renovations. The Governor's capital budget includes \$11.8 million from Rhode Island Capital Plan funds, including \$2.0 million for the current year, to restore the exterior of the Intake Center, a \$3.6 million increase from the approved plan. This increase includes \$2.0 million to replace, instead of repair, the building's exterior envelope and \$1.6 million to replace interior and exterior lighting. Based on a delay in several components of the project, the House Finance Committee recommends reducing FY 2018 funding by \$1.3 million and adding \$250,000 each to FY 2019 and FY 2020, \$300,000 to FY 2021 and \$500,000 to FY 2022. Total funding is as recommended.

140. Capital - Medium Infrastructure. The Governor's capital budget includes \$31.6 million from Rhode Island Capital Plan funds for several years of infrastructure improvements at the Moran medium security facility. The project includes interior and exterior renovations as well as improvements to building systems, functional and program areas. Based on the current progress, the House Finance Committee recommends shifting \$3.0 million of FY 2018 funding to FY 2022 and FY 2023.

141. Capital - New Gloria McDonald. The Governor's capital budget includes \$151,133 from Rhode Island Capital Plan funds in the current year to complete additional parking at the rear of the Gloria McDonald facility. The Department has indicated that the Division of Capital Asset Management and Maintenance will be completing the parking lot project within its budget; therefore, the House Finance Committee recommends removing the funding from the Gloria McDonald project allocation.

142. Capital - Dix Building Renovations. The Governor's capital budget includes \$1.3 million for the current year and \$0.9 million for FY 2019 through FY 2020 for renovations to the Dix Building. Based on architectural and engineering work taking longer than originally anticipated, the House Finance Committee recommends shifting \$1.0 million of FY 2018 funding to FY 2019 and FY 2020 with \$500,000 each year.

143. Capital - Correctional Facilities Study. The Governor's capital budget includes \$1.1 million from Rhode Island Capital Plan funds for the current fiscal year to examine all inmate classifications and facility building designs to ensure that inmate populations are housed in the most appropriate, safe, secure, and cost-effective facility. This is \$0.9 million more than the \$250,000 provided in the enacted budget based on bids received. The Department of Administration appears to have authorized the project to move forward without the funding to support it. The House Finance Committee recommends maintaining only the current appropriation of \$250,000.

144. Population Related Savings. The Governor's FY 2018 revised budget assumes a population of 2,853 inmates and \$5,032 per inmate for population related expenditures calculated on a per diem basis, excluding staffing and mental health services. Based on spending through the end of March and 16 fewer inmates on average than assumed in the Governor's budget, the House Finance Committee recommends \$0.3 million less than the Governor's revised recommendation. This equates to \$4,937 per inmate.

145. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Corrections for FY 2018 is \$1.6 million.

146. Substance Abuse and Mental Health Grant (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million from federal funds in both FY 2018 and FY 2019 from the Second Chance Act Grant for Probation Violators with Substance Use and Mental Disorders. The grant would augment the existing medication assisted treatment program by providing screenings and assessments for qualifying probation violators. The Department will contract with a community based mental health and substance abuse treatment provider to identify eligible program participants awaiting trial at the Intake Service Center based on three evidence-based screening and assessment tools, participants' residence, and probation violation status. The Department anticipates serving 115 individuals during each full program year during the three years of the grant.

Judicial

147. Capital - Noel Shelled Courtroom Build Out. The Governor recommends \$6.3 million from Rhode Island Capital Plan funds for FY 2018 and FY 2019 to build out the shelled courtrooms at the Noel Judicial Complex and construct a new parking lot. The House Finance Committee recommends shifting \$1.6 million from FY 2018 to FY 2019 to reflect that the project is behind schedule. The Judiciary indicates it still expects to complete the project in FY 2019.

148. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January

2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Judiciary for FY 2018 is \$677,834.

149. VRI Savings (Q3). The House Finance Committee recommends savings of \$0.6 million reflected in the Judiciary's third quarter report, including \$597,022 from general revenues and \$23,303 from restricted receipts. There were 21 Judiciary employees who opted to take the voluntary retirement incentive and all have retired; the Governor's revised budget did not include any of these savings.

Military Staff

150. Capital - Armory of Mounted Commands. The Governor recommends \$1.0 million from Rhode Island Capital Plan funds for FY 2018 for the rehabilitation of the Armory of Mounted Commands building. Individual components include heating, ventilation and air conditioning systems upgrades, elevator installation, roof replacement and parking lot paving. Based on several delays in the project, the House Finance Committee recommends reducing FY 2018 funding by \$960,000 and shifting \$700,000 of it to FY 2019 and \$260,000 to FY 2020.

151. Capital - Asset Protection (GBA). The Governor recommends \$1.0 million from Rhode Island Capital Plan funds for FY 2018 for Military Staff asset protection projects. There are several individual projects including repairs and upgrades to roofs, windows, and heating, ventilation and air conditioning systems. The House Finance Committee concurs with the Governor's requested amendment to reduce funding by \$0.3 million in the current year based on projected expenditures.

152. Capital - Bristol Readiness Center. The Governor recommends the enacted level of \$125,000 from Rhode Island Capital Plan funds for FY 2018 for a feasibility study and environmental assessment related to a new armory facility in Bristol that meets updated federal requirements and can support two Rhode Island National Guard units and a field maintenance shop. Based on delays in the project, the House Finance Committee recommends shifting the \$125,000 from FY 2018 to FY 2019.

153. Capital - Joint Force Headquarters Building. The Governor's capital recommendation includes the previously approved \$10.7 million from Rhode Island Capital Plan funds to build a new joint force headquarters at Camp Fogarty in East Greenwich, including \$6.0 million in FY 2018 and \$4.7 million in FY 2019. Based on delays in the project, the House Finance Committee recommends shifting \$4.2 million of FY 2018 funding to later years, with \$2.4 million for FY 2019 and \$1.8 million for FY 2020.

154. Capital - Middletown Armory Land Transfer (GBA). Consistent with the Military Staff's request, the Governor recommends \$2.9 million from federal funds for FY 2018 and FY 2019 for a new project to construct 13,540 square feet of additional armory and storage space at the Middletown Armory. This project is contingent upon the Department of Transportation transferring control of over six acres of land located at the Newport State Airport adjacent to the Middletown Armory. This proposed transfer has been the subject of ongoing negotiations. The House Finance Committee concurs with the Governor's requested amendment to add \$700,000 from Rhode Island Capital Plan funds in FY 2018 to compensate the Airport Corporation for the value of the long-term lease consistent with Federal Aviation Administration guidance.

155. Cranston Street Armory Facilities Management (GBA). The Governor's budget reflects the transfer of funding for centralized facilities management services to state agencies. The recommendation inadvertently included \$0.7 million of these expenditures from general revenues for the Cranston Street Armory in the Military Staff's budget. The House Finance Committee concurs with the Governor's requested amendment to shift these costs back to the Department of Administration's budget.

156. Military Family Relief Fund (GBA). The Governor's revised recommendation includes the enacted level of \$100,000 from restricted receipts for the Military Family Relief Fund. She subsequently requested

an amendment to reduce expenditures by \$50,000 based on the current balance of the fund. The House Finance Committee concurs.

157. Operations and VRI Savings. The House Finance Committee recommends savings of \$0.2 million from all sources for the Military Staff. This includes general revenue savings of \$165,266 to reflect injured on duty firefighters that have returned to work and \$14,228 unlikely to be spent for activations and cybersecurity. The reduction also reflects savings of \$67,000, including \$16,750 from general revenues from voluntary retirement incentive participation not reflected in the Governor's budget.

158. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Military Staff for FY 2018 is \$14,661.

Public Safety

159. DoIT Internal Service Fund Adjustment. The 2017 Assembly authorized the establishment of internal service funds for centralized information technology, capital asset management and maintenance, and human resources. The Governor's revised budget allocates those costs to user agencies. Based on a subsequent request, the House Finance Committee recommends \$0.1 million more for the Department of Public Safety for FY 2018 to reflect projected expenditures.

160. Fire Training Academy Classes (GBA). The State Fire Training Academy is responsible for the implementation of courses involving a variety of certified national standard topics presented to local fire department personnel and private industry. The Academy trains 250 to 350 individuals annually. The FY 2018 revised budget includes \$0.2 million from restricted receipts to conduct two fire training classes; however, it appears that four classes are scheduled in FY 2018. The House Finance Committee concurs with the Governor's requested amendment to include \$0.2 million in expenditures for the other two classes.

161. Public Information Officer (1.0 FTE). The 2017 Assembly did not concur with the Governor's recommendation to fund a new public information officer position to assist State Police staff with media inquiries and public relations. The Department filled the position during the second half of FY 2017. The Governor's current recommendation includes \$0.1 million from general revenues to fund the position for FY 2018 and FY 2019 in both years. The House Finance Committee does not concur and removes the funding as well as the staffing authorization.

162. State Police Overtime & Security Supplies (GBA). The House Finance Committee concurs with the Governor's requested amendment to include \$0.4 million from restricted receipts for overtime expenses and security supplies for the State Police. The receipts were subsequently received from forfeiture property and reimbursement funds from non-state agencies.

163. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Public Safety for FY 2018 is \$0.7 million.

164. Turnover Savings. Based on the Department's third quarter report, the House Finance Committee recommends an additional \$1.0 million in general revenue turnover savings. Assuming an average \$79,692 per position, across the Department's divisions, the Governor's recommendation is equivalent to 20.5 vacancies. The Department has averaged 34.8 vacancies.

165. Utilities and Operating Expenses. Based on the Department’s third quarter report, the House Finance Committee recommends an additional \$0.4 million in general revenue operating expenses. This includes \$0.2 million for utility expenses and \$140,039 for updated state fleet overhead costs, including fuel, maintenance and insurance for the Sheriffs.

Public Defender

166. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Office of the Public Defender for FY 2018 is \$93,015.

167. VRI Savings and Turnover. The House Finance Committee recommends reducing general revenue expenditures in the Office of the Public Defender by \$171,406 to reflect turnover savings, including savings from two individuals opting to take the voluntary retirement incentive and retiring in March and one who will retire in June. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee’s longevity capped at \$40,000. The Governor’s budget assumed turnover savings equivalent to less than two positions, but the Office has averaged nearly four vacancies in FY 2018.

Emergency Management

168. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Emergency Management Agency for FY 2018 is \$4,496.

169. VRI Savings. The House Finance Committee recommends savings of \$81,000, including \$30,376 from general revenues, in FY 2018 based on voluntary retirement incentive participation not reflected in the Governor’s budget. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee’s longevity capped at \$40,000.

Environmental Management

170. Capital - Blackstone Valley Park Improvements. The Governor recommends \$0.7 million from Rhode Island Capital Plan funds for FY 2018 for ongoing efforts at improving access to the Blackstone River Valley and related work in the Blackstone Valley Corridor. Based on current delays and updated plans for the project, the House Finance Committee recommends removing \$0.5 million from FY 2018 and adding \$0.3 million to FY 2019.

171. Capital - Dam Repair. The Governor recommends the previously authorized level of \$2.4 million from Rhode Island Capital Plan funds for FY 2018 for repair of “high hazard” state owned dams at various recreational and management areas. The current funding is for design and repairs at the Lower Curran Reservoir Dam, the Upper Wyoming Pond Dam in Richmond/Hopkinton, the Trestle Trail culvert, the Browning Mill Pond Dam, and the Silver Spring Dam from FY 2018 through FY 2023. The House Finance Committee recommends reducing \$2.1 million from FY 2018 and adding \$1.9 million to FY 2019 and \$0.2 million to FY 2020 as a result of delays. The funding will allow the Department to continue projects pending approval of the Green Economy and Clean Water Bond in November 2018 and is essentially as recommended.

172. Capital - Galilee Piers Upgrade. The Governor recommends \$4.1 million from Rhode Island Capital Plan funds from FY 2018 through FY 2023 for replacing the 1,500-foot long northern bulkhead section at the Port of Galilee. This includes all structural elements, dolphin clusters, electrical services, parking lot improvements and a new maintenance building. The Governor requested an amendment based on projected spending to decrease FY 2018 funding by \$1.0 million and increase FY 2019 funding to \$1.8 million. The House Finance Committee recommends all but \$50,000 of the Governor's amendment.

173. Capital - Marine Infrastructure/Pier Development. The Governor recommends \$5.6 million from Rhode Island Capital Plan funds from FY 2018 through FY 2023 for marine infrastructure and pier development at sites critical to Rhode Island's tourism and fishing economy. Based on the updated project timeline, the House Finance Committee recommends shifting \$250,000 from FY 2018 to FY 2019.

174. Capital - Natural Resources Office/Visitor's Center. The Governor recommends \$5.4 million from Rhode Island Capital Plan funds for FY 2018 and FY 2019 for the construction of a new office facility for the Natural Resources Offices Visitor's Center in the Arcadia Management Area at Browning Mill Pond in the Town of Richmond. Based on current delays in the project, the House Finance Committee recommends reducing funding for FY 2018 by \$0.8 million and increasing funding for FY 2019 by \$0.5 million. The Department indicated that costs may be revised as the project needs to go back out to bid.

175. Capital - Recreational Facilities Improvements. The Governor recommends \$5.3 million from Rhode Island Capital Plan funds for FY 2018 and FY 2019 for a variety of major capital development projects at state parks, beaches and campgrounds. Her recommendation shifted this project to the proposed Green Economy and Clean Water Bond to be submitted to the voters in November 2018. The House Finance Committee recommends funding the project with Rhode Island Capital Plan funds and reduces expenditures by \$1.5 million in FY 2018 based on current expenditures and shifts \$0.9 million to FY 2019. The Committee recommends \$9.9 million from this source over the five-year period.

176. Capital - State Recreation Building Demolition (GBA). The House Finance Committee concurs with the Governor's requested amendment to reduce FY 2018 Rhode Island Capital Plan funds by \$0.1 million to reflect expected expenditures for demolition of state-owned recreational buildings.

177. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Department of Environmental Management for FY 2018 is \$261,956.

178. VRI Savings. The House Finance Committee recommends reducing FY 2018 expenditures by \$0.5 million from general revenues, based on 26 individuals who took the voluntary retirement incentive. The Governor's budget only assumed \$0.4 million in savings. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000.

Coastal Resources Management Council

179. Capital - RI Coastal Storm Risk Study. The Governor recommends the previously approved level of \$1.5 million from Rhode Island Capital Plan funds from FY 2018 through FY 2021 to be used as state match for a project to identify coastal risk management strategies, building on work done by the Army Corps of Engineers. Based on a reported delay by the Army Corps of Engineers, the House Finance Committee recommends shifting \$0.2 million from FY 2018 to FY 2021.

180. Capital - Narragansett Bay SAMP (GBA). The House Finance Committee concurs with the Governor's requested amendment to shift the \$100,000 of funding recommended for FY 2018 to FY 2019 and FY 2020, \$50,000 each. Funding is for a new special area management plan along Narragansett Bay, which has experienced delays in the current year.

181. Legal Services (Q3). The Governor's budget includes \$126,000 from general revenues for the Council's contracted legal services. As of May 14, 2018, the Council had only spent \$67,000 of the appropriation. In FY 2017, the Council spent \$73,000. The House Finance Committee recommends reducing the funding for legal services in the current year by \$40,000 to better reflect recent experience.

182. Statewide COLA. The Governor recently reached agreements with a majority of state employee unions for wage and benefit changes that include cost-of-living adjustments of 2.0 percent effective January 2018, 2.5 percent effective January 2019, 2.0 percent effective July 2019, and 1.0 percent effective January 2020. The estimated statewide general revenue impact is \$7.0 million for FY 2018 and \$20.0 million for FY 2019. The estimate for the Coastal Resources Management Council for FY 2018 is \$20,435.

Transportation

183. Capital - T.F. Green Airport Improvements (GBA). The approved plan includes \$2.0 million from Rhode Island Capital Plan funds in FY 2018 for expansion to the Federal Inspection Services facility to support new international flights and for improvements to Runway 16/34. The House Finance Committee concurs with the Governor's requested amendment to reduce Rhode Island Capital Plan funding by \$0.7 million based on availability of other resources to the Airport Corporation.

184. DOT Facility Charges to Gas Tax. The Governor's revised budget funds centralized facility charges for the Department of Transportation from general revenues in the Department of Administration's budget. This contradicts the intent of the 2017 Assembly's authorization of the establishment of internal service funds for centralized services to be billed to user agencies to maximize available non-general revenue sources. Based on square footage of the facilities, the Department of Administration indicates that \$0.5 million was paid in FY 2017. The House Finance Committee recommends that these expenditures be paid from resources within the Department of Transportation's budget.

185. Gas Tax DOT Yield. The House Finance Committee recommends increasing gasoline tax expenditures for the Department of Transportation by \$1.0 million to reflect an upward revision of the gasoline tax yield estimate. The adjustment will increase the debt service payment for the Department's GARVEE bonds, which are paid for with the equivalent of two cents of the gasoline tax, and also increase available proceeds for operations in the Division of Maintenance.

186. Gas Tax RIPTA Yield. The House Finance Committee increases available gasoline tax in the Department of Transportation to reflect an increased transfer to the Rhode Island Public Transit Authority of \$0.5 million to reflect an upward revision of the gasoline tax yield estimate.

187. Gas Tax Turnpike & Bridge Authority Yield. The House Finance Committee increases available gasoline tax in the Department of Transportation to reflect an increased transfer to the Rhode Island Turnpike and Bridge Authority of \$0.2 million to reflect an upward revision of the gasoline tax yield estimate.

188. Turnover Savings. The House Finance Committee recommends \$6.5 million in turnover savings from federal funds based on projected salary and benefit costs for which the FY 2018 revised budget included \$88.3 million from all sources. The Department's average filled positions through the last pay period in April 2018 were 663.4 full-time equivalent positions, or 111.6 positions below the authorized level of staffing.

189. VRI Savings. The House Finance Committee recommends savings of \$1.9 million from all sources for FY 2018 based on savings available from voluntary retirement incentive participation not reflected in the Governor's revised budget. State employees eligible to retire on or before December 31, 2017 are eligible for the incentive, which is two times the employee's longevity capped at \$40,000.

Section V

Summary Tables

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Expenditures from All Funds

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
General Government				
Administration	\$ 359,226,084	\$ 324,235,400	\$ 298,453,464	\$ 284,363,464
Business Regulation	15,606,183	16,087,251	24,530,291	24,509,397
Executive Office of Commerce	58,598,372	58,938,240	62,814,751	56,449,152
Labor and Training	429,907,376	446,507,644	454,104,250	458,214,237
Revenue	525,371,718	524,468,834	582,477,370	584,033,516
Legislature	42,252,464	47,329,538	44,635,033	45,412,322
Lieutenant Governor	1,084,217	1,055,987	1,039,971	1,114,597
Secretary of State	9,350,797	9,426,487	10,301,762	12,300,162
General Treasurer	42,764,450	44,162,387	42,674,171	43,122,580
Board of Elections	1,548,735	1,604,610	5,315,517	5,252,516
Rhode Island Ethics Commission	1,665,873	1,707,819	1,770,560	1,812,237
Governor's Office	5,397,554	5,485,187	5,545,728	5,533,047
Human Rights	1,690,102	1,718,794	1,808,026	1,833,011
Public Utilities Commission	9,136,343	9,421,260	10,661,405	9,934,831
Subtotal - General Government	\$ 1,503,600,268	\$ 1,492,149,438	\$ 1,546,132,299	\$ 1,533,885,069
Human Services				
Health and Human Services	\$ 2,541,841,896	\$ 2,610,161,309	\$ 2,477,269,162	\$ 2,592,724,116
Children, Youth and Families	209,049,728	232,011,974	209,152,279	227,918,654
Health	169,645,421	170,812,447	173,291,532	174,111,689
Human Services	614,682,222	629,026,421	633,824,402	632,830,659
BHDDH	397,090,236	428,377,398	400,743,927	422,451,955
Child Advocate	926,120	962,536	1,071,346	1,195,963
Deaf and Hard of Hearing	627,910	583,933	591,467	603,178
Commission on Disabilities	842,190	871,081	877,295	887,275
Mental Health Advocate	549,563	633,473	639,764	653,260
Subtotal - Human Services	\$ 3,935,255,286	\$ 4,073,440,572	\$ 3,897,461,174	\$ 4,053,376,749
Education				
Elementary and Secondary	\$ 1,402,573,543	\$ 1,408,010,105	\$ 1,433,886,695	\$ 1,444,149,758
Higher Education	1,180,099,008	1,182,641,383	1,199,276,623	1,209,433,935
Arts Council	3,072,310	3,088,230	3,113,746	3,132,046
Atomic Energy	1,304,373	1,415,526	1,471,110	1,496,787
Historical Preservation	2,490,767	2,542,548	2,586,290	2,454,026
Subtotal - Education	\$ 2,589,540,001	\$ 2,597,697,792	\$ 2,640,334,464	\$ 2,660,666,552

Expenditures from All Funds

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
Public Safety				
Attorney General	\$ 44,129,197	\$ 55,695,939	\$ 40,796,506	\$ 41,602,976
Corrections	235,700,265	243,381,704	246,423,505	251,419,419
Judicial	122,006,254	119,621,117	120,895,770	124,508,984
Military Staff	38,177,942	32,479,606	27,660,424	30,292,314
Emergency Management	18,454,652	19,106,477	20,390,187	20,325,241
Public Safety	120,977,086	121,815,601	123,084,682	124,504,718
Public Defender	12,140,826	11,848,170	12,401,872	12,676,516
Subtotal-Public Safety	\$ 591,586,222	\$ 603,948,614	\$ 591,652,946	\$ 605,330,168
Natural Resources				
Environmental Management	\$ 103,951,092	\$ 102,039,164	\$ 103,471,012	\$ 108,389,507
CRMC	4,836,869	6,984,779	6,256,164	6,468,424
Subtotal-Natural Resources	\$ 108,787,961	\$ 109,023,943	\$ 109,727,176	\$ 114,857,931
Transportation				
Transportation	\$ 514,065,072	\$ 588,066,998	\$ 592,433,211	\$ 591,021,131
Subtotal-Transportation	\$ 514,065,072	\$ 588,066,998	\$ 592,433,211	\$ 591,021,131
Total	\$ 9,242,834,810	\$ 9,464,327,357	\$ 9,377,741,270	\$ 9,559,137,600

Expenditures from General Revenues

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
General Government				
Administration	\$ 216,198,914	\$ 192,863,132	\$ 183,043,234	176,780,380
Business Regulation	10,815,093	10,831,230	17,166,351	17,430,457
Executive Office of Commerce	33,057,819	32,403,550	37,314,974	30,289,375
Labor and Training	8,094,063	8,993,067	9,690,749	14,464,955
Revenue	143,622,132	148,430,966	177,275,361	178,831,507
Legislature	40,522,507	45,684,781	42,914,338	43,691,627
Lieutenant Governor	1,084,217	1,055,987	1,039,971	1,114,597
Secretary of State	8,911,319	8,859,416	9,861,104	9,875,734
General Treasurer	2,698,692	2,895,397	2,967,632	2,973,776
Board of Elections	1,548,735	1,604,610	5,315,517	5,252,516
Rhode Island Ethics Commission	1,665,873	1,707,819	1,770,560	1,812,237
Governor's Office	5,397,554	5,485,187	5,545,728	5,533,047
Human Rights	1,258,074	1,273,387	1,310,456	1,335,441
Public Utilities Commission	-	-	-	-
Subtotal - General Government	\$ 474,874,992	\$ 462,088,529	\$ 495,215,975	\$ 489,385,649
Human Services				
Health and Human Services	\$ 964,299,956	\$ 979,459,704	\$ 935,907,193	\$ 980,342,194
Children, Youth and Families	145,855,862	166,516,568	148,637,206	161,614,041
Health	24,893,123	26,587,117	28,009,223	28,963,829
Human Services	91,113,618	100,858,686	103,702,154	97,999,785
BHDDH	176,448,622	191,156,814	179,401,491	188,091,966
Child Advocate	781,499	728,558	923,704	969,922
Deaf and Hard of Hearing	498,710	454,733	511,467	523,178
Commission on Disabilities	454,938	482,316	492,557	502,537
Mental Health Advocate	549,563	633,473	639,764	653,260
Subtotal - Human Services	\$ 1,404,895,891	\$ 1,466,877,969	\$ 1,398,224,759	\$ 1,459,660,712
Education				
Elementary and Secondary	\$ 1,161,071,396	\$ 1,161,321,687	\$ 1,179,752,845	\$ 1,188,539,908
Higher Education	220,882,593	220,931,063	228,029,183	230,093,700
Arts Council	1,945,056	1,925,553	1,989,693	2,007,993
Atomic Energy	982,157	1,029,227	1,053,231	1,078,908
Historical Preservation	1,121,134	1,031,084	1,187,291	1,210,054
Subtotal - Education	\$ 1,386,002,336	\$ 1,386,238,614	\$ 1,412,012,243	\$ 1,422,930,563

Expenditures from General Revenues

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
Public Safety				
Attorney General	\$ 26,194,751	\$ 25,502,908	\$ 27,152,722	\$ 27,959,192
Corrections	218,300,828	231,267,447	233,022,846	237,063,223
Judicial	98,964,477	98,901,366	100,183,074	102,069,888
Military Staff	2,634,057	2,977,683	3,674,200	3,081,090
Emergency Management	1,734,470	1,891,382	2,108,891	2,043,945
Public Safety	100,279,086	100,929,928	101,563,958	103,337,018
Public Defender	12,043,006	11,747,185	12,300,887	12,575,531
Subtotal-Public Safety	\$ 460,150,675	\$ 473,217,899	\$ 480,006,578	\$ 488,129,887
Natural Resources				
Environmental Management	\$ 39,304,184	\$ 40,226,751	\$ 41,222,720	\$ 41,841,215
CRMC	2,487,578	2,470,958	2,597,897	2,760,157
Subtotal-Natural Resources	\$ 41,791,762	\$ 42,697,709	\$ 43,820,617	\$ 44,601,372
Transportation				
Transportation	\$ -	\$ -	\$ -	\$ -
Subtotal-Transportation	\$ -	\$ -	\$ -	\$ -
Total	\$ 3,767,715,656	\$ 3,831,120,720	\$ 3,829,280,172	\$ 3,904,708,183

Expenditures from Federal Grants

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
General Government				
Administration	\$ 13,162,089	\$ 8,352,115	\$ 3,884,603	\$ 3,877,255
Business Regulation	892,213	1,049,269	892,631	892,631
Executive Office of Commerce	17,890,642	18,871,385	14,445,458	14,445,458
Labor and Training	36,930,858	50,562,264	40,908,051	40,753,823
Revenue	1,567,500	1,487,293	2,109,465	2,109,465
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	-	22,859	-	1,983,770
General Treasurer	1,090,337	1,034,011	1,074,874	1,074,874
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	432,028	445,407	497,570	497,570
Public Utilities Commission	129,225	165,593	168,378	168,378
Subtotal - General Government	\$ 72,094,892	\$ 81,990,196	\$ 63,981,030	\$ 65,803,224
Human Services				
Health and Human Services	\$ 1,558,325,403	\$ 1,604,891,225	\$ 1,520,865,981	\$ 1,594,135,997
Children, Youth and Families	59,015,159	61,410,193	55,940,651	61,730,191
Health	105,373,312	100,313,716	101,309,823	101,214,203
Human Services	515,584,197	520,915,835	516,362,218	521,070,844
BHDDH	204,267,459	224,841,993	212,970,014	226,187,567
Child Advocate	144,621	233,978	147,642	226,041
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	343,542	335,167	335,167	335,167
Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 2,443,053,693	\$ 2,512,942,107	\$ 2,407,931,496	\$ 2,504,900,010
Education				
Elementary and Secondary	\$ 203,500,000	\$ 209,321,162	\$ 214,475,474	\$ 214,475,474
Higher Education	13,933,669	14,147,405	9,784,007	9,784,007
Arts Council	781,454	751,796	719,053	719,053
Atomic Energy	-	36,888	-	-
Historical Preservation	860,963	976,203	851,540	696,513
Subtotal - Education	\$ 219,076,086	\$ 225,233,454	\$ 225,830,074	\$ 225,675,047

Expenditures from Federal Grants

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
Public Safety				
Attorney General	\$ 16,988,288	\$ 29,250,563	\$ 12,710,334	\$ 12,710,334
Corrections	1,581,884	2,253,156	1,591,303	1,796,840
Judicial	3,411,144	3,155,538	2,787,644	2,914,044
Military Staff	27,746,960	26,249,971	18,480,072	18,480,072
Emergency Management	14,775,673	15,083,062	16,335,897	16,335,897
Public Safety	14,879,669	13,397,105	15,613,903	15,613,903
Public Defender	97,820	100,985	100,985	100,985
Subtotal-Public Safety	\$ 79,481,438	\$ 89,490,380	\$ 67,620,138	\$ 67,952,075
Natural Resources				
Environmental Management	\$ 33,399,312	\$ 34,487,171	\$ 31,763,160	\$ 31,763,160
CRMC	1,649,291	4,213,821	2,733,267	2,733,267
Subtotal-Natural Resources	\$ 35,048,603	\$ 38,700,992	\$ 34,496,427	\$ 34,496,427
Transportation				
Transportation	\$ 285,390,062	\$ 283,412,128	\$ 292,015,160	\$ 299,540,160
Subtotal-Transportation	\$ 285,390,062	\$ 283,412,128	\$ 292,015,160	\$ 299,540,160
Total	\$ 3,134,144,774	\$ 3,231,769,257	\$ 3,091,874,325	\$ 3,198,366,943

Expenditures from Restricted Receipts

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
General Government				
Administration	\$ 33,225,906	\$ 28,692,578	\$ 25,932,489	\$ 26,597,691
Business Regulation	3,898,877	4,206,752	6,404,812	6,119,812
Executive Office of Commerce	4,749,911	6,249,911	4,754,319	4,754,319
Labor and Training	24,323,914	30,533,826	39,985,082	38,975,091
Revenue	3,962,015	3,900,165	2,064,187	2,064,187
Legislature	1,729,957	1,644,757	1,720,695	1,720,695
Lieutenant Governor	-	-	-	-
Secretary of State	439,478	436,666	440,658	440,658
General Treasurer	38,425,179	39,589,629	37,976,981	38,419,246
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	9,007,118	9,255,667	10,493,027	9,766,453
Subtotal - General Government	\$ 119,762,355	\$ 124,509,951	\$ 129,772,250	\$ 128,858,152
Human Services				
Health and Human Services	\$ 19,216,537	\$ 25,810,380	\$ 20,495,988	\$ 18,245,925
Children, Youth and Families	3,128,707	2,885,213	2,674,422	2,674,422
Health	39,378,986	43,911,614	43,972,486	43,933,657
Human Services	3,390,929	2,415,422	8,996,552	8,996,552
BHDDH	8,509,155	6,344,498	5,072,422	5,072,422
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	129,200	129,200	80,000	80,000
Commission on Disabilities	43,710	53,598	49,571	49,571
Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 73,797,224	\$ 81,549,925	\$ 81,341,441	\$ 79,052,549
Education				
Elementary and Secondary	\$ 30,420,147	\$ 33,058,441	\$ 35,755,376	\$ 35,755,376
Higher Education	2,173,990	2,666,842	2,886,814	2,679,609
Arts Council	-	10,881	5,000	5,000
Atomic Energy	-	-	99,000	99,000
Historical Preservation	427,700	454,291	465,870	465,870
Subtotal - Education	\$ 33,021,837	\$ 36,190,455	\$ 39,212,060	\$ 39,004,855

Expenditures from Restricted Receipts

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
Public Safety				
Attorney General	\$ 796,158	\$ 792,468	\$ 783,450	\$ 783,450
Corrections	59,368	64,411	59,356	59,356
Judicial	12,530,633	11,905,866	12,085,986	12,085,986
Military Staff	100,000	50,000	100,000	100,000
Emergency Management	450,095	447,869	450,985	450,985
Public Safety	415,924	1,484,611	805,627	552,603
Public Defender	-	-	-	-
Subtotal-Public Safety	\$ 14,352,178	\$ 14,745,225	\$ 14,285,404	\$ 14,032,380
Natural Resources				
Environmental Management	\$ 17,374,083	\$ 17,654,218	\$ 17,580,291	\$ 17,580,291
CRMC	250,000	250,000	250,000	250,000
Subtotal-Natural Resources	\$ 17,624,083	\$ 17,904,218	\$ 17,830,291	\$ 17,830,291
Transportation				
Transportation	\$ 3,168,128	\$ 3,086,078	\$ 3,034,406	\$ 3,034,406
Subtotal-Transportation	\$ 3,168,128	\$ 3,086,078	\$ 3,034,406	\$ 3,034,406
Total	\$ 261,725,805	\$ 277,985,852	\$ 285,475,852	\$ 281,812,633

Expenditures from Other Funds

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
General Government				
Administration	\$ 96,639,175	\$ 94,327,575	\$ 85,593,138	\$ 77,108,138
Business Regulation	-	-	66,497	66,497
Executive Office of Commerce	2,900,000	1,413,394	6,300,000	6,960,000
Labor and Training	360,558,541	356,418,487	363,520,368	364,020,368
Revenue	376,220,071	370,650,410	401,028,357	401,028,357
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	-	107,546	-	-
General Treasurer	550,242	643,350	654,684	654,684
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	-	-	-	-
Subtotal - General Government	\$ 836,868,029	\$ 823,560,762	\$ 857,163,044	\$ 849,838,044
Human Services				
Health and Human Services	\$ -	\$ -	\$ -	\$ -
Children, Youth and Families	1,050,000	1,200,000	1,900,000	1,900,000
Health	-	-	-	-
Human Services	4,593,478	4,836,478	4,763,478	4,763,478
BHDDH	7,865,000	6,034,093	3,300,000	3,100,000
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	-	-	-	-
Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 13,508,478	\$ 12,070,571	\$ 9,963,478	\$ 9,763,478
Education				
Elementary and Secondary	\$ 7,582,000	\$ 4,308,815	\$ 3,903,000	\$ 5,379,000
Higher Education	943,108,756	944,896,073	958,576,619	966,876,619
Arts Council	345,800	400,000	400,000	400,000
Atomic Energy	322,216	349,411	318,879	318,879
Historical Preservation	80,970	80,970	81,589	81,589
Subtotal - Education	\$ 951,439,742	\$ 950,035,269	\$ 963,280,087	\$ 973,056,087

Expenditures from Other Funds

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
Public Safety				
Attorney General	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Corrections	15,758,185	9,796,690	11,750,000	12,500,000
Judicial	7,100,000	5,658,347	5,839,066	7,439,066
Military Staff	7,696,925	3,201,952	5,406,152	8,631,152
Emergency Management	1,494,414	1,684,164	1,494,414	1,494,414
Public Safety	5,402,407	6,003,957	5,101,194	5,001,194
Public Defender	-	-	-	-
Subtotal-Public Safety	\$ 37,601,931	\$ 26,495,110	\$ 29,740,826	\$ 35,215,826
Natural Resources				
Environmental Management	\$ 13,873,513	\$ 9,671,024	\$ 12,904,841	\$ 17,204,841
CRMC	450,000	50,000	675,000	725,000
Subtotal-Natural Resources	\$ 14,323,513	\$ 9,721,024	\$ 13,579,841	\$ 17,929,841
Transportation				
Transportation	\$ 225,506,882	\$ 301,568,792	\$ 297,383,645	\$ 288,446,565
Subtotal-Transportation	\$ 225,506,882	\$ 301,568,792	\$ 297,383,645	\$ 288,446,565
Total	\$ 2,079,248,575	\$ 2,123,451,528	\$ 2,171,110,921	\$ 2,174,249,841

Full-Time Equivalent Positions

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
General Government				
Administration	696.7	697.7	667.7	655.7
Business Regulation	101.0	106.0	170.0	161.0
Executive Office of Commerce	17.0	17.0	17.0	16.0
Labor and Training	428.7	428.7	428.7	409.7
Revenue	533.5	529.5	612.5	604.5
Legislature	298.5	298.5	298.5	298.5
Lieutenant Governor	8.0	8.0	8.0	8.0
Secretary of State	59.0	59.0	59.0	59.0
General Treasurer	89.0	89.0	89.0	89.0
Board of Elections	12.0	12.0	12.0	13.0
Rhode Island Ethics Commission	12.0	12.0	12.0	12.0
Governor's Office	45.0	45.0	45.0	45.0
Human Rights	14.5	14.5	14.5	14.5
Public Utilities Commission	51.0	51.0	57.0	53.0
Subtotal - General Government	2,365.9	2,367.9	2,490.9	2,438.9
Human Services				
Health and Human Services	285.0	285.0	295.0	192.0
Children, Youth and Families	616.5	616.5	619.5	631.5
Health	493.6	506.6	504.6	514.6
Human Services	981.1	981.1	981.1	1,020.1
BHDDH	1,319.4	1,319.4	1,319.4	1,302.4
Child Advocate	8.0	8.0	8.6	10.0
Deaf and Hard of Hearing	4.0	4.0	4.0	4.0
Commission on Disabilities	4.0	4.0	4.0	4.0
Mental Health Advocate	4.0	4.0	4.0	4.0
Subtotal - Human Services	3,715.6	3,728.6	3,740.2	3,682.6
Education				
Elementary and Secondary	325.1	325.1	327.1	321.1
Higher Education	4,306.8	4,307.8	4,399.3	4,394.3
Arts Council	8.6	8.6	8.6	8.6
Atomic Energy	8.6	8.6	8.6	8.6
Historical Preservation	15.6	15.6	15.6	15.6
Subtotal - Education	4,664.7	4,665.7	4,759.2	4,748.2

Full-Time Equivalent Positions

	FY 2018 Enacted	FY 2018 Committee	FY 2019 Recommended	FY 2019 Committee
Public Safety				
Attorney General	235.1	235.1	235.1	235.1
Corrections	1,423.0	1,435.0	1,435.0	1,416.0
Judicial	723.3	723.3	723.5	723.3
Military Staff	92.0	92.0	92.0	92.0
Emergency Management	32.0	32.0	32.0	32.0
Public Safety	611.6	610.6	599.6	564.6
Public Defender	93.0	93.0	95.0	95.0
Subtotal-Public Safety	3,210.0	3,221.0	3,212.2	3,158.0
Natural Resources				
Environmental Management	400.0	400.0	400.0	395.0
CRMC	29.0	29.0	29.0	30.0
Subtotal-Natural Resources	429.0	429.0	429.0	425.0
Transportation				
Transportation	775.0	775.0	795.0	755.0
Subtotal-Transportation	775.0	775.0	795.0	755.0
Total Positions	15,160.2	15,187.2	15,426.5	15,207.7

Section VI

Article Explanations

Explanations of Budget Articles

2018-H 7200, Substitute A

Article 1

Section 1. Appropriations. This section of Article 1 contains the appropriations for FY 2019.

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

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

Section 4. Contingency Fund. This section allows for expenditures from the contingency account located within the Office of the Governor's budget for unexpected and unbudgeted statewide expenditures. The Governor must approve all expenditures and transfers from this account.

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

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

Section 7. Temporary Disability Insurance Funds. This section appropriates all funds required for benefit payments from the Temporary Disability Insurance Fund and the Temporary Disability Insurance Reserve Fund for FY 2019.

Section 8. Employment Security Funds. This section appropriates all funds required for benefit payments to the unemployed from the Employment Security Fund for FY 2019.

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

Section 10. Appropriation of CollegeBound Saver Funds. This section appropriates the funds received by the Office of the General Treasurer from the CollegeBound Saver program for transfer to the Office of Postsecondary Commissioner to support student financial aid for FY 2019. The Governor's budget includes \$7.9 million from these sources for state grant programs.

Section 11. Full-Time Equivalent Positions. This section of Article 1 limits the maximum number of full-time equivalent positions authorized for the departments and agencies during any payroll period in FY 2019. It also provides that state employees whose funding is from non-state funds that are time limited shall receive appointments limited to the availability of the non-state funding source. In addition, this section provides that the Governor or designee, Speaker of the House or designee, and President of the Senate or designee may jointly adjust the authorization. Total staffing is 15,207.7 full-time equivalent positions, 20.5 positions more than authorized for FY 2018.

Section 12. Multi-Year Appropriations. This section makes multi-year appropriations for a number of capital projects included in the FY 2020 through FY 2023 Capital Budget that are funded from Rhode Island

Explanations of Budget Articles

Capital Plan funds. The FY 2019 and multi-year appropriations supersede appropriations made for capital projects in Section 11 of Article 1 of the FY 2018 Appropriations Act.

Section 13. Reappropriations. This section provides that any unexpended and unencumbered funds for Rhode Island Capital Plan Fund projects shall be reappropriated in FY 2019. However, any such reappropriations are subject to final approval by the General Assembly as part of the supplemental appropriations act. Unexpended funds of less than \$500 can be reappropriated at the discretion of the State Budget Officer.

Section 14. Rhode Island Housing and Mortgage Finance Corporation. This section requires that the Rhode Island Housing and Mortgage Finance Corporation provide from its resources an appropriate amount to support the Neighborhood Opportunities Program. The Corporation is also required to provide to the director of the Department of Administration, the chair of the Housing Resources Commission and both chairs of the House and Senate Finance Committees a report detailing the amount of funding and information such as the number of housing units created.

Section 15. Anchor Tax Credit. This section of the article requires the transfer of \$750,000 from the Commerce Corporation from the appropriation to the Anchor Institution Tax Credit enacted in 2015-H 5900, Substitute A, as amended by October 1, 2018.

Section 16. Infrastructure Bank Transfer. This section requires the transfer of \$4.0 million from the Infrastructure Bank to state general revenues by June 30, 2019.

Section 17. Effective Date. This section establishes July 1, 2018 as the effective date of the article.

Article 2. State Funds

The article extends the date for the Governor to approve reappropriations from August 15 to August 20. The article exempts two accounts from the state indirect cost recovery, both of which are new: School Construction Services, and School for the Deaf – School Breakfast and Lunch Program. The article also creates a new restricted receipt account for the Department of Human Services to receive public or private funding. The article expands the Westerly Higher Education Center’s restricted receipt account to allow for revenues collected from other Higher Education Centers to be deposited in the account to allow for the Education Centers to be self-sustaining. It includes statutory authority to create a restricted receipt account for the Atomic Energy Commission’s reactor fees, which are currently deposited as general revenues; any remaining funds in excess of \$0.2 million shall be deposited to the state General Fund at the end of each fiscal year. The article also limits the Office of Postsecondary Commissioner’s use of guaranty agency fees for scholarships and limits the amount of reserve funds that can be used for personnel and operating costs associated with managing those scholarships.

Article 3. Government Reorganization

Article 3 consolidates licensing and regulation relating to building and construction design, inspection, and enforcement of building and fire codes. It transfers several programs to the Department of Business Regulation, including the State Fire Marshal from the Department of Public Safety and the Building Code Commission, Contractors’ Registration and Licensing Board, and the Fire Code Safety Board of Appeal and Review from the Department of Administration. Additionally, it makes technical corrections to reflect current titles, divisions, and references to be consistent with different sections of law, transfers authority

Explanations of Budget Articles

from the Director to subordinate positions, and unifies the banking and insurance regulation divisions into a division of financial services.

The article deletes current and obsolete law referencing the location of the Municipal Police Training Academy. It clarifies that the Rhode Island Film and Television Office is within the Rhode Island Council on the Arts.

It also changes the composition of the Tobacco Settlement Finance Corporation Board, which currently consists of five members: two are from the State Investment Commission and three are members of the general public and are appointed by the Governor. It proposes the following members: State Budget Officer, who shall also serve as the chairperson; director of the Department of Revenue or designee, General Treasurer or designee, and two members of the general public.

Article 4. Taxes and Revenue

Section 1. Lottery Games Study and Implementation. This section would authorize the study, evaluation and implementation of new revenue producing initiatives, including term-limited pilot programs, provided the initiative does not constitute an expansion of gambling subject to voter approval. The section requires unspecified periodic evaluation of initiatives to ensure the initiative is generating revenue to be transferred to the General Fund. This section also requires that the transfer of remaining lottery funds to the General Fund reflect the employer contributions for post-retirement obligations. This is consistent with changes the 2014 Assembly adopted regarding retirement contributions to allow compliance with new Governmental Accounting Standards Board rules regarding the recognition of unfunded liabilities beyond the annual required contribution without affecting the transfer.

Sections 2 through 8. Sports Betting. This section permits sports betting at the state's existing casinos. The section cites the constitutional authority under voter approved ballot initiatives in 2012 and 2016, which included sports betting in the definitions of activities approved by the voters, and further enumerates limits on activities defined as sports betting. The section provides for promulgation of regulations, security provisions, and allocation of revenues to host communities, the state and vendors. It also requires compulsive gambling treatment, including an increase in the amount of funding provided annually, and prohibits betting on collegiate events that take place in Rhode Island, or which involve a Rhode Island college team, regardless of the location of the event. The Budget assumes \$23.5 million in revenues based on an October 2018 start.

Sections 9 and 10. Department of Revenue and Division of Collections. These sections establish a collections unit pilot program within the Department of Revenue, subject to appropriation. The collections unit is intended to assist other state agencies to collect debts which are owed to the state by settlement agreement, or administrative or judicial process for which payments or appeals have not been made in a timely fashion. Section 10 imposes notice requirements on both the referring agency, including notice of the right to appeal, and the collections unit, including the remittance date, and authorizes interest charges on the debt, between 18.0 percent and 21.0 percent. The Budget assumes \$1.3 million in new revenues; accounting for \$0.6 million in staffing and contracted services costs, the net budget impact is \$0.8 million. Section 10 also includes annual reporting requirements and a sunset date of June 30, 2021.

Sections 11 and 12. Sales and Use Taxes. These sections extend the state's sales and use tax to online third-party hosted subscription services, and investigation, guard and armored car security services, and exempts the kegs for brewers from the state's sales and use tax. The Budget assumes \$14.5 million in revenues from these changes.

Explanations of Budget Articles

Section 13. Other Tobacco Products. This section repeals a self-reporting provision under current law that permits dealers in possession of other tobacco products to wait up to five days prior to filing a return with the tax administrator and remit the tax due. This is intended to address a conflict in the current law.

Section 14 and 15. Tax Cut and Jobs Act. Sections 14 clarifies that state tax exemptions in place prior to the passage of federal tax reform remain in effect, regardless of federal tax exemption changes, and Section 15 permits the tax administrator to make changes to the state's tax forms and instructions in response to pending federal administrative changes, including the promulgation of emergency regulations provided there is prior notice to the General Assembly.

Section 16. Hotel Taxes. This section changes the distribution of the hotel tax collected by the state, reallocating funding from the amounts currently received by the Commerce Corporation to the local regional tourism districts.

Section 17. Severability. Section 17 provides that if any part of this article is found to be invalid, that invalidity affects only that section, and the remainder of the article remains in effect.

Section 18. Effective Date. Sections 2 through Section 8 shall take effect upon passage. Section 14 shall take effect for tax years on or after January 1, 2018. Section 12 and Section 11, as it pertains to vendor-hosted prewritten software, shall take effect as of October 1, 2018. The remainder of Section 11 and the remainder of this article shall take effect as of July 1, 2018.

Article 5. Capital Development Program

Article 5 places \$367.3 million of new general obligation bond authorizations on the November 2018 ballot for voter approval through three separate questions. The first question would provide \$250.0 million for public school construction and repairs. Funds will first be used to support the state share of foundational housing aid on a pay-as-you-go basis and not as a reimbursement of debt service for previously completed projects. The second question is for \$70.0 million for higher education institutions including \$45.0 million for the University of Rhode Island's Narragansett Bay Campus and \$25.0 million for Rhode Island College's Horace Mann Hall.

Question three would provide \$47.3 million for green economy and clean water projects. It is divided into ten distinct components with \$5.0 million for improving the resiliency of coastal habitats, \$7.9 million for clean water and drinking water infrastructure improvements, \$5.0 million for wastewater treatment facility improvements, \$4.4 million for dam repair or removal, \$7.0 million for the dredging of downtown Providence's rivers, \$5.0 million for state bikeway development, \$4.0 million for brownfield remediation, \$5.0 million for local recreation projects, \$2.0 million for the farmland access program, and \$2.0 million for local land acquisition grants.

Annual debt service for the entire \$367.3 million, supported by general revenues, would be \$29.5 million assuming 20 years and 5.0 percent interest.

Article 6. Public Rail Corporation

The National Railroad Passenger Corporation (AMTRAK) requires the state to fully indemnify it in order for the state to operate along its rights-of-way. The 2010 Assembly adopted a resolution allowing the Department of Transportation, through the Rhode Island Rail Corporation, to obtain \$200.0 million of

Explanations of Budget Articles

liability insurance for all commuter rail operations on the new section of track. As part of that agreement, the state obtained a self-insured retention policy of \$7.5 million, which is treated as a deductible and subject to replenishment. This article increases the liability insurance policy to \$295.0 million to comply with federal requirements. It sets the deductible at no more than \$7.5 million. It also amends the 2010 resolution to include the Pawtucket/Central Falls Train Station for indemnification.

Article 7. Fees

Section 1. Mutual Funds Fees. This section increases the fees for federally covered securities. This section increases the upper limit of the closed-end fee and rate of the open-end fee from \$1,000 to \$1,750 and assumes an additional \$6.9 million in revenues from this change.

Section 2. Hospital License Fee. This article extends the hospital licensing fee in FY 2019 at a rate of 6.0 percent on net patient services revenue for the hospital fiscal year ending on or after September 30, 2018, for all community hospitals except South County and Westerly, which will be assessed a 4.02 percent license fee. It includes the due date for filing returns and making the payment.

Revenue from the two-tiered fee will be \$180.8 million, including \$174.0 million from community hospital payments and \$6.8 million from state payments for Eleanor Slater Hospital. This article appears annually in the Appropriations Act.

Section 3. Claim Adjusters License Fees. This section increases the biennial claim adjusters licensing fee from \$150 to \$250. Rhode Island is one of eight states to assess the fee; most insurance adjusters are from out-of-state, and the fee is paid by the company. The Budget includes an additional \$3.0 million in revenues from this change.

Section 4. Vital Records Fees. This section of the article authorizes the chief of the Office of Vital Records to assess surcharges for certified records of no more than \$5.00 for mail-in, no more than \$3.00 for duplicate, and no more than \$2.00 for walk-in at municipal halls or the Department of Health. The receipts from the surcharges will be deposited into the Information Technology Investment Fund. The project is estimated to cost \$1.7 million, and the surcharges are estimated to generate \$0.4 million annually.

Sections 5 through 7. Business Licensing and Fees. These sections eliminate the business licensing fees associated with hair design shop chair fees and the retail frozen desserts processing, for businesses already licensed as a food establishment; it also makes a technical correction to food service establishments fees. The article also reduces the wholesale food processing licensing fee from \$500 to \$300, and extends the certified food safety license from three to five years. The Budget assumes a revenue loss of \$0.3 million to reflect these changes.

Sections 8 through 11. E-911. These sections of the article rename the E-911 Surcharge to Emergency Services and First Response Surcharge to reflect the current use of the funds for emergency services and first responder agencies. It also requires the Office of Digital Excellence to report on planned use of the Information Technology Investment Fund for projects related to public safety communications and emergency services. The Fund currently receives 10.0 percent of the fees.

Article 8. Division of Motor Vehicles

Article 8 imposes a one-year delay in the start of license plate reissuance, from January 2019 until January 2020, and raises the fee associated with routine information license updates, including name and address

Explanations of Budget Articles

changes, from \$5.00 to \$15.00. Section 3 of the article reduces the transfer of fees collected by the Division of Motor Vehicles to the Highway Maintenance Account from 80.0 percent to 60.0 percent for FY 2018. It also permanently retains duplicate license fees as general revenues for FY 2019 when 100 percent of the remaining funds would be dedicated to transportation uses. The FY 2018 Budget assumes \$10.4 million in additional general revenues from the change in the transfer percentage; the FY 2019 budget adds \$0.5 million in revenues from the fee increase and \$2.1 million from Real ID implementation.

Article 9. School Construction and Education

Article 9 temporarily provides expanded incentives to the school housing state aid ratio in order to encourage local school construction projects that address health and safety deficiencies, specific high-demand subject areas, consolidate facilities, and replace poor facilities. The article limits the total amount of state reimbursement by requiring that a district's local share cannot decrease by more than half of its regular share regardless of the incentives earned, a district's state share also cannot increase by more than half. Each incentive requires spending of 25.0 percent of project costs or \$500,000 on related items. The incentives require that projects begin by either December 30, 2022 or December 30, 2023 and be completed within five years. The article provides for participation for some of the incentives for projects approved after the moratorium ended on May 1, 2015. The new incentives are tied to the approval of a \$250 million school construction bond in Article 5. The article creates additional responsibilities and oversight by the School Building Authority, amends the composition of the seven-member School Building Authority Advisory Board, and introduces maintenance spending requirements beginning FY 2019 and phased-in over several years.

The article establishes a restricted receipt account within the Department of Elementary and Secondary Education to be financed by the Rhode Island Health and Educational Building Corporation to support any personnel expenditures incurred by the Department in the administration of the school construction program. Funding would be derived from the Corporation's sub-allotments of fees generated from the origination of municipal bonds, other financing vehicles used for school construction, and its own reserves. The article limits the fees that the Corporation can charge districts up to one-tenth of one percent of the principal amount. It also requires the auditor general to give guidance to districts on uniform reporting of construction debt.

Along with changes to the school housing aid program, Article 9 establishes a voluntary three-year pilot program to fund school resource officers at half of the costs associated with employing new officers at public middle and high schools. And finally, Article 9 requires the Department of Elementary and Secondary Education to estimate enrollment increases and decreases as part of its budget submission, and report updated figures based on October 1 enrollments by December 1.

Article 10. Revised Budget

Section 1. Appropriations. This section of Article 10 contains the revised appropriations for FY 2018.

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

Section 3. Internal Service Funds. This section authorizes the establishment of limited and specific internal service accounts to implement the cases in which state agencies provide services to other state agencies, institutions and other governmental units on a cost reimbursement basis.

Explanations of Budget Articles

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 2018. In addition, state employees whose funding is from non-state funds that are time limited shall receive appointments limited to the availability of the non-state funding source. This section also contains the usual provision that the Governor or designee, Speaker of the House or designee, and President of the Senate or designee may jointly adjust the authorization. Total staffing is 15,187.2 full-time equivalent positions, 27.0 positions more than enacted.

Section 5. Business Regulation – Insurance Transfer. This section requires the transfer of \$750,000 from the Department of Business Regulation Insurance Companies Assessment for Actuary Costs restricted receipt account to state general revenues by June 30, 2018.

Section 6. Business Regulation – Commercial Licensing, Racing and Athletics Transfer. This section requires the transfer of \$800,000 from the Department of Business Regulation Commercial Licensing Racing and Athletics Reimbursement restricted receipt account to state general revenues by June 30, 2018.

Section 7. Water Resources Board Corporate Transfer. This section requires the transfer of \$1.1 million from residual water quality protection surcharges that had been collected by the Water Resources Board Corporate to state general revenues by June 30, 2018.

Article 11. Workforce Development

Article 11 amends the job development fund to allow a portion of the fund to support employment security and employment services. The article changes the job development assessment to allow no more than 75.0 percent of the Employment Security Trust Fund's prior year investment earnings to be redirected to the job development fund for tax year 2019. This would be a one-time occurrence and provide approximately \$5.5 million in additional restricted receipts for use by the Department of Labor and Training for the Real Jobs program.

The article also increases the flexibility of the work immersion/non-trade apprenticeship program by allowing the Governor's Workforce Board to determine how to best reimburse employers, removing the tiered reimbursement structure, and removing the statutory cap on the allowable reimbursement period. Additionally, the program would be open to students currently enrolled in high school.

Finally, the article repeals the job training tax credit effective January 1, 2018, which provides qualifying employers with credits against their state tax obligations for expenses associated with offering training to their employees. The budget assumes \$450,000 in additional revenues by ending the tax credit.

Article 12. Economic Development

This article increases the amount permitted to be reserved for microloans under the Small Business Assistance Programs from 10.0 percent to between 10.0 percent to 25.0 percent, expands existing reporting requirements for the Commerce Corporation, and extends all of the sunset dates from the economic development initiatives enacted in 2015 and 2016, except for the Anchor Institution Tax Credit, to June 30, 2020 after the issuance of a new statutorily required long-term economic development plan.

Article 13. Medical Assistance

Explanations of Budget Articles

Article 13 increases fee-for-service rates paid for home care including skilled nursing, personal care and homemaker services for FY 2019 and includes language to increase those rates annually tied to the Consumer Price Index for medical care in New England. The initial rate adjustment is 20.0 percent for skilled nursing and 10.0 percent for all other services. The article also provides for a one percent increase to nursing home rates on April 1, 2019, from the current rates being paid. In order to recapture potential losses to state general revenues from the pending lawsuit regarding base rates for FY 2017 and FY 2018, the article also provides for an 8.5 percent rate reduction for the first nine months of FY 2019.

The article instructs the Director of the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals to coordinate with the Executive Office of Health and Human Services' Medicaid program to ensure that developmentally disabled adults receiving residential and community based services are also receiving the appropriate level of medical benefits if eligible for long term care services and supports. The article also establishes the Aging and Disability Resource Center.

The article includes the necessary resolution language for changes to hospital and nursing home rates, non-emergency transportation services and managed care administration and medical rates. It includes implementing a multi-tiered, needs based criteria for level of care and scope of services for adults with developmental disabilities. There is also a community-based alternative to emergency departments for addiction and mental health emergencies in collaboration with the Executive Office of Health and Human Services and the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals.

The article makes changes to long term care services including restructuring services provided through the Integrated Care Initiative, a Community First Choice option, and adding new supports such as adaptive and home-based technologies. It includes waiver authority to provide integrated medical and behavioral services to children and youth at risk such as targeted family visiting nurses, peer supports, and specialized networks of care. It also seeks the authority to leverage Medicaid for residential treatment services for those disabled children whose families have placed them in the care of the Department of Children, Youth and Families so they can receive residential treatment services. It allows the Executive Office of Health and Human Services to submit a five-year extension to the Medicaid waiver and seek federal opportunities that do not adversely impact beneficiaries or increase program expenses beyond the FY 2019 appropriation.

The FY 2019 budget includes savings of \$75.2 million, of which \$32.9 million from general revenues, from the proposals contained only in this article. The budget also adds \$1.1 million for staff implementation costs; the net general revenue impact is \$30.1 million accounting for the loss of revenue from provider taxes and implementation costs.

Article 14. Medical Marijuana

This article permits nurses and physicians assistants authorized to write prescriptions to write referrals to the medical marijuana program and establishes protections for medical marijuana testing facilities and medications approved by the U.S. Food and Drug Administration. It also permits out-of-state medical marijuana program cardholders to purchase from compassion centers, increases license renewal fees for compassion centers from \$5,000 to \$250,000, makes technical changes to clarify current law with respect to regulations, and establishes annual reporting for the Department of Business Regulation. The Budget assumes \$1.1 million of new revenues associated with these changes.

Explanations of Budget Articles

Article 15. Children and Families

Article 15 allows a youth in foster care who is between the ages of 18 and 21 to voluntarily remain in state care and be appointed a guardian or court appointed counsel. The article authorizes services and requires the development of a permanency plan to be reviewed by Family Court no less than annually. It adds the Department of Children, Youth and Families to the Governor's Workforce Board Advisory Committee for the state career pathways system. The article adds administrative fines for child care licensing violations. The Budget assumes \$5,500 from assessment of the new fines.

The article changes rates paid to child care centers for subsidized child care through the state's Child Care Assistance Program. Payments for infant/toddler and preschool age children will be based on a tiered system that reflects the quality rating achieved by the provider according to the state's quality rating system. The Budget includes \$3.6 million for the Departments of Human Services and Children, Youth and Families for this new method of reimbursement.

Article 16. Debt Management Act

The Public Corporation Debt Management Act requires that all new non-general obligation debt authorizations be approved by the Assembly, except in certain circumstances. Article 16 contains three authorizations totaling \$19.8 million for projects at the University of Rhode Island. These include \$11.0 million from revenue bonds for repaving, hardscape and landscape, \$6.5 million for the first phase of utility infrastructure upgrades, and \$2.3 million for the second phase of fire safety and protection work for the auxiliary enterprise buildings. Annual debt service for the three projects would be \$1.6 million assuming 20 years and 5.0 percent interest supported by general revenues, tuition, and student fees.

Article 16 also contains \$22.0 million for renovations to Eleanor Slater Hospital. Annual debt service would be \$2.1 million assuming 15 years and 5.0 percent interest supported by general revenues. This is part of a \$49.9 million project to renovate three units for psychiatric patients that adhere to Joint Commission on Hospital Accreditation guidelines, upgrading one medical unit, new information technology and data systems, new elevators, roof replacement, new flooring, masonry work and new furniture and equipment.

Article 17. Effective Date

Article 17 provides that the act shall take effect on July 1, 2018, except where a provision within an article specifies a retroactive or prospective effective date.

Explanations of Budget Articles

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