

# **House Fiscal Advisory Staff**

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## **2019-H 5151, Substitute A As Recommended by the House Finance Committee**



Submitted to the 2019 House of Representatives

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## House Committee on Finance

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Second Vice-Chair  
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# **Introduction**

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# Introduction

This document provides information concerning the FY 2020 budget contained in 2019-H 5151, Substitute A as passed out of the House Finance Committee on June 14. 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 2020 introduced and referred to House Finance on January 17. 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 1 of 2019-H 5150, also submitted on January 17, but now incorporated into Article 10 of 2019-H 5151, Substitute A. 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 2020 enacted budget, the final FY 2019 budget as reported by the House Finance Committee, the Governor’s FY 2020 recommendations and the House Finance Committee’s recommendations.

Section VI contains brief descriptions of the articles contained in 2019-H 5151, Substitute A.

The names 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

Department of Administration .....	Chantale Sarrasin
Executive Office of Commerce .....	Timothy Donahue
Department of Business Regulation.....	Timothy Donahue
Department of Labor and Training .....	Mark Singleton, II
Department of Revenue .....	Timothy Donahue
Legislature .....	Liza Pinto
Office of the Lieutenant Governor.....	John Collins, II
Office of the Secretary of State.....	Mark Singleton, II
Office of the General Treasurer .....	Liza Pinto
Rhode Island Board of Elections .....	Mark Singleton, II
Rhode Island Ethics Commission .....	Molly Ogren
Office of the Governor.....	Patricia Arruda
RI Commission for Human Rights .....	Molly Ogren
Public Utilities Commission .....	Molly Ogren

## Human Services Agencies

Ex. Office of Health and Human Services.....	Linda M. Haley
Dept. of Children, Youth and Families.....	John Collins, II
Department of Health.....	Chantale Sarrasin
Department of Human Services .....	Patricia Arruda

Dept. of BHDDH .....Linda M. Haley  
 Office of the Child Advocate..... John Collins, II  
 Comm. on the Deaf and Hard of Hearing .....Chantale Sarrasin  
 Governor’s Commission on Disabilities.....Chantale Sarrasin  
 Office of the Mental Health Advocate.....Linda M. Haley

**Education Agencies**

Dept. of Elementary and Secondary Education ..... Patricia Arruda  
 Public Higher Education ..... Liza Pinto  
 Rhode Island Council on the Arts ..... Timothy Donahue  
 Rhode Island Atomic Energy Commission ..... Liza Pinto  
 Historical Preservation and Heritage Comm. .... Molly Ogren

**Public Safety Agencies**

Office of the Attorney General .....Linda M. Haley  
 Department of Corrections..... John Collins, II  
 Judicial Department ..... Liza Pinto  
 Military Staff.....Chantale Sarrasin  
 RI Emergency Management Agency ..... Liza Pinto  
 Department of Public Safety..... Molly Ogren  
 Office of the Public Defender .....Linda M. Haley

**Natural Resources Agencies**

Dept. of Environmental Management..... Mark Singleton, II  
 Coastal Resources Management Council..... Mark Singleton, II  
 Rhode Island Infrastructure Bank ..... Mark Singleton, II  
 Narragansett Bay Commission ..... Mark Singleton, II  
 RI Resource Recovery Corporation ..... Mark Singleton, II

**Transportation Agencies**

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

**Staff E-Mail Addresses**

Patricia Arruda ..... parruda@rilegislature.gov  
 John Collins, II..... jcollins@rilegislature.gov  
 Timothy Donahue ..... tdonahue@rilegislature.gov  
 Linda Haley..... lhaley@rilegislature.gov  
 Molly Ogren..... mogren@rilegislature.gov  
 Liza Pinto ..... lpinto@rilegislature.gov  
 Chantale Sarrasin ..... csarrasin@rilegislature.gov  
 Mark Singleton, II..... msingleton@rilegislature.gov

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# **Section I Overview**

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## Summary

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>Expenditures by Function*</b>				
General Government	\$ 1,534.3	\$ 1,563.0	\$ 1,626.5	\$ 1,630.3
Human Services	4,068.1	4,156.7	4,200.6	4,209.8
Education	2,658.9	2,673.1	2,746.6	2,745.9
Public Safety	605.3	624.4	618.7	624.3
Natural Resources	115.2	103.4	108.2	107.0
Transportation	591.0	625.7	629.5	648.8
<b>Total</b>	<b>\$ 9,572.7</b>	<b>\$ 9,746.4</b>	<b>\$ 9,930.0</b>	<b>\$ 9,966.2</b>
<b>Expenditures by Category*</b>				
Salaries and Benefits	\$ 1,762.3	\$ 1,750.3	\$ 1,843.3	\$ 1,835.6
Contracted Services	280.3	365.2	360.3	347.4
<b>Subtotal</b>	<b>\$ 2,042.6</b>	<b>\$ 2,115.4</b>	<b>\$ 2,203.6</b>	<b>\$ 2,183.1</b>
Other State Operations	957.3	1,010.6	1,003.1	1,011.1
Aid to Local Units of Government	1,371.2	1,367.6	1,423.5	1,449.2
Assistance, Grants, and Benefits	4,259.7	4,267.7	4,311.0	4,323.8
Capital	446.7	492.2	454.2	478.8
Capital Debt Service	241.0	229.3	272.9	268.3
Operating Transfers	254.3	263.6	261.8	251.8
<b>Total</b>	<b>\$ 9,572.7</b>	<b>\$ 9,746.4</b>	<b>\$ 9,930.0</b>	<b>\$ 9,966.2</b>
<b>Sources of Funds*</b>				
General Revenue	\$ 3,908.2	\$ 3,933.8	\$ 4,075.1	\$ 4,075.1
Federal Aid	3,208.2	3,334.5	3,318.7	3,323.7
Restricted Receipts	281.8	287.1	301.5	311.4
Other	2,174.5	2,191.0	2,234.8	2,256.0
<b>Total</b>	<b>\$ 9,572.7</b>	<b>\$ 9,746.4</b>	<b>\$ 9,930.0</b>	<b>\$ 9,966.2</b>
<b>FTE Authorization</b>	<b>15,209.7</b>	<b>15,221.7</b>	<b>15,413.1</b>	<b>15,069.7</b>

*\*Data in millions*

## Summary

The Governor's budget recommendations for FY 2020 are contained in 2019-H 5151, introduced on January 17, 2019, which is the day it was due by law. Supporting documents required as part of that submission were not made available with the introduction, except for the executive summary. Documents were made available during the weeks that followed. The Capital Budget was not available until the second week of February, and there are significant discrepancies from the appropriations bill submitted, primarily because the bill overstated available resources and the funding in the Capital Budget shows reductions or delays for several projects to correct that error.

The Governor recommends a total FY 2020 budget of \$9,930.0 million. Total expenditures increase \$357.3 million from the FY 2019 budget enacted by the 2018 Assembly, or 3.7 percent. Her FY 2019 revised budget totals \$9,808.8 million; FY 2018 expenditures were \$9,032.2 million.

The Governor’s budget includes \$4,075.1 million of expenditures funded from general revenues, \$166.9 million, or 4.3 percent more than the enacted general revenue funded budget. This is also \$128.0 million more than her revised recommendation.

The House Finance Committee recommends total expenditures of \$9,966.2 million, which is \$36.1 million more than the Governor recommended. It contains \$4,075.1 million from general revenues, essentially the same as the Governor recommended.

<b>FY 2020</b>	<b>General Revenue</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>All Funds</b>
FY 2019 Enacted	\$ 3,908.2	\$ 3,208.2	\$ 281.8	\$ 2,174.5	\$ 9,572.7
Governor	4,075.1	3,318.7	301.5	2,234.8	9,930.0
Change to Enacted	\$ 166.9	\$ 110.5	\$ 19.6	\$ 60.3	\$ 357.3
Percent Change	4.3%	3.4%	7.0%	2.8%	3.7%
<b>FY 2020 HFC</b>	<b>\$ 4,075.1</b>	<b>\$ 3,323.7</b>	<b>\$ 311.4</b>	<b>\$ 2,256.0</b>	<b>\$ 9,966.2</b>
Change to Enacted	166.9	115.5	29.6	81.4	393.4
Percent Change	4.3%	3.6%	10.5%	3.7%	4.1%
Change to Governor	\$ 0.0	\$ 5.0	\$ 9.9	\$ 21.2	\$ 36.1
HFC Change to FY 2019	\$ 141.3	\$ (10.8)	\$ 24.3	\$ 65.0	\$ 219.8
Percent Change to FY 2019	3.6%	-0.3%	8.5%	3.0%	2.3%

<b>FY 2019 Revised</b>	<b>General Revenue</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>All Funds</b>
Governor's FY 2019 Revised	3,947.1	3,339.6	294.3	2,227.8	9,808.8
Governor's Change to Enacted	\$ 38.8	\$ 131.4	\$ 12.5	\$ 53.2	\$ 236.0
Percent Change	1.0%	4.1%	4.4%	2.4%	2.5%
<b>FY 2019 HFC</b>	<b>\$ 3,933.8</b>	<b>\$ 3,334.5</b>	<b>\$ 287.1</b>	<b>\$ 2,191.0</b>	<b>\$ 9,746.4</b>
Change to Enacted	25.6	126.3	5.3	16.4	173.6
Percent Change	0.7%	3.9%	1.9%	0.8%	1.8%
Change to Governor	\$ (13.2)	\$ (5.1)	\$ (7.2)	\$ (36.8)	\$ (62.4)

General revenue expenditures recommended by the Committee are \$166.9 million, or 4.3 percent more than general revenues appropriated for FY 2019 by the 2018 Assembly. General revenue expenditures are \$141.3 million more than the FY 2019 revised budget also contained in 2019-H 5151, Substitute A.

The Budget Office originally estimated that in preparing the FY 2020 budget, the Governor faced a projected revenue-expenditure gap of about \$158 million. This was similar to the House Fiscal Staff’s June projections with the Budget Office estimate carrying both revenue and expenditure assumptions that were about \$30 million higher than the House Fiscal Staff estimate. By November, it was clear that agency overspending and increased caseload costs would outstrip increased resources available from the FY 2018 closing and consensus revenue estimates that exceed internal projections for FY 2020. The House Fiscal Staff estimated in November that those factors meant a roughly \$47 million current year deficit would have to be solved as well as a \$150 million issue for FY 2020, representing approximately 3.6 percent of general revenue expenditures.

The Governor’s budget resolves much of the deficit through increased revenues, most of which are structural in nature, as well as reductions to human services caseload expenses and aid to cities and towns.

These reductions are offset by updated education aid estimates and new initiatives, increased spending for higher education initiatives as well as a variety of other new spending priorities.

Following the May revenue and caseload conferences, available resources over the two year period were increased by \$38.5 million. The House Finance Committee used those resources to restore most of the transfers from quasi-public agencies proposed for the current year and to substitute for some of the new revenue proposals. The Committee's recommendation also restores over \$20 million in proposed reductions to local aid payments and ensures education aid priorities are funded without transferring current state costs to local districts.

A number of newly proposed initiatives were not considered in the Governor's out-year budget gap projections which remain unresolved in the House Finance Committee's budget. For example the universal pre-kindergarten proposal was estimated to add \$50 to \$60 million within a few years, but that cost was not accounted for. Like the Governor's budget, the Committee's budget does continue investment in a number of 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.

- ***Undistributed Savings.*** The Governor's budget includes \$15.2 million of undistributed statewide savings from three initiatives with no identified plan on how they will be achieved. A holdover from prior years is \$4.2 million from detection of fraud and waste. There is also \$1.0 million in unspecified overtime savings. There is also \$10.0 million to be identified by a Statewide Efficiency Commission to be led by the Office of Management and Budget.

The Commission was created by Executive Order on February 21 and issued its report in early May and the Governor subsequently requested recommendations to effectuate many of the proposals to meet those savings. These include transfers and reorganization of duties, staffing efficiencies, space utilization savings, cost shifts to local schools including recapture of disputed charges, and property sales. The House Finance Committee recommends restoring the unidentified savings in the Department's budget and includes about half of the proposed savings in the appropriate agency budgets. The Committee also concurred with a requested amendment to recognize \$2.2 million of the fraud and waste savings in the Medicaid Caseload expenditures.

- ***Medicaid Employer Assessment.*** The Governor's budget includes \$15.6 million in new revenues from imposing a 10 percent assessment on for-profit employers with 300 or more employees for each employee who is enrolled in the state's Medicaid program. The payment is capped at \$1,500 per employee per year. These revenues are offset by \$1.1 million of expenses for implementation. The House Finance Committee does not concur.

- ***Firearms and Ammunition Excise Tax.*** The Governor's budget assumes \$0.8 million of new revenues from creating an excise tax of 10.0 percent above the sale price, effective October 1, 2019. The House Finance Committee does not concur.

- ***Cigarettes.*** The Governor's budget assumes \$3.1 million in revenues from a proposal to increase the cigarette tax by \$0.25, to \$4.50 per 20-pack, effective August 1, 2019. The House Finance Committee does not concur.

- ***Other Tobacco Products.*** The Governor's budget assumes \$1.0 million in revenues associated with proposed legislation to impose a 40.0 percent wholesale tax on electronic nicotine delivery systems and raise the per cigar tax from \$0.50 to \$0.80. The cigar change is estimated to generate \$0.6 million, with the

remaining \$0.4 million from the e-cigarette tax. The budget also includes \$0.4 million for staffing related to the e-cigarette component. The House Finance Committee does not concur.

- ***Sales Tax on Digital Products.*** The Governor's budget assumes \$2.6 million in revenues from expanding the state sales tax to include online streaming or subscription services, including videos, music, books and ringtones, whether the purchaser retains permanent or term-limited access to the product, effective October 1, 2019. The House Finance Committee concurs.

- ***Sales Tax on Lobbying Services.*** The Governor's budget assumes \$0.9 million in revenues associated with the expansion of the state sales tax to include lobbying services within the state, effective October 1, 2019. The Budget Office has since noted this estimate was overstated and would only be \$0.3 million. The House Finance Committee does not concur.

- ***Sales Tax on Interior Design Services.*** The Governor's budget assumes \$0.5 million in revenues associated with the expansion of the state sales tax to include interior design services within the state, effective October 1, 2019. The Budget Office has since noted this estimate assumed a January start and would actually be \$0.8 million based on the October effective date. The House Finance Committee does not concur.

- ***Sales Tax on Hunting, Trapping, and Shooting Services.*** The Governor's budget assumes \$0.6 million in revenues associated with the expansion of the state sales tax to include commercial hunting and trapping retreats and preserves, as well as shooting ranges for archery and firearms, including memberships to shooting clubs, effective October 1, 2019. The House Finance Committee does not concur.

- ***Sales Tax on Commercial Building Services.*** The Governor's budget assumes \$6.2 million in revenues associated with the expansion of the state sales tax to include extermination, janitorial, landscaping, carpet and upholstery cleaning, and other building services for commercial buildings, effective October 1, 2019. The proposal excludes residentially-zoned property, and properties for which more than half the square footage is non-commercial. The Budget Office has since noted this estimate assumed a January start and would actually be \$10.1 million based on the October effective date. The House Finance Committee does not concur.

- ***Hotel Tax.*** The Governor's budget assumes \$4.4 million from increasing the 5.0 percent state hotel tax to 6.0 percent, effective July 1, 2019 and retaining that extra one percent for state general revenues. The House Finance Committee does not concur with the proposed change, but does recommend incorporating the share of revenues collected from hosting platforms into the standard hotel tax distribution, reallocating some revenues from Commerce to the regional tourism districts.

- ***Beach Fees.*** The Governor's budget assumes an additional \$0.7 million in revenue based on the Department of Environmental Management increasing beach fees through its public regulatory process. Any change would need to be proposed later this winter in order to be in place for FY 2020. On February 20, the Department announced an approximate 33 percent increase for these fees. Based on actual collections from FY 2018 the Department would need to increase fees by approximately 60 percent to generate the revenues and increase the payment to host communities assumed in the budget. The House Finance Committee excludes these revenues as the Department did not proceed with the proposal to increase beach fees and includes Section 4 of Article 5 to freeze these fees at their current level until the conclusion of the 2021 beach season.

- ***Campground Fees.*** The Governor's budget assumes an additional \$0.7 million in revenue for FY 2020 based on the Department of Environmental Management increasing campground fees through its public regulatory process. Any change would need to be proposed later this winter in order to be in place for FY 2020. On February 20, the Department announced a new three-tiered system for campground rentals. The

increases range from 28 percent for the lowest tier to as much as 50 percent for the highest tier. Based on actual collections from FY 2017, which is the most recent available data, the Department would need to increase fees by approximately 40 percent to generate the revenue assumed in the budget. The House Finance Committee reduces these revenues by \$0.3 million to reflect updated estimates of collections.

- ***Unspecified Recreation Fees.*** The Governor's budget includes an additional \$0.1 million in revenue from the Department of Environmental Management increasing unspecified recreation fees. No additional details have been provided, but fees not separately identified in other proposals appear to include table and field rentals. These fees are set through regulations and would go through a public review process. The House Finance Committee increases these revenues by \$0.1 million to reflect updated estimates of collections.
- ***Hard-to-Dispose Materials Fees.*** The Governor recommends doubling the fees on hard-to-dispose materials to generate \$1.0 million in additional revenues for FY 2020. Under current law these charges include \$0.05 per quart or \$0.053 per liter on motor oils, \$0.10 per gallon or \$0.0264 per liter on antifreeze, \$0.0025 per gallon or \$0.00066 per liter on organic solvents, \$0.50 per tire, and \$3.00 for each new vehicle. The House Finance Committee concurs.
- ***Beverage Container Case Fee.*** The Governor's budget assumes \$2.1 million of new revenues from doubling the beverage container case fee from \$0.04 per case to \$0.08 per case for all beverage container cases sold by a wholesaler to retailer or consumer. The budget assumes a full year of collections. The House Finance Committee concurs.
- ***Oil Spill Prevention, Administration, and Response Fund.*** The Governor recommends doubling the fee supporting the Oil Spill Prevention, Administration, and Response Fund that is collected on barrels of petroleum products received at marine terminals from vessels originating outside the state. She also proposes expanding the allowable uses of the fund to pay for compliance and monitoring activities for storm water management and brownfields remediation. Additionally, her revised budget proposes transferring \$1.0 million of current reserves from this fund to state general revenues by June 30, 2019. The fee would increase from five to ten cents per barrel, increasing collections by an estimated \$1.5 million. The House Finance Committee does not concur with the transfer or the proposal to expand uses of the funds.
- ***Municipal Tax Block Fee.*** The Governor's budget assumes \$0.4 million in new revenues from a proposal to charge a \$5 fee to municipalities for each vehicle registration hold placed on their behalf for unpaid taxes. The House Finance Committee does not concur.
- ***Debt Collectors' Fee.*** The Governor's budget assumes \$0.6 million in new revenues from raising the annual fee for debt collectors from \$100 to \$500. The fee in Massachusetts is currently \$1,000; it is \$400 in Connecticut. The Governor's executive summary describes the debt collector fee as increasing to \$750; it appears that was the intent. The House Finance Committee concurs.
- ***Mortgage Loan Originator Licensing Fee.*** The Governor's budget assumes \$1.2 million of new revenues from increasing the annual mortgage loan originator licensing fee from \$100 to \$400. The House Finance Committee concurs.
- ***Adult Use Marijuana Program.*** The Governor's budget assumes \$4.9 million in new revenues from the legalization of marijuana including hemp beyond the current limitation to medicinal purposes. The Governor proposes a new Office of Cannabis Regulation in the Department of Business Regulation, and provides funding for the Executive Office of Health and Human Services, and Departments of Health, Public Safety, and Revenue to support the new Office. The recommendation includes 25.0 full-time equivalent positions. It further assumes a portion of receipts would be allocated to cities and towns. The House Finance Committee does not concur.

- **Medical Marijuana Regulation.** The Governor’s budget assumes an increase of \$1.6 million in new revenues including sales tax, fees, and surcharge collections from changes to the current medical marijuana program that would restrict the ability to home cultivate to only those with a hardship exemption, provided there is an appointed caretaker. The House Finance Committee adopted a different expansion proposal that did not limit home grows but did allow for new compassion centers.
- **Experimental Program to Stimulate Competitive Research (EPSCoR).** The Governor recommends the enacted amount of \$0.9 million for FY 2020 for the National Science Foundation’s Experimental Program to Stimulate Competitive Research. 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. The House Finance Committee concurs.
- **Affordable Housing.** The Governor’s budget includes \$65.0 million from general obligation bond funds approved by the voters in November 2016 to provide funding for affordable housing support, including rehabilitation of existing structures and new construction. The budget also includes \$10.0 million from general obligation bonds the voters approved on the November 2016 ballot to improve properties that are blighted or in need of revitalization, including residential, commercial, and public properties. The House Finance Committee concurs.
- **Quonset Piers.** The Governor’s budget includes a total of \$90.4 million for extension and renovation of the Quonset Business Park’s pier 2. This includes \$50.0 million of general obligation bond proceeds approved by the voters on the November 2016 ballot, \$25.0 million from revenue bonds authorized by the 2016 Assembly to be issued by the Quonset Development Corporation, and \$15.4 million from Rhode Island Capital Plan funds. The House Finance Committee corrects the recommendation to reflect the approved plan of \$90.0 million.
- **Quonset Industrial Park Renovations.** 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, construction of a new pier, dredging a new approach to that pier. These funds would support total estimated project costs of \$34.5 million, with the remaining expenses paid by tenants of the Quonset Business Park. The House Finance Committee concurs.
- **Port of Providence.** The Governor’s budget includes \$20.0 million from general obligation bond funds approved by the voters on the November 2016 ballot to increase terminal capacity at the Port of Providence by funding the acquisition of up to 25 acres of land located between Allens Avenue in the City of Providence and the Providence River and associated infrastructure improvements. It was previously reported the state would enter into a revenue sharing agreement with ProvPort, a non-profit entity that provides port services for the City. ProvPort would be responsible for the management and marketing of the land; however, the state would own the land itself. The House Finance Committee concurs.
- **Innovation Campus Bond.** The Governor’s budget includes \$20.0 million from general obligation bonds approved by the voters on the November 2016 ballot for the construction of one or more innovation campuses affiliated with the University of Rhode Island. In December 2018, the state announced awards

totaling \$12.0 million to three projects as a first round; it should be noted one of the projects also includes \$5.4 million of private funding through the University of Rhode Island. The House Finance Committee concurs.

- ***Real Jobs Rhode Island.*** The Governor recommends the enacted general revenue amount of \$5.5 million for the Real Jobs Rhode Island job training program in FY 2020. Additionally, her recommendation reflects new annual collections for the Job Development Fund totaling \$1.2 million beginning January 2020 by expanding the assessment to large non-profit employers who are currently not subject to this charge.

The House Finance Committee does not concur with the proposal to expand the assessment of the Job Development Fund to non-profit employers. For FY 2020, the Committee concurs with providing \$5.5 million from general revenues.

- ***Rebuild Rhode Island Tax Credit - Historic Structures.*** The Governor's budget proposes to create distinct application processes for certified or recognized historic structures, and projects which include affordable or workforce housing, subject to Corporation guidelines. It requires the Division of Taxation to notify participants of the Historic Tax Credit of 2013 program of their potential eligibility for the Rebuild Rhode Island program. Historic projects would be exempt from required minimums for square footage and project costs. The House Finance Committee concurs.

- ***Small Business Development Center.*** The Governor's budget includes the enacted amount of \$350,000 from general revenues for the Small Business Development Center at the University of Rhode Island. The House Finance Committee concurs.

- ***Work Immersion/Non-Trade Apprenticeship Program.*** The Governor recommends the enacted amount of \$0.7 million from general revenues for the work immersion/non-trade apprenticeship program. The program provides students, recent college graduates, and unemployed adults with work experience, and assists employers by training individuals for potential employment. The House Finance Committee concurs.

- ***Airport Impact Aid.*** The Governor recommends \$762,500 for FY 2020, \$262,500 less than enacted, to the Commerce Corporation so that the Airport Corporation can provide impact aid payments to the seven communities that host the six state airports. The community payments are made proportionately based on the number of total landings and takeoffs and smaller host communities had been guaranteed a minimum of \$25,000; that guarantee is no longer included in the budget. The House Finance Committee provides \$0.2 million more than recommended, consistent with the FY 2019 expenditures level.

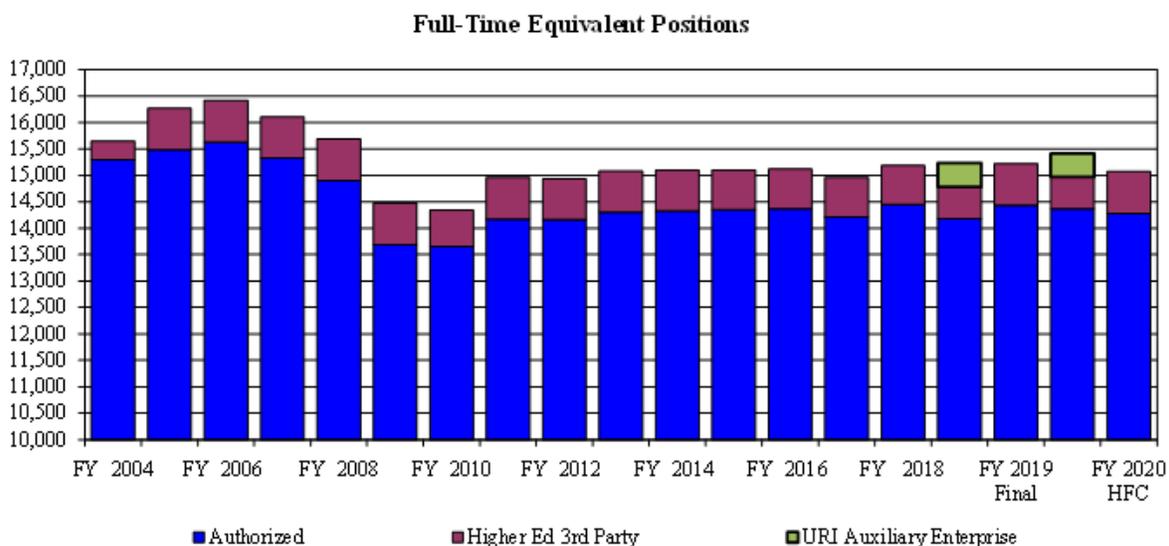
- ***P-Tech Initiative.*** The Governor's budget includes \$0.2 million for the P-Tech Initiative, which establishes partnerships between high schools, higher education institutions, and employers to offer courses towards high school diplomas and associate's degrees. The FY 2016, FY 2017, and FY 2019 enacted budgets included a total of \$2.3 million for the program. The Commerce Corporation has awarded funding to six school districts and provided administrative support to the Community College of Rhode Island, totaling \$1.3 million in awards. The Governor's recommendation would bring available resources to \$0.9 million after administrative costs. The Governor's budget proposes to extend the sunset date from June 30, 2020 to December 31, 2023. The House Finance Committee includes the funding, but does not concur with the extension

- ***Personnel.*** The Governor recommends \$2,203.6 million for personnel expenditures and 15,413.1 full-time equivalent positions, 606.0 higher education positions dedicated for research or supported by other third-party funds, and 445.0 positions dedicated to support auxiliary enterprise units at the University. The expenditures include salaries and benefits, as well as contracted services. The recommendation is \$161.0 million and 203.4 positions more than the FY 2019 enacted budget including \$81.0 million more for salaries

and benefits and \$80.0 million more for contracted services, nearly two-thirds of which is for the Unified Health Infrastructure Project.

Among the staffing changes are 30.0 new positions in the Department of Transportation to carry out the Department’s plan to perform more operations in-house. The Governor also includes new correctional officers, 30.0 new State Police troopers as well as additional staff for the Department of Environmental Management’s Division of Parks and Recreation. The recommendation also includes 18.0 new positions in the Department of Administration’s budget for centralized human resources, information technology and facility management services. The costs for which appear in user agencies as an operating expense, and are not included in the total for personnel.

In FY 2018, the state averaged 13,913.2 filled positions reflecting an average of 1,194.2 non-research vacancies. In FY 2017, the state averaged 13,809.6 filled positions, reflecting an average of 1,023.0 non-research vacancies.



The House Finance Committee recommends staffing of 15,221.7 full-time equivalent positions for FY 2019, which is 9.0 fewer than the Governor’s revised recommendation. FY 2020, it recommends staffing of 15,069.7 full-time equivalent positions, which is 343.4 full-time equivalent positions less than recommended, including a reduction of 203.0 vacant positions. As of June 8, the total number of vacancies was 1,020.5 positions. The House Finance Committee did not concur with numerous new positions recommended. The House Finance Committee includes 788.8 higher education positions dedicated for research or supported by other third-party funds.

- ***Independent Provider Model.*** The Governor’s budget includes \$0.8 million, including \$0.2 million from general revenues, to make the changes necessary to implement the Independent Provider Model that is part of the Quality Self-Directed Services program created by the Assembly in 2018-H 7803, Substitute A, as amended. The House Finance Committee concurs.
- ***Managed Care Organizations Reimbursements.*** The Governor’s budget proposes savings of \$5.4 million, including \$1.0 million from general revenues, from eliminating the performance goal program that provides incentives to the managed care plans to meet certain achievements and reducing the incidence of C-section births from the current 30 percent to the national recommendation of 20 percent. The House Finance Committee concurs.

- ***Federally-Qualified Health Centers.*** The Governor’s budget assumes savings of \$5.3 million, including \$1.9 million from general revenues, from moving payments made to the federally-qualified health centers into the rates paid by the managed care plans. The House Finance Committee concurs.
- ***Estate Recovery.*** The Governor’s budget assumes savings of \$0.5 million from enhancing the state’s efforts to collect the resources available to it through estate recoveries; the plan to achieve the savings has not been provided. The House Finance Committee concurs.
- ***Rhode Island Works.*** The Governor includes legislation to change restrictions that currently apply to Rhode Island Works participants eligible to receive a lifetime benefit of 48 months. She eliminates the requirement that the benefit be spread over 10 years, 24 months in two five-year periods, while keeping the maximum limit of 48 months. A participant would be eligible to stay on assistance for four years without interruption. The Governor’s budget does not reflect the potential impact to caseloads or costs from this proposal. The House Finance Committee does not concur
- ***Junior High/Middle School Prevention Programs.*** The Governor includes \$65,000 from general revenues for FY 2019 and FY 2020 for youth drug prevention programs in the junior high/middle schools. The House Finance Committee concurs
- ***Senior Services Support.*** The Governor recommends the enacted level of \$800,000 from general revenues to support the state’s senior centers through a grant process. The House Finance Committee concurs.
- ***Elder Housing Security.*** The Governor recommends the enacted level of \$85,000 from general revenues to implement housing security measures in elderly housing complexes. The House Finance Committee concurs.
- ***Long Term Care Ombudsman.*** The Governor recommends the enacted level of \$169,086 for the long term care ombudsman, including \$86,750 from general revenues. The Alliance for Better Long Term Care advocates on behalf of residents of nursing homes, assisted living residences and certain other facilities, as well as recipients of home care services. The House Finance Committee concurs.
- ***Aging and Disability Resource Center.*** The Governor includes \$200,000 from federal funds for FY 2019 and FY 2020 in the Executive Office of Health and Human Services’ budget to develop and maintain a website for the Aging and Disability Resource Center. The House Finance Committee concurs.
- ***Meals on Wheels/Elderly Nutrition Services.*** The Governor recommends the enacted level of \$530,000 from general revenues to support Meals on Wheels. The House Finance Committee concurs.
- ***Waterfire Providence.*** The Governor’s budget includes the enacted level of \$375,000 from general revenues to support operational costs of Waterfire Providence art installations. The House Finance Committee concurs.
- ***Arts Funds.*** The Governor recommends the enacted level of \$0.8 million from general revenues for the Rhode Island State Council on the Arts’ grant awards. The House Finance Committee concurs.
- ***Dual and Concurrent Enrollment.*** The Governor’s budget includes \$2.3 million from tuition savings fees for the dual and concurrent enrollment initiative to allow qualified high school students to earn college credit at no cost to the student. The recommendation is \$0.5 million more than enacted. The House Finance Committee concurs.

- **College Crusade Support.** The Governor's budget includes \$3.9 million to support the operations and scholarship programs offered by the College Crusade of Rhode Island, including \$3.5 million from the GEAR-UP federal grant and \$0.4 million from general revenues. The federal grant provides funds to states and nonprofits to support eligible low-income and disabled students in pursuit of secondary school diplomas and to prepare for postsecondary education. The \$0.4 million from general revenues supports staffing and office space. The House Finance Committee concurs.
- **Correctional Officer Training Class.** The Governor's revised recommendation adds \$0.3 million to start a new correctional officer class in June 2019. The Governor recommends \$0.7 million for the remaining costs for the class in FY 2020. This includes 10 additional correctional officer positions assumed to result in \$0.7 million of overtime savings. The enacted budget includes \$0.1 million assuming only recruiting would begin in June 2019. The House Finance Committee concurs.
- **Crossroads.** The Governor recommends the enacted level of \$1.1 million for discharge planning services for sex offenders provided by Crossroads Rhode Island. The House Finance Committee concurs.
- **Indigent Defense Program.** The Governor's budget includes \$4.4 million from general revenues for the Judiciary's indigent defense program, which is \$0.4 million more than enacted based on increased caseloads. The House Finance Committee concurs.
- **Rhode Island Legal Services.** The Governor's budget includes the enacted level of \$90,000 from general revenues for Rhode Island Legal Services to provide housing and eviction defense to indigent individuals. The House Finance Committee concurs.
- **Rhode Island Coalition Against Domestic Violence.** The Governor's budget includes \$230,000 from general revenues for the Rhode Island Coalition Against Domestic Violence for the domestic abuse court advocacy project, consistent with the enacted budget. The House Finance Committee concurs.
- **Overdose Prevention and Intervention/HOPE Initiative.** The Governor's budget includes \$7.6 million for FY 2019 and \$13.1 million for FY 2020 for state programs addressing opioid prevention and intervention. In October 2018, the Department of Public Safety announced the HOPE Initiative, a statewide effort between law enforcement and substance abuse professionals that will help individuals struggling with addiction. The state received a federal grant that will expand residential services, as well as recovery and peer support programs. The Department of Behavioral Healthcare, Developmental Disabilities and Hospitals' budget includes \$6.5 million for FY 2019 and \$12.6 million for FY 2020. The Department of Public Safety's budget includes \$1.1 million for FY 2019 and \$0.5 million for FY 2020. The House Finance Committee concurs.
- **Route 95 Northbound Providence Viaduct project.** The House Finance Committee authorizes the issuance of \$200.0 million through the Grant Anticipation Revenue Vehicle (GARVEE) to fund construction cost for Route 95 Northbound Providence Viaduct project, which will include replacing four of five bridges in the interchange, six structures will be rehabilitated, and three new structures will be built, separating local and express lanes. Annual debt service of \$16.9 million will be supported by future federal funds increases allotted to the state.
- **Toll Revenue.** The Governor's budget assumes toll revenues of \$7.0 million in the current year, based on two gantries being operational and \$26.0 million in FY 2020 from 12 gantries, with four in operations for 12 months, one for ten months, two for nine months, and one each for eight, six, four, three and one months. The House Finance Committee concurs.
- **Department of Transportation Staffing.** The Governor recommends an additional 30.0 full-time equivalent positions for the Department of Transportation, reflective of the Department's plan to perform

more operations in-house. The recommendation also includes a new community liaison officer, an economic and policy analyst, a project manager, and a managing engineer. As of the first pay period in January, the Department has 64.4 positions vacant. The House Finance Committee recommends staffing consistent with the enacted authorization.

- ***Turnpike and Bridge Authority.*** The House Finance Committee recommends legislation authorizing the Rhode Island Turnpike and Bridge Authority to issue up to \$50.0 million of revenue bonds to finance renovations and repairs of bridges under its purview. The legislation assumes a 6.0 percent interest rate and a 30-year term. Annual debt service would be \$3.6 million and would be supported by tolls, gasoline tax and other revenues that the Authority receives.
- ***Maintenance Projects to HMA.*** The Governor's budget includes legislation requiring the Department of Transportation to use a total of \$550,000 of the Highway Maintenance Account, including \$400,000 for bicycle path projects and \$150,000 to make improvements to the Welcome Center. The House Finance Committee does not concur and recommends \$150,000 from Rhode Island Capital Plan funds for the Welcome Center. It also recommended \$15.0 million of excess gasoline tax receipts for capital projects.
- ***Rhode Island Public Transit Authority.*** The Governor's budget dedicates an additional \$5.0 million from the Department of Transportation's share of the Highway Maintenance Account to the Rhode Island Public Transit Authority. This is in addition to the 5.0 percent share that the Authority receives under current law. This will be used to fund the Authority's debt service and free-fare program for low income seniors and persons with disabilities. The 2017 Assembly adopted legislation to provide the Authority with the additional \$5.0 million for two years and is set to expire at the end of FY 2019. The Assembly also required that the Authority convene a coordinating council to develop recommendations for sustainable funding of the free-fare program. The House Finance Committee recommends legislation to provide the Authority with the additional resources in perpetuity.
- ***Public Transit Authority - Bus Match.*** The Governor's budget assumes use of \$3.1 million from the Department of Transportation's share of the Highway Maintenance Account to finance buses for the Rhode Island Public Transit Authority. The House Finance Committee concurs with the use but retains it as a Department of Transportation expense.
- ***Public Transit Authority - Additional Gas Tax.*** The Governor's budget dedicates an additional half cent of the gasoline tax to the Transit Authority to support the use of new electric vehicle technology. The gasoline tax is indexed to the Consumer Price Index every other year, with the increase going to the Department of Transportation. The tax is scheduled to increase in FY 2020 by one cent based on this adjustment. The House Finance Committee does not concur.
- ***Division of Motor Vehicles.*** The Governor's budget proposes altering uses of the Highway Maintenance Account requiring the Department of Transportation to reimburse the Division of Motor Vehicles for the salary and benefit costs of certain employees involved in the collection of the fees. The budget assumes use of \$4.5 million from the Highway Maintenance Account for the Division of Motor Vehicles to cover costs of fee collection.

The House Finance concurs with the recommendation to use a portion of these resources to offset the cost of collections but would do so by retaining 5.0 percent of total resources rather than allowing for administrative discretion on use of the funds for the Division.

- ***Winter Maintenance.*** The Governor's budget assumes \$21.2 million for winter maintenance expenditures in FY 2020, \$0.7 million less than enacted. The revised budget includes \$20.8 million. The House Finance Committee recommends reducing current year funding by \$2.8 million based on anticipated expenditures.

- ***Bike Path Maintenance.*** The Governor recommends \$4.0 million, \$2.0 million each from Rhode Island Capital Plan funds and highway maintenance funds for maintenance of bike paths. The House Finance Committee recommends \$2.0 million from Rhode Island Capital Plan funds. It also recommends \$15.0 million of excess gasoline tax receipts for capital projects.
- ***Highway Drainage.*** The Governor’s capital budget assumes use of \$6.0 million and \$6.1 million for FY 2019 and FY 2020, respectively, from highway maintenance funds for catch basin inspection and cleaning. The Department is currently required by a consent decree with the U.S. Department of Justice to maintain storm drains and address pollutants that are going into the Narragansett Bay and other waterways. Pursuant to the consent decree, the Department of Transportation must inspect and clean the state’s 25,000 catch basins annually. The Governor subsequently requested an amendment to reduce FY 2020 recommended expenditures by \$50,000. The House Finance Committee concurs.
- ***Providence Transit Connector.*** The capital budget includes a total of \$2.0 million from Rhode Island Capital Plan funds and \$2.1 million from highway maintenance funds to provide matching funds to improve the transit corridor between Kennedy Plaza, the Providence Train Station and other hubs. This matches a \$13.6 million federal grant awarded to the Rhode Island Public Transit Authority. The House Finance Committee concurs.
- ***Pawtucket Bus Hub and Transit Corridor.*** The capital budget includes \$8.9 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.
- ***College Hill Bus Tunnel.*** The capital budget assumes use of \$1.9 million from Rhode Island Capital Plan funds over FY 2020 through FY 2022 to match \$7.5 million of federal funds to make structural and drainage repairs, as well as safety improvements to the College Hill Bus Tunnel. The House Finance Committee concurs.
- ***Land and Building Enhancements.*** The capital budget assumes use of \$450,000 million from Rhode Island Capital Plan funds over FY 2020 through FY 2024 to match \$16.7 million of federal funds to make improvements to the Authority’s several facilities. The House Finance Committee concurs and recommends an additional \$0.8 million over FY 2020 and FY 2021 for additional matching funds.

## General Revenue Surplus Statement

The following table shows the general revenue balances as recommended by the House Finance Committee. The Committee recommends an FY 2020 surplus of \$0.5 million, and has an operating deficit of \$25.9 million reflecting use of the FY 2019 surplus. The FY 2020 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 \$198.5 million in FY 2018, \$203.6 million in FY 2019, and \$210.1 million in FY 2020. The account receives 3.0 percent of general revenues plus free surplus annually.

	FY 2018	FY 2019	FY 2020
<b>Opening Surplus</b>			
Free Surplus	\$ 61,660,230	\$ 52,525,379	\$ 26,434,117
Reappropriated Surplus	10,338,899	10,057,409	-
<b>Subtotal</b>	<b>\$ 71,999,129</b>	<b>\$ 62,582,788</b>	<b>\$ 26,434,117</b>
<b>Revenues</b>			
Actual/Enacted/Estimated	\$ 3,908,384,435	\$ 3,998,485,298	\$ 3,950,250,000
Governor	-	10,786,873	248,637,451
Assembly	-	10,585,014	(23,658,780)
<b>Revenues</b>	<b>\$ 3,908,384,435</b>	<b>\$ 4,019,857,185</b>	<b>\$ 4,175,228,671</b>
Cash Stabilization Fund	(119,101,340)	(122,171,477)	(126,049,884)
<b>Total Available Resources</b>	<b>\$ 3,861,282,224</b>	<b>\$ 3,960,268,496</b>	<b>\$ 4,075,612,904</b>
<b>Expenditures</b>			
Actual/Enacted/Estimated	\$ 3,798,699,436	\$ 3,908,207,061	\$ 4,107,591,973
Reappropriations	-	10,057,409	-
Governor	-	28,787,783	(32,498,834)
Assembly	-	(13,217,874)	23,852
<b>Total Expenditures</b>	<b>\$ 3,798,699,436</b>	<b>\$ 3,933,834,379</b>	<b>\$ 4,075,116,991</b>
<b>Total Surplus</b>	<b>\$ 62,582,788</b>	<b>\$ 26,434,117</b>	<b>\$ 495,913</b>
Reappropriations	(10,057,409)	-	-
<b>Free Surplus</b>	<b>\$ 52,525,379</b>	<b>\$ 26,434,117</b>	<b>\$ 495,913</b>
<i>Operating Surplus/(Deficit)</i>	922,558	<i>(26,091,262)</i>	<i>(25,938,204)</i>
<b>Budget Stabilization and Cash Reserve</b>	<b>\$ 198,502,233</b>	<b>\$ 203,619,128</b>	<b>\$ 210,083,139</b>
Percent of Revenues	5.1%	5.1%	5.0%



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## **Section II**

# **Adjustments to Governor's FY 2020 Budget**

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	<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	<i>Revenue Changes</i>					
1	May Conference	(8,503,567)	-	-	-	(8,503,567)
2	Enhanced R and D Tax Credit	1,300,000	-	-	-	1,300,000
	Sales and Use Tax on Hunting,					
3	Trapping & Shooting Ranges	(604,088)	-	-	-	(604,088)
4	Sales Tax on Lobbying Services	(297,154)	-	-	-	(297,154)
5	Sales Tax on Interior Design Services	(754,836)	-	-	-	(754,836)
	Sales Tax on Interior Services to					
6	Buildings	(10,127,010)	-	-	-	(10,127,010)
7	Sales Tax Exemptions - October 1	(692,211)				(692,211)
8	Cigarette Tax	(3,105,751)	-	-	-	(3,105,751)
9	Cigar Tax Cap from 50 to 80 Cents	(622,520)	-	-	-	(622,520)
	Liquid Nicotine/E-Cigarette 40%					
10	Wholesale Tax	(339,991)	-	-	-	(339,991)
	Cigarette Licensing Fee to \$400,					
11	Impose Fee on E-Cigarette Licensees	(535,000)	-	-	-	(535,000)
12	Adult Use Marijuana	(4,928,577)	-	-	-	(4,928,577)
13	Medicaid Employer Assessment	(15,598,337)	-	-	-	(15,598,337)
14	Medical Marijuana Program Changes	1,421,809	-	-	-	1,421,809
15	Medicaid Proposals	574,409				574,409
16	Municipal Tax Block Fee	(406,250)	-	-	-	(406,250)
17	Ammunitions and Guns Surcharge	(804,305)	-	-	-	(804,305)
18	Hotel Tax 1% Increase	(4,352,623)	-	-	-	(4,352,623)
19	Beach Fees at Current Level	(737,801)	-	-	-	(737,801)
	Camping and Recreation Fee					
20	Revisions	(226,577)	-	-	-	(226,577)
21	SARA Fees	86,500	-	-	-	86,500
22	HMA Cost Recovery for DMV	4,850,000	-	-	-	4,850,000
23	Quonset Development Corporation	1,200,000	-	-	-	1,200,000
24	First Wave Closing Fund	1,500,000	-	-	-	1,500,000
25	Attorney General Settlements	5,000,000	-	-	-	5,000,000
	E-911 Separate Fee to Restricted -					
26	Oct. 1	(5,600,000)	-	-	-	(5,600,000)
	Rebuild Sales Tax Rebates to Rebuild					
27	Fund	5,600,000	-	-	-	5,600,000
28	Hospital License Fee at 6%	13,045,100	-	-	-	13,045,100
	<b>Total</b>	<b>(23,658,780)</b>	<b>5,015,340</b>	<b>9,920,412</b>	<b>21,163,307</b>	<b>12,440,279</b>
	<i>Expenditures Changes</i>					
	<b>Statewide</b>					
	<b>Administration</b>					
	Capital - BHDDH DD & Community	-				
29	Homes Fire Code (GBA)		-	-	1,250,000	1,250,000
	Capital - BHDDH Substance Abuse					
30	Asset Protection (GBA)	-	-	-	250,000	250,000

	<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>31</b>	Capital - Board of Elections/Medical Examiners (GBA)	-	-	-	(6,000,000)	(6,000,000)
<b>32</b>	Capital - Cannon Building	-	-	-	1,250,000	1,250,000
<b>33</b>	Capital - Capitol Hill Campus Projects	-	-	-	(4,125,000)	(4,125,000)
<b>34</b>	Capital - Chapin Health Lab	-	-	-	275,000	275,000
<b>35</b>	Capital - DoIT Operations Center (GBA)	-	-	-	(500,000)	(500,000)
<b>36</b>	Capital - Hospital Consolidation (GBA)	-	-	-	702,000	702,000
<b>37</b>	Capital - Non-Medical Buildings Asset	-	-	-	4,350,388	4,350,388
<b>38</b>	Capital - Old Colony House	-	-	-	25,000	25,000
<b>39</b>	Capital - Old State House	-	-	-	500,000	500,000
<b>40</b>	Capital - Pastore Center Buildings Demolition (GBA)	-	-	-	(1,000,000)	(1,000,000)
<b>41</b>	Capital - Pastore Center Campus Projects	-	-	-	(7,587,888)	(7,587,888)
<b>42</b>	Capital - Pastore Center Medical Buildings Asset Protection	-	-	-	3,487,500	3,487,500
<b>43</b>	Capital - Pastore Center Power Plant (GBA)	-	-	-	1,600,000	1,600,000
<b>44</b>	Capital - Pastore Center Utilities System Upgrade (GBA)	-	-	-	387,000	387,000
<b>45</b>	Capital - Shepard Building (GBA)	-	-	-	(750,000)	(750,000)
<b>46</b>	Capital - South County Projects	-	-	-	(450,000)	(450,000)
<b>47</b>	Capital - State House Renovations (GBA)	-	-	-	900,000	900,000
<b>48</b>	Capital - Statewide Facility Master Plan	-	-	-	(1,750,000)	(1,750,000)
<b>49</b>	Capital - State Office Building	-	-	-	350,000	350,000
<b>50</b>	Capital - State Office Reorganization & Relocation	-	-	-	1,750,000	1,750,000
<b>51</b>	Capital - Washington County Government Center	-	-	-	1,050,000	1,050,000
<b>52</b>	Capital - William Powers Building	-	-	-	1,250,000	1,250,000
<b>53</b>	Capital - Zambarano Buildings (GBA)	-	-	-	(1,478,000)	(1,478,000)
<b>54</b>	Complete Count Initiative	350,000	-	-	-	350,000
<b>55</b>	Convention Center Energy Improvement Savings	(500,000)	-	-	-	(500,000)
<b>56</b>	DCAMM - New Project Managers (2.0 FTE)	-	-	-	-	-
<b>57</b>	Debt Service - 38 Studios	(1,081,149)	-	-	-	(1,081,149)
<b>58</b>	Deloitte Settlement Shift from FY 2019	(414,343)	-	414,343	-	-
<b>59</b>	Disparity Study	(280,000)	-	-	-	(280,000)
<b>60</b>	Efficiency Commission Savings Distribution	10,000,000	-	-	-	10,000,000

	<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>61</b>	Energy Resources - Federal Grant Awards (GBA)	-	210,000	-	-	210,000
<b>62</b>	Fraud and Waste Savings (GBA)	2,249,482	-	-	-	2,249,482
<b>63</b>	Garrahy Parking Garage - Debt Service	(1,421,633)	-	-	-	(1,421,633)
<b>64</b>	HealthSource RI - Turnover Savings	-	-	(250,000)	-	(250,000)
<b>65</b>	HealthSource RI Gen. Rev. Expenses to Available Receipts	(750,000)	-	750,000	-	-
<b>66</b>	High Security Renovation Debt Service	(1,125,000)	-	-	-	(1,125,000)
<b>67</b>	Historic Structures Debt Service Savings (GBA)	(420,798)	-	-	-	(420,798)
<b>68</b>	Human Resources - Employee Benefits (1.0 FTE)	-	-	-	-	-
<b>69</b>	Human Resources - New Positions (3.0 FTE)	-	-	-	-	-
<b>70</b>	Information Tech. - Additional Staffing (11.0 FTE)	-	-	-	-	-
<b>71</b>	Litigation Oversight Unit (2.0 FTE)	(105,536)	(105,536)	-	-	(211,072)
<b>72</b>	Purchasing - Senior Buyer (1.0 FTE)	(108,791)	-	-	-	(108,791)
<b>73</b>	Rhode Island Library Association	100,000	-	-	-	100,000
<b>74</b>	Torts	500,000	-	-	-	500,000
<b>75</b>	Water Resources Board Transfer	443,759	-	-	-	443,759
	<b>Business Regulation</b>					
<b>76</b>	Adult Use Marijuana (17.0 FTE)	-	-	(4,380,515)	-	(4,380,515)
<b>77</b>	Capital - Fire Academy (GBA)	-	-	-	185,160	185,160
<b>78</b>	Fire Academy Training Fees (GBA)	-	-	246,000	-	246,000
<b>79</b>	Medical Marijuana Staffing (2.0 FTE)	-	-	163,878	-	163,878
<b>80</b>	OHIC Unfunded Positions (2.0 FTE)	-	(9,906)	-	-	(9,906)
<b>81</b>	Ombudsman Funding from Commerce	158,884	-	-	-	158,884
<b>82</b>	RI REACH Medicaid Match	(30,000)	-	-	-	(30,000)
<b>83</b>	State Building Office (2.0 FTE) (GBA)	(125,839)	-	-	-	(125,839)
<b>84</b>	Streamline and Simplify (7.0 FTE)	(614,520)	-	-	-	(614,520)
	<b>Executive Office of Commerce</b>					
<b>85</b>	Airport Impact Aid	247,536	-	-	-	247,536
<b>86</b>	East Providence Waterfront Commission	50,000	-	-	-	50,000
<b>87</b>	Capital - Site Readiness	-	-	-	(1,000,000)	(1,000,000)
<b>88</b>	Commerce Corporation Ombudsman Funding	(158,884)	-	-	-	(158,884)
<b>89</b>	I-195 Redevelopment Fund	(1,000,000)	-	-	-	(1,000,000)
<b>90</b>	Pay for Success	(500,000)	-	-	-	(500,000)
<b>91</b>	Rebuild Fund Cash Flow	(5,000,000)	-	-	-	(5,000,000)
<b>92</b>	Small Business Loan Fund Increase	(250,000)	-	-	-	(250,000)
<b>93</b>	Streamline & Simplify (2.0 FTE)	(1,712,724)	-	-	-	(1,712,724)

	<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>94</b>	Urban Ventures	140,000	-	-	-	140,000
<b>Labor and Training</b>						
<b>95</b>	Employer Medicaid Assessment (5.0 FTE)	(1,133,855)	-	-	-	(1,133,855)
<b>96</b>	Grant and Audit Units (6.0 FTE)	-	(280,091)	(404,135)	-	(684,226)
<b>97</b>	Restore Employer Tax to DOR	-	(1,424,338)	(2,026,451)	-	(3,450,789)
<b>Revenue</b>						
<b>98</b>	Adult Use Marijuana (4.0 FTE)	-	-	(790,184)	-	(790,184)
<b>99</b>	Car Tax to Current Law	16,286,069	-	-	-	16,286,069
<b>100</b>	Central Falls Operating	600,000	-	-	-	600,000
<b>101</b>	DMV Staffing from HMA Revenues	4,534,968	-	-	(4,534,968)	-
<b>102</b>	DMV Turnover and Operations	(900,000)	-	-	-	(900,000)
<b>103</b>	License Plate Inspectors (2.0 FTE)	(159,038)	-	-	-	(159,038)
<b>104</b>	Liquid Nicotine/E-Cigarette Licensing	(379,964)	-	-	-	(379,964)
<b>105</b>	Municipal Finance Staffing (GBA)	143,224	-	-	-	143,224
<b>106</b>	PILOT to Enacted	5,259,095	-	-	-	5,259,095
<b>107</b>	Real ID Advertising (GBA)	(70,000)	-	-	-	(70,000)
<b>108</b>	Restore Employer Tax to DOR	-	1,424,338	990,653	1,035,798	3,450,789
<b>109</b>	RIMS Shortfall	900,000	-	(1,142,176)	-	(242,176)
<b>110</b>	Sales Tax Expansion (3.0 FTE)	(552,299)	-	-	-	(552,299)
<b>111</b>	Taxation IT to ITIF Property Sales (GBA)	(2,914,768)	-	-	-	(2,914,768)
<b>112</b>	Taxation Records (GBA)	36,000	-	-	-	36,000
<b>113</b>	Taxation Turnover	(300,000)	-	-	-	(300,000)
<b>Legislature</b>						
<b>114</b>	Turnover and Operating	(750,000)	-	-	-	(750,000)
<b>Secretary of State</b>						
<b>115</b>	Turnover Restoration	300,000	-	-	-	300,000
<b>Office of the General Treasurer</b>						
<b>116</b>	Unclaimed Property	-	-	437,256	-	437,256
<b>Board of Elections</b>						
<b>117</b>	Relocation (GBA)	286,272	-	-	-	286,272
<b>Governor's Office</b>						
<b>118</b>	Contingency Fund	(100,000)	-	-	-	(100,000)
<b>119</b>	Turnover	(300,000)	-	-	-	(300,000)
<b>Public Utilities Commission</b>						
<b>120</b>	Consumer Agent (1.0 FTE)	-	-	(89,185)	-	(89,185)
<b>121</b>	Engineering Specialist II (2.0 FTE)	-	-	(207,474)	-	(207,474)
<b>122</b>	Public Utilities Analyst (1.0 FTE)	-	-	(89,185)	-	(89,185)

	<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>123</b>	Water Resources Board Transfer (3.0 FTE)	-	-	(443,759)	-	(443,759)
	<b>Executive Office of Health and Human Services</b>					
<b>124</b>	Adult Use Marijuana	-	-	(1,000,000)	-	(1,000,000)
<b>125</b>	Behavioral Health Benchmark Study	(150,000)	(37,500)	-	-	(187,500)
<b>126</b>	Centers for Health Care Strategies - Medicaid Academies	(35,000)	(35,000)	-	-	(70,000)
<b>127</b>	Cortical Integrated Therapy Restore to Enacted	1,000,000	-	-	-	1,000,000
<b>128</b>	Deloitte Settlement Shift from FY 2019	(855,662)	-	(876,379)	-	(1,732,041)
<b>129</b>	Graduate Medical Education	1,000,000	-	-	-	1,000,000
<b>130</b>	Financial and Management Contracted Services	(2,000,000)	(2,000,000)	-	-	(4,000,000)
<b>131</b>	Hospital Rates	14,283,779	26,111,523	-	-	40,395,302
<b>132</b>	Hospitals - Uncompensated Care	1,223,787	1,377,248.0	-	-	2,601,035
<b>133</b>	Hospitals - Upper Payment Limit	(182,315)	(376,701)	-	-	(559,016)
<b>134</b>	Medicaid Caseload - May Conference	(5,586,917)	(11,590,166)	1,069,995	-	(16,107,088)
<b>135</b>	Medicaid Waiver Independent Evaluation	(350,000)	(350,000)	-	-	(700,000)
<b>136</b>	New Legal Staff (3.0 FTE)	(342,518)	(53,007)	-	-	(395,525)
<b>137</b>	Office of Internal Audit - Fraud Savings (GBA)	(1,861,273)	(4,498,788)	-	-	(6,360,061)
<b>138</b>	Retain Division of Elderly Affairs in DHS	(8,421,239)	(13,511,791)	(172,609)	-	(22,105,639)
<b>139</b>	Retain Office of Veterans' Affairs in DHS	(25,831,689)	(13,459,517)	(1,000,000)	-	(40,291,206)
<b>140</b>	Rhode Island Quality Institute - Currentcare (GBA)	-	(766,915)	-	-	(766,915)
<b>141</b>	Rite Share Enrollment Outreach	(1,124,251)	(1,260,669)	-	-	(2,384,920)
<b>142</b>	Staffing Turnover and Vacancies	(950,000)	(750,000)	-	-	(1,700,000)
	<b>Children, Youth and Families</b>					
<b>143</b>	Capital - Female Residential Facility (GBA)	-	-	-	1,500,000	1,500,000
<b>144</b>	Capital - Generators - Training School (GBA)	-	-	-	185,000	185,000
<b>145</b>	Capital - Training School Asset Protection (GBA)	-	-	-	(750,000)	(750,000)
<b>146</b>	Child Care Rate Increase	(37,185)	-	-	-	(37,185)
<b>147</b>	Child Care to Block Grant Funds	(2,500,000)	2,500,000	-	-	-
<b>148</b>	Children's Behavioral Health Licensing (GBA)	(46,112)	(28,262)	-	-	(74,374)
<b>149</b>	LEA Status	(250,000)	250,000	-	-	-
<b>150</b>	Parking Lease Savings (GBA)	(55,540)	-	-	-	(55,540)
<b>151</b>	Visual Lead Inspection	250,000	(250,000)	-	-	-

	<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>Health</b>						
<b>152</b>	Adult Use Marijuana (3.0 FTE)	-	-	(319,919)	-	(319,919)
<b>153</b>	Available Restricted Receipts	(500,000)	-	500,000	-	-
<b>154</b>	Family Home Visiting Programs	(650,000)	-	-	-	(650,000)
<b>155</b>	First Connections	(378,000)	-	-	-	(378,000)
<b>156</b>	Health Information Technology (GBA)	-	-	(144,784)	-	(144,784)
<b>157</b>	Lab. Equipment Maintenance Expenses	(63,000)	-	-	-	(63,000)
<b>158</b>	Lead Prevention Increase	(190,000)	-	-	-	(190,000)
<b>159</b>	Monitoring & Compliance Expenses to General Revenue	509,881	-	(509,881)	-	-
<b>160</b>	Staffing Cost Correction (GBA)	-	(186,041)	(46,996)	-	(233,037)
<b>Human Services</b>						
<b>161</b>	Capital - Office of Veterans' Affairs (GBA)	-	-	152,000	-	152,000
<b>162</b>	Capital - Veterans' Home Asset Protection	-	-	-	250,000	250,000
<b>163</b>	Cash Assistance Caseload - May Conference	(1,599,542)	(5,477,078)	-	-	(7,076,620)
<b>164</b>	Child Care Program Expansion	(200,000)	-	-	-	(200,000)
<b>165</b>	Child Care Rates for Licensed Centers	(696,919)	-	-	-	(696,919)
<b>166</b>	Community Action Fund	80,000	-	-	-	80,000
<b>167</b>	Deloitte Settlement Shift from FY 2019	(13,307,102)	-	13,307,102	-	-
<b>168</b>	Indirect Cost Recovery	(200,000)	-	200,000	-	-
<b>169</b>	Institute for Nonviolence	(200,000)	-	-	-	(200,000)
<b>170</b>	Office of Elder Affairs - Co-Pay	(581,643)	(731,134)	-	-	(1,312,777)
<b>171</b>	Office of Veterans' Affairs - RI Serves	(153,000)	-	-	-	(153,000)
<b>172</b>	Office of Veterans' Affairs - Veterans' Organizations Increased	(200,000)	-	-	-	(200,000)
<b>173</b>	Rental Property (GBA)	(296,337)	(483,498)	-	-	(779,835)
<b>174</b>	Respite Care	45,000	-	-	-	45,000
<b>175</b>	Retain Division of Elderly Affairs	8,421,239	13,511,791	172,609	-	22,105,639
<b>176</b>	Retain Office of Veterans' Affairs	25,831,689	13,459,517	1,000,000	-	40,291,206
<b>BHDDH</b>						
<b>177</b>	Capital - DD Residential Development	-	-	-	(200,000)	(200,000)
<b>178</b>	Capital - Hospital Equipment	-	-	-	(300,000)	(300,000)
<b>179</b>	Capital - Substance Abuse Asset Protection to DOA (GBA)	-	-	-	(350,000)	(350,000)
<b>180</b>	Health Home Case Management Match (GBA)	-	13,023,590	-	-	13,023,590
<b>181</b>	Hospital License Fee	(12,072)	81,231	-	-	69,159

	<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>182</b>	RICARES to Federal Funds	(100,000)	-	-	-	(100,000)
<b>183</b>	Security Services	(300,000)	(300,000)	-	-	(600,000)
	<b>Deaf and Hard of Hearing</b>					
<b>184</b>	Turnover Savings	(30,000)	-	-	-	(30,000)
	<b>Elementary &amp; Secondary Education</b>					
<b>185</b>	Adolescent Health (1.0 FTE)	-	(133,074)	-	-	(133,074)
<b>186</b>	Advanced Coursework Network to Enacted	(50,000)	-	-	(200,000)	(250,000)
<b>187</b>	Capital - Davies HVAC	-	-	-	(500,000)	(500,000)
<b>188</b>	Computer Science to Enacted	(50,000)	-	-	-	(50,000)
<b>189</b>	COZ Support	50,000	-	-	-	50,000
<b>190</b>	Education Aid - FY 2019 Formula Error	1,831,118	-	-	-	1,831,118
<b>191</b>	Education Aid - Data Update	759,284	-	-	-	759,284
<b>192</b>	Education Aid - Training School Cost Shift	1,330,984	-	-	-	1,330,984
<b>193</b>	Literacy/Dyslexia Training and Support	250,000	-	-	-	250,000
<b>194</b>	Mental Health in Schools	(590,000)	-	-	-	(590,000)
<b>195</b>	Prekindergarten Expansion	(703,081)	-	-	-	(703,081)
<b>196</b>	Regional District Transportation Aid	250,000	-	-	-	250,000
<b>197</b>	School Climate (1.0 FTE)	-	(133,074)	-	-	(133,074)
<b>198</b>	School Construction (1.0 FTE)	-	-	(133,074)	-	(133,074)
<b>199</b>	School Improvement Position	120,000	-	-	-	120,000
<b>200</b>	School Leadership Position	150,000	-	-	-	150,000
<b>201</b>	School Meal Mandates	(55,000)	-	-	-	(55,000)
<b>202</b>	STEM Curriculum Position	120,000	-	-	-	120,000
	<b>Higher Education</b>					
<b>203</b>	Best Buddies	15,000	-	-	-	15,000
<b>204</b>	Capital - CCRI Knight Campus Lab Renovation (GBA)	-	-	-	(1,300,000)	(1,300,000)
<b>205</b>	Capital - OPC Higher Education Centers (GBA)	-	-	-	1,800,000	1,800,000
<b>206</b>	Capital - RIC Academic Buildings Phase I (GBA)	-	-	-	(2,000,000)	(2,000,000)
<b>207</b>	Capital - RIC Master Plan Advanced Planning (GBA)	-	-	-	300,000	300,000
<b>208</b>	Capital - URI Biological Resources Lab (GBA)	-	-	-	2,855,486	2,855,486
<b>209</b>	CCRI - Current Promise Program Experience	(900,000)	-	-	-	(900,000)
<b>210</b>	CCRI Administrative Staffing	(250,000)	-	-	-	(250,000)
<b>211</b>	CCRI SNAP Scholarship	(235,000)	-	-	-	(235,000)
<b>212</b>	New England Board of Higher Education	147,000	-	-	-	147,000

	<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
213	Northern RI Education Center (1.0	-	-	(138,283)	-	(138,283)
214	OPC New Grants (GBA)	-	-	590,802	-	590,802
215	OPC - RIDE Co-Locate Downsize (GBA)	(1,000,000)	-	-	-	(1,000,000)
216	Promise - No Expansion	-	(6,853,141)	-	3,095,000	(3,758,141)
217	RIC Operating Support	900,000	-	-	-	900,000
218	SARA Fees (Operating)	71,000	-	(71,000)	-	-
<b>Arts Council</b>						
219	Arts Workforce Development Grant	(30,000)	-	-	-	(30,000)
220	New Arts and Health Grant (GBA)	-	-	40,000	-	40,000
221	VSA Arts Grant	(50,000)	-	-	-	(50,000)
<b>Corrections</b>						
222	Capital - Asset Protection	-	-	-	(4,175,672)	(4,175,672)
223	Capital - Correctional Facilities - Renovations	-	-	-	4,875,000	4,875,000
224	High Security Renovation Savings	5,110,491	-	-	-	5,110,491
225	Judiciary Charges (GBA)	(30,000)	-	-	-	(30,000)
226	Laboratory Work In-Source	(165,000)	-	-	-	(165,000)
227	Population Savings	(100,000)	-	-	-	(100,000)
228	Price Facility Operations (GBA)	(358,409)	-	-	-	(358,409)
229	State Criminal Alien Assistance Program	(124,233)	124,233	-	-	-
230	Turnover	(350,000)	-	-	-	(350,000)
<b>Judicial</b>						
231	Capital - Judicial Complexes Fan Coils (GBA)	-	-	-	(500,000)	(500,000)
232	Capital - Noel Shelled Courtroom Build Out (GBA)	-	-	-	2,176,073	2,176,073
233	Court Operating to FY 2019 Revised Level	(500,000)	-	-	-	(500,000)
234	Drug Court Diversion Staffing (3.0 FTE)	348,000	-	-	-	348,000
235	Pay-Go Judges Pensions	(761,795)	-	-	-	(761,795)
<b>Military Staff</b>						
236	Capital - Bristol Readiness Center (GBA)	-	-	-	125,000	125,000
237	Capital - Joint Force Headquarters Building (GBA)	-	-	-	357,896	357,896
238	Capital - Armory of Mounted Command Roof Replacement (GBA)	-	-	-	536,575	536,575
<b>Public Safety</b>						
239	Adult Use Marijuana	-	-	(850,000)	-	(850,000)
240	E-911 to Restricted	(5,094,198)	-	5,094,198	-	-

	<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
241	Fiscal Clerk (1.0 FTE)	-	-	(72,319)	-	(72,319)
242	Grants Manager (1.0 FTE)	(90,023)	-	-	-	(90,023)
243	Judiciary Charges - Sheriffs (GBA)	30,000	-	-	-	30,000
244	Recruitment	90,000	-	-	-	90,000
245	Training and Upgrades	36,500	-	222,000	-	258,500
246	Turnover	(250,000)	-	-	-	(250,000)
			-			
	<b>Public Defender</b>					
247	Parking Lease Consolidation (GBA)	(23,400)	-	-	-	(23,400)
	<b>Emergency Management Agency</b>					
248	Turnover Savings	(75,000)	-	-	-	(75,000)
	<b>Environmental Management</b>					
	Abandoned Vessel Removal					
249	Correction	-	-	(50,000)	-	(50,000)
250	America's Cup to Tourism Funds	(392,223)	-	-	-	(392,223)
	Capital - Blackstone Valley Park					
251	Improvements (GBA)	-	-	-	500,000	500,000
252	Capital - Dam Repair (GBA)	-	-	-	(1,860,000)	(1,860,000)
	Capital - Galilee Pier Improvements					
253	(GBA)	-	-	-	1,590,000	1,590,000
	Capital - Marine Infrastructure and					
254	Pier Development	-	-	-	525,000	525,000
	Capital - Recreation Facility Asset					
255	Protection	-	-	-	500,000	500,000
	Capital - Recreational Facilities					
256	Improvements	-	-	-	(500,000)	(500,000)
257	Executive Business Office (1.0 FTE)	(75,565)	-	-	-	(75,565)
	Host Beach Payments from Fee					
258	Increase	(199,206)	-	-	-	(199,206)
259	Minimum Wage Increase	(87,599)	-	-	-	(87,599)
260	OSPAR Staff (Article 5) (3.0 FTE)	-	-	(222,116)	-	(222,116)
261	Parks Operations	(450,000)	-	-	-	(450,000)
262	Parks Positions (3.0 FTE)	(350,000)	-	-	-	(350,000)
	<b>Coastal Resources Management</b>					
263	Capital - Green Hill Pond	-	-	-	30,000	30,000
	Capital - Shoreline Change (Beach)					
264	SAMP (GBA)	-	-	-	(50,000)	(50,000)
265	Staffing	(30,000)	(40,000)	-	-	(70,000)
	<b>Transportation</b>					
	Capital - Maintenance Facilities					
266	Improvements (GBA)	-	-	-	519,349	519,349
	Capital - RIPTA Land and Building					
267	Project	-	-	-	300,000	300,000
268	Capital - Welcome Center	-	-	-	150,000	150,000

	<b>FY 2020 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>269</b>	Drainage Projects Funding Adjustment (GBA)	-	-	-	(50,000)	(50,000)
<b>270</b>	Excess Resources to Capital	-	-	-	15,000,000	15,000,000
<b>271</b>	Gas Tax DOT Yield	-	-	-	259,340	259,340
<b>272</b>	Gas Tax RIPTA	-	-	-	(1,005,751)	(1,005,751)
	Gas Tax Turnpike and Bridge Authority Yield	-	-	-	453,845	453,845
<b>273</b>		-	-	-	453,845	453,845
<b>274</b>	New Positions (30.0 FTE)	-	(1,932,904)	-	(671,759)	(2,604,663)
	Vehicle Maintenance Correction (GBA)	-	-	-	6,270,935	6,270,935
<b>275</b>		-	-	-	6,270,935	6,270,935
	<b>Total</b>	<b>23,852</b>	<b>5,015,340</b>	<b>9,920,412</b>	<b>21,163,307</b>	<b>36,122,911</b>

## FY 2020 Changes to Governor

### Revenue Changes

- 1. May Conference.** The May 2019 Revenue Estimating Conference increased the FY 2020 forecast to \$3,952.5 million based on its FY 2019 revisions and the new economic forecast. The estimate is \$2.2 million more than the November estimate and \$8.5 million less than the Governor's recommended level, adjusted for recommended changes that could not be included in the estimate.
- 2. Enhanced R and D Tax Credit.** The House Finance Committee does not concur with the Governor's proposal to create a transferable tax credit program to assist businesses with costs associated with research and development investments made within the state, which would reduce general revenues by \$1.3 million.
- 3. Sales and Use Tax on Hunting, Trapping & Shooting Ranges.** The House Finance Committee does not concur with the Governor's proposal to expand state sales tax to include commercial hunting and trapping retreats and preserves or shooting ranges for archery and firearms, including memberships to shooting clubs. This proposal assumes \$0.6 million in revenues, effective October 1, 2019.
- 4. Sales Tax on Lobbying Services.** The House Finance Committee does not concur with the Governor's proposal to expand state sales tax to include lobbying services within the state, effective October 1, 2019 and eliminates the \$0.3 million in associated revenues. The Budget Office noted the original \$0.9 million estimate was overstated.
- 5. Sales Tax on Interior Design Services.** The House Finance Committee does not concur with the Governor's proposal to expand state sales tax to include interior design services, effective October 1, 2019 and eliminates the \$0.8 million in associated revenues. The Budget Office noted the original \$0.5 million estimate was understated as it was based on a January start.
- 6. Sales Tax on Interior Services to Buildings.** The House Finance Committee does not concur with the Governor's proposal to expand state sales tax to include extermination, janitorial, landscaping, carpet and upholstery cleaning, and other building services for commercial buildings effective October 1, 2019 and eliminates the \$10.1 million in associated revenues. The Budget Office noted the original \$6.2 million estimate was based on a January start.
- 7. Sales Tax Exemptions - October 1.** The House Finance Committee recommends exempting both cremation urns and feminine hygiene products from the state sales tax effective October 1 and reduces revenues by \$0.7 million to reflect this change.
- 8. Cigarette Tax.** The House Finance Committee does not concur with the Governor's proposal to increase the cigarette tax by \$0.25, to \$4.50 per 20-pack, effective August 1, 2019. The proposal assumes tobacco tax revenues of \$3.1 million, and an associated loss of \$0.1 million from sales tax collections. This tax was last raised \$0.50, effective August 1, 2017.
- 9. Cigar Tax Cap from 50 to 80 Cents.** The House Finance Committee does not concur with the Governor's proposal to raise the per-cigar tax cap from \$0.50 to \$0.80, effective August 1, 2019 and eliminates the \$0.6 million in revenues. Under current law, cigars are taxed at 80.0 percent, capped at \$0.50.
- 10. Liquid Nicotine/E-Cigarette 40% Wholesale Tax.** The House Finance Committee does not concur with the Governor's proposal to impose a 40.0 percent wholesale tax on electronic nicotine delivery

systems, effective September 1, 2019 to generate \$0.3 million in revenues. Electronic nicotine delivery systems include electronic implements for the delivery of nicotine or other substances, or e-liquid, or other components.

**11. Cigarette Licensing Fee to \$400, Impose Fee on E-Cigarette Licensees.** The House Finance Committee does not concur with the Governor's proposal to change the state's cigarette licensing fees by increasing the dealer's application fee from \$25 to \$75 and increasing the initial licensing renewal fees from \$100 to \$400. The proposal assumes \$0.5 million in new departmental receipts and that the licensing requirement would be expanded to include dealers of e-cigarette products.

**12. Adult Use Marijuana.** The House Finance Committee does not concur with the Governor's proposal to establish state regulation of adult use marijuana. The proposal assumes \$4.9 million in new revenues including \$1.0 million in sales taxes, \$1.2 million from departmental receipts and \$2.7 million from new excise taxes.

**13. Medicaid Employer Assessment.** The House Finance Committee does not concur with the Governor's proposal to institute an Employer Public Assistance Assessment to generate \$15.6 million in new revenues. The proposal would require large employers to pay the lesser of \$1,500 or 10.0 percent of employee wages, for each employee who is a Medicaid recipient.

**14. Medical Marijuana Program Changes.** The House Finance Committee recommends changes to the Governor's proposal to change to the state's medical marijuana program by adding six new compassion centers but does so in a way that increases expected new revenues by \$1.4 million above the Governor's estimate of \$1.6 million.

**15. Medicaid Proposals.** The House Finance Committee recommends adding \$0.6 million in revenues based on the hospital rate increase and savings from increased enrollment in RIte Share and the Governor's fraud, waste and abuse initiative; this adjusts the amount the state collects from the premium tax paid by these providers.

**16. Municipal Tax Block Fee.** Under current law municipalities are required to report outstanding tax liabilities to assist with collections. The Governor's budget proposes to make reporting voluntary, but assesses a \$5 new fee to municipalities for each vehicle registration hold placed on their behalf to generate \$0.4 million in new revenues. The House Finance Committee does not concur.

**17. Ammunitions and Guns Surcharge.** The House Finance Committee does not concur with the Governor's proposal to impose a 10.0 percent excise tax on ammunition and firearms, effective October 1, 2019, and reduces proposed revenues by \$0.8 million.

**18. Hotel Tax 1% Increase.** The House Finance Committee does not recommend the Governor's proposals to increase the 5.0 percent state hotel tax to 6.0 percent, effective July 1, 2019 and retain the \$4.4 million from that extra one percent for state general revenues.

**19. Beach Fees at Current Level.** The House Finance Committee does not concur with the Governor's proposal to increase beach fees to generate \$0.7 million in new revenues.

**20. Camping and Recreation Fee Revisions.** The Governor's budget assumed \$0.8 million from raising campground and other miscellaneous recreation fees. The House Finance Committee recommends reducing revenues by \$0.2 million to reflect updated estimates from the Department of Environmental Management based on actual fees that have been approved through its regulatory process. It should be noted that the full impact of these increases is estimated to be \$1.2 million in FY 2021 as many campsites were reserved in advance under current rates.

- 21. SARA Fees.** The House Finance Committee does not concur with the Governor's proposal to create a restricted receipt account for the State Authorization Reciprocity Agreement Membership fees collected by the Office of Postsecondary Commissioner. The Committee recommends that these fees continue to be deposited as general revenues and reverses the \$86,500 reduction from the conversion assumed in the Governor's budget.
- 22. HMA Cost Recovery for DMV.** The Governor's budget proposes charging the Highway Maintenance Account for certain specified positions at the Division of Motor Vehicles. While there was no dollar limit to the potential charges, the proposal assumes this relieves \$4.5 million in general revenue costs for FY 2020. The House Finance Committee concurs with the recommendation to use a portion of these resources to offset the cost of collections but would do so by retaining 5.0 percent of total resources rather than allowing for administrative discretion. Based on projected resources, the amount that would be retained in FY 2020 is \$4.9 million.
- 23. Quonset Development Corporation.** The House Finance Committee does not concur with the Governor's proposal to transfer \$2.0 million from the Quonset Development Corporation to state general revenues by June 30, 2019. It does recommend a \$1.2 million transfer for FY 2020.
- 24. First Wave Closing Fund.** Since enacting the First Wave Closing Fund, the Assembly has appropriated \$15.3 million to support the program. The program has approximately \$12.7 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. The funds can be used for working capital, equipment, furnishings, fixtures, construction, rehabilitation, purchase of property, or other purposes approved by the Corporation. The House Finance Committee recommends transferring \$1.5 million of these funds to state general revenues.
- 25. Attorney General Settlements.** The House Finance Committee includes \$5.0 million in new revenue from several recently negotiated multi-state settlements through the Office of the Attorney General expected to be received in FY 2020 as well as other settlements not previously accounted for.
- 26. E-911 Separate Fee to Restricted - Oct. 1.** The House Finance Committee recommends dedicating a portion of the Emergency Services and First Response Surcharge to a restricted receipt account to be used exclusively for 911 operations, effective October 1, 2019. This change results in a \$5.6 million reduction to general revenues and makes Rhode Island compliant with Federal Communications Commission standards for utilizing telephone surcharges for E-911.
- 27. Rebuild Sales Tax Rebates to Rebuild Fund.** The House Finance Committee recommends subjecting the sales and use tax exemption authorized in the Rebuild Rhode Island Tax Credit statute to the maximum program cap and requiring those exemptions to be paid for through the fund's available resources. The Corporation has awarded \$42.0 million of sales and use tax exemptions which are recouped by rebate after the tax is collected. The Committee also recommends increasing the aggregate credit cap from \$150 million to \$200 million, to account for the inclusion of the sales and use tax exemption. This allows \$5.6 million in rebates assumed to be paid out during FY 2020 to be charged to resources set aside in the fund.
- 28. Hospital License Fee at 6%.** The House Finance Committee recommends extending the hospital license fee at 6.0 percent in FY 2020 based on updated 2018 revenues. Total license fees collected would be \$193.8 million including \$187.0 million from community hospital payments and \$6.8 million from state payments for Eleanor Slater Hospital. This is \$13.0 million more than the Governor's budget.

## Expenditures Changes

### Administration

**29. Capital - BHDDH DD & Community Homes Fire Code (GBA).** The Governor's capital budget includes \$2.5 million from Rhode Island Capital Plan funds for FY 2019 for fire code upgrades of various facilities and residences of individuals with developmental disabilities. Based on projected expenditures, the House Finance Committee concurs with the Governor's requested amendment to shift \$1.3 million from FY 2019 to FY 2020.

**30. Capital - BHDDH Substance Abuse Asset Protection (GBA).** The Governor recommends transferring the Substance Abuse Asset Protection project to the Department of Administration from the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee concurs and includes \$233,413 for FY 2019 and \$250,000 annually for FY 2020 through FY 2024.

**31. Capital - Board of Elections/Medical Examiners (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation removed \$6.0 million from the FY 2020 budget and assumed \$9.0 million for FY 2021 in the multi-year appropriation section of Article 1. The House Finance Committee concurs with the Governor's subsequent amendment reducing current year expenditures by \$658,816, based on more updated plans to sell the building rather than convert it for use as a new Medical Examiner facility.

**32. Capital - Cannon Building.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The House Finance Committee does not concur and recommends maintaining a separate appropriation for each project. This includes \$11.7 million from Rhode Island Capital Plan funds from FY 2019 through FY 2024 for repairs and renovations to the Cannon Building, assuming use of \$1.5 million for FY 2019 and \$1.3 million for FY 2020.

**33. Capital - Capitol Hill Campus Projects.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The Governor's capital budget assumes \$33.2 million from Rhode Island Capital Plan funds for the aforementioned projects, including \$4.9 million for FY 2019 and \$4.1 million for FY 2020. The House Finance Committee does not concur and recommends maintaining a separate appropriation for each project.

**34. Capital - Chapin Health Lab.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The House Finance Committee does not concur and recommends maintaining a separate appropriation for each project. This includes \$0.7 million from Rhode Island Capital Plan funds for asset protection of the Chapin Health Lab, including \$0.4 million for FY 2019 and \$0.3 million for FY 2020. The Efficiency Commission report issued in May identified this facility as a property to be sold.

**35. Capital - DoIT Operations Center (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation reduced FY 2020 funding by \$0.5 million. The Governor requested another amendment reducing FY 2019 funding by \$650,000 from the cancellation of a generator

purchase. The House Finance Committee concurs and reduces funding in FY 2023 and FY 2024 by \$1.0 million each.

**36. Capital - Hospital Consolidation (GBA).** Consistent with the approved plan, the capital budget includes a total of \$49.9 million from Rhode Island Capital Plan funds and Certificates of Participation to reorganize hospital operations for the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee concurs with the Governor's requested amendment shifting \$0.7 million from Rhode Island Capital Plan funds from FY 2019 to FY 2020.

**37. Capital - Non-Medical Buildings Asset Protection.** The Pastore Center Campus encompasses approximately 325 acres of land and includes 35 buildings. These buildings include 1.5 million square feet of floor space and house the operations of state agencies, including the Division of Motor Vehicles, Department of Labor and Training, Department of Business Regulation and several human services agencies. The Governor's recommendation reflects a new asset protection project for the Pastore Center, including projects previously under the purview of the Department of Labor and Training and the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee does not concur with this level of funding aggregation. The Committee recommends a total of \$23.0 million from Rhode Island Capital Plan funds for asset protection projects for non-medical buildings on the campus. This assumes use of \$8.2 million for FY 2019 and \$4.4 million for FY 2020.

**38. Capital - Old Colony House.** The Governor's recommendation consolidates funding for the Old Colony House and the Washington County Government Center into a single asset protection project called South County Capital projects. The House Finance Committee does not concur and maintains separate appropriations for each project. This includes \$50,000 for FY 2019 and \$25,000 for FY 2020 for asset protection of the Old Colony House.

**39. Capital - Old State House.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The House Finance Committee does not concur and recommends maintaining a separate appropriation for each project. The Committee recommends a total of \$2.3 million from Rhode Island Capital Plan funds from FY 2019 through FY 2024 for asset protection for the Old State House. This includes \$0.3 million for FY 2019 and \$0.5 million for FY 2020.

**40. Capital - Pastore Center Buildings Demolition (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, a total of \$6.0 million from Rhode Island Capital Plan funds was reduced from FY 2020 through FY 2024. The Governor subsequently requested two amendments further revising project cost for the Pastore Center Buildings Demolition. This includes \$125,100 less for FY 2019 for architectural and engineering services for demolition and \$1.0 million less for FY 2020. The House Finance Committee concurs.

**41. Capital - Pastore Center Campus Projects.** The Governor recommends a total of \$39.9 million from Rhode Island Capital Plan funds for new asset protection projects on the Pastore Center Campus, including \$13.3 million for FY 2019 and \$4.8 million for FY 2020. The recommendation assumes funding for projects that were previously under the purview of the Department of Labor and Training and the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee does not concur with this level of aggregation and recommends the creation of two asset protection projects for the Pastore Center, including a medical buildings asset protection project and one for non-medical buildings.

**42. Capital - Pastore Center Medical Buildings Asset Protection.** The Pastore Center Campus encompasses approximately 325 acres of land and includes 35 buildings. These buildings include 1.5 million square feet of floor space and house the operations of state agencies, including the Division of Motor Vehicles, Department of Labor and Training, Department of Business Regulation and several human services agencies. The Governor's recommendation reflects a new asset protection project for the Pastore Center, including projects previously under the purview of the Department of Labor and Training and the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee does not concur with this level of aggregation, and recommends a total of \$19.7 million from Rhode Island Capital Plan funds for asset protection projects of medical buildings on the campus. This assumes use of \$5.1 million in FY 2019 and \$3.5 million for FY 2020.

**43. Capital - Pastore Center Power Plant (GBA).** The capital budget includes \$2.3 million from Rhode Island Capital Plan funds for FY 2019 through FY 2021 to continue work on the Central Power Plant in the Pastore Center. The House Finance Committee concurs with the Governor's subsequent amendment adding \$1.6 million for FY 2020 to complete an emergency steam line repair at the Hazard building.

**44. Capital - Pastore Center Utilities System Upgrade (GBA).** The FY 2019 revised budget includes \$2.6 million from Rhode Island Capital Plan funds to repair and make improvements to the electrical distribution system at the Pastore Center and to replace steam condensate pumps. The House Finance Committee concurs with the Governor's requested amendment to shift \$0.4 million from FY 2019 to FY 2020 to reflect a delay.

**45. Capital - Shepard Building (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation reduced project costs for the Shepard Building by \$150,000 for FY 2019, \$0.8 million for FY 2020 and \$0.6 million for FY 2021. The Governor subsequently requested amendments further reducing current year funding by \$0.2 million, adding \$0.6 million to FY 2021 and removing funding from FY 2022 through FY 2024 based on a recommendation of the Efficiency Commission to sell the building. The House Finance Committee concurs with the funding reduction.

**46. Capital - South County Projects.** The Governor's recommendation consolidates funding for the Old Colony House and the Washington County Government Center into a single asset protection project called South County Capital Projects. Subsequently, the Governor requested several amendments bringing the project cost to \$2.7 million from Rhode Island Capital Plan funds. The House Finance Committee recommends maintaining the appropriation for each project and providing a total of \$2.8 million.

**47. Capital - State House Renovations (GBA).** The House Finance Committee concurs with the Governor's requested amendment to include \$0.9 million from Rhode Island Capital Plan funds for FY 2020 to replace the elevators at the State House.

**48. Capital - Statewide Facility Master Plan.** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, \$2.5 million from FY 2019 was shifted to FY 2020 and FY 2021. The Governor subsequently requested several amendments to further revise the project cost including \$2.4 million less for FY 2019 based on a decision not to purchase the Colorado Avenue property and \$0.4 million less for the Pastore Master Plan. The House Finance Committee recommends \$1.0 million for the statewide facility master plan, consistent with the Department's revised project cost. This includes \$650,000 for FY 2019 and \$250,000 for FY 2020. The Committee also recommends funding for relocation expenses in a separate project.

**49. Capital - State Office Building.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The House Finance Committee recommends maintaining the appropriation for each project. It recommends \$350,000 each for FY 2019 and FY 2020. No funding is included beyond FY 2020, as the Administration will be conducting a feasibility study of moving the state archives facility into the building.

**50. Capital - State Office Reorganization & Relocation.** Following issuance of her Efficiency Commission findings, the Governor submitted a proposal to sell several state buildings and relocate staff in other state facilities. It appears that funding for office reorganization and relocation was included in a master plan project. The House Finance Committee recommends \$2.7 million from Rhode Island Capital Plan funds for relocation expenses. This includes \$1.8 million for FY 2020, consistent with the Department's projected expenses.

**51. Capital - Washington County Government Center.** The Governor's recommendation consolidates funding for the Old Colony House and the Washington County Government Center into a single asset protection project called South County Capital Projects. The House Finance Committee recommends maintaining separate appropriations for each project, including a total of \$2.7 million from Rhode Island Capital Plan funds for FY 2019 through FY 2024 for asset protection projects for the Washington County Government Center, including \$35,000 for FY 2019 and \$1.1 million for FY 2020.

**52. Capital - William Powers Building.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The House Finance Committee recommends maintaining the appropriation for each project. This includes \$12.3 million from Rhode Island Capital Plan funds from FY 2019 through FY 2024 for the Powers Administration building, assuming use of \$1.0 million for FY 2019 and \$1.3 million for FY 2020.

**53. Capital - Zambarano Buildings (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation reduced FY 2020 funding by \$2.4 million and added \$0.5 million for FY 2024. The Governor subsequently requested another amendment shifting \$0.9 million from FY 2019 to FY 2020 based on a delay in the replacement of elevators. The House Finance Committee concurs.

**54. Complete Count Initiative.** The Governor issued Executive Order 18-09 creating the Rhode Island Complete Count Committee, which is tasked with developing, recommending and assisting in census outreach strategies. The FY 2020 recommended budget includes a transfer of \$123,717 from general revenues and a position from the Division of Municipal Finance and new expenditures of \$150,000 from general revenues for outreach. The House Finance Committee concurs and recommends an additional \$350,000 from general revenues, including \$50,000 more to be eligible for federal matching funds and \$0.3 million to leverage private funds for census outreach strategies.

**55. Convention Center Energy Improvement Savings.** The 2018 Assembly provided \$4.3 million from Rhode Island Capital Plan funds in FY 2019 to make energy efficiency improvements at the Convention Center and the Dunkin Donuts Center. It was assumed that once the improvements are made, it would result in energy and maintenance savings of \$0.5 million. The Convention Center Authority indicates that the energy improvements have been completed. The House Finance Committee includes general revenue savings of \$0.5 million based on this.

**56. DCAMM - New Project Manager (2.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to add \$0.3 million to fund two new project manager positions for centralized facilities management services. User agencies would be billed for this expense; however, appropriations to agency budgets were not adjusted to reflect this expense.

**57. Debt Service - 38 Studios.** Subsequent to the Governor's budget submission, a portion of a fine levied by the Securities and Exchange Commission relating to 38 Studios was received. Net of legal expenses, \$1.1 million from the settlement can be used to offset debt service expenditures for which the FY 2020 budget included \$1.5 million from general revenues. The House Finance Committee adjusts expenditures to reflect the available funds.

**58. Deloitte Settlement Shift from FY 2019.** The Governor recommends \$14.0 million for FY 2019 and \$20.4 million for FY 2020 from Deloitte Settlement funds in the Executive Office of Health and Human Services, Department of Human Services and HealthSource RI's budgets to offset general revenue costs for the Unified Health Infrastructure Project. A settlement was reached in April that included a \$50 million payment. As of early June, federal approval of the new contract and the state's proposal to maintain use of all settlement funds was still pending. The House Finance Committee recommends shifting the use of any settlement funds to FY 2020 and reduces general revenues by \$9.6 million to reflect the shift and updated expenditure projections for the aforementioned agencies, including \$0.4 million less for HealthSource RI.

**59. Disparity Study.** The House Finance Committee does not concur with the Governor's proposal to add \$0.5 million from general revenues including \$0.2 million in FY 2019 and \$0.3 million in FY 2020 for a vendor to conduct a disparity study to examine procurement practices of state agencies.

**60. Efficiency Commission Savings Distribution.** The FY 2020 recommended budget assumes statewide general revenue savings of \$10.0 million to be identified by an Efficiency Commission. The Commission issued its report in early May and the Governor subsequently requested recommendations to effectuate many of the proposals to meet those savings. These include transfers and reorganization of duties, staffing efficiencies, space utilization savings, cost shifts to local schools including recapture of disputed charges, and property sales. The House Finance Committee recommends restoring the \$10.0 million of unidentified savings in the Department's budget and includes some of the proposed savings in the appropriate agency budgets.

**61. Energy Resources - Federal Grant Awards (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add funding from two federal awards that the Energy Office received after the submission of the budget. This includes \$65,000 to support the Ocean State Clean Cities Coalition and \$145,000 to improve energy affordability, reliability, and resiliency.

**62. Fraud and Waste Savings (GBA).** The House Finance Committee concurs with the Governor's requested amendment to restore \$2.2 million from general revenues from fraud and waste detection for which the recommended budget included \$4.2 million in savings. This assumes \$0.4 million deemed to be achieved as part of the Medicaid caseload projections and \$1.9 million in future savings for which there is an offsetting reduction in the budget for the Executive Office of Health and Human Services.

**63. Garrahy Parking Garage - Debt Service.** The Governor recommends \$3.1 million from general revenues to fund the annual debt service for the Garrahy Parking Garage. The project is currently under construction and the Convention Center Authority anticipates an opening date in January 2020. Revenues are expected to lower the state's debt service obligation in FY 2020 and beyond. Based on projected revenues and expenditures, it appears that a total of \$1.7 million for debt service would be needed for FY 2020. The House Finance Committee recommends savings of \$1.4 million.

- 64. HealthSource RI - Turnover Savings.** The FY 2020 recommended budget includes \$2.5 million from restricted receipts to fully fund HealthSource RI's 16.0 authorized positions. The House Finance Committee recommends turnover savings of \$250,000 based on current vacancies.
- 65. HealthSource RI Gen. Rev. Expenses to Available Receipts.** Based on anticipated receipts from health reform assessment funds and budgeted expenditures for FY 2019 and FY 2020, a surplus balance of \$1.8 million is projected. The House Finance Committee recommends shifting \$750,000 of general revenue expenditures to these receipts.
- 66. High Security Renovation Debt Service.** The House Finance Committee does not concur with the Governor's proposal to issue \$45.0 million through Certificates of Participation for renovations to the Department of Corrections' High Security Center, and removes the associated \$1.1 million in the recommended budget for related debt service.
- 67. Historic Structures Debt Service Savings (GBA).** The House Finance Committee concurs with the Governor's requested amendment to recognize \$0.4 million of general revenue savings based on a lower than anticipated interest rate for the most recent debt issuance to pay for obligations under the Historic Structures Tax Credit program.
- 68. Human Resources - Employee Benefits (1.0 FTE).** The Office of Employee Benefits administers the state's employee benefit programs. The office is supported by funds set aside for health insurance claims and is staffed by 8.0 authorized full-time equivalent positions. The Governor recommends \$0.1 million to fund a programming services officer to manage the employee co-share accounting system. The House Finance Committee does not concur and adjusts staffing accordingly.
- 69. Human Resources - New Positions (3.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.4 million to fund 3.0 new positions for centralized human resources, which is supported by internal service fund charges. Agencies are billed based on the cost of filled positions. The recommendation includes \$263,801 for two human resources business partner positions and \$115,823 for a training and development administrator trainer position. It does not appear that agency budgets were adjusted to reflect this expense.
- 70. Information Tech. - Additional Staffing (11.0 FTE).** The Governor recommends \$1.6 million to fund 12.0 new full-time equivalent positions for centralized information technology services. User agencies would be billed for these expenses; however, it does not appear that agency budgets were adjusted to reflect this expense. The House Finance Committee does not concur, with the exception of funding the position to manage the E-Procurement initiative.
- 71. Litigation Oversight Unit (2.0 FTE).** The Governor recommends \$211,072 from federal funds and general revenues to fund a new Litigation Oversight Unit to oversee litigation across state agencies and track hours worked on cases to ensure the appropriate source is billed. The House Finance Committee does not concur and adjusts staffing and expenditures accordingly.
- 72. Purchasing - Senior Buyer (1.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.1 million from general revenues in both years to fund a new senior buyer position.
- 73. Rhode Island Library Association.** The House Finance Committee recommends \$0.1 million from general revenues to support the Rhode Island Library Association, which promotes excellence in library services, through training, innovation, and advocacy.

**74. Torts.** The Department of Administration receives an annual \$400,000 appropriation to pay for any liability claims against any state department or any state worker. Historical spending for this varies depending on court awarded settlements. The House Finance Committee recommends adding \$0.5 million to ensure funds are available for future compensation of individuals, wrongfully convicted of crimes and incarcerated, who successfully seek relief through the courts under a process outlined authorized in pending legislation.

**75. 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 includes total funding as recommended from general revenues; however, it eliminates the authorization for a position that has been vacant for several years.

### **Business Regulation**

**76. Adult Use Marijuana (17.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to authorize and regulate adult use marijuana and reduces restricted expenditures by \$4.4 million, of which \$1.9 million is for salaries and benefits for 17.0 new full-time equivalent positions.

**77. Capital - Fire Academy (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$0.2 million from Rhode Island Capital Plan funds from FY 2019 to FY 2020 based on current project timelines and expenditures.

**78. Fire Academy Training Fees (GBA).** The House Finance Committee recommends \$0.2 million more from restricted receipts for additional Fire Training Academy classes, consistent with the Governor's requested amendment.

**79. Medical Marijuana Staffing (2.0 FTE).** The House Finance Committee includes some of the Governor's proposed changes for the medical marijuana program and adjusts expenditures accordingly. This includes adding two inspectors and a licensing aide but not the newly recommended legal counsel position. In FY 2017, the Department opted to fill an authorized legal counsel vacancy with an unauthorized administrative officer. The Governor also recommended this legal counsel position last year, but the Assembly did not concur. This represents an increase of \$0.2 million to the Governor's recommendation.

**80. OHIC Unfunded Positions (2.0 FTE).** The House Finance Committee recommends eliminating the authorization for 2.0 unfunded full-time equivalent positions for FY 2020 and reducing federal fund expenditures by \$9,906. The State Innovation Model Grant is anticipated to expire in FY 2020, and the Commissioner noted during testimony before the Committee that this grant source will not be extended.

**81. Ombudsman Funding from Commerce.** The Governor's budget moves the Small Business Ombudsman from the Office of Regulatory Reform to the Department of Business Regulation but continues to assume financial support for the position will come from the Commerce Corporation. The House Finance Committee recommends shifting \$158,884 to the Department from the Commerce Corporation's base appropriation to ensure the funding and the position are in the same place.

**82. RI REACH Medicaid Match.** The House Finance Committee recommends reducing general revenues by \$30,000 to reflect receipt of a like amount from federal Medicaid matching funds. As part of its budget request, the Office proposed replacing general revenues with reimbursable federal funding related to the Rhode Island Insurance Resource, Education, and Assistance Helpline known as RI REACH. The Governor's recommendation increased federal funds, but did not reduce general revenues.

**83. State Building Office (2.0 FTE) (GBA).** The House Finance Committee concurs with the Governor's requested amendment to restructure two components of the Division of Building, Design and Fire Professionals, the Contractors' Registration and Licensing Board and State Building Code Commission, into a new State Building Office. The consolidation of activities and increase of online functionality are intended to result a reduction of 2.0 full-time equivalent positions as of January 1, 2020. The Committee includes general revenue savings of \$0.1 million.

**84. Streamline and Simplify (7.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to add \$0.6 million from general revenues for 7.0 full-time equivalent positions to assist with various business licensing requirements. This proposal is consistent with initiatives requested in prior budget submissions, for which the Assembly did not provide funding.

#### **Executive Office of Commerce**

**85. Airport Impact Aid.** The House Finance Committee does not concur with the Governor's proposed reduction to Airport Impact Aid program funding including elimination of the \$25,000 minimum payment to all host communities. The Committee recommends adding \$247,536 from general revenues, consistent with the FY 2019 expenditure level. Payments are made proportionally based on the number of total landings and takeoffs.

**86. East Providence Waterfront Commission.** The House Finance Committee recommends \$50,000 from general revenues to support the work of the East Providence Waterfront Commission to assist in its urban revitalization efforts.

**87. Capital - Site Readiness.** The House Finance Committee does not concur with the Governor's recommendation to use \$1.0 million from Rhode Island Capital Plan funds for a proposed site readiness program to develop an inventory of state-controlled, pad ready industrial sites.

**88. Commerce Corporation Ombudsman Funding.** The Governor's budget moves the Small Business Ombudsman from the Office of Regulatory Reform to the Department of Business Regulation but continues to assume financial support for the position will come from the Commerce Corporation. The House Finance Committee recommends shifting \$158,884 to the Department from the Commerce Corporation's base appropriation to ensure the funding and the position are in the same place.

**89. I-195 Redevelopment Fund.** The House Finance Committee does not recommend a new appropriation of \$1.0 million for the I-195 Redevelopment Fund. The Fund includes \$28.0 million from general revenues, including \$1.0 million in the enacted budget. The 2015 Assembly created the fund to provide developers and businesses with financing for capital investment, including land acquisition in order to promote the development of the land. The Commission has awarded \$24.4 million as of January 2019, leaving approximately \$3.6 million available for future awards.

**90. Pay for Success.** The House Finance Committee does not concur with the Governor's recommendation to add \$500,000 from general revenues for a new permanent supportive housing initiative. The funding is intended to secure a \$1.0 million federal grant, and leverage private funding intended to be raised by the Harvard Government Performance Lab. The proposal anticipates requiring \$6.2 million from state sources over the course of multiple years for this program, including \$1.1 million for FY 2021.

**91. Rebuild Fund Cash Flow.** The House Finance Committee includes \$10.0 million for FY 2020, \$5.0 million less than recommended to fund the future redemption of tax credits based on updated estimates of the redemption schedule. The design of the program is to forward fund credits, thereby, creating a lesser burden on state sources when those credits are redeemed in the future; the program has existing tax credits

obligated to awardees totaling \$106.0 million. Total appropriations are \$49.7 million to begin to repay the credits; this recommendation brings the total available funding to \$59.7 million.

**92. Small Business Loan Fund Increase.** The House Finance Committee recommends providing an additional \$500,000 from general revenues to recapitalize the Small Business Assistance Program, which is \$250,000 less than the Governor's recommendation. The Commerce Corporation reports that the majority of loans are in repayment, the lenders have loanable funds, and will continue to do so as loans are repaid.

**93. Streamline & Simplify (2.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to provide \$1.7 million from general revenues to fund a new initiative to add 2.0 new full-time equivalent positions and provide municipalities with training, investments, and authority to expedite development.

**94. Urban Ventures.** The House Finance Committee recommends restoring the \$140,000 from general revenues excluded from the Governor's recommended budget to support Urban Ventures, a 501(c)(3) non-profit urban business incubator. The state is required to support an urban business incubator by Rhode Island General Law, Section 42-64-13.1, which provided for the establishment of an urban enterprise equity fund and an urban business incubator.

### **Labor and Training**

**95. Employer Medicaid Assessment (5.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to create an employer Medicaid assessment which assumed the need to add \$1.1 million from general revenues for administrative costs, including 5.0 new full-time equivalent positions, within the Department of Labor and Training. Expenditures include \$0.5 million for salaries and benefits, \$0.7 million for operational expenses, and \$10,000 for capital purchases.

**96. Grant and Audit Units (6.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to repurpose 6.0 vacant full-time equivalent positions into separate grant and audit units that would function under the Governor's Workforce Board and recommends reducing federal funds by \$0.3 million and restricted receipts by \$0.4 million, as well as the staffing authorization by 6.0 positions.

**97. Restore Employer Tax to DOR.** The House Finance Committee does not concur with the Governor's proposal to transfer the Employer Tax Unit from the Department of Revenue to the Department of Labor and Training. The Committee recommends reducing the staffing authorization by 37.0 full-time equivalent positions and funding by \$3.5 million from federal funds and restricted receipts.

### **Revenue**

**98. Adult Use Marijuana (4.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to authorize and regulate adult use marijuana and recommends reducing restricted receipt expenditures by \$0.8 million, of which, \$0.3 million is for salaries and benefits and reducing the staffing authorization by 4.0 full-time equivalent positions.

**99. Car Tax to Current Law.** The House Finance Committee does not concur with the Governor's proposal to alter the phase-out of the car tax and recommends restoring \$16.3 million excluded from the Governor's recommendation to fund the program consistent with current law requirements.

**100. Central Falls Operating.** The Governor's recommendation excludes the \$0.6 million in the enacted budget for operational support for Central Falls. The House Finance Committee recommends the enacted level of funding for FY 2020.

**101. DMV Staffing from HMA Revenues.** The House Finance Committee does not concur with the Governor's proposal to charge the Highway Maintenance Account for certain positions at the Division of Motor Vehicles. While there was no dollar limit to the potential charges, the proposal assumes this relieves \$4.5 million in general revenue costs for FY 2020. The House Finance concurs with the recommendation to use a portion of these resources to offset the cost of collections but would do so by retaining 5.0 percent of total resources rather than allowing for administrative discretion.

**102. DMV Turnover and Operations.** The House Finance Committee recommends \$900,000 of general revenue personnel and operating savings for FY 2020.

**103. License Plate Inspectors (2.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to include \$0.2 million for two license plate inspectors to ensure only vehicles with legible license plates pass inspection in lieu of reissuing license plates.

**104. Liquid Nicotine/E-Cigarette Licensing (4.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to subject electronic nicotine products to a 40.0 percent of wholesale excise tax and recommends reducing general revenue expenditures by \$0.4 million for 4.0 new full-time equivalent positions that were recommended to implement the initiative.

**105. Municipal Finance Staffing (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$143,224 from general revenues and restore 1.0 full-time equivalent position to the Division of Municipal Finance. The Governor recommended eliminating 4.0 positions and transferring 1.0 position to the Department of Administration, to generate savings of \$0.4 million. At the time, this exceeded available vacancies. She subsequently requested an amendment to restore one of the positions to ensure critical functions of the Division were maintained.

**106. PILOT to Enacted.** The Governor's recommended budget reduces funding for the state's Payment in Lieu of Taxes program by \$5.3 million, which would equate to a 23.6 percent reimbursement rate compared to the 27.0 percent that full funding represents. The House Finance Committee recommends the enacted level of funding for FY 2020 which represents a 26.6 percent reimbursement rate, or 98.5 percent of full funding.

**107. Real ID Advertising (GBA).** Consistent with the Governor's requested amendment, the House Finance Committee recommends reducing advertising funding by \$70,000 from general revenues for the Division of Motor Vehicles Real ID initiative which was double-counted in the recommended budget.

**108. Restore Employer Tax to DOR.** The House Finance Committee does not concur with the Governor's proposal to transfer the Employer Tax Unit from the Department of Revenue to the Department of Labor and Training. The Committee recommends restoring the staffing authorization of 37.0 full-time equivalent positions and \$3.5 million of funding.

**109. RIMS Shortfall.** The House Finance Committee recommends adding \$0.9 million from general revenues, and \$1.1 million less than recommended from restricted receipts to account for the Division of Motor Vehicles information technology system. The Governor's budget recommendation provided restricted receipts to support the Rhode Island Motor Vehicle System, which included multiple revenue streams and extending the Division's information technology surcharge to inspection station transactions. The recommendation overstated available resources. The Governor subsequently requested a budget amendment reducing restricted receipts expenditures by \$0.3 million and increasing general revenues by

\$34,000, though a \$0.2 million shortfall remained. The House Finance Committee does not recommend extending the fee to inspection stations, and includes additional resources to cover that shortfall.

**110. Sales Tax Expansion (3.0 FTE).** The House Finance Committee does not concur with most of the Governor's proposal to expand the state's sales tax to include a variety of new services and products and reduces general revenue expenditures by \$0.6 million, of which \$0.3 million is for salaries and benefits for 3.0 new full-time equivalent positions that were recommended to implement the expansion.

**111. Taxation IT to ITIF Property Sales (GBA).** The House Finance Committee recommends using \$2.9 million from Information Technology Investment Fund proceeds generated from property sales to support information technology expenses for the Division of Taxation. The Governor requested an amendment to realize over \$4.0 million in statewide savings from newly proposed sales of state-owned property, for which proceeds accrue to the Information Technology Investment Fund. The House Finance Committee recommends using this strategy to a lesser degree only in the Division of Taxation.

**112. Taxation Records (GBA).** Consistent with the Governor's requested amendment, the House Finance Committee recommends adding \$36,000 for records expenses for the Division of Taxation erroneously reduced in the recommended budget.

**113. Taxation Turnover.** The House Finance Committee recommends \$300,000 of additional general revenue personnel savings for FY 2020 based on more recent current year experience.

#### **Legislature**

**114. Turnover and Operating.** The House Finance Committee recommends \$750,000 of general revenue personnel and operating savings in the Legislature's budget for FY 2020.

#### **Secretary of State**

**115. Turnover Restoration.** The House Finance Committee recommends adding \$0.3 million from general revenues for personnel for the Office of the Secretary of State to reflect anticipated need. The Governor's recommendation underfunds costs for existing positions to free up savings for information technology initiatives requested by the Office.

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

**116. Unclaimed Property.** The House Finance Committee recommends adding \$0.4 million from restricted receipts to adjust the unclaimed property program transfer to the state for FY 2020 to reflect the May Revenue Estimating Conference estimate of \$9.9 million.

#### **Board of Elections**

**117. Relocation (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.3 million from general revenues to reflect anticipated costs of leasing a new location. The Governor's recommendation is consistent with the Commission on Government Efficiency findings which included the sale of the Board's 50 Branch Avenue location in Providence. The Committee also recommends approval of a new ten-year lease for office and warehouse space in Cranston.

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

**118. 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. The Governor's FY 2020 recommendation includes \$250,000 from general revenues; however, expenditures for the last five fiscal years have averaged \$120,347. Based on average expenditures, the House Finance Committee recommends \$150,000 for the Contingency Fund, or \$100,000 less than the Governor's recommendation.

**119. Turnover.** Based on staffing expenses through the pay period ending March 30, the House Finance Committee recommends turnover savings of \$0.3 million for FY 2020.

### **Public Utilities Commission**

**120. Consumer Agent (1.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to add \$0.1 million from restricted receipts assessed to the regulated utilities for 1.0 new full-time equivalent consumer agent.

**121. Engineering Specialist II (2.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to add \$0.2 million from restricted receipts assessed to the regulated utilities for 2.0 new full-time equivalent engineering specialists.

**122. Public Utilities Analyst (1.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to add \$0.1 million from restricted receipts assessed to the regulated utilities for 1.0 new full-time equivalent Public Utilities Analyst position.

**123. Water Resources Board Transfer (3.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to transfer the Water Resources Board, along with 3.0 full-time positions, 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 Department of Administration and the Commission signed a memorandum of understanding in September 2018, which facilitated the transfer of some of the responsibilities of the Water Resources Board to the Commission. The House Finance Committee recommends restoring the staffing and \$0.4 million within the Department of Administration's budget.

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

**124. Adult Use Marijuana.** The House Finance Committee does not concur with the Governor's proposal to authorize and regulate an adult use marijuana program and reduces restricted receipts by \$1.0 million in the Executive Office of Health and Human Services. This was to include \$750,000 for grants to support local substance abuse disorder prevention, treatment and recovery services and \$250,000 for consultants for grants management.

**125. Behavioral Health Benchmark Study.** The House Finance Committee does not concur with the Governor's recommendation to add \$187,500, including \$150,000 from general revenues, for a benchmark study to determine the appropriate level of investment to be made by Medicaid and commercial insurers for behavioral health services and reduces funding accordingly.

**126. Centers for Health Care Strategies - Medicaid Academies.** The House Finance Committee does not concur with the Governor's recommendation to add \$70,000, including \$35,000 from general revenues, for leadership training to certain staff across the health and human service agencies.

**127. Cortical Integrated Therapy Restore to Enacted.** The House Finance Committee recommends restoring the \$1.0 million from general revenues for cortical integrated therapy services which was eliminated in the Governor's recommended budget.

**128. Deloitte Settlement Shift from FY 2019.** The Governor recommends \$14.0 million for FY 2019 and \$20.4 million for FY 2020 from Deloitte Settlement funds in the Executive Office of Health and Human Services, Department of Human Services and HealthSource RI's budgets to offset general revenue costs for the Unified Health Infrastructure Project. A settlement was reached in April that included a \$50 million payment. As of early June, federal approval of the new contract and the state's proposal to maintain use of all settlement funds was still pending. The House Finance Committee recommends shifting the use of any settlement funds to FY 2020 and includes savings of \$9.6 million from general revenues to reflect that shift as well as updated expenditure projections for the aforementioned agencies, including \$0.9 million for the Executive Office of Health and Human Services.

**129. Graduate Medical Education.** The House Finance Committee recommends the enacted level of \$1.0 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.

**130. Financial and Management Contracted Services.** The Governor recommends \$50.9 million, including \$11.8 million from general revenues, for FY 2020 for financial and management contracted services. This is \$5.7 million more than enacted and \$4.6 million more from general revenues. The Executive Office replaced the recently expired \$6.0 million single contract with Conduent with three separate vendor agreements that total \$9.4 million. The House Finance Committee recommends reducing funding for contracted financial and management services by \$4.0 million, including \$2.0 million from general revenues, and bringing it more in line with the enacted budget.

**131. Hospital Rates.** The House Finance Committee recommends \$40.4 million, including \$14.3 million from general revenues to provide a 7.2 percent rate increase for hospitals paid through the managed care plans and fee-for-service reimbursements. This restores the \$15.1 million savings taken in the Governor's recommended budget from freezing the rates at the FY 2019 level. In addition, the House Finance Committee recommends another 4.5 percent increase for FY 2020 and adds \$25.3 million to bring hospital spending closer to actual costs. As part of Reinventing Medicaid, base hospital rates were reduced by \$26.4 million, or 2.5 percent, for FY 2016.

**132. Hospitals - Uncompensated Care.** The House Finance Committee recommends adding \$2.6 million, including \$1.2 million from general revenues, to increase the uncompensated care payment for FY 2020 that totals \$142.3 million. The payment is made to the hospitals and this change recognizes available federal resources matched by state funds.

**133. Hospitals - Upper Payment Limit.** The House Finance Committee recommends reducing funding for the outpatient upper payment reimbursement limit to hospitals by \$0.6 million, including \$0.2 million from general revenues. The payment makes up a portion of the difference between Medicaid reimbursements and hospitals costs and the savings results from the House Finance Committee raising hospital reimbursement rates for FY 2020 reducing the need for the supplemental payment.

**134. Medicaid Caseload - May Conference.** The House Finance Committee recommends decreasing medical assistance expenses by \$16.1 million for FY 2020. This reflects the \$38.8 million change made in the May caseload estimate for projected program costs. The estimate includes savings of \$16.1 million for updated expenses for Hepatitis C coverage which was already assumed in the Governor's budget along with other initiatives. Accounting for the remaining savings already assumed in the Governor's budget, FY 2020 spending is estimated to be \$5.6 million less from general revenues, \$11.6 million less from federal funds and \$1.1 million more from restricted receipts.

**135. Medicaid Waiver Independent Evaluation.** The House Finance Committee does not concur with the Governor's recommendation to add \$700,000, including \$350,000 from general revenues, to fund an evaluator for the newly renewed Medicaid waiver.

**136. New Legal Staff (3.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add three new legal staff for the Executive Office and recommends reducing funding by \$0.4 million, including \$0.3 million from general revenues. This includes two positions hired by the Department of Children, Youth and Families and then added to the Executive Office's staffing authorization, and one new position for the Department of Health.

**137. Office of Internal Audit - Fraud Savings (GBA).** The House Finance Committee concurs with the Governor's requested amendment to distribute a portion of the \$4.2 million general revenue savings from the fraud and waste detection initiative. It assumes \$2.2 million of the savings will be achieved in the medical assistance program through file matching and is reflected in the Executive Office of Health and Human Services. Of that \$2.2 million, \$0.4 million was assumed in the May caseload estimating conference data presented and \$1.9 million will be achieved that is not reflected in the conference estimate.

**138. Retain Division of Elderly Affairs in DHS.** The House Finance Committee concurs with the Governor's requested amendment to retain the Division of Elderly Affairs in the Department of Human Services and adjusts funding accordingly.

**139. Retain Office of Veterans' Affairs in DHS.** The House Finance Committee concurs with the Governor's requested amendment to retain the Office of Veterans' Affairs in the Department of Human Services and adjusts funding accordingly.

**140. Rhode Island Quality Institute - Currentcare (GBA).** The House Finance Committee concurs with the Governor's requested amendment to lower federal funding for the state's payment for Currentcare by \$0.8 million for total funding of \$4.4 million for FY 2020. The Rhode Island Quality Institute has partnered with the State of Rhode Island to develop an electronic network that gives medical professionals access to their patients' health information.

**141. RItE Share Enrollment Outreach.** The House Finance Committee recommends savings of \$2.4 million, including \$1.1 million from general revenues, from the Executive Office of Health and Human Services increasing outreach for enrollment in the premium assistance RItE Share program by 2,000 individuals starting January 1, 2020 to get closer to the per-UHIP enrollment of 7,000 individuals. This would decrease enrollment in the RItE Care program and allow families to take advantage of employer sponsored insurance.

**142. Staffing Turnover and Vacancies.** The House Finance Committee recommends reducing FY 2020 staffing expenses by \$1.7 million, including \$1.0 million from general revenues. This includes eliminating seven positions, including three positions that were included in the FY 2019 budget specifically to implement savings initiatives that were not hired, and savings from keeping approximately three positions vacant. As of the pay period ending June 8, there are 11 vacant positions.

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

**143. Capital - Female Residential Facility (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$1.5 million from Rhode Island Capital Plan funds for a new project in FY 2020 for a female residential facility. The enacted budget included funding of \$3.5 million over two years for FY 2019 and FY 2020, but the Governor's original recommendation removed funding, as there were issues with locating a suitable facility. This facility would host 30 females under Department

care who require intensive treatment and would be youth who are currently either at the Training School or in an out-of-state facility.

**144. Capital - Generators - Training School (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$185,000 from Rhode Island Capital Plan funds from FY 2019 to FY 2020 for the installation of a generator at the Training School based on an updated projected installation schedule.

**145. Capital - Training School Asset Protection (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$750,000 from Rhode Island Capital Plan funds from FY 2019 and FY 2020 for asset protection at the Rhode Island Training School to later years based on an updated project schedule, specifically pertaining to repairs of the facilities roof.

**146. Child Care Rate Increase.** The House Finance Committee does not concur with the Governor's proposal to increase rates paid to childcare providers for preschool age children as part of a universal prekindergarten initiative. The House Finance Committee recommends reducing \$37,185 from general revenues for the Department's share of costs with an additional \$0.7 million of general revenue savings reflected in the Department of Human Services.

**147. Child Care to Block Grant Funds.** The recommended budget includes \$6.7 million from all sources, including \$5.5 million from general revenues, for child care subsidies for children in foster care. The House Finance Committee recommends \$2.5 million of general revenue expenditures be shifted to available federal child care development block grant funds.

**148. Children's Behavioral Health Licensing (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to use existing Department of Behavioral Healthcare, Developmental Disabilities and Hospitals regulations for licensing of behavioral health organizations and extend them to children's programs with adjustments required for youth. The savings are from the removal of one position in the licensing division within the Department of Children, Youth and Families beginning in FY 2020 resulting in savings of \$74,374, including \$46,112 from general revenues.

**149. LEA Status.** The House Finance Committee does not concur with the Governor's proposal to transfer the education costs for students at the Rhode Island Training School and Ocean Tides to local education authorities. The recommended budget adds \$250,000 from general revenues to offset the loss of federal funds based on the Department no longer qualifying for limited purpose education authority status under the Governor's proposal. The House Finance Committee recommends restoring \$250,000 from federal funds and removing the general revenues.

**150. Parking Lease Savings (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to consolidate parking leases in Providence based on an Efficiency Commission proposal. General revenue savings of \$55,540 are based on a reduction to the employee parking contract and would be implemented in the fourth quarter of FY 2020.

**151. Visual Lead Inspection.** The House Finance Committee does not concur with the Governor's proposal to modify foster care licensing requirements and recommends restoring \$250,000 from general revenues to offset the removal of a like amount from federal funds. Under current law, foster homes are required to pass a lead inspection before being licensed by the state; however, youth placed in kinship foster homes are able to be placed regardless of the outcome of the inspection. The Governor proposes to require that an inspection be done and that these homes be licensed regardless of the outcome, which would have increased the availability of federal funds.

## Health

**152. Adult Use Marijuana (3.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to authorize and regulate adult use marijuana and reduces restricted expenditures by \$0.3 million and staffing by 3.0 full-time equivalent positions.

**153. Available Restricted Receipts.** The House Finance Committee recommends shifting \$500,000 from general revenues for the Health Laboratories to available restricted receipts in FY 2020. Based on FY 2019 projected expenditures, the Department appears to have \$1.3 million available from the restricted receipt indirect cost recovery account, \$0.6 million more than the Governor's budget assumed.

**154. Family Home Visiting Programs.** The House Finance Committee does not concur with the Governor's proposal to add new general revenue expenditures of \$650,000 to support family home visiting programs, which provide families with resources and services such as promoting positive parenting techniques, and finding employment and child care solutions. This program is currently funded with federal Maternal and Child Health Care Block Grant funds.

**155. First Connections.** The House Finance Committee does not recommend funding for the First Connections program for which the Governor recommends \$378,000 from general revenues to provide families with resources and services such as preventive health and prenatal care. It recommends that the Department use available federal resources to maintain the program.

**156. Health Information Technology (GBA).** The FY 2019 revised as well as the FY 2020 budgets include \$175,000 from restricted receipts in the Health Information Technology fund to support the Rhode Island Quality Institute. The Governor subsequently requested an amendment to reduce expenditures by \$36,998 for FY 2019 and \$144,784 for FY 2020. The House Finance Committee concurs and adjusts expenditures accordingly.

**157. Lab Equipment Maintenance Expenses.** The capital budget includes a total of \$2.0 million from Rhode Island Capital Plan funds to replace medical equipment meeting the standard for capital projects. This assumes use of \$0.4 million annually. The recommended budget also includes \$0.3 million from general revenues for maintenance of the laboratory equipment. The House Finance Committee recommends general revenue savings of \$63,000 from maintenance expenses as new equipment will not require as much maintenance.

**158. Lead Prevention Increase.** The Governor's FY 2020 recommended budget includes new expenditures of \$0.2 million from general revenues for blood lead poisoning prevention activities. This includes \$40,000 to conduct inspections and non-medical case management for non-Medicaid children, \$70,000 to municipalities, \$30,000 for women, infants, and children screening, and \$50,000 for education and outreach for high risk populations, including those under the care of the Department of Children, Youth and Families. The House Finance Committee recommends funding the program at the enacted level of \$0.9 million from general revenues, federal funds and restricted receipts now available from the Volkswagen Settlement.

**159. Monitoring & Compliance Expenses to General Revenue.** The Governor proposes legislation to establish a Compliance Order restricted receipt account in the Department of Health to be funded with any administrative fees and or penalties imposed from compliance orders. The legislation does not specify what the funds can be used for. It appears that a total of \$1.2 million has been received. The House Finance Committee does not concur with the Governor's proposal and assumes that the receipts are deposited as general revenues, consisted with current law. The House Finance Committee recommends \$0.2 million for FY 2019 and \$0.5 million for FY 2020 from general revenue funding in lieu of restricted receipts for staff to conduct inspections of state facilities as well as investigate complaints.

**160. Staffing Cost Correction (GBA).** The FY 2020 recommended budget inadvertently overfunds salary expenses by \$0.2 million, including \$186,041 from federal funds and \$46,996 from restricted receipts. The House Finance Committee concurs with the Governor's requested amendment to correct this.

### **Human Services**

**161. Capital - Office of Veterans' Affairs (GBA).** The Governor's budget inadvertently excluded restricted receipts for projects at the Rhode Island Veterans' Memorial Cemetery. Amended recommendations for several projects were included in her capital budget submitted weeks later. For this project, the amended recommendation restored \$0.4 million for FY 2019 and \$0.2 million for FY 2020. The House Finance Committee concurs and adjusts funding accordingly.

**162. Capital - Veterans' Home Asset Protection.** The House Finance Committee recommends \$1.8 million from Rhode Island Capital Plan funds for a new asset protection project at the Veterans' Home in Bristol, including \$250,000 for FY 2020. Residents moved into the new, \$121.0 million facility in November 2017. Asset protection funding will allow the Office of Veterans' Affairs to address facility issues as they arise, extending the life of the facility.

**163. Cash Assistance Caseload - May Conference.** The House Finance Committee concurs with the Governor's requested budget amendment to reduce expenditures for cash assistance caseloads by \$7.1 million, including \$1.6 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.

**164. Child Care Program Expansion.** The House Finance Committee does not concur with the Governor's proposal to add \$200,000 from general revenues to expand eligibility for the child care assistance program to individuals enrolled full-time in a degree program or in an eligible certificate program. The Governor recommended a similar proposal in her FY 2019 budget recommendation for a pilot program that would have been capped at the appropriation; however, unlike the prior proposal, the new proposal does not limit participation.

**165. Child Care Rates for Licensed Centers.** The House Finance Committee does not concur with the Governor's proposal to increase rates paid to center-based child care providers for preschool age children in the child care assistance program. The 2018 Assembly enacted tiered reimbursements for center-based providers for infants, toddlers and preschool age children and appropriated \$3.4 million from federal funds for the initiative. The House Finance Committee removes \$0.7 million from general revenues from the Department of Human Services and \$37,185 from the Department of Children, Youth and Families from eliminating this proposal.

**166. Community Action Fund.** The House Finance Committee recommends an additional \$80,000 from general revenues for the Community Action Fund for total funding of \$600,000.

**167. Deloitte Settlement Shift from FY 2019.** The Governor recommends \$14.0 million for FY 2019 and \$20.4 million for FY 2020 from Deloitte Settlement funds in the Executive Office of Health and Human Services, Department of Human Services and HealthSource RI's budgets to offset general revenue costs for the Unified Health Infrastructure Project. A settlement was reached in April that included a \$50 million payment. As of early June, federal approval of the new contract and the state's proposal to maintain use of all settlement funds was still pending. The House Finance Committee recommends shifting the use of any settlement funds to FY 2020 and includes savings of \$9.6 million from general revenues to reflect that shift as well as updated expenditure projections for the aforementioned agencies, including \$13.3 million for the Department of Human Services.

**168. Indirect Cost Recovery.** The Governor recommends \$1.2 million from all sources, including \$1.0 million from general revenues, for personnel expenditures for the Department of Human Services' central management program. The enacted budget includes \$105,512 from indirect cost recovery funds; however, the Governor eliminates this funding in both her revised and FY 2020 recommendations. Based on the current balance of restricted receipts and collections through the beginning of April, the House Finance Committee recommends shifting \$200,000 of general revenue expenditures to indirect cost recovery restricted receipts.

**169. Institute for Nonviolence.** The House Finance Committee does not concur with maintaining \$200,000 from general revenues identified for the Institute for the Study and Practice of Nonviolence.

**170. Office of Elder Affairs - Co-Pay Expansion.** The House Finance Committee does not concur with the Governor's recommendation to expand the adult day and home care co-pay programs to higher income levels and reduces funding by \$1.3 million, including \$0.6 million from general revenues.

**171. Office of Veterans' Affairs - RI Serves.** The Office established a coordinated care network solution and case management system, RI Serves, to connect veterans applying for assistance with programs through a community provider network. The project was supported from Information Technology Investment funds in FY 2019 and the Governor includes \$153,000 from general revenues for FY 2020. The House Finance Committee does not concur with adding general revenues as the Department can provide this service with existing resources.

**172. Office of Veterans' Affairs – Veterans' Organizations Increased Support.** The House Finance Committee recommends the enacted level of \$200,000 from general revenues for the Office of Veterans' Affairs to support veterans' organizations. The Governor proposed a \$200,000 increase.

**173. Rental Property (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reduce rent expenditures by \$0.8 million from all sources, including \$0.3 million from general revenues, from moving back-office staff from leased space in Providence to state-owned space at the John O. Pastore complex in Cranston. The Governor's recommendation is consistent with the Commission on Government Efficiency findings which recommends this staff be moved to the Barry and Benjamin Rush buildings on the campus.

**174. Respite Care.** The House Finance Committee recommends \$185,000 from general revenues for respite care, \$45,000 more than enacted. Provided through the Diocese of Providence, respite is planned or emergency care that provides temporary relief to family caregivers of an adult or a child with special needs.

**175. Retain Division of Elderly Affairs.** The Governor requested an amendment to rescind her recommendation that the Division of Elderly Affairs be transferred to the Executive Office of Health and Human Services. The House Finance Committee retains the program within the Department of Human Services as the Office of Healthy Aging and recommends a separate staffing authorization.

**176. Retain Office of Veterans' Affairs.** The Governor requested an amendment to rescind her recommendation that the Office of Veterans' Affairs be transferred to the Executive Office of Health and Human Services. The House Finance Committee recommends retaining the program within the Department of Human Services as the Office of Veterans Services and recommends a separate staffing authorization.

#### **BHDDH**

**177. Capital - DD Residential Development.** The House Finance Committee recommends \$0.3 million from Rhode Island Capital Plan funds for FY 2019 through FY 2024 which is \$0.2 million less than recommended for the Thresholds residential development program, Access to Independence and furniture

acquisition programs for individuals with developmental disabilities who live in the community. Recommended funding is consistent with spending for FY 2018.

**178. Capital - Hospital Equipment.** The House Finance Committee recommends reducing FY 2019 expenses by \$31,949 from Rhode Island Capital Plan funds to reflect updated spending and eliminating the \$300,000 recommended annually from FY 2020 through FY 2024 for hospital equipment. The intent was to modernize equipment at the state hospital; however, it now appears current purchases do not meet the useful life criteria for Rhode Island Capital Plan funds and should instead be funded as part of the operating budget.

**179. Capital - Substance Abuse Asset Protection to DOA (GBA).** The Governor requested an amendment subsequent to her capital budget recommendation that transfers funding for substance abuse asset protection projects to the Department of Administration. The House Finance Committee concurs and transfers this project to the Department of Administration and includes \$233,413 for FY 2019 and \$250,000 annually.

**180. Health Home Case Management Match (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$13.0 million from federal funds for the Department's health home initiative for case management services that totals \$16.5 million, including \$1.7 million from general revenues, for FY 2020. The state will receive an enhanced Medicaid match of 90 percent for two years to implement conflict free case management and other program and system changes for services provided to adults with developmental disabilities. It is anticipated that this is not a commitment to increased spending beyond the enhanced match period.

**181. Hospital License Fee.** The House Finance Committee recommends \$6.8 million for the FY 2020 hospital license fee for Eleanor Slater Hospital. The fee, paid by both the community hospitals and the state, is extended at 6.0 percent with an updated base year. There is also a corresponding revenue adjustment.

**182. RICARES to Federal Funds.** The Governor includes \$100,000 from general revenues in FY 2019 and FY 2020 to be paid to RICARES for recovery housing certification. This activity can be supported through existing federal substance abuse block grant funds and the House Finance Committee recommends reducing general revenues accordingly.

**183. Security Services.** The Governor's recommendation increases enacted funding by \$2.1 million for contracted security services at both campuses of Eleanor Slater Hospital. Based on FY 2019 monthly spending of \$160,000, the House Finance Committee recommends reducing FY 2020 spending by \$0.6 million, including \$0.3 million from general revenues, which would be sufficient to meet the security needs for the state-run hospital.

### **Deaf and Hard of Hearing**

**184. Turnover Savings.** The House Finance Committee recommends reducing general revenue expenditures by \$30,000 to reflect turnover savings from the current vacant executive director position, which is anticipated to be filled in September 2019.

### **Elementary & Secondary Education**

**185. Adolescent Health (1.0 FTE).** The Governor recommends \$133,074 from federal funds in FY 2020 for a new full-time equivalent position to oversee a new federal grant. In FY 2019, the Department was awarded a five-year, \$9.0 million grant to support adolescent health and academic achievement, specifically

regarding mental health issues. The House Finance Committee does not concur with adding the new position; the Department has several staff that administer federal grants as well as several vacant positions.

**186. Advanced Coursework Network to Enacted.** The Governor recommends \$0.7 million for the advanced coursework network for FY 2020, including \$0.5 million from permanent school funds. The recommendation is \$0.3 million more than enacted, including \$50,000 from general revenues and \$200,000 from an available permanent school fund balance. Use of additional permanent school funds will eliminate the fund's balance and limit future funding as the fund typically generates less than the appropriation. The program allows middle school and high school students to enroll in courses offered by network providers, which include non-profit organizations, colleges and universities, and school districts. The House Finance Committee recommends funding as enacted.

**187. Capital - Davies HVAC.** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the reconciliation reduced FY 2019 funding by \$1.1 million. The School reports that remaining repairs are delayed until it can move forward with its master plan. Based on that, the House Finance Committee recommends reducing FY 2019 funding by \$0.2 million and shifting \$0.5 million from FY 2020 to FY 2022.

**188. Computer Science to Enacted.** The Governor recommends \$250,000 from general revenues for FY 2020 to fund Computer Science for RI, \$50,000 more than enacted. 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. Beginning in FY 2019, the Department uses funding for students to receive post-secondary credentials related to computer science, as well as continue to support provisional development for teachers in teaching computer science. The House Finance Committee recommends funding as enacted.

**189. COZ Support.** The House Finance Committee recommends an additional \$50,000 from general revenues to support child opportunity zones (COZ), for total FY 2020 funding of \$395,000.

**190. Education Aid - FY 2019 Formula Error.** The Governor's recommended budget includes an adjustment to education aid to reflect a correction to data used for the FY 2019 formula aid. The net impact of the change is \$18,947, but with more significant redistribution among aid recipients. The House Finance Committee concurs with providing more aid to those who were underpaid because of the error, but not reducing aid to any communities that were overpaid and recommends adding \$1.8 million from general revenues. The Committee recommends legislation to ensure proper notice to districts of such errors and a formal reconciliation plan.

**191. Education Aid - Data Update.** The House Finance Committee recommends adding \$0.8 million from general revenues for the ninth 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, as well as lower savings from the proposal to shift education costs at the state's training school to local districts. The update affects districts differently with some receiving more and some receiving less than the Governor's budget assumed. This also includes \$35,080 more for group home aid based on updated bed count data.

**192. Education Aid - Training School Cost Shift.** The House Finance Committee does not concur with the Governor's proposal to shift the education costs for children at the Rhode Island Training School and certain residential facilities from the state to local communities and restores \$1.3 million from general revenues assumed as a reduction in education aid to local districts from this proposal.

**193. Literacy/Dyslexia Training and Support.** The House Finance Committee recommends \$250,000 from general revenues to support curricula for literacy and students with dyslexia, as well as funding a new literacy specialist position for the Department. Funding will be used to strengthen literacy screenings to look for signs of dyslexia, coordinate Orton-Gillingham training statewide, and provide additional resources to support improved literacy practices. The House Finance Committee recommends the Department fill the position within its existing full-time equivalent authorization.

**194. Mental Health in Schools.** The Governor recommends \$590,000 from general revenues to support mental and behavioral health training, curricula, and other materials for educators. The recommendation is in addition to two new federal grant awards to address student mental and behavioral health, a total of \$2.4 million which is included in the FY 2020 recommended budget. The House Finance Committee does not recommend adding the new general revenues as specific uses for the funds have not been identified and there are new federal funds available.

**195. Prekindergarten Expansion.** The House Finance Committee recommends total funding of \$14.9 million from general revenues for the state's prekindergarten program. This includes \$12.0 million to fully fund the program's existing 60 classrooms and \$2.9 million to expand access to high quality, prekindergarten. Additional funding is anticipated to allow for increased capacity in the current state-run classrooms up to 20 students, at least 10 new classrooms and extension of the school day for some Head Start students. Funding would allow for hundreds of new high quality, prekindergarten seats above the current 1,080.

**196. Regional District Transportation Aid.** The House Finance Committee recommends an additional \$250,000 from general revenues for the regional transportation categorical, for total FY 2020 funding of \$4.6 million. Funding is provided to offset excess costs associated with transporting students within regional school districts.

**197. School Climate (1.0 FTE).** The Governor recommends \$133,074 from new federal funds in FY 2020 for a new full-time equivalent position to oversee a new school climate transformation grant. Subsequent to submitting its budget request, the Department was awarded a five-year \$2.5 million grant to support districts in expanding programs that address student social, emotional and behavioral needs. The House Finance Committee does not concur with adding the new position; the Department has several staff that administer federal grants as well as several vacant positions.

**198. School Construction (1.0 FTE).** The Governor recommends \$133,074 from restricted receipts from the Rhode Island Health and Educational Building Corporation in FY 2020 for a new school construction finance specialist, increasing the number of funded positions for the School Building Authority from 4.0 to 5.0. The recommendation assumes the position will be filled for the entire fiscal year. Funding additional staff from Corporation receipts would draw down its reserves more quickly. The House Finance Committee does not concur and excludes the funding and authorization.

**199. School Improvement Position.** The House Finance Committee recommends \$120,000 from general revenues for a new school improvement position to assist with implementing school improvement supports as well as support districts with creating school improvement teams, strategic plans, and the district review process. The House Finance Committee recommends the Department fill the position within its existing full-time equivalent authorization by repurposing a vacant position.

**200. School Leadership Position.** The House Finance Committee recommends \$150,000 from general revenues for a new school leadership position to support school principals and build their capacity, as well as increase the diversity of the state's school leadership and educator pipeline and support the principal certification process. The House Finance Committee recommends the Department fill the position within its existing full-time equivalent authorization by repurposing a vacant position.

**201. School Meal Mandates.** The House Finance Committee does not concur with the Governor's proposal to mandate the offering of free breakfast after the school day has started or mandate participation in the Community Eligibility Provision of the national school nutrition programs for eligible schools. The proposal would have required schools with specific levels of students in poverty to participate, but empower the Commissioner of Elementary and Secondary Education to waive the requirements based on financial hardship. The House Finance Committee recommends removing \$55,000 from general revenues to implement the mandate but maintains the enacted level of \$270,000 for school breakfast administrative costs.

**202. STEM Curriculum Position.** The House Finance Committee recommends \$120,000 from general revenues to support a new science, technology, engineering and mathematics curriculum position that would assist with development of science curriculum frameworks and selecting high-quality instructional materials. The House Finance Committee recommends the Department fill the position within its existing full-time equivalent authorization by repurposing a vacant position.

### **Higher Education**

**203. Best Buddies.** The House Finance Committee recommends adding \$15,000 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 \$75,000 for FY 2020.

**204. Capital - CCRI Knight Campus Lab Renovation (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to shift \$1.3 million from Rhode Island Capital Plan funds from FY 2020 to FY 2022 for the Community College's Knight Campus Lab Renovation project to align the recommendation to priorities given available resources. The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding.

**205. Capital - OPC Higher Education Centers (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to shift \$1.8 million from Rhode Island Capital Plan funds authorized for FY 2019 to FY 2020 for the Northern Rhode Island Education Center project based on an updated timeline. As of June, the final site had still not been determined and there are outstanding questions about what the funding will support given current indications that leased space is being considered.

**206. Capital - RIC Academic Buildings Phase I (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to advance \$2.0 million from Rhode Island Capital Plan funds authorized as part of the FY 2019 enacted budget for FY 2020 to FY 2019 for the College's Academic Building Phase I project to reflect an updated project schedule.

**207. Capital - RIC Master Plan Advanced Planning (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation added \$150,000 for each FY 2019 and FY 2020. The House Finance Committee concurs with the Governor's subsequent amendment to provide \$0.3 million for FY 2020 as the College has indicated that it will not need the funding until FY 2020.

**208. Capital - URI Biological Resources Lab (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the

proposed funding. In some cases, there were also unrelated changes that caused a discrepancy between the capital budget and the amounts identified in the appropriations bill. For this project, the initial reconciliation added \$0.7 million. The House Finance Committee concurs with the Governor's requested budget amendment to remove \$2.8 million from Rhode Island Capital Plan funds for the University of Rhode Island's Biological Resources Lab project in FY 2019 and add \$2.9 million to FY 2020 based on the contract awarded and a revised construction schedule.

**209. CCRI - Current Promise Program Experience.** Based on the experience of the first two cohorts, the House Finance Committee recommends reducing the appropriation for the Promise program by \$0.9 million. This would provide \$7.0 million for FY 2020 and reflects the 3.0 percent increase in tuition and fees for FY 2020 as well as a 24 percent increase in enrollment compared to FY 2019.

**210. CCRI Administrative Staffing.** The House Finance Committee recommends reducing general revenue support for Community College administrative staffing by \$250,000. The Governor's recommended budget is \$10.9 million less than requested by the institutions, excluding debt service. The Governor recommended 60 percent of the Community College's request, 24 percent of the College's request, and 31 percent of the University's request. Reducing the general revenue support to the Community College by \$250,000 would provide 49 percent of the Community College's request. The House Finance Committee also removes authorization for 5.0 full-time equivalent positions.

**211. CCRI SNAP Scholarship.** The House Finance Committee does not concur with the Governor's proposal to add \$235,000 from general revenues to provide new scholarship or work study opportunities for Supplemental Nutrition Assistance Program eligible adults enrolled at the Community College for FY 2020. This includes \$225,000 for scholarships that would provide need-based aid for transportation, course materials, or childcare, and \$10,000 for work-study funding.

**212. New England Board of Higher Education.** The House Finance Committee recommends adding \$147,000 from general revenues to pay the dues for membership in the New England Board of Higher Education compact in each FY 2019 and FY 2020. The compact enables Rhode Island residents to pursue degree programs across New England at a lower cost than traditional out-of-state tuition. The annual fee was paid through the Rhode Island Higher Education Assistance Authority's budget before it merged it with the Office of Postsecondary Commissioner. The Office paid the dues through federal guaranty agency loan funds through FY 2018 until the loan portfolio was sold on June 30, 2018. The FY 2019 budget placed limits on the use of remaining federal funds, and the Office used that for staff and other support and did not pay the dues nor request additional funding to do so in its FY 2019 revised or its FY 2020 budget. The Governor requested an amendment to provide this funding from guaranty agency reserve funds but as that is a finite source, the House Finance Committee recommends general revenues.

**213. Northern RI Education Center (1.0 FTE).** Based on a delay in securing a site for the Northern RI Education Center, the House Finance Committee recommends removing the \$0.1 million from restricted receipts and 1.0 new full-time equivalent position the Governor recommended assuming the Center would open in FY 2020.

**214. OPC New Grants (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.6 million to reflect grants received after the Governor's budget was submitted. This includes \$0.3 million from the Lumina Foundation to establish a communications strategy to assist in increasing postsecondary enrollment for working-age adults. It also includes \$0.3 million from the Walmart Foundation to help develop a pathway to higher education for populations that have traditionally faced barriers to employment. This 18-month grant also includes \$0.2 million for FY 2019.

**215. OPC - RIDE Co-Locate Downsize (GBA).** The House Finance Committee concurs with the Governor's requested amendment to remove \$1.0 million from general revenues from the Office of

Postsecondary Commissioner based on a proposal from the Efficiency Commission. The proposal would co-locate the Office and the Department of Elementary and Secondary Education with the stated goal to encourage shared administrative support and allow for closer collaboration. Savings are based on the funding for several positions being eliminated; \$1.0 million in savings equates to about half of the Office's staff. The House Finance Committee also recommends reducing the Office's staffing authorization by 6.0 full-time equivalent positions.

**216. Promise - No Expansion.** The House Finance Committee does not concur with the Governor's proposal to expand the Rhode Island Promise program to Rhode Island College for juniors and seniors who enrolled as first-time, full-time students during the fall semester of 2017 or for adults age 25 and older at the Community College of Rhode Island. The Governor's recommendation funds the Promise expansion by reducing funding for the Last Dollar Scholarship program and increasing the use of one-time reserve funds that would extinguish in FY 2020 and require general revenues going forward. The House Finance Committee recommends restoring \$1.6 million of the reduction in Last Dollar Scholarship funding to Rhode Island College and also includes legislation to ensure that students attending private institutions receive \$1.5 million as recommended by the Governor.

**217. RIC Operating Support.** The House Finance Committee recommends adding \$0.9 million from general revenues for Rhode Island College for FY 2020. Adjusted for debt service, general revenues are \$3.2 million less than requested in the Governor's recommended budget. The Governor's budget assumed that with the expansion of the Rhode Island Promise program to juniors and seniors at Rhode Island College, there would be 3.0 percent growth in freshman and sophomore enrollment, which would equate to \$1.2 million in new revenue for the College.

**218. SARA Fees (Operating).** The House Finance Committee does not concur with the Governor's proposal to create a restricted receipt account for the State Authorization Reciprocity Agreement Membership fees collected by the Office of Postsecondary Commissioner. The House Finance Committee recommends that these fees continue to be deposited as general revenues and adds \$71,000 from general revenues to the Office's budget in lieu of restricted receipts.

### Arts Council

**219. Arts Workforce Development Grant.** The House Finance Committee does not concur with the Governor's proposal to provide \$30,000 from general revenues for a new pilot program to support the development of a skilled arts workforce in Rhode Island, through a curriculum developed by the Council in conjunction with the Providence Department of Art, Culture + Tourism, and a higher education partner.

**220. New Arts and Health Grant (GBA).** Consistent with the Governor's requested amendment, the House Finance Committee recommends an additional \$40,000 of restricted receipt funding for the Rhode Island State Council on the Arts for a new Arts in Healthcare grant award for FY 2020 from ArtPlace America.

**221. VSA Arts Grant.** The House Finance Committee does not concur with the Governor's recommendation to provide \$50,000 from general revenues for a new initiative to support VSA Arts Rhode Island, a statewide non-profit arts and education organization operated by, with, and for individuals with disabilities.

### Corrections

**222. Capital - Asset Protection.** The Governor's recommendation consolidates all Department of Corrections projects into a single asset protection project. The House Finance Committee recommends maintaining the appropriation for each project for FY 2019 with \$2.9 million for asset protection based on

updated spending which is \$10.7 million less than the Governor's recommendation and \$0.9 million less than the approved plan. Beginning in FY 2020, the House Finance Committee recommends that capital projects be aggregated into two distinct projects with one for asset protection and one for facilities renovations and recommends \$8.6 million for the asset protection project for FY 2020 which is \$4.2 million less than the Governor's recommendation.

**223. Capital - Correctional Facilities - Renovations.** The Governor's recommendation consolidated all Department projects into a single asset protection project beginning in FY 2019. Beginning in FY 2020, the House Finance Committee recommends that capital projects be aggregated into two distinct projections with one for asset protection and one for facilities renovations. For the facilities renovations project, the House Finance Committee recommends \$4.9 million for FY 2020.

**224. High Security Renovation Savings.** The House Finance Committee does not concur with the Governor's proposal to close and renovate the High Security facility. The Governor's recommended budget includes \$5.1 million in savings from transferring 36 inmates to other buildings with lower security classifications, placing the remaining 50 inmates in out-of-state facilities and moving 98 High Security correctional officers to other facilities.

**225. Judiciary Charges (GBA).** The House Finance Committee concurs with the Governor's requested amendment to remove \$30,000 for rent charged for probation and parole space at courthouses based on a new agreement with the Judiciary.

**226. Laboratory Work In-Source.** The House Finance Committee recommends general revenue savings of \$165,000 in the Department of Corrections' budget from having Eleanor Slater Hospital staff perform the laboratory testing that is currently being sent to East Side Clinical Laboratory. This would be done at no cost to the Department of Corrections. Staff at the state-run hospital had performed the lab testing for the Department until FY 2017. At that time, the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals, on recommendation from an outside consultant, notified the Department of Corrections that it would begin charging it a monthly service fee.

**227. Population Savings.** The Governor's FY 2020 budget recommendation assumes a population of 2,691 inmates for population related expenditures calculated on a per diem basis, excluding staffing and mental health services. Based on the most recent population figures, the House Finance Committee recommends \$0.1 million less than the Governor's recommendation which assumes an average population of 2,671 which is approximately 20 less inmates than assumed in the Governor's recommendation.

**228. Price Facility Operations (GBA).** The House Finance Committee concurs with the Governor's requested amendment to remove funding for Price facility operations for general revenue savings of \$0.4 million. While the building is vacant, the Department is still being billed by the City of Cranston for utilities.

**229. State Criminal Alien Assistance Program.** The House Finance Committee recommends adding \$124,233 for FY 2020 from State Criminal Alien Assistance Program federal funds based on the FY 2019 award. The award is typically similar to the previous fiscal year. As these funds are used to substitute for state support, the House Finance Committee recommends reducing general revenues by a like amount.

**230. Turnover.** The House Finance Committee recommends additional turnover savings of \$350,000 for FY 2020, for non-correctional officer positions. The recommendation is based on FY 2019 staffing levels through May.

## Judicial

**231. Capital - Judicial Complexes Fan Coils (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to remove \$500,000 from Rhode Island Capital Plan funds for FY 2020 for the Judiciary Complexes Fan Coils project to align the recommendation to priorities given available resources. This would begin the project in FY 2021.

**232. Capital - Noel Shelled Courtroom Build Out (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to shift \$2.2 million from Rhode Island Capital Plan funds from FY 2019 to FY 2020 for the Judiciary's Noel Shelled Build Out project based on a revision to the construction schedule.

**233. Court Operating to FY 2019 Revised Level.** Based on spending through the third quarter of FY 2019, the House Finance Committee recommends general revenue savings of \$0.5 million for the Judiciary in FY 2020. This includes \$0.2 million for court technology. The budget also includes \$1.4 million from restricted receipts from the Judiciary Technology Surcharge Account, which is \$0.1 million more than enacted. With the completion of the case management system, more electronic filings are occurring resulting in additional revenue that can be used in lieu of general revenues for court technology. The savings also includes \$0.3 million for facilities and operations.

**234. Drug Court Diversion Staffing (3.0 FTE).** The House Finance Committee recommends adding \$0.3 million from general revenues and 3.0 new full-time equivalent positions to support the Superior Court Diversion program which provides risk assessments for defendants who score as high risk on a risk screen. This was one of several recent justice reinvestment proposals that became law. Staff will be responsible for monitoring and maintaining records on defendants in the program and includes two case managers and one supervisor.

**235. Pay-Go Judges Pensions.** The Governor recommends \$6.1 million from all sources, including \$5.4 million from general revenues for retirement costs for judges and magistrates hired before 1990 who are not part of the state employees' retirement system. Based on updated data from the Judiciary, there is \$0.6 million in savings available for pay-go pensions in the current year. The annualized value of these savings is \$0.8 million and the House Finance Committee recommends reducing funding accordingly.

## Military Staff

**236. Capital - Bristol Readiness Center (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$125,000 from Rhode Island Capital Plan funds from FY 2019 to FY 2020 for a feasibility study and an environmental assessment for a new armory facility in Bristol. The construction of the facility will be 100 percent federally funded.

**237. Capital - Joint Force Headquarters Building (GBA).** The FY 2019 revised budget includes \$6.6 million from Rhode Island Capital Plan funds to build a new joint force headquarters at Camp Fogarty in East Greenwich. Based on projected expenditures, the House Finance Committee concurs with the Governor's requested amendment to shift \$0.4 million to FY 2020.

**238. Capital - Armory of Mounted Command Roof Replacement (GBA).** The FY 2019 revised budget includes \$0.8 million from Rhode Island Capital Plan funds for the rehabilitation of the Armory of Mounted Commands building. Based on projected expenditures, the House Finance Committee concurs with the Governor's requested amendment to shift \$0.5 million from FY 2019 to FY 2020.

## Public Safety

**239. Adult Use Marijuana.** The House Finance Committee does not concur with the Governor's proposal to add \$850,000 from restricted receipts for a new adult use marijuana program. The Governor's proposal assumed \$6.5 million of new revenues from the legalization of marijuana including sales tax, fees, and surcharge collections. It appears these funds were to be used for advertising and to distribute as grants.

**240. E-911 to Restricted.** The House Finance Committee recommends dedicating a portion of the Emergency Services and First Response Surcharge to a restricted receipt account to be used exclusively for 911 operations, effective October 1, 2019. The E-911 monthly surcharge on wired and wireless phone lines is reduced from \$1.00 to \$0.50 per each line. The Committee also recommends lowering the remaining first response surcharge to \$0.50 per wired line and \$0.75 per wireless line.

**241. Fiscal Clerk (1.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to add \$0.1 million from restricted receipts collected from indirect cost recovery on federal grants for 1.0 new full-time fiscal clerk position. This position was filled in September 2018. There are currently no negotiated indirect cost recovery rates on federal grants and as of June 6, 2019, the total receipts are \$24,084, which is not enough to support the cost of this new position.

**242. Grants Manager (1.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to add \$0.1 million from general revenues and 1.0 new full-time grants manager position.

**243. Judiciary Charges - Sheriffs (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$30,000 from general revenues for the Division of Sheriffs to reflect the Judiciary charges for rent at the courthouses based on a new agreement with the Judiciary.

**244. Recruitment.** The House Finance Committee recommends \$90,000 from general revenues for the Department of Public Safety to begin recruiting for a future State Police Training Academy. There are 57 individuals eligible for retirement within the Division of State Police. The Division is expecting to graduate 37 new cadets on June 28, 2019. Past recruitment costs include advertising, medical assessments, and administering written exams.

**245. Training and Upgrades.** The House Finance Committee recommends \$258,500 from general revenues and restricted receipts for staffing upgrades and training for the Department of Public Safety. This includes \$36,500 from general revenues to upgrade state police positions and \$222,000 from restricted receipts for the Division of E-911 to train its telecommunicators in emergency medical dispatch.

**246. Turnover.** The House Finance Committee recommends the Department of Public Safety achieve additional general revenue turnover savings of \$250,000.

## Public Defender

**247. Parking Lease Consolidation (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to consolidate parking leases in Providence based on an Efficiency Commission proposal. General revenue savings of \$23,400 are based on a reduction to the employee parking contract and would be implemented in the fourth quarter of FY 2020.

## Emergency Management Agency

**248. Turnover Savings.** The House Finance Committee recommends general revenue turnover savings of \$75,000 for the Emergency Management Agency for FY 2020 consistent with its recommendation for

FY 2019. The recommendation includes general revenue turnover savings of \$11,000 and through the pay period ending April 27, the Agency has averaged 2.5 vacancies.

### **Environmental Management**

**249. Abandoned Vessel Removal Correction.** The Governor recommends the enacted amount of \$0.1 million for the Abandoned Vessel Removal Program, which appears to be based on the Department's request. The FY 2019 revised request includes \$50,000 for this program while the FY 2020 request is for \$0.1 million; the Department indicates both requests should have been for \$50,000. The House Finance Committee recommends reducing funding accordingly.

**250. America's Cup to Tourism Funds.** The Governor recommends that \$0.4 million from general revenues be used to support the hosting of the America's Cup World Series in Newport in FY 2020. The House Finance Committee recommends providing funding from tourism funds budgeted within the Commerce Corporation in lieu of general revenues.

**251. Capital - Blackstone Valley Park Improvements (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$0.5 million from Rhode Island Capital Plan funds from FY 2019 to FY 2020 for ongoing efforts at improving access to the Blackstone River Valley and related work in the Blackstone Valley Corridor. The Governor's revised budget added \$0.5 million for the project, mostly to reflect new work to be done in Cumberland.

**252. Capital - Dam Repair (GBA).** The House Finance Committee recommends reducing Rhode Island Capital Plan funds for the repair of high hazard state-owned dams at various recreational and management areas in FY 2020 by \$1.9 million consistent with the Governor's requested amendment. The action reflects that available general obligation bond funding will be used beginning in FY 2020 to complete these repairs, which take a significant amount of time as the dams can only be repaired during a two-month low flow period each year.

**253. Capital - Galilee Pier Improvements (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reduce Rhode Island Capital Plan funding for the Galilee Piers Improvements project by \$1.9 million for FY 2019, shift \$1.6 million to FY 2020, and alter the amounts from FY 2021 through FY 2024. Total funding is unchanged from the recommendation.

**254. Capital - Marine Infrastructure and Pier Development.** The Governor recommends \$6.8 million from Rhode Island Capital Plan funds from FY 2019 through FY 2024 for marine infrastructure and pier development at sites important to Rhode Island's tourism and fishing economy. Based on projected spending through the end of FY 2019, the House Finance Committee recommends shifting \$525,000 from FY 2019 to FY 2020.

**255. Capital - Recreation Facility Asset Protection.** The House Finance Committee recommends establishing a capital project specifically for asset protection to help address needs in state parks and recreational facilities. The Governor's recommendation includes \$0.5 million for FY 2020 for asset protection within the Recreational Facilities Improvement capital project; the House Finance Committee shifts that funding to this new project and provides \$0.5 million annually through FY 2024.

**256. Capital - Recreational Facilities Improvements.** The Governor recommends \$17.3 million from Rhode Island Capital Plan funds from FY 2019 through FY 2024 for a variety of major capital development projects at state parks, beaches and campgrounds. The House Finance Committee concurs with her requested amendment to reduce funding in the current year by \$1.0 million based on updated spending. Additionally, the Committee reduces funding in FY 2020 by \$0.5 million.

**257. Executive Business Office (1.0 FTE).** The Governor proposes to add \$0.2 million from general revenues and 2.0 new full-time equivalent positions to create an Executive Business Office within the Department of Environmental Management. The Office's purpose would be to secure sponsorships, fundraise, and plan events. The House Finance Committee recommends 1.0 position and \$0.1 million from general revenues for this initiative. The reduction aligns to the updated estimates of revenues from increasing campground and miscellaneous fees.

**258. Host Beach Payments from Fee Increase.** The Governor recommends \$0.6 million from general revenues for reimbursement payments to host beach communities, which is \$0.2 million more than enacted based on the Governor's proposal to increase beach parking fees. The Department publicly announced this increase would not occur on March 26; the House Finance Committee recommends removing the related additional funding.

**259. Minimum Wage Increase.** The House Finance Committee does not concur with the Governor's proposal to increase the minimum wage and removes the \$0.1 million from general revenues relating to that proposed increase from the Department of Environmental Management's budget.

**260. OSPAR Staff (Article 5) (3.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to expand uses of the Oil Spill Prevention, Administration, and Response Fund and recommends removing the associated 3.0 new full-time equivalent positions and \$0.2 million in funding. The Governor's recommendation would have doubled the fee supporting the fund and expand the allowable uses of the fund to pay for compliance and monitoring activities for storm water management and brownfields remediation.

**261. Parks Operations.** The House Finance Committee recommends reducing the Governor's recommendation of an additional \$0.8 million from general revenues for the operations of the Division of Parks and Recreation by \$450,000. This reflects funding for existing parks under the Department's purview and aligns the additional funding with updated estimates of revenues from raising campground and miscellaneous fees.

**262. Parks Positions (3.0 FTE).** The Governor recommends \$0.5 million from general revenues and 6.0 new full-time equivalent positions for the Division of Parks and Recreation. The House Finance Committee recommends 3.0 positions and \$0.2 million of funding to align with the updated estimates of revenues from raising campground and miscellaneous fees. This would allow the three positions to be hired during the year.

### **Coastal Resources Management Council**

**263. Capital - Green Hill Pond.** The House Finance Committee recommends a Rhode Island Capital Plan Fund appropriation of \$30,000 to develop shoreline adaptation and resiliency solutions to address the erosion of the Green Hill Beach coastline and resulting effects on Green Hill Pond.

**264. Capital - Shoreline Change (Beach) SAMP (GBA).** The House Finance Committee concurs with the Governor's requested amendment to remove \$0.2 million from Rhode Island Capital Plan funds for FY 2019 and \$50,000 for FY 2020 for the Beach Special Area Management Plan. Funding was included in error as this project is complete.

**265. Staffing.** The House Finance Committee recommends reducing funding from general revenues by \$30,000 and federal funds by \$40,000 to correctly budget personnel costs. The Governor's recommendation appears to be based on the Council's request which was overstated.

## Transportation

**266. Capital - Maintenance Facilities Improvements (GBA).** The FY 2019 revised budget included \$0.6 million from Rhode Island Capital Plan funds for asset protection projects at several maintenance facilities. Based on projected expenditures, the House Finance Committee concurs with the Governor's requested amendment to shift \$0.5 million from FY 2019 to FY 2020.

**267. Capital - RIPTA Land and Building Project.** The Rhode Island Public Transit Authority received a \$3.3 million federal grant to renovate the Chafee Maintenance Facility on Melrose Avenue, including a new roof as well as heating, ventilation and air conditioning upgrades and garage door replacement. The House Finance Committee recommends a total of \$0.8 million from Rhode Island Capital Plan funds to provide the 25.0 percent match. This includes \$0.3 million for FY 2020 and \$0.5 million for FY 2021.

**268. Capital - Welcome Center.** The Governor recommends use of \$150,000 from the Highway Maintenance Account to renovate the Welcome Center Facility in Richmond. The Department reopened the facility in May 2016 with portable restrooms and subsequently it opened the indoor facilities, which need restroom renovations, roof repair and a new filtration system. The House Finance Committee does not recommend use of highway maintenance funds for this project and includes \$150,000 from Rhode Island Capital Plan funds.

**269. Drainage Projects Funding Adjustment (GBA).** The Department is currently required by a consent decree with the U.S. Department of Justice to maintain storm drains and address pollutants that are going into the Narragansett Bay and other waterways. The FY 2020 recommended budget includes \$6.1 million from highway maintenance funds for drainage related projects. The Budget Office indicates that the intent is to recommend funding consistent with the Department's request of \$6.0 million. The House Finance Committee concurs with the Governor's requested amendment to reflect this.

**270. Excess Resources to Capital.** Based on projected staffing and winter maintenance expenses and projected gas tax receipts for FY 2019 and FY 2020, the House Finance Committee repurposes \$15.0 million of savings and available resources for capital projects for FY 2020. This also includes \$2.3 million from the gasoline tax, reflective of the House Finance Committee's recommendation not to provide the Rhode Island Public Transit Authority with a half cent of the projected inflation increase.

**271. Gas Tax DOT Yield.** The House Finance Committee recommends adjusting gasoline tax expenditures for the Department of Transportation by \$0.3 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.

**272. Gas Tax RIPTA.** The 2014 legislation indexed the gasoline tax to the Consumer Price Index every other year, rounded to the nearest cent and dedicated the increases to the Department of Transportation. The Governor proposed legislation requiring that half of the FY 2020 increase or \$2.3 million be dedicated to the Rhode Island Public Transit Authority. The House Finance Committee maintains the current law disposition of the gasoline tax proceeds and recommends increasing available gasoline tax to the Rhode Island Public Transit Authority for both FY 2019 and FY 2020 to reflect an upward revision to the gas tax yield, providing a total of \$2.5 million. The impact of both changes to the Authority results in \$0.2 million more from gas tax proceeds.

**273. Gas Tax Turnpike and Bridge Authority Yield.** The House Finance Committee recommends adjusting available gasoline tax proceeds in the Department of Transportation's budget to reflect an increased transfer to the Rhode Island Turnpike and Bridge Authority of \$0.5 million to reflect an upward revision of the gasoline tax yield estimate.

**274. New Positions (30.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add 30.0 new full-time equivalent positions for the Department of Transportation and assumes savings of \$2.6 million from federal and gas tax proceeds. The Department has averaged 686.0 filled positions through the end of April, resulting in 69.0 vacancies from the authorized level of 755. The Department has averaged nearly 100 vacancies in the last three fiscal years.

**275. Vehicle Maintenance Correction (GBA).** The Governor's budget inadvertently included a negative appropriation of \$6.3 million for vehicle maintenance related expenses. The House Finance Committee concurs with her subsequent amendment to correct this.

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## **Section III**

### **Special Reports**

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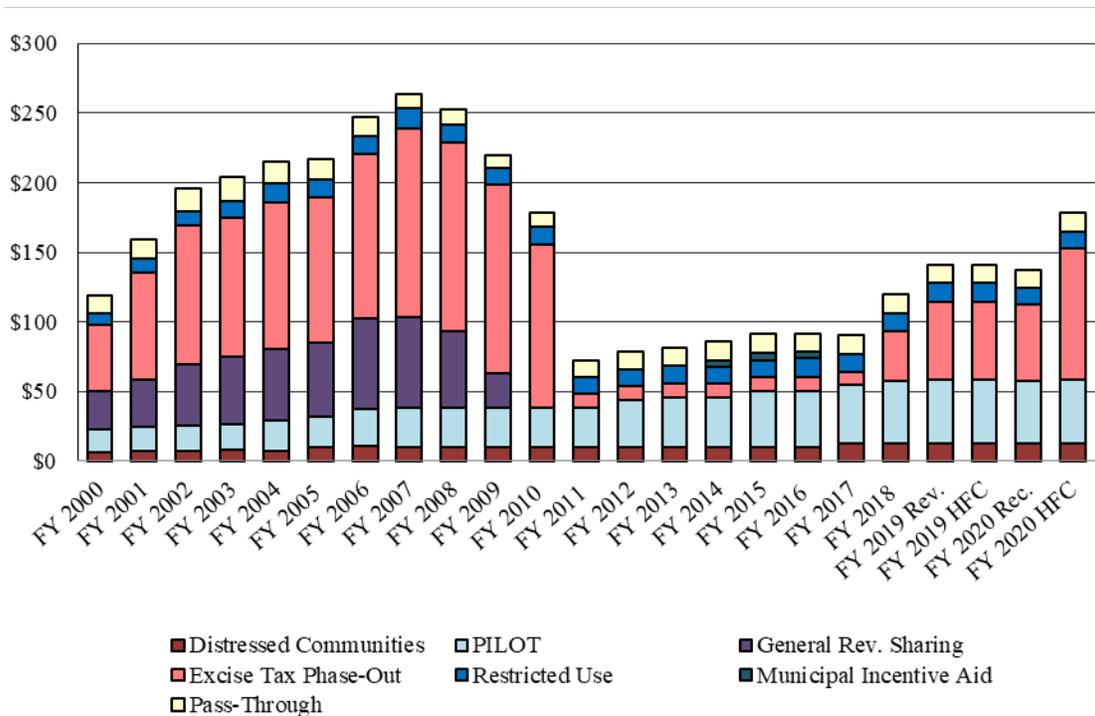


# State Aid to Local Governments

## Introduction

The House Finance Committee recommends state aid to cities and towns totaling \$128.0 million in FY 2019 and \$164.8 million in FY 2020. Funding for general aid programs in FY 2019 includes \$114.8 million, which is \$1.5 million more than the enacted level and is consistent with the Governor’s revised budget. Funding for general aid programs in FY 2020 includes \$152.7 million, \$39.6 million more than enacted, and \$21.5 million more than the Governor’s recommendation. The Committee’s recommendation for restricted use programs includes the enacted level of \$13.2 million for FY 2019 and \$12.0 million for FY 2020. Local communities will also receive an estimated \$13.3 million for FY 2019 and FY 2020 in public service corporation property taxes, which the state collects and passes through to the communities.

The following graph shows historical funding data, in millions. The graph below also shows the allocation of funding for state aid programs from FY 2000 through FY 2020.



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 recommendations for the Motor Vehicle Excise Tax Phase-Out for FY 2020 and Public Service Corporations taxes for FY 2019 and FY 2020 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 \$114.8 million for FY 2019 and \$152.7 million for FY 2020 for general state aid programs to local governments.

Fiscal Year	2019 Enacted	2019 Gov. Rev.	Rev. Diff.	2019 HFC	HFC to Gov. Rev.	2020 Gov. Rec.	Rec. Diff.	2020 HFC	HFC to Gov. Rec.
<b>General Aid - State Sources</b>									
Distressed Communities	\$ 12.4	\$ 12.4	\$ -	\$ 12.4	\$ -	\$ 12.4	\$ -	\$ 12.4	\$ -
PILOT	46.1	46.1	-	46.1	-	40.8	(5.3)	46.1	5.3
Excise Tax Phase-Out	54.7	56.3	1.5	56.3	-	78.0	23.2	94.3	16.3
<b>Subtotal</b>	<b>\$ 113.2</b>	<b>\$ 114.8</b>	<b>\$ 1.5</b>	<b>\$ 114.8</b>	<b>\$ -</b>	<b>\$ 131.2</b>	<b>\$ 18.0</b>	<b>\$ 152.7</b>	<b>\$ 21.5</b>
<b>Restricted Use Aid - State Sources</b>									
Library Resource Aid	\$ 9.4	\$ 9.4	\$ -	\$ 9.4	\$ -	\$ 9.4	\$ -	\$ 9.4	\$ -
Library Const. Aid	2.2	2.2	-	2.2	-	1.9	(0.2)	1.9	-
Prop. Val. Reimb.	1.6	1.6	-	1.6	-	0.7	(0.9)	0.7	-
Oversight Reimbursement	0.1	0.1	-	0.1	-	0.1	(0.0)	0.1	-
<b>Subtotal</b>	<b>\$ 13.2</b>	<b>\$ 13.2</b>	<b>\$ -</b>	<b>\$ 13.2</b>	<b>\$ -</b>	<b>\$ 12.0</b>	<b>\$ (1.2)</b>	<b>\$ 12.0</b>	<b>\$ -</b>
<b>Total - State Sources</b>	<b>\$ 126.4</b>	<b>\$ 128.0</b>	<b>\$ 1.5</b>	<b>\$ 128.0</b>	<b>\$ -</b>	<b>\$ 143.2</b>	<b>\$ 16.8</b>	<b>\$ 164.8</b>	<b>\$ 21.5</b>
<b>Other Aid - Pass-Through</b>									
Public Service Corp.	\$ 13.3	\$ 13.3	\$ -	\$ 13.3	\$ -	\$ 13.3	\$ -	\$ 13.3	\$ -

*In millions*

- Distressed Communities Relief Fund.** The House Finance Committee recommends the enacted level of \$12.4 million for the Distressed Communities Relief Fund. Communities' aid distribution is based on updated qualifying tax levies and reflects the exclusion of Johnston as a distressed community for FY 2020. 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.
- Payment in Lieu of Taxes Program.** The House Finance Committee recommends the enacted level of \$46.1 million for FY 2020 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 FY 2020 recommendation reflects a 26.6 percent reimbursement rate. The Governor had proposed a reimbursement rate of 23.6 percent, \$6.0 million less than full funding and \$5.3 million less than the enacted budget.
- Motor Vehicle Excise Tax Phase-Out.** The House Finance Committee recommends maintaining the Motor Vehicle Excise Tax Phase-Out program under current law, and funds the program accordingly. The Governor's budget includes legislation to complete the phase-out a different way with more of the cost shifted to later years. The Committee recommends \$56.3 million for FY 2019, \$1.5 million more than enacted. For FY 2020 it includes \$94.3 million based on updated estimates which is \$39.5 million more than enacted, and \$16.3 million more than the Governor recommended. The Committee did not concur with her proposal to alter the phase-out. The 2017 Assembly restarted the phase-out, which had been frozen for several years. For FY 2020, the changes include lowering the rate cap by \$15 to \$35, lowering the assessed value from 90.0 percent to 85.0 percent, and raising the minimum exemption to \$3,000 per year. As of FY 2018, cars older than 15 years old are no longer taxed. The tax is eliminated as of FY 2024.
- Library Resource Sharing Aid.** The House Finance Committee recommends the enacted amount of \$9.4 million for state support of public libraries. Current law allows 25.0 percent reimbursement of second prior year expenditures, subject to appropriation. The funds represent 21.6 percent.
- Library Construction Aid.** Consistent with the Governor's budget, the House Finance Committee recommends \$1.9 million to fully fund library construction aid requirements for FY 2020. 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.

- ***Property Valuation Reimbursement.*** The House Finance Committee recommends \$1.6 million for FY 2019 and \$0.7 million for FY 2020 to reimburse communities conducting property valuation updates.
- ***Oversight Reimbursement.*** Consistent with the Governor's recommended budget, the House Finance Committee recommends \$50,697 for FY 2020 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 \$16,899 less than enacted for FY 2019 and reflects the anticipated end of oversight for Woonsocket in March 2020.
- ***Public Service Corporation Tax.*** The FY 2020 budget assumes the state will collect and distribute the enacted level of \$13.3 million of property taxes from public service corporations on behalf of municipalities and pass that back to them. A final figure will be calculated in mid-2019 when updated data is available. The 2009 Assembly adopted the Governor's recommendation to require the tax rate applied to the tangible personal property of public service corporations not be less than the prior year.

## General Aid Total

Includes Distressed Communities, PILOT, Motor Vehicles Excise Tax

<i>City or Town</i>	<i>FY2019 Enacted</i>	<i>FY2019 Gov. Rev.*</i>	<i>Revised Difference</i>	<i>FY2019 HFC</i>	<i>FY2019 HFC to Gov. Rev.</i>
Barrington	\$ 841,884	\$ 893,647	\$ 51,763	\$ 893,647	\$ -
Bristol	1,844,851	1,896,402	51,551	1,896,402	-
Burrillville	1,209,727	1,225,095	15,368	1,225,095	-
Central Falls	778,330	721,222	(57,108)	721,222	-
Charlestown	243,681	243,559	(122)	243,559	-
Coventry	1,448,240	1,513,027	64,787	1,513,027	-
Cranston	12,662,699	12,553,218	(109,481)	12,553,218	-
Cumberland	1,369,021	1,435,030	66,009	1,435,030	-
East Greenwich	1,040,604	1,095,921	55,317	1,095,921	-
East Providence	1,898,113	2,250,374	352,261	2,250,374	-
Exeter	534,739	564,536	29,797	564,536	-
Foster	468,246	439,626	(28,620)	439,626	-
Glocester	582,819	584,144	1,325	584,144	-
Hopkinton	439,028	440,403	1,375	440,403	-
Jamestown	99,177	104,445	5,268	104,445	-
Johnston	3,637,649	3,676,138	38,489	3,676,138	-
Lincoln	842,552	910,043	67,491	910,043	-
Little Compton	62,951	66,928	3,977	66,928	-
Middletown	296,803	297,982	1,179	297,982	-
Narragansett	277,376	303,733	26,357	303,733	-
Newport	1,793,359	1,813,586	20,227	1,813,586	-
New Shoreham	43,379	52,106	8,727	52,106	-
North Kingstown	821,119	733,454	(87,665)	733,454	-
North Providence	3,565,889	3,663,820	97,931	3,663,820	-
North Smithfield	970,239	965,888	(4,351)	965,888	-
Pawtucket	7,100,592	7,235,052	134,460	7,235,052	-
Portsmouth	376,198	361,091	(15,107)	361,091	-
Providence	50,625,447	50,766,420	140,973	50,766,420	-
Richmond	360,344	366,909	6,565	366,909	-
Scituate	325,391	285,902	(39,489)	285,902	-
Smithfield	1,835,094	1,738,081	(97,013)	1,738,081	-
South Kingstown	829,698	860,612	30,914	860,612	-
Tiverton	294,968	304,343	9,375	304,343	-
Warren	534,788	542,910	8,122	542,910	-
Warwick	5,554,815	5,951,041	396,226	5,951,041	-
Westerly	1,420,419	1,380,133	(40,286)	1,380,133	-
West Greenwich	311,443	283,021	(28,422)	283,021	-
West Warwick	2,145,263	2,249,768	104,505	2,249,768	-
Woonsocket	3,666,480	3,916,147	249,667	3,916,147	-
<b>Subtotal</b>	<b>\$ 113,153,415</b>	<b>\$ 114,685,755</b>	<b>\$ 1,532,340</b>	<b>\$ 114,685,755</b>	<b>\$ -</b>
MV Phase Out - Fire Districts	69,496	70,714	1,218	70,714	-
<b>Total</b>	<b>\$ 113,222,910</b>	<b>\$ 114,756,469</b>	<b>\$ 1,533,558</b>	<b>\$ 114,756,469</b>	<b>\$ -</b>

*\*FY 2019 Enacted MV Figures reflect value of FY 2018 levy, the FY 2019 Gov. Rev. reflects updated data*

## General Aid Total

Includes Distressed Communities, PILOT, Motor Vehicles Excise Tax

<i>City or Town</i>	<i>FY2019 Enacted</i>	<i>FY2020 Gov. Rec.*</i>	<i>FY2020 Rec. to Enacted</i>	<i>FY2020 HFC</i>	<i>FY2020 HFC to Gov. Rec.</i>
Barrington	\$ 841,884	\$ 1,407,893	\$ 566,009	\$ 2,169,738	\$ 761,845
Bristol	1,844,851	2,091,192	246,341	2,385,515	294,323
Burrillville	1,209,727	1,507,392	297,665	2,150,241	642,849
Central Falls	778,330	1,112,461	334,131	1,329,215	216,754
Charlestown	243,681	296,996	53,315	335,999	39,003
Coventry	1,448,240	1,853,555	405,315	2,080,041	226,486
Cranston	12,662,699	15,496,053	2,833,354	18,569,870	3,073,817
Cumberland	1,369,021	1,753,921	384,900	1,985,458	231,537
East Greenwich	1,040,604	1,021,071	(19,533)	1,177,863	156,792
East Providence	1,898,113	3,283,774	1,385,661	3,311,853	28,079
Exeter	534,739	671,816	137,077	752,546	80,730
Foster	468,246	527,773	59,527	645,551	117,778
Glocester	582,819	709,347	126,528	798,968	89,621
Hopkinton	439,028	529,210	90,182	590,572	61,362
Jamestown	99,177	107,578	8,401	129,966	22,388
Johnston	3,637,649	3,940,546	302,897	5,142,608	1,202,062
Lincoln	842,552	929,616	87,064	1,094,910	165,294
Little Compton	62,951	68,672	5,721	82,117	13,445
Middletown	296,803	304,650	7,847	363,064	58,414
Narragansett	277,376	311,670	34,294	373,742	62,072
Newport	1,793,359	1,801,967	8,608	1,992,611	190,644
New Shoreham	43,379	59,257	15,878	138,397	79,140
North Kingstown	821,119	751,351	(69,768)	915,668	164,317
North Providence	3,565,889	4,510,495	944,606	5,583,930	1,073,435
North Smithfield	970,239	1,196,840	226,601	1,577,186	380,346
Pawtucket	7,100,592	10,172,033	3,071,441	11,459,229	1,287,196
Portsmouth	376,198	492,441	116,243	592,217	99,776
Providence	50,625,447	52,458,035	1,832,588	59,179,351	6,721,316
Richmond	360,344	442,459	82,115	496,496	54,037
Scituate	325,391	295,623	(29,768)	370,648	75,025
Smithfield	1,835,094	2,026,073	190,979	2,963,766	937,693
South Kingstown	829,698	852,791	23,093	994,608	141,817
Tiverton	294,968	312,900	17,932	377,613	64,713
Warren	534,788	658,021	123,233	738,124	80,103
Warwick	5,554,815	7,195,201	1,640,386	8,429,734	1,234,533
Westerly	1,420,419	1,744,589	324,170	2,020,795	276,206
West Greenwich	311,443	351,431	39,988	566,150	214,719
West Warwick	2,145,263	2,546,570	401,307	2,592,797	46,227
Woonsocket	3,666,480	5,309,347	1,642,867	6,188,614	879,267
<b>Subtotal</b>	<b>\$ 113,153,415</b>	<b>\$ 131,102,608</b>	<b>\$ 17,949,193</b>	<b>\$ 152,647,771</b>	<b>\$ 21,545,163</b>
MV Phase Out - Fire Districts	69,496	101,654	32,158	101,654	-
<b>Total</b>	<b>\$ 113,222,910</b>	<b>\$ 131,204,261</b>	<b>\$ 17,981,351</b>	<b>\$ 152,749,425</b>	<b>\$ 21,545,164</b>

\*FY 2019 Enacted MV Figures reflect value of FY 2018 levy, the FY 2020 Gov. Rec. reflects updated data

### Distressed Communities Relief

<i>City or Town</i>	<i>FY 2019 Enacted</i>	<i>FY 2019 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2019 HFC</i>	<i>FY 2019 HFC to Gov. Rev.</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	-	-	-	-	-
Central Falls	217,757	217,757	-	217,757	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	1,233,378	1,233,378	-	1,233,378	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	-	-	-	-	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	1,065,944	1,065,944	-	1,065,944	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	1,000,937	1,000,937	-	1,000,937	-
North Smithfield	-	-	-	-	-
Pawtucket	1,507,940	1,507,940	-	1,507,940	-
Portsmouth	-	-	-	-	-
Providence	5,606,831	5,606,831	-	5,606,831	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	904,159	904,159	-	904,159	-
Woonsocket	847,512	847,512	-	847,512	-
<b>Total</b>	<b>\$ 12,384,458</b>	<b>\$ 12,384,458</b>	<b>\$ -</b>	<b>\$ 12,384,458</b>	<b>\$ -</b>

### Distressed Communities Relief

<i>City or Town</i>	<i>FY 2019 Enacted</i>	<i>FY 2020 Gov. Rec.</i>	<i>FY 2020 Rec. to Enacted</i>	<i>FY 2020 HFC</i>	<i>FY 2020 HFC to Gov. Rec.</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	-	-	-	-	-
Central Falls	217,757	201,648	(16,109)	201,648	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	1,233,378	2,547,805	1,314,427	2,547,805	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	-	-	-	-	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	1,065,944	532,972	(532,972)	532,972	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	1,000,937	914,169	(86,768)	914,169	-
North Smithfield	-	-	-	-	-
Pawtucket	1,507,940	1,400,733	(107,207)	1,400,733	-
Portsmouth	-	-	-	-	-
Providence	5,606,831	5,155,694	(451,137)	5,155,694	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	904,159	859,102	(45,057)	859,102	-
Woonsocket	847,512	772,334	(75,178)	772,334	-
<b>Total</b>	<b>\$ 12,384,458</b>	<b>\$ 12,384,458</b>	<b>\$ -</b>	<b>\$ 12,384,458</b>	<b>\$ -</b>

### Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY2019 Enacted</i>	<i>FY2019 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY2019 HFC</i>	<i>FY2019 HFC to Gov. Rev.</i>
Barrington	\$ 17,514	\$ 17,514	\$ -	\$ 17,514	\$ -
Bristol	1,335,274	1,335,274	-	1,335,274	-
Burrillville	98,273	98,273	-	98,273	-
Central Falls	895	895	-	895	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	5,403,870	5,403,870	-	5,403,870	-
Cumberland	-	-	-	-	-
East Greenwich	659,856	659,856	-	659,856	-
East Providence	244,237	244,237	-	244,237	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	1,431,152	1,431,152	-	1,431,152	-
New Shoreham	-	-	-	-	-
North Kingstown	1,762	1,762	-	1,762	-
North Providence	-	-	-	-	-
North Smithfield	-	-	-	-	-
Pawtucket	575,928	575,928	-	575,928	-
Portsmouth	-	-	-	-	-
Providence	33,497,659	33,497,659	-	33,497,659	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	763,295	763,295	-	763,295	-
South Kingstown	207,011	207,011	-	207,011	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,687,863	1,687,863	-	1,687,863	-
Westerly	164,915	164,915	-	164,915	-
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	-	-	-	-	-
<b>Total</b>	<b>\$ 46,089,504</b>	<b>\$ 46,089,504</b>	<b>\$ -</b>	<b>\$ 46,089,504</b>	<b>\$ -</b>

### Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY2019 Enacted</i>	<i>FY2020 Gov. Rec.</i>	<i>FY2020 Rec. to Enacted</i>	<i>FY2020 HFC</i>	<i>FY2020 HFC to Gov. Rec.</i>
Barrington	\$ 17,514	\$ 14,447	\$ (3,067)	\$ 16,308	\$ 1,861
Bristol	1,335,274	1,330,772	(4,502)	1,502,180	171,408
Burrillville	98,273	88,867	(9,406)	100,313	11,446
Central Falls	895	687	(208)	775	88
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	5,403,870	4,771,444	(632,426)	5,386,022	614,578
Cumberland	-	-	-	-	-
East Greenwich	659,856	572,247	(87,609)	645,955	73,708
East Providence	244,237	217,998	(26,239)	246,077	28,079
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	1,431,152	1,408,819	(22,333)	1,590,280	181,461
New Shoreham	-	-	-	-	-
North Kingstown	1,762	1,006	(756)	1,135	129
North Providence	-	-	-	-	-
North Smithfield	-	-	-	-	-
Pawtucket	575,928	513,532	(62,396)	579,677	66,145
Portsmouth	-	-	-	-	-
Providence	33,497,659	29,400,443	(4,097,216)	33,187,319	3,786,876
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	763,295	666,009	(97,286)	751,793	85,784
South Kingstown	207,011	184,978	(22,033)	208,804	23,826
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,687,863	1,510,326	(177,537)	1,704,861	194,535
Westerly	164,915	148,835	(16,080)	168,006	19,171
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	-	-	-	-	-
<b>Total</b>	<b>\$ 46,089,504</b>	<b>\$ 40,830,409</b>	<b>\$ (5,259,095)</b>	<b>\$ 46,089,504</b>	<b>\$ 5,259,095</b>

### Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY2019 Enacted</i>	<i>FY2019 Gov. Rev.*</i>	<i>Revised Difference</i>	<i>FY2019 HFC</i>	<i>FY2019 HFC to Gov. Rev.</i>
Barrington	\$ 824,370	\$ 876,133	\$ 51,763	\$ 876,133	\$ -
Bristol	509,577	561,128	51,551	561,128	-
Burrillville	1,111,454	1,126,822	15,368	1,126,822	-
Central Falls	559,678	502,570	(57,108)	502,570	-
Charlestown	243,681	243,559	(122)	243,559	-
Coventry	1,448,240	1,513,027	64,787	1,513,027	-
Cranston	6,025,451	5,915,970	(109,481)	5,915,970	-
Cumberland	1,369,021	1,435,030	66,009	1,435,030	-
East Greenwich	380,748	436,065	55,317	436,065	-
East Providence	1,653,876	2,006,137	352,261	2,006,137	-
Exeter	534,739	564,536	29,797	564,536	-
Foster	468,246	439,626	(28,620)	439,626	-
Glocester	582,819	584,144	1,325	584,144	-
Hopkinton	439,028	440,403	1,375	440,403	-
Jamestown	99,177	104,445	5,268	104,445	-
Johnston	2,571,705	2,610,194	38,489	2,610,194	-
Lincoln	842,552	910,043	67,491	910,043	-
Little Compton	62,951	66,928	3,977	66,928	-
Middletown	296,803	297,982	1,179	297,982	-
Narragansett	277,376	303,733	26,357	303,733	-
Newport	362,207	382,434	20,227	382,434	-
New Shoreham	43,379	52,106	8,727	52,106	-
North Kingstown	819,357	731,692	(87,665)	731,692	-
North Providence	2,564,952	2,662,883	97,931	2,662,883	-
North Smithfield	970,239	965,888	(4,351)	965,888	-
Pawtucket	5,016,724	5,151,184	134,460	5,151,184	-
Portsmouth	376,198	361,091	(15,107)	361,091	-
Providence	11,520,957	11,661,930	140,973	11,661,930	-
Richmond	360,344	366,909	6,565	366,909	-
Scituate	325,391	285,902	(39,489)	285,902	-
Smithfield	1,071,799	974,786	(97,013)	974,786	-
South Kingstown	622,687	653,601	30,914	653,601	-
Tiverton	294,968	304,343	9,375	304,343	-
Warren	534,788	542,910	8,122	542,910	-
Warwick	3,866,952	4,263,178	396,226	4,263,178	-
Westerly	1,255,504	1,215,218	(40,286)	1,215,218	-
West Greenwich	311,443	283,021	(28,422)	283,021	-
West Warwick	1,241,104	1,345,609	104,505	1,345,609	-
Woonsocket	2,818,968	3,068,635	249,667	3,068,635	-
<b>Subtotal</b>	<b>\$ 54,679,453</b>	<b>\$ 56,211,793</b>	<b>\$ 1,532,340</b>	<b>\$ 56,211,793</b>	<b>\$ -</b>
Phase Out - Fire Districts	69,496	70,714	1,218	70,714	-
<b>Total</b>	<b>\$ 54,748,948</b>	<b>\$ 56,282,506</b>	<b>\$ 1,533,558</b>	<b>\$ 56,282,506</b>	<b>\$ -</b>

\*FY2019 Enacted MV Figures reflect value of FY2018 levy, the FY2019 Gov. Rev. reflects updated data

### Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY2019 Enacted</i>	<i>FY2020 Gov. Rec.*</i>	<i>FY2020 Rec. to Enacted</i>	<i>FY2020 HFC</i>	<i>FY2020 HFC to Gov. Rec.</i>
Barrington	\$ 824,370	\$ 1,393,446	\$ 569,076	\$ 2,153,430	\$ 759,984
Bristol	509,577	760,420	250,843	883,335	122,915
Burrillville	1,111,454	1,418,525	307,071	2,049,928	631,403
Central Falls	559,678	910,126	350,448	1,126,792	216,666
Charlestown	243,681	296,996	53,315	335,999	39,003
Coventry	1,448,240	1,853,555	405,315	2,080,041	226,486
Cranston	6,025,451	8,176,804	2,151,353	10,636,043	2,459,239
Cumberland	1,369,021	1,753,921	384,900	1,985,458	231,537
East Greenwich	380,748	448,824	68,076	531,908	83,084
East Providence	1,653,876	3,065,776	1,411,900	3,065,776	-
Exeter	534,739	671,816	137,077	752,546	80,730
Foster	468,246	527,773	59,527	645,551	117,778
Glocester	582,819	709,347	126,528	798,968	89,621
Hopkinton	439,028	529,210	90,182	590,572	61,362
Jamestown	99,177	107,578	8,401	129,966	22,388
Johnston	2,571,705	3,407,574	835,869	4,609,636	1,202,062
Lincoln	842,552	929,616	87,064	1,094,910	165,294
Little Compton	62,951	68,672	5,721	82,117	13,445
Middletown	296,803	304,650	7,847	363,064	58,414
Narragansett	277,376	311,670	34,294	373,742	62,072
Newport	362,207	393,148	30,941	402,331	9,183
New Shoreham	43,379	59,257	15,878	138,397	79,140
North Kingstown	819,357	750,345	(69,012)	914,533	164,188
North Providence	2,564,952	3,596,326	1,031,374	4,669,761	1,073,435
North Smithfield	970,239	1,196,840	226,601	1,577,186	380,346
Pawtucket	5,016,724	8,257,768	3,241,044	9,478,819	1,221,051
Portsmouth	376,198	492,441	116,243	592,217	99,776
Providence	11,520,957	17,901,898	6,380,941	20,836,338	2,934,440
Richmond	360,344	442,459	82,115	496,496	54,037
Scituate	325,391	295,623	(29,768)	370,648	75,025
Smithfield	1,071,799	1,360,064	288,265	2,211,973	851,909
South Kingstown	622,687	667,813	45,126	785,804	117,991
Tiverton	294,968	312,900	17,932	377,613	64,713
Warren	534,788	658,021	123,233	738,124	80,103
Warwick	3,866,952	5,684,875	1,817,923	6,724,873	1,039,998
Westerly	1,255,504	1,595,754	340,250	1,852,789	257,035
West Greenwich	311,443	351,431	39,988	566,150	214,719
West Warwick	1,241,104	1,687,468	446,364	1,733,695	46,227
Woonsocket	2,818,968	4,537,013	1,718,045	5,416,280	879,267
<b>Subtotal</b>	<b>\$ 54,679,453</b>	<b>\$ 77,887,741</b>	<b>\$ 23,208,288</b>	<b>\$ 94,173,809</b>	<b>\$ 16,286,069</b>
Phase Out - Fire Districts	69,496	101,654	32,158	101,654	-
<b>Total</b>	<b>\$ 54,748,948</b>	<b>\$ 77,989,394</b>	<b>\$ 23,240,446</b>	<b>\$ 94,275,463</b>	<b>\$ 16,286,069</b>

\*FY 2019 Enacted MV Figures reflect value of FY 2018 levy, the recommendation reflects updated data

## Library Aid

<i>City or Town</i>	<i>FY2019 Enacted</i>	<i>FY2019 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY2019 HFC</i>	<i>FY2019 HFC to Gov. Rev.</i>
Barrington	\$ 377,408	\$ 377,408	\$ -	\$ 377,408	\$ -
Bristol	192,571	192,571	-	192,571	-
Burrillville	173,440	173,440	-	173,440	-
Central Falls	26,487	26,487	-	26,487	-
Charlestown	51,117	51,117	-	51,117	-
Coventry	232,971	232,971	-	232,971	-
Cranston	599,627	599,627	-	599,627	-
Cumberland	279,091	279,091	-	279,091	-
East Greenwich	131,335	131,335	-	131,335	-
East Providence	418,643	418,643	-	418,643	-
Exeter	49,367	49,367	-	49,367	-
Foster	33,624	33,624	-	33,624	-
Glocester	78,446	78,446	-	78,446	-
Hopkinton	34,850	34,850	-	34,850	-
Jamestown	123,716	123,716	-	123,716	-
Johnston	120,586	120,586	-	120,586	-
Lincoln	202,908	202,908	-	202,908	-
Little Compton	34,306	34,306	-	34,306	-
Middletown	145,601	145,601	-	145,601	-
Narragansett	187,492	187,492	-	187,492	-
Newport	412,478	412,478	-	412,478	-
New Shoreham	84,344	84,344	-	84,344	-
North Kingstown	278,709	278,709	-	278,709	-
North Providence	197,946	197,946	-	197,946	-
North Smithfield	77,887	77,887	-	77,887	-
Pawtucket	390,645	390,645	-	390,645	-
Portsmouth	114,736	114,736	-	114,736	-
Providence*	1,983,098	1,983,098	-	1,983,098	-
Richmond	24,913	24,913	-	24,913	-
Scituate	104,590	104,590	-	104,590	-
Smithfield	295,708	295,708	-	295,708	-
South Kingstown	213,881	213,881	-	213,881	-
Tiverton	122,624	122,624	-	122,624	-
Warren	56,679	56,679	-	56,679	-
Warwick	737,667	737,667	-	737,667	-
Westerly	315,893	315,893	-	315,893	-
West Greenwich	36,772	36,772	-	36,772	-
West Warwick	160,224	160,224	-	160,224	-
Woonsocket	197,081	197,081	-	197,081	-
<b>Total</b>	<b>\$ 9,299,463</b>	<b>\$ 9,299,463</b>	<b>\$ -</b>	<b>\$ 9,299,461</b>	<b>\$ -</b>
Institutional Libraries	62,609	62,609	-	62,609	-
<b>Total</b>	<b>\$ 9,362,072</b>	<b>\$ 9,362,072</b>	<b>\$ -</b>	<b>\$ 9,362,070</b>	<b>\$ -</b>

\*Includes the Statewide Reference Library Resource Grant.

## Library Aid

<i>City or Town</i>	<i>FY2019 Enacted</i>	<i>FY2020 Gov. Rec.</i>	<i>FY2020 Rec. to Enacted</i>	<i>FY2020 HFC</i>	<i>FY2020 HFC to Enacted</i>
Barrington	\$ 377,408	\$ 373,393	\$ (4,015)	\$ 373,393	\$ (4,015)
Bristol	192,571	190,040	(2,531)	190,040	(2,531)
Burrillville	173,440	169,792	(3,648)	169,792	(3,648)
Central Falls	26,487	31,384	4,897	31,384	4,897
Charlestown	51,117	51,294	177	51,294	177
Coventry	232,971	226,403	(6,568)	226,403	(6,568)
Cranston	599,627	608,335	8,708	608,335	8,708
Cumberland	279,091	276,601	(2,490)	276,601	(2,490)
East Greenwich	131,335	126,645	(4,690)	126,645	(4,690)
East Providence	418,643	411,056	(7,587)	411,056	(7,587)
Exeter	49,367	51,067	1,700	51,067	1,700
Foster	33,624	32,632	(992)	32,632	(992)
Glocester	78,446	77,756	(690)	77,756	(690)
Hopkinton	34,850	35,868	1,018	35,868	1,018
Jamestown	123,716	104,748	(18,968)	104,748	(18,968)
Johnston	120,586	116,724	(3,862)	116,724	(3,862)
Lincoln	202,908	204,936	2,028	204,936	2,028
Little Compton	34,306	34,958	652	34,958	652
Middletown	145,601	141,336	(4,265)	141,336	(4,265)
Narragansett	187,492	181,959	(5,533)	181,959	(5,533)
Newport	412,478	400,306	(12,172)	400,306	(12,172)
New Shoreham	84,344	89,742	5,398	89,742	5,398
North Kingstown	278,709	290,338	11,629	290,338	11,629
North Providence	197,946	193,727	(4,219)	193,727	(4,219)
North Smithfield	77,887	77,263	(624)	77,263	(624)
Pawtucket	390,645	406,135	15,490	406,135	15,490
Portsmouth	114,736	113,429	(1,307)	113,429	(1,307)
Providence*	1,983,098	1,997,661	14,563	1,997,661	14,563
Richmond	24,913	24,428	(485)	24,428	(485)
Scituate	104,590	103,534	(1,056)	103,534	(1,056)
Smithfield	295,708	297,671	1,963	297,671	1,963
South Kingstown	213,881	219,988	6,107	219,988	6,107
Tiverton	122,624	122,228	(396)	122,228	(396)
Warren	56,679	56,214	(465)	56,214	(465)
Warwick	737,667	754,730	17,063	754,730	17,063
Westerly	315,893	309,803	(6,090)	309,803	(6,090)
West Greenwich	36,772	38,140	1,368	38,140	1,368
West Warwick	160,224	158,885	(1,339)	158,885	(1,339)
Woonsocket	197,081	198,313	1,232	198,313	1,232
<b>Total</b>	<b>\$ 9,299,463</b>	<b>\$ 9,299,463</b>	<b>\$ -</b>	<b>\$ 9,299,463</b>	<b>\$ -</b>
Institutional Libraries	62,609	62,609	-	62,609	-
<b>Total</b>	<b>\$ 9,362,072</b>	<b>\$ 9,362,072</b>	<b>\$ -</b>	<b>\$ 9,362,072</b>	<b>\$ -</b>

\*Includes the Statewide Reference Library Resource Grant.

## Public Service Corporation Tax

<i>City or Town</i>	<i>FY2019 Enacted</i>	<i>FY2019 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY2019 HFC</i>	<i>FY2019 HFC to Gov. Rev.</i>
Barrington	\$ 205,777	\$ 205,777	\$ -	\$ 205,777	\$ -
Bristol	282,413	282,413	-	282,413	-
Burrillville	204,641	204,641	-	204,641	-
Central Falls	244,423	244,423	-	244,423	-
Charlestown	98,143	98,143	-	98,143	-
Coventry	441,150	441,150	-	441,150	-
Cranston	1,020,830	1,020,830	-	1,020,830	-
Cumberland	432,719	432,719	-	432,719	-
East Greenwich	165,389	165,389	-	165,389	-
East Providence	596,479	596,479	-	596,479	-
Exeter	84,777	84,777	-	84,777	-
Foster	59,029	59,029	-	59,029	-
Glocester	125,379	125,379	-	125,379	-
Hopkinton	102,396	102,396	-	102,396	-
Jamestown	68,937	68,937	-	68,937	-
Johnston	367,606	367,606	-	367,606	-
Lincoln	271,180	271,180	-	271,180	-
Little Compton	44,099	44,099	-	44,099	-
Middletown	202,470	202,470	-	202,470	-
Narragansett	197,800	197,800	-	197,800	-
Newport	310,104	310,104	-	310,104	-
New Shoreham	11,170	11,170	-	11,170	-
North Kingstown	331,080	331,080	-	331,080	-
North Providence	408,082	408,082	-	408,082	-
North Smithfield	154,320	154,320	-	154,320	-
Pawtucket	901,017	901,017	-	901,017	-
Portsmouth	218,991	218,991	-	218,991	-
Providence	2,257,319	2,257,319	-	2,257,319	-
Richmond	96,149	96,149	-	96,149	-
Scituate	132,283	132,283	-	132,283	-
Smithfield	272,126	272,126	-	272,126	-
South Kingstown	386,853	386,853	-	386,853	-
Tiverton	199,352	199,352	-	199,352	-
Warren	133,129	133,129	-	133,129	-
Warwick	1,033,439	1,033,439	-	1,033,439	-
Westerly	285,934	285,934	-	285,934	-
West Greenwich	77,141	77,141	-	77,141	-
West Warwick	363,946	363,946	-	363,946	-
Woonsocket	520,903	520,903	-	520,903	-
<b>Total</b>	<b>\$ 13,308,972</b>	<b>\$ 13,308,972</b>	<b>\$ -</b>	<b>\$ 13,308,972</b>	<b>\$ -</b>

## Public Service Corporation Tax

<i>City or Town</i>	<i>FY2019 Enacted</i>	<i>FY2020 Gov. Rec.</i>	<i>FY2020 Rec. to Enacted</i>	<i>FY2020 HFC</i>	<i>FY2019 HFC to Gov. Rec.</i>
Barrington	\$ 205,777	\$ 205,777	\$ -	\$ 205,777	\$ -
Bristol	282,413	282,413	-	282,413	-
Burrillville	204,641	204,641	-	204,641	-
Central Falls	244,423	244,423	-	244,423	-
Charlestown	98,143	98,143	-	98,143	-
Coventry	441,150	441,150	-	441,150	-
Cranston	1,020,830	1,020,830	-	1,020,830	-
Cumberland	432,719	432,719	-	432,719	-
East Greenwich	165,389	165,389	-	165,389	-
East Providence	596,479	596,479	-	596,479	-
Exeter	84,777	84,777	-	84,777	-
Foster	59,029	59,029	-	59,029	-
Glocester	125,379	125,379	-	125,379	-
Hopkinton	102,396	102,396	-	102,396	-
Jamestown	68,937	68,937	-	68,937	-
Johnston	367,606	367,606	-	367,606	-
Lincoln	271,180	271,180	-	271,180	-
Little Compton	44,099	44,099	-	44,099	-
Middletown	202,470	202,470	-	202,470	-
Narragansett	197,800	197,800	-	197,800	-
Newport	310,104	310,104	-	310,104	-
New Shoreham	11,170	11,170	-	11,170	-
North Kingstown	331,080	331,080	-	331,080	-
North Providence	408,082	408,082	-	408,082	-
North Smithfield	154,320	154,320	-	154,320	-
Pawtucket	901,017	901,017	-	901,017	-
Portsmouth	218,991	218,991	-	218,991	-
Providence	2,257,319	2,257,319	-	2,257,319	-
Richmond	96,149	96,149	-	96,149	-
Scituate	132,283	132,283	-	132,283	-
Smithfield	272,126	272,126	-	272,126	-
South Kingstown	386,853	386,853	-	386,853	-
Tiverton	199,352	199,352	-	199,352	-
Warren	133,129	133,129	-	133,129	-
Warwick	1,033,439	1,033,439	-	1,033,439	-
Westerly	285,934	285,934	-	285,934	-
West Greenwich	77,141	77,141	-	77,141	-
West Warwick	363,946	363,946	-	363,946	-
Woonsocket	520,903	520,903	-	520,903	-
<b>Total</b>	<b>\$ 13,308,972</b>	<b>\$ 13,308,972</b>	<b>\$ -</b>	<b>\$ 13,308,972</b>	<b>\$ -</b>



## FY 2020 Education Aid

The House Finance Committee recommends \$1,210.6 million for FY 2020 total aid for local school districts. Funding for FY 2020 includes \$979.7 million in direct distributions to local school districts, \$37.5 million in categorical funding, \$1.0 million in other aid for distribution by the Department, \$112.3 million for the state's contribution to teacher retirement, and \$80.0 million for school construction costs. The recommendation is \$48.1 million more than enacted, including \$33.4 million more in direct distributions, and \$2.7 million more than the Governor's recommended budget.

The House Finance Committee recommends \$14.9 million to support the state's high-quality prekindergarten program, \$7.5 million more than enacted. This includes \$12.0 million to support the state's current 60 classrooms and \$2.9 million to expand access to high quality, prekindergarten. Additional funding is anticipated to allow for increased capacity in the current state-run classrooms up to 20 students, at least 10 new classrooms and extension of the school day for some Head Start students. Funding would allow for hundreds of new high quality, prekindergarten seats above the current 1,080.

Education Aid	FY 2019 Enacted	FY 2020 Governor	Change to Enacted	FY 2020 HFC	HFC Chg. to Enacted	HFC Chg. To Gov. Adjusted
<b>Operating Aid</b>						
Local Districts	\$ 787,092,594	\$ 806,857,850	\$ 19,765,256	\$ 807,609,544	\$ 20,516,950	\$ -
Central Falls	40,752,939	41,087,651	334,712	41,476,650	723,711	-
Met School*	9,342,007	9,342,007	-	9,342,007	-	-
Davies Career & Technical*	13,658,087	13,694,981	36,894	13,694,981	36,894	-
Charter Schools	90,493,298	101,400,980	10,907,682	100,979,327	10,486,029	-
UCAP	1,423,688	1,534,754	111,066	1,539,913	116,225	-
Group Home Aid	3,575,746	3,198,073	(377,673)	3,233,153	(342,593)	35,080
<b>Subtotal</b>	<b>\$ 946,338,359</b>	<b>\$ 977,116,293</b>	<b>\$ 30,777,934</b>	<b>\$ 977,875,575</b>	<b>\$ 31,537,216</b>	<b>\$ 35,080</b>
<b>Other Adjustments</b>						
Audit Adjustment	\$ -	\$ 18,947	\$ 18,947	\$ 1,850,065	\$ 1,850,065	\$ 1,831,118
Training School Costs	-	(1,330,984)	(1,330,984)	-	-	1,330,984
<b>Adjusted Subtotal</b>	<b>\$ 946,338,359</b>	<b>\$ 975,804,256</b>	<b>\$ 29,465,897</b>	<b>\$ 979,725,640</b>	<b>\$ 33,387,281</b>	<b>\$ 3,197,182</b>
<b>Categorical Funding</b>						
High Cost Special Education	\$ 4,500,000	\$ 4,500,000	\$ -	\$ 4,500,000	\$ -	\$ -
Career and Technical	4,500,000	4,500,000	-	4,500,000	-	-
Early Childhood	7,360,000	15,553,081	8,193,081	14,850,000	7,490,000	(703,081)
Non-Public Transportation	3,038,684	3,038,684	-	3,038,684	-	-
Regional District Transportation	4,372,676	4,372,676	-	4,622,676	250,000	250,000
English Language Learners	2,744,939	5,000,000	2,255,061	5,000,000	2,255,061	-
School of Choice Density Aid	478,350	-	(478,350)	-	(478,350)	-
School Resource Officer Support	2,000,000	1,000,000	(1,000,000)	1,000,000	(1,000,000)	-
<b>Subtotal</b>	<b>\$ 28,994,649</b>	<b>\$ 37,964,441</b>	<b>\$ 8,969,792</b>	<b>\$ 37,511,360</b>	<b>\$ 8,516,711</b>	<b>\$ (453,081)</b>
<b>Set-Aside Funds</b>						
Textbook Loans	\$ 240,000	\$ 240,000	\$ -	\$ 240,000	\$ -	\$ -
School Breakfast	270,000	270,000	-	270,000	-	-
Recovery High School	500,000	500,000	-	500,000	-	-
<b>Subtotal</b>	<b>\$ 1,010,000</b>	<b>\$ 1,010,000</b>	<b>\$ -</b>	<b>\$ 1,010,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 976,343,008</b>	<b>\$ 1,014,778,697</b>	<b>\$ 38,435,689</b>	<b>\$ 1,018,247,000</b>	<b>\$ 41,903,992</b>	<b>\$ 2,744,101</b>
<b>Other Aid</b>						
Teacher Retirement	\$ 106,118,409	\$ 112,337,502	\$ 6,219,093	\$ 112,337,502	\$ 6,219,093	\$ -
Construction Aid	69,448,781	78,984,971	9,536,190	78,984,971	9,536,190	-
School Building Authority Fund	10,551,219	1,015,029	(9,536,190)	1,015,029	(9,536,190)	-
<b>Statewide Total</b>	<b>\$ 1,162,461,417</b>	<b>\$ 1,207,116,199</b>	<b>\$ 44,654,782</b>	<b>\$ 1,210,584,502</b>	<b>\$ 48,123,085</b>	<b>\$ 2,744,101</b>

\*Only reflects operating support consistent with other school districts. Capital projects funded from Rhode Island Capital Plan funds appear in the Department of Elementary and Secondary Education's operating budget.

The House Finance Committee budget funds the ninth year of the education funding formula adopted by the 2010 Assembly. The calculation for FY 2020 uses March 15, 2019 student enrollment data adjusted for FY 2020 anticipated charter school enrollments, a per pupil core instruction amount of \$9,871, and state share ratio variables updated with June 30, 2018 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. Beginning in FY 2018, only districts receiving less state aid are subject to the phase in.

### **Total Funding to Districts**

**A.** Column **A** is the Governor's FY 2020 recommended formula aid for districts. It was based on March 15, 2018 student enrollment data.

**B.** Column **B** is the amount of group home aid recommended by the Governor for FY 2020. Group home aid is paid through the funding formula pursuant to current law.

**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, transportation costs and a limited two-year bonus for regionalized districts. The 2017 Assembly enacted a permanent category of funding for English language learners beginning in FY 2018. The distribution from high-cost special education, transportation, and English language learners aid as recommended by the Governor is shown in column **C**.

**D.** Following enactment of the FY 2019 budget, the Division of Municipal Finance adjusted local property value data used to determine the state's share of education costs to correct input errors made by the Division. The Governor includes this correction to the data in her FY 2020 recommendation rather than in the revised budget, shown in column **D**.

**E.** The Governor's budget shifts education costs for youth in certain residential facilities and sentenced to the state's training school to local districts, shown in column **E**.

**F.** Column **F** shows the Governor's total FY 2020 recommended aid.

**G.** Column **G** shows the change in aid per district from updating student enrollment based on March 15, 2019 student enrollment data.

**H.** Column **H** is the Governor's recommendation adjusted for the March 2019 data update.

**I.** The House Finance Committee recommends holding districts harmless from any losses produced by the FY 2019 audit adjustment included in Column **D**, and that impact is shown in Column **I**.

**J.** The House Finance Committee does not concur with the Governor's proposal included in Column **E** to shift education costs for youth in certain residential facilities and sentenced to the state's training school to local districts, and that is shown in Column **J**.

**K.** The House Finance Committee recommends \$35,080 more for group home aid based on updated data and \$250,000 for the regional school transportation aid category, shown in Column **K**.

**L.** Column **L** shows the House Finance Committee's FY 2020 total education aid recommendation based on March 15, 2019 student enrollment data.

**M.** Column **M** is the difference between the House Finance Committee's FY 2020 recommendation shown in Column **L** and the Governor's adjusted FY 2020 recommendation shown in Column **H**.

**N.** Column **N** shows total FY 2019 enacted aid.

***O***. Column ***O*** is the difference between the House Finance Committee's FY 2020 recommendation shown in Column ***L*** and the FY 2019 enacted budget shown in Column ***N***.

	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>
	<i>FY 2020</i>			<i>FY 2019</i>	
<i>District</i>	<i>Recommended Formula Aid</i>	<i>Group Home Aid</i>	<i>Categoricals</i>	<i>Audit Adjustment</i>	<i>Training School Costs</i>
Barrington	\$ 5,733,900	\$ -	\$ 179,222	\$ (110,642)	\$ -
Burrillville	12,645,871	80,022	158,038	59,789	-
Charlestown	1,607,264	-	320	-	-
Coventry	24,505,029	83,543	46,766	121,803	-
Cranston	64,163,387	37,602	1,266,568	(454,600)	(164,402)
Cumberland	21,025,844	-	139,381	214,114	(29,021)
East Greenwich	2,487,529	-	193,217	(143,710)	-
East Providence	36,574,399	509,554	300,311	65,480	-
Foster	1,224,145	-	65,218	3,628	-
Glocester	2,180,774	-	108,021	4,829	-
Hopkinton	5,137,769	-	250	12,319	-
Jamestown	420,184	-	40,076	-	-
Johnston	17,759,265	-	395,334	97,428	(28,531)
Lincoln	13,918,769	89,418	59,662	115,567	-
Little Compton	419,863	-	65	-	-
Middletown	7,576,228	-	59,269	(13,793)	-
Narragansett	2,302,681	-	37,918	-	-
Newport	12,779,258	145,520	58,206	-	(85,183)
New Shoreham	117,010	-	2,368	-	-
North Kingstown	9,970,989	-	75,358	400,298	(63,158)
North Providence	23,063,978	148,781	337,451	69,666	-
North Smithfield	5,816,759	100,435	67,489	44,340	-
Pawtucket	89,785,283	126,901	1,556,074	56,353	(47,536)
Portsmouth	3,415,706	557,258	62,891	20,834	-
Providence	256,571,868	441,024	4,030,708	(857,236)	(713,360)
Richmond	4,593,888	-	226	12,602	-
Scituate	2,763,958	-	56,851	21,334	-
Smithfield	5,963,577	219,137	157,131	62,464	-
South Kingstown	5,179,807	118,333	212,643	8,042	-
Tiverton	7,440,430	-	73,005	42,408	-
Warwick	38,688,900	279,648	302,164	252,111	(29,652)
Westerly	8,760,997	-	106,323	-	-
West Warwick	27,021,626	-	85,017	68,793	(52,488)
Woonsocket	62,312,576	44,244	329,587	(76,354)	(117,652)
Bristol-Warren	13,036,494	90,976	1,614,882	24,269	-
Chariho	38,321	-	2,016,338	-	-
Exeter-West Greenwich	5,090,818	125,677	1,196,483	(11,313)	-
Foster-Glocester	4,762,704	-	563,042	13,083	-
Central Falls*	41,087,651	-	521,878	-	-
<b>Total</b>	<b>\$ 847,945,501</b>	<b>\$ 3,198,073</b>	<b>\$ 16,475,751</b>	<b>\$ 123,906</b>	<b>\$ (1,330,984)</b>
<i>Adjusted Chariho</i>	11,377,242	-	2,017,134	24,921	-

\*This includes a \$8.3 million stabilization fund payment to Central Falls in FY 2019 and \$8.0 million in FY 2020.

	<i>F</i>	<i>G</i>	<i>H</i>	<i>I</i>	<i>J</i>
<i>District</i>	<i>FY 2020 Total Recommended Aid</i>	<i>March Update</i>	<i>FY 2020 Adjusted Recommendation</i>	<i>HFC Audit Adjustment Reversal</i>	<i>HFC Training School Reversal</i>
Barrington	\$ 5,802,480	\$ (40,179)	\$ 5,762,301	\$ 110,642	\$ -
Burrillville	12,943,720	220,910	13,164,631	-	-
Charlestown	1,607,584	(64,076)	1,543,508	-	-
Coventry	24,757,141	(294,135)	24,463,006	-	-
Cranston	64,848,555	156,335	65,004,890	454,600	164,402
Cumberland	21,350,318	307,495	21,657,813	-	29,021
East Greenwich	2,537,036	44,001	2,581,037	143,710	-
East Providence	37,449,744	(1,167,035)	36,282,710	-	-
Foster	1,292,991	(78,033)	1,214,958	-	-
Glocester	2,293,624	(21,265)	2,272,359	-	-
Hopkinton	5,150,338	19,773	5,170,111	-	-
Jamestown	460,260	5,715	465,975	-	-
Johnston	18,223,496	36,964	18,260,460	-	28,531
Lincoln	14,183,416	235,404	14,418,820	-	-
Little Compton	419,928	(16,333)	403,595	-	-
Middletown	7,621,704	(43,035)	7,578,669	13,793	-
Narragansett	2,340,599	(84,763)	2,255,835	-	-
Newport	12,897,801	(402,006)	12,495,796	-	85,183
New Shoreham	119,378	13,452	132,830	-	-
North Kingstown	10,383,487	46,185	10,429,672	-	63,158
North Providence	23,619,876	(237,637)	23,382,239	-	-
North Smithfield	6,029,023	(144,800)	5,884,223	-	-
Pawtucket	91,477,075	(218,218)	91,258,858	-	47,536
Portsmouth	4,056,689	(7,790)	4,048,900	-	-
Providence	259,473,004	2,740,201	262,213,205	857,236	713,360
Richmond	4,606,716	34,095	4,640,811	-	-
Scituate	2,842,143	(17,832)	2,824,310	-	-
Smithfield	6,402,309	55,223	6,457,531	-	-
South Kingstown	5,518,825	(85,508)	5,433,317	-	-
Tiverton	7,555,843	(316,068)	7,239,775	-	-
Warwick	39,493,171	(761,707)	38,731,464	-	29,652
Westerly	8,867,320	(210,731)	8,656,589	-	-
West Warwick	27,122,948	(81,304)	27,041,644	-	52,488
Woonsocket	62,492,401	1,294,424	63,786,825	76,354	117,652
Bristol-Warren	14,766,621	(13,982)	14,752,639	-	-
Chariho	2,054,659	-	2,054,659	-	-
Exeter-West Greenwich	6,401,665	(52,405)	6,349,260	11,313	-
Foster-Glocester	5,338,829	(99,638)	5,239,191	-	-
Central Falls*	41,609,529	388,999	41,998,528	-	-
<b>Total</b>	<b>\$ 866,412,247</b>	<b>\$ 1,140,696</b>	<b>\$ 867,552,943</b>	<b>\$ 1,667,648</b>	<b>\$ 1,330,984</b>
<i>Adjusted Chariho</i>	13,419,297	(10,208)	13,409,089	-	-

\*This includes a \$8.3 million stabilization fund payment to Central Falls in FY 2019 and \$8.0 million in FY 2020.

<i>District</i>	<i>K HFC Group Home &amp; Transportation Adds</i>	<i>L FY 2020 HFC Recommended Aid</i>	<i>M HFC Chg. to Adjusted Governor</i>	<i>N FY 2019 Total Enacted Aid</i>	<i>O Total FY 2019 Change to Enacted</i>
Barrington	\$ -	\$ 5,872,943	\$ 110,642	\$ 5,481,235	\$ 391,708
Burrillville	-	13,164,631	-	12,467,771	696,860
Charlestown	-	1,543,508	-	1,602,569	(59,061)
Coventry	-	24,463,006	-	22,790,523	1,672,482
Cranston	-	65,623,892	619,002	61,904,926	3,718,965
Cumberland	-	21,686,834	29,021	20,796,258	890,576
East Greenwich	-	2,724,747	143,710	3,167,385	(442,638)
East Providence	-	36,282,710	-	35,710,484	572,226
Foster	-	1,214,958	-	1,164,308	50,651
Glocester	-	2,272,359	-	2,323,354	(50,996)
Hopkinton	-	5,170,111	-	5,223,049	(52,938)
Jamestown	-	465,975	-	522,234	(56,259)
Johnston	-	18,288,991	28,531	18,398,579	(109,589)
Lincoln	-	14,418,820	-	12,325,264	2,093,556
Little Compton	-	403,595	-	355,525	48,070
Middletown	-	7,592,462	13,793	7,979,347	(386,885)
Narragansett	-	2,255,835	-	2,313,574	(57,739)
Newport	-	12,580,979	85,183	12,433,123	147,856
New Shoreham	-	132,830	-	156,926	(24,096)
North Kingstown	-	10,492,830	63,158	10,127,666	365,164
North Providence	-	23,382,239	-	23,428,292	(46,053)
North Smithfield	-	5,884,223	-	6,219,135	(334,912)
Pawtucket	-	91,306,394	47,536	88,331,184	2,975,210
Portsmouth	-	4,048,900	-	4,178,680	(129,780)
Providence	35,080	263,818,881	1,605,676	253,712,258	10,106,623
Richmond	-	4,640,811	-	4,596,526	44,286
Scituate	-	2,824,310	-	3,369,504	(545,194)
Smithfield	-	6,457,531	-	7,854,975	(1,397,444)
South Kingstown	-	5,433,317	-	6,293,429	(860,112)
Tiverton	-	7,239,775	-	6,779,518	460,257
Warwick	-	38,761,116	29,652	37,379,213	1,381,904
Westerly	-	8,656,589	-	8,766,881	(110,293)
West Warwick	-	27,094,132	52,488	26,186,038	908,094
Woonsocket	-	63,980,831	194,006	62,454,134	1,526,697
Bristol-Warren	69,078	14,821,717	69,078	14,912,237	(90,520)
Chariho	93,145	2,147,804	93,145	2,126,257	21,547
Exeter-West Greenwich	58,908	6,419,481	70,221	6,071,142	348,339
Foster-Glocester	28,869	5,268,060	28,869	5,199,951	68,109
Central Falls*	-	41,998,528	-	41,173,119	825,409
<b>Total</b>	<b>\$ 285,080</b>	<b>\$ 870,836,655</b>	<b>\$ 3,283,711</b>	<b>\$ 846,276,577</b>	<b>\$ 24,560,078</b>
<i>Adjusted Chariho</i>	93,145	13,502,234	93,145	13,548,401	(46,166)

\*This includes a \$8.3 million stabilization fund payment to Central Falls in FY 2019 and \$8.0 million in FY 2020.

## Total Funding to Charter and State Schools

- A.** Column **A** is the FY 2019 enacted formula aid.
- B.** Column **B** includes mid-year revisions to FY 2019 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 2020 as recommended by the Governor. It uses March 2018 enrollment and lottery data.
- D.** Column **D** is the difference between the recommended FY 2020 base funding and FY 2019 enacted formula aid.
- E.** Column **E** shows the transition calculation for districts that are receiving less state funding; that loss is being phased in over ten years. Charter and state schools that are receiving more state funding were subject to a seven-year phase in. As FY 2020 is the ninth year of the transition period, column **E** is the same as column **D** for gaining districts.
- F.** Column **F** is the Governor's FY 2020 recommended formula aid. It is the transition calculation in column **E** added or subtracted from the FY 2019 formula aid shown in column **B**. Growth due to adding grades is paid in the year of the growth.
- G.** Column **G** includes the distribution of English language learners and high cost special education categorical funding.
- H.** Following enactment of the FY 2019 budget, the Division of Municipal Finance adjusted local property value data used to determine the state's share of education costs to correct input errors made by the Division. The Governor includes this correction to the data in her FY 2020 recommendation rather than in the revised budget, shown in column **H**.
- I.** Column **I** is the Governor's total recommended aid for FY 2020.
- J.** Column **J** shows change in aid per district from updating student enrollment based on March 15, 2019 student enrollment data.
- K.** Column **K** is the Governor's recommendation adjusted for the March 2019 data update.
- L.** The House Finance Committee recommends holding charter and state schools harmless from any losses produced by the FY 2019 audit adjustment included in Column **H**, and that impact is shown in Column **I**.
- M.** Column **M** shows the House Finance Committee's FY 2020 total education aid recommendation based on March 15, 2019 student enrollment data.
- N.** Column **I** is the difference between the House Finance Committee's FY 2020 recommendation shown in Column **M** and the Governor's adjusted FY 2020 recommendation shown in Column **K**.
- O.** Column **O** is the difference between the House Finance Committee's FY 2020 recommendation shown in Column **M** and the FY 2019 enacted budget in Column **A**.

	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>
<i>School</i>	<i>FY 2019 Enacted Formula Aid*</i>	<i>FY 2019 Revised Formula Aid*</i>	<i>FY 2020 Base Formula Funding</i>	<i>Change to Enacted</i>	<i>Transition = D or 1/2*</i>
Academy for Career Exploration (Textron)	\$ 2,227,727	\$ 2,227,727	\$ 2,193,873	\$ (33,854)	\$ (16,927)
Achievement First	11,647,816	11,647,816	14,276,048	2,628,232	2,628,232
Beacon	2,848,622	2,848,622	2,980,342	131,720	131,720
Blackstone	3,736,546	3,736,546	3,913,257	176,711	176,711
Charette	921,368	921,368	1,445,456	524,088	524,088
Compass	422,155	422,155	380,602	(41,553)	(20,776)
Greene School	1,190,698	1,190,698	1,254,505	63,807	63,807
Highlander	5,808,501	5,808,501	6,275,340	466,839	466,839
Hope Academy	1,813,351	1,813,351	2,268,923	455,572	455,572
International	3,380,912	3,380,912	3,564,480	183,568	183,568
Kingston Hill	543,753	543,753	517,821	(25,932)	(12,966)
Learning Community	6,455,494	6,455,494	6,835,496	380,002	380,002
New England Laborers	1,157,857	1,281,902	1,216,412	58,555	58,555
Nowell	1,720,108	1,720,108	1,792,660	72,552	72,552
Nurses Institute	2,726,258	2,726,258	2,846,074	119,816	119,816
Paul Cuffee	8,534,952	8,534,952	8,915,929	380,977	380,977
RI Mayoral Academies Blackstone Prep.	16,949,496	16,949,496	19,009,561	2,060,065	2,060,065
RISE Mayoral Academy	1,879,994	1,879,994	2,421,934	541,940	541,940
Segue Institute	2,823,238	2,823,238	3,006,581	183,343	183,343
Southside Elementary	1,301,720	1,301,720	1,630,420	328,700	328,700
Times2 Academy	7,900,487	7,900,487	8,253,143	352,656	352,656
Trinity	2,255,877	2,255,877	2,356,573	100,696	100,696
Village Green	2,246,369	2,246,369	2,343,908	97,539	97,539
Wangari Mathai	-	-	1,650,971	1,650,971	1,650,971
<b>Charter Schools Subtotal</b>	<b>\$ 90,493,299</b>	<b>\$ 90,617,343</b>	<b>\$ 101,350,310</b>	<b>\$ 10,857,011</b>	<b>\$ 10,907,682</b>
Davies Career and Tech	13,658,087	13,658,087	8,194,255	(1,998,335)	(999,168)
Met School	9,342,007	9,342,007	6,952,304	(1,629,907)	(814,954)
Urban Collaborative	1,423,688	1,423,688	1,534,754	111,066	111,066
<b>Total</b>	<b>\$ 114,917,080</b>	<b>\$ 115,041,125</b>	<b>\$ 118,031,623</b>	<b>\$ 7,339,835</b>	<b>\$ 9,204,627</b>

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

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

	<i>F</i>	<i>G</i>	<i>H</i>	<i>I</i>	<i>J</i>
<i>School</i>	<i>FY 2020 Recommended Formula Aid**</i>	<i>Categoricals</i>	<i>FY 2019 Audit Adjustment</i>	<i>FY 2020 Recommended Aid</i>	<i>March Update</i>
Academy for Career Exploration (Textron)	\$ 2,210,800	\$ 9,678	\$ (2,399)	\$ 2,218,079	\$ 11,132
Achievement First	14,276,048	80,797	(39,176)	14,317,669	230,759
Beacon	2,980,342	487	2,477	2,983,306	58,776
Blackstone	3,913,257	5,204	(312)	3,918,149	(14,512)
Charette	1,445,456	-	(3,157)	1,442,299	17,126
Compass	401,380	-	4,053	405,433	94,150
Greene School	1,254,505	557	4,276	1,259,338	4,287
Highlander	6,275,340	39,451	(16,859)	6,297,932	(62,138)
Hope Academy	2,268,923	9,169	(5,798)	2,272,294	(41,851)
International	3,564,480	46,607	(1,412)	3,609,675	(105,582)
Kingston Hill	530,787	-	6,470	537,257	139,085
Learning Community	6,835,496	62,361	(1,280)	6,896,577	(4,357)
New England Laborers	1,216,412	5,503	(3,965)	1,217,950	72,163
Nowell	1,792,660	12,765	(3,073)	1,802,352	(28,070)
Nurses Institute	2,846,074	12,203	(6,533)	2,851,744	90,565
Paul Cuffee	8,915,929	22,922	(29,244)	8,909,607	262,032
RI Mayoral Academies Blackstone Prep.	19,009,561	51,284	39,655	19,100,500	601,721
RISE Mayoral Academy	2,421,934	2,437	(474)	2,423,897	(15,879)
Segue Institute	3,006,581	15,043	1,580	3,023,204	14,521
Southside Elementary	1,630,420	5,094	(4,460)	1,631,054	2,950
Times2 Academy	8,253,143	20,884	(27,070)	8,246,957	(102,758)
Trinity	2,356,573	6,622	(7,729)	2,355,466	27,402
Village Green	2,343,908	7,640	(5,848)	2,345,700	(22,202)
Wangari Mathai	1,650,971	-	-	1,650,971	(1,650,971)
<b><i>Charter Schools Subtotal</i></b>	<b>\$ 101,400,980</b>	<b>\$ 416,708</b>	<b>\$ (100,278)</b>	<b>\$ 101,717,410</b>	<b>\$ (421,652)</b>
Davies Career and Tech	13,694,981	2,853	-	13,697,834	-
Met School	9,342,007	11,093	-	9,353,100	-
Urban Collaborative	1,534,754	4,955	(4,681)	1,535,028	5,159
<b>Total</b>	<b>\$ 125,972,722</b>	<b>\$ 435,609</b>	<b>\$ (104,959)</b>	<b>\$ 126,303,372</b>	<b>\$ (416,493)</b>

\*\*Includes a state schools stabilization payment of \$4.9 million to Davies and \$1.9 million to Met.

	<i>K</i>	<i>L</i>	<i>M</i>	<i>N</i>	<i>O</i>
<i>School</i>	<i>FY 2020 Recommendation Adjusted**</i>	<i>HFC Audit Adjustment Reversal</i>	<i>FY 2020 HFC Recommended Aid**</i>	<i>HFC Chg. to Governor Adjusted</i>	<i>HFC Chg. to Enacted</i>
Academy for Career Exploration (Textron)	\$ 2,229,211	\$ 2,399	\$ 2,231,610	\$ 2,399	\$ 3,883
Achievement First	14,548,428	39,176	14,587,604	39,176	2,939,788
Beacon	3,042,082	-	3,042,082	-	193,460
Blackstone	3,903,637	312	3,903,949	312	167,403
Charette	1,459,425	3,157	1,462,582	3,157	541,214
Compass	499,583	-	499,583	-	77,428
Greene School	1,263,625	-	1,263,625	-	72,927
Highlander	6,235,794	16,859	6,252,653	16,859	444,152
Hope Academy	2,230,443	5,798	2,236,241	5,798	422,890
International	3,504,093	1,412	3,505,505	1,412	124,593
Kingston Hill	676,342	-	676,342	-	132,589
Learning Community	6,892,220	1,280	6,893,500	1,280	438,006
New England Laborers	1,290,113	3,965	1,294,078	3,965	136,221
Nowell	1,774,282	3,073	1,777,355	3,073	57,247
Nurses Institute	2,942,309	6,533	2,948,842	6,533	222,584
Paul Cuffee	9,171,639	29,244	9,200,883	29,244	665,931
RI Mayoral Academies Blackstone Prep.	19,702,221	-	19,702,221	-	2,752,725
RISE Mayoral Academy	2,408,018	474	2,408,492	474	528,498
Segue Institute	3,037,725	-	3,037,725	-	214,487
Southside Elementary	1,634,004	4,460	1,638,464	4,460	336,744
Times2 Academy	8,144,199	27,070	8,171,269	27,070	270,782
Trinity	2,382,868	7,729	2,390,597	7,729	134,720
Village Green	2,323,498	5,848	2,329,346	5,848	82,977
Wangari Mathai	-	-	-	-	-
<b>Charter Schools Subtotal</b>	<b>\$ 101,295,759</b>	<b>\$ 158,789</b>	<b>\$ 101,454,548</b>	<b>\$ 158,789</b>	<b>\$ 10,961,249</b>
Davies Career and Tech	13,697,834	-	13,697,834	-	39,747
Met School	9,353,100	-	9,353,100	-	11,094
Urban Collaborative	1,540,187	4,681	1,544,868	4,681	121,180
<b>Total</b>	<b>\$ 125,886,880</b>	<b>\$ 163,470</b>	<b>\$ 126,050,350</b>	<b>\$ 163,470</b>	<b>\$ 11,133,270</b>

\*\*Includes a state schools stabilization payment of \$4.9 million to Davies and \$1.9 million to Met.

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## **Section IV**

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

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	<b>FY 2019 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	<b><i>Revenue Changes</i></b>					
<b>1</b>	May Revenue Conference	25,065,014	-	-	-	25,065,014
<b>2</b>	Compliance Order Fines to General Revenues	1,170,000	-	-	-	1,170,000
<b>3</b>	OSPAR Fund Transfer	(1,000,000)	-	-	-	(1,000,000)
<b>4</b>	Quonset Development Corporation	(2,000,000)	-	-	-	(2,000,000)
<b>5</b>	Real Estate Conveyance Tax Refund	(1,650,000)	-	-	-	(1,650,000)
<b>6</b>	Resource Recovery Corporation Transfer	(5,000,000)	-	-	-	(5,000,000)
<b>7</b>	Rhode Island Housing Transfer	(2,500,000)	-	-	-	(2,500,000)
<b>8</b>	Rhode Island Student Loan Authority Transfer	(1,500,000)	-	-	-	(1,500,000)
<b>9</b>	RIHEBC Transfer	(2,000,000)	-	-	-	(2,000,000)
<b>10</b>	Underground Storage Tank Fund Transfer	(1,000,000)	-	-	-	(1,000,000)
	<b>Total</b>	<b>10,585,014</b>	<b>(5,145,957)</b>	<b>(7,244,296)</b>	<b>(36,811,089)</b>	<b>(38,616,328)</b>
	<b><i>Expenditures Changes</i></b>					
	<b>Administration</b>					
<b>11</b>	Capital - BHDDH - Group Homes (GBA)	-	-	-	(200,000)	(200,000)
<b>12</b>	Capital - BHDDH DD & Community Homes Fire Code (GBA)	-	-	-	(1,250,000)	(1,250,000)
<b>13</b>	Capital - BHDDH Substance Abuse Asset Protection (GBA)	-	-	-	233,413	233,413
<b>14</b>	Capital - Big River Management Area (GBA)	-	-	-	(44,204)	(44,204)
<b>15</b>	Capital - Board of Elections/Medical Examiners (GBA)	-	-	-	(658,816)	(658,816)
<b>16</b>	Capital - Cannon Building	-	-	-	1,500,000	1,500,000
<b>17</b>	Capital - Capitol Hill Campus Projects	-	-	-	(4,875,624)	(4,875,624)
<b>18</b>	Capital - Chapin Health Lab	-	-	-	400,000	400,000
<b>19</b>	Capital - Cranston Street Armory (GBA)	-	-	-	(517,247)	(517,247)
<b>20</b>	Capital - DoIT Operations Center (GBA)	-	-	-	(650,000)	(650,000)
<b>21</b>	Capital - Hospital Consolidation (GBA)	-	-	-	(702,000)	(702,000)
<b>22</b>	Capital - McCoy Stadium Repairs (GBA)	-	-	-	(81,084)	(81,084)
<b>23</b>	Capital - Non-Medical Buildings Asset Protection	-	-	-	8,210,112	8,210,112
<b>24</b>	Capital - Old Colony House	-	-	-	50,000	50,000
<b>25</b>	Capital - Old State House	-	-	-	256,727	256,727
<b>26</b>	Capital - Pastore Center Buildings Demolition (GBA)	-	-	-	(125,100)	(125,100)

	<b>FY 2019 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
27	Capital - Pastore Center Campus Projects	-	-	-	(13,295,112)	(13,295,112)
28	Capital - Pastore Center Medical Buildings Asset Protection	-	-	-	5,085,000	5,085,000
29	Capital - Pastore Center Parking (GBA)	-	-	-	(109,795)	(109,795)
30	Capital - Pastore Center Utilities System Upgrade (GBA)	-	-	-	(387,000)	(387,000)
31	Capital - Pastore Center Water Tanks and Pipes (GBA)	-	-	-	(250,173)	(250,173)
32	Capital - Shepard Building (GBA)	-	-	-	(337,100)	(337,100)
33	Capital - South County Projects	-	-	-	(867,344)	(867,344)
34	Capital - State Office Building	-	-	-	350,000	350,000
35	Capital - Statewide Facility Master Plan (GBA)	-	-	-	(4,850,000)	(4,850,000)
36	Capital - Virks Building Renovations (GBA)	-	-	-	(757,670)	(757,670)
37	Capital - Washington County Government Center	-	-	-	35,000	35,000
38	Capital - William Powers Building	-	-	-	1,000,000	1,000,000
39	Capital - Zambarano Buildings (GBA)	-	-	-	(882,000)	(882,000)
40	DCYF - Data Analytics Pilot	(300,000)	-	-	-	(300,000)
41	Debt Service Savings (GBA)	(781,127)	-	-	-	(781,127)
42	Deloitte Settlement Shift to FY 2020	414,343	-	(414,343)	-	-
43	Disparity Study	(219,029)	-	-	-	(219,029)
44	Energy Resources - Federal Grant Awards (GBA)	-	132,000	-	-	132,000
45	Fraud and Waste Savings (GBA)	212,728	-	-	-	212,728
46	HealthSource RI Turnover Savings	-	-	(350,000)	-	(350,000)
47	Purchasing - Senior Buyer Position	(101,904)	-	-	-	(101,904)
48	Strategic Contract Sourcing	(500,000)	-	-	-	(500,000)
49	Tort Court Awards (GBA)	170,000	-	-	-	170,000
50	Turnover and Operating Savings	(700,000)	-	-	-	(700,000)
	<b>Business Regulation</b>					
51	Capital - Fire Academy (GBA)	-	-	-	(185,160)	(185,160)
52	Contractors' Licensing Tech (GBA)	-	-	95,580	-	95,580
53	Fire Academy Training Fees (GBA)	-	-	246,000	-	246,000
54	Medical Marijuana (1.0 FTE)	-	-	(191,570)	-	(191,570)
55	Turnover (Q3)	(360,400)	-	-	-	(360,400)
	<b>Executive Office of Commerce</b>					
56	Capital - Quonset Piers Correction	-	-	-	(447,298)	(447,298)
57	Community Development Block Grant	-	(3,500,000)	-	-	(3,500,000)
	Q3 - Surplus					-
	<b>Labor and Training</b>					
58	Grant and Audit Units	-	(134,763)	(194,248)	-	(329,011)

	<b>FY 2019 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
59	Real Jobs to Other Sources	(1,500,000)	-	1,500,000	-	-
60	Staffing Overspend	1,500,000	-	-	-	1,500,000
<b>Department of Revenue</b>						
61	Turnover (Q3)	(1,685,000)	-	-	-	(1,685,000)
<b>Office of the General Treasurer</b>						
62	Unclaimed Property	-	-	1,716,608	-	1,716,608
<b>Board of Elections</b>						
63	Public Financing of Elections	(102,528)	-	-	-	(102,528)
64	Turnover and Printing	(90,000)	-	-	-	(90,000)
<b>Office of the Governor</b>						
65	Supplemental Funding	(774,024)	-	-	-	(774,024)
<b>Executive Office of Health and Human Services</b>						
66	Deloitte Settlement Shift to FY 2020	855,662	-	(5,251,737)	-	(4,396,075)
67	Medicaid Caseload - May Conference	(13,627,741)	(5,437,193)	-	-	(19,064,934)
68	Rhode Island Quality Institute - Currentcare (GBA)	-	203,156	-	-	203,156
69	Staffing and Contracts	(1,000,000)	-	-	-	(1,000,000)
70	State Innovations Model Initiative (GBA)	-	2,085,123	-	-	2,085,123
<b>Children, Youth and Families</b>						
71	Capital - Generators - Training School (GBA)	-	-	-	(185,000)	(185,000)
72	Capital - Training School Asset Protection (GBA)	-	-	-	(750,000)	(750,000)
73	Child Care to Block Grant Funds	(2,500,000)	2,500,000	-	-	-
74	Third Quarter Report Overspending (GBA)	6,314,750	4,817,739	-	-	11,132,489
<b>Health</b>						
75	Health Information Technology (GBA)	-	-	(36,998)	-	(36,998)
76	Indirect Cost Recovery Expenses 3rd Quarter	-	-	(389,350)	-	(389,350)
77	Monitoring & Compliance Expenses to General Revenue	230,023	-	(230,023)	-	-
78	Salary Overfunded - Correction (GBA)	-	(178,870)	(45,287)	-	(224,157)
<b>Human Services</b>						
79	Capital - Office of Veterans' Affairs (GBA)	-	-	368,450	-	368,450

	<b>FY 2019 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>80</b>	Cash Assistance Caseload - May Conference	(1,622,484)	(2,562,072)	-	-	(4,184,556)
<b>81</b>	Deloitte Settlement Shift to FY 2020	8,307,102	-	(8,307,102)	-	-
<b>BHDDH</b>						
<b>82</b>	Capital - DD Private Waiver Fire Code Audit Finding (GBA)	-	-	-	1,748,533	1,748,533
<b>83</b>	Capital - DD Residential Development	-	-	-	(200,000)	(200,000)
<b>84</b>	Capital - Hospital Equipment	-	-	-	(31,949)	(31,949)
<b>85</b>	Capital - Substance Abuse Asset Protection to DOA (GBA)	-	-	-	(233,413)	(233,413)
<b>86</b>	CNOM Adjustment - Prior Year	(295,493)	(2,529,466)	-	-	(2,824,959)
<b>87</b>	RICARES to Federal Funds	(100,000)	-	-	-	(100,000)
<b>88</b>	Security Services Supplemental	(200,000)	(200,000)	-	-	(400,000)
<b>89</b>	Turnover	(100,000)	(100,000)	-	-	(200,000)
<b>Office of the Child Advocate</b>						
<b>90</b>	Turnover	(91,000)	(28,413)	-	-	(119,413)
<b>Deaf and Hard of Hearing</b>						
<b>91</b>	Turnover Savings	(70,000)	-	-	-	(70,000)
<b>Governor's Commission on</b>						
<b>92</b>	School Construction Review Design	(45,500)	-	-	-	(45,500)
<b>Elementary and Secondary Education</b>						
<b>93</b>	Adolescent Health (1.0 FTE)	-	(132,509)	-	-	(132,509)
<b>94</b>	Capital - Davies HVAC	-	-	-	(1,300,000)	(1,300,000)
<b>95</b>	Davies School Lunch (GBA)	-	-	60,000	-	60,000
<b>96</b>	School Climate (1.0 FTE)	-	(41,169)	-	-	(41,169)
<b>97</b>	School Resource Officer Aid (GBA)	16,706	-	-	-	16,706
<b>98</b>	Statewide Transportation Program (GBA)	-	-	3,912,415	-	3,912,415
<b>99</b>	Turnover	(300,000)	-	-	-	(300,000)
<b>Higher Education</b>						
<b>100</b>	Capital - OPC Higher Education Center (GBA)	-	-	-	(1,800,000)	(1,800,000)
<b>101</b>	Capital - RIC Academic Buildings Phase I (GBA)	-	-	-	2,000,000	2,000,000
<b>102</b>	Capital - URI Biological Resources Lab (GBA)	-	-	-	(2,770,878)	(2,770,878)
<b>103</b>	New England Board of Higher Education	147,000	-	-	-	294,000
<b>104</b>	OPC New Grants (GBA)	-	-	170,610	-	170,610
<b>105</b>	Reverse Statewide Operating Savings for Shepard Building (GBA)	42,188	-	-	-	42,188
<b>106</b>	RI Promise (GBA)	(397,485)	-	-	-	(397,485)

	<b>FY 2019 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>Arts Council</b>						
107	Federal Grant Carry-Forward (GBA)	-	88,276	-	-	88,276
108	New Arts and Health Grant (GBA)	-	-	10,000	-	10,000
109	Percent For Arts (Q3)	-	-	-	(616,000)	(616,000)
<b>Historical Preservation &amp; Heritage</b>						
110	Turnover Savings (Q3)	(156,482)	-	-	-	(156,482)
<b>Attorney General</b>						
111	Google Forfeiture Funds (GBA)	-	350,000	-	-	350,000
112	Medicaid Fraud Unit System	(250,000)	(750,000)	-	-	(1,000,000)
113	Third Quarter Savings	(1,891,000)	-	-	-	(1,891,000)
<b>Corrections</b>						
114	Capital - Asset Protection	-	-	-	(10,705,130)	(10,705,130)
115	Capital - Dix Building Renovations	-	-	-	375,000	375,000
116	Capital - Intake Service Center Renovations	-	-	-	1,034,794	1,034,794
117	Capital - Maximum General Renovations	-	-	-	545,737	545,737
118	Capital - Medium Infrastructure	-	-	-	5,050,270	5,050,270
119	Centralized Services (GBA)	222,000	-	-	-	222,000
120	State Criminal Alien Assistance Program (GBA)	(124,233)	124,233	-	-	-
<b>Judicial</b>						
121	Capital - Noel Shelled Courtroom Build Out (GBA)	-	-	-	(2,176,073)	(2,176,073)
122	Federal Grant Adjustments (GBA)	-	18,755	-	-	18,755
123	Operating Savings (Q3)	(500,000)	-	-	-	(500,000)
124	Pay-Go Judges Pensions	(640,946)	-	-	-	(640,946)
125	Turnover Savings (Q3)	(700,000)	-	-	-	(700,000)
<b>Military Staff</b>						
126	Capital - Armory of Mounted Command Roof Replacement (GBA)	-	-	-	(536,575)	(536,575)
127	Capital - Bristol Readiness Center (GBA)	-	-	-	(125,000)	(125,000)
128	Capital - Joint Force Headquarters Building (GBA)	-	-	-	(357,896)	(357,896)
<b>Public Safety</b>						
129	Capital - Asset Protection (GBA)	-	-	-	(124,157)	(124,157)
130	Capital - Training Academy (GBA)	-	-	-	(375,879)	(375,879)
131	Capital - Headquarters Roof Replacement	-	-	-	(125,000)	(125,000)
132	Fiscal Clerk (1.0 FTE)	-	-	(66,918)	-	(66,918)
133	Forfeiture Fund Expenses (GBA)	-	-	153,617	-	153,617

	<b>FY 2019 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	<b>Public Defender</b>					
<b>134</b>	Turnover	(177,000)	-	-	-	(177,000)
	<b>Emergency Management</b>					
<b>135</b>	Pre-disaster Mitigation Grant (GBA)	-	182,187	-	-	182,187
<b>136</b>	Turnover Savings (Q3)	(75,000)	-	-	-	(75,000)
	<b>Environmental Management</b>					
<b>137</b>	Capital - Blackstone Valley Park Improvements (GBA)	-	-	-	(500,000)	(500,000)
<b>138</b>	Capital - Galilee Pier Improvements (GBA)	-	-	-	(1,890,000)	(1,890,000)
<b>139</b>	Capital - Recreational Facilities Improvements (GBA)	-	-	-	(1,000,000)	(1,000,000)
<b>140</b>	Capital - Marine Infrastructure and Pier Development	-	-	-	(525,000)	(525,000)
<b>141</b>	Federal Grants Adjustment	-	(2,971)	-	-	(2,971)
<b>142</b>	Parks and Recreation Overspending (GBA)	418,000	-	-	-	418,000
	<b>Coastal Resources Management</b>					
<b>143</b>	Capital - Shoreline Change (Beach) SAMP (GBA)	-	-	-	(200,000)	(200,000)
<b>144</b>	Staffing	(90,000)	(50,000)	-	-	(140,000)
	<b>Transportation</b>					
<b>145</b>	Capital - Maintenance Facilities Improvements (GBA)	-	-	-	(519,349)	(519,349)
<b>146</b>	Capital - Salt Storage Facilities	-	-	-	(170,775)	(170,775)
<b>147</b>	Capital - Train Station Maintenance and Repairs	-	-	-	(247,463)	(247,463)
<b>148</b>	Gas Tax DOT Yield	-	-	-	255,636	255,636
<b>149</b>	Gas Tax RIPTA Yield	-	-	-	1,246,226	1,246,226
<b>150</b>	Gas Tax Turnpike and Bridge Authority Yield	-	-	-	447,363	447,363
<b>151</b>	Turnover Savings	-	-	-	(5,000,000)	(5,000,000)
<b>152</b>	Vehicle Maintenance Correction (GBA)	-	-	-	53,364	53,364
<b>153</b>	Winter Maintenance Operations	-	-	-	(2,750,000)	(2,750,000)
	<b>Total</b>	<b>(13,217,874)</b>	<b>(5,145,957)</b>	<b>(7,244,296)</b>	<b>(36,811,089)</b>	<b>(62,419,216)</b>

# FY 2019 Changes to Governor

## Revenue Changes

- 1. May Revenue Conference.** The Revenue Estimating Conference concluded May 10 and revised the FY 2019 estimate to \$4,017.9 million, which is \$24.8 million more than the revenues included in the November estimate and \$25.1 million more than the Governor's budget revised for her changes included in the estimate.
- 2. Compliance Order Fines to General Revenues.** The Governor proposes establishing a Compliance Order restricted receipt account in the Department of Health to be funded with administrative fees and penalties imposed from compliance orders. The legislation does not specify what the funds can be used for, but the budget proposes to use the funds to pay for compliance staffing. It appears that \$1.2 million has been collected, including \$0.5 million in FY 2018 and \$0.7 million in FY 2019 but not deposited as general revenues. The House Finance Committee does not concur with the Governor's proposal and recommends that the receipts be deposited as general revenues, consistent with current law, and any additional staffing costs come from general revenues.
- 3. OSPAR Fund Transfer.** The House Finance Committee does not concur with the Governor's proposal to transfer \$1.0 million from the Oil Spill, Prevention, Administration, and Response Fund to general revenues by June 30, 2019.
- 4. Quonset Development Corporation.** The House Finance Committee does not concur with the Governor's proposal to transfer \$2.0 million from the Quonset Development Corporation to state general revenues by June 30, 2019. Subsequent to the proposal, the administration acknowledged that the Corporation did not have sufficient resources to make the transfer.
- 5. Real Estate Conveyance Tax Refund.** The House Finance Committee recommends recognizing the potential refund of \$1.7 million of real estate conveyance tax revenues previously paid pursuant to ongoing litigation. The state is appealing a judgment against it, but the potential refund must be accounted for in FY 2019.
- 6. Resource Recovery Corporation Transfer.** The House Finance Committee does not concur with the Governor's proposal requiring that the Resource Recovery Corporation transfer \$5.0 million to general revenues by June 30, 2019.
- 7. Rhode Island Housing Transfer.** The House Finance Committee does not concur with the Governor's proposal to transfer \$2.5 million from RI Housing to state general revenues by June 30, 2019.
- 8. Rhode Island Student Loan Authority Transfer.** The House Finance Committee does not concur with the Governor's revised budget proposal requiring the Rhode Island Student Loan Authority to transfer \$1.5 million to state general revenues by June 30, 2019.
- 9. RIHEBC Transfer.** The House Finance Committee does not concur with the Governor's proposal to transfer \$2.0 million from the Rhode Island Health and Educational Building Corporation to state general revenues by June 30, 2019.
- 10. Underground Storage Tank Fund Transfer.** The House Finance Committee does not concur with the Governor's proposal requiring the transfer of \$1.0 million from the Underground Storage Tank Fund to general revenues by June 30, 2019.

## Expenditures Changes

### Administration

**11. Capital - BHDDH - Group Homes (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation reduced FY 2020 funding by \$0.8 million, \$0.9 million for FY 2023 and \$1.0 million for FY 2024 for asset protection of group homes. Funding for this project was transferred from the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The Governor requested an amendment to reduce FY 2019 funding by \$0.2 million. The House Finance committee concurs and adjusts expenditures accordingly.

**12. Capital - BHDDH DD & Community Homes Fire Code (GBA).** The Governor's capital budget includes \$2.5 million from Rhode Island Capital Plan funds for FY 2019 for fire code upgrades of various facilities and residences of individuals with developmental disabilities. Based on projected expenditures, the House Finance Committee concurs with the Governor's requested amendment to shift \$1.3 million from FY 2019 to FY 2020.

**13. Capital - BHDDH Substance Abuse Asset Protection (GBA).** The Governor recommends transferring the Substance Abuse Asset Protection project to the Department of Administration from the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee concurs and includes \$233,413 for FY 2019 and \$250,000 annually for FY 2020 through FY 2024.

**14. Capital - Big River Management Area (GBA).** The House Finance Committee concurs with the Governor's requested amendment reducing Rhode Island Capital Plan Fund expenditures at the Big River Management Area by \$44,204 based on projected expenses for recent work including infrastructure repairs and improvements, and demolition of vacant homes.

**15. Capital - Board of Elections/Medical Examiners (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation removed \$6.0 million from the FY 2020 budget and assumed \$9.0 million for FY 2021 in the multi-year appropriation section of Article 1. The House Finance Committee concurs with the Governor's subsequent amendment reducing current year expenditures by \$658,816, based on more updated plans to sell the building rather than convert it for use as a new Medical Examiner facility.

**16. Capital - Cannon Building.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The House Finance Committee does not concur and recommends maintaining a separate appropriation for each project. This includes \$11.7 million from Rhode Island Capital Plan funds from FY 2019 through FY 2024 for repairs and renovations to the Cannon Building, assuming use of \$1.5 million for FY 2019 and \$1.3 million for FY 2020.

**17. Capital - Capitol Hill Campus Projects.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The Governor's capital budget assumes \$33.2 million from Rhode Island Capital Plan funds for the aforementioned projects, including \$4.9 million for FY 2019 and \$4.1 million for FY 2020. The House Finance Committee does not concur and recommends maintaining a separate appropriation for each project.

**18. Capital - Chapin Health Lab.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The House Finance Committee does not concur and recommends maintaining a separate appropriation for each project. This includes \$0.7 million from Rhode Island Capital Plan funds for asset protection of the Chapin Health Lab, including \$0.4 million for FY 2019 and \$0.3 million for FY 2020. The Efficiency Commission report issued in May identified this facility as a property to be sold.

**19. Capital - Cranston Street Armory (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation reduced FY 2019 funding by \$0.5 million. The House Finance Committee concurs.

**20. Capital - DoIT Operations Center (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation reduced FY 2020 funding by \$0.5 million. The Governor requested another amendment reducing FY 2019 funding by \$650,000 from the cancellation of a generator purchase. The House Finance Committee concurs and reduces funding in FY 2023 and FY 2024 by \$1.0 million each.

**21. Capital - Hospital Consolidation (GBA).** Consistent with the approved plan, the capital budget includes a total of \$49.9 million from Rhode Island Capital Plan funds and Certificates of Participation to reorganize hospital operations for the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee concurs with the Governor's requested amendment shifting \$0.7 million from Rhode Island Capital Plan funds from FY 2019 to FY 2020.

**22. Capital - McCoy Stadium Repairs (GBA).** The Governor's FY 2019 revised budget includes \$0.6 million from Rhode Island Capital Plan funds for asset protection projects at McCoy Stadium. Based on anticipated spending, the Governor requested an amendment to reduce expenditures by \$0.1 million. The House Finance Committee concurs.

**23. Capital - Non-Medical Buildings Asset Protection.** The Pastore Center Campus encompasses approximately 325 acres of land and includes 35 buildings. These buildings include 1.5 million square feet of floor space and house the operations of state agencies, including the Division of Motor Vehicles, Department of Labor and Training, Department of Business Regulation and several human services agencies. The Governor's recommendation reflects a new asset protection project for the Pastore Center, including projects previously under the purview of the Department of Labor and Training and the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee does not concur with this level of funding aggregation. The Committee recommends a total of \$23.0 million from Rhode Island Capital Plan funds for asset protection projects for non-medical buildings on the campus. This assumes use of \$8.2 million for FY 2019 and \$4.4 million for FY 2020.

**24. Capital - Old Colony House.** The Governor's recommendation consolidates funding for the Old Colony House and the Washington County Government Center into a single asset protection project called South County Capital projects. The House Finance Committee does not concur and maintains separate appropriations for each project. This includes \$50,000 for FY 2019 and \$25,000 for FY 2020 for asset protection of the Old Colony House.

**25. Capital - Old State House.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a

single asset protection project. The House Finance Committee does not concur and recommends maintaining a separate appropriation for each project. The Committee recommends a total of \$2.3 million from Rhode Island Capital Plan funds from FY 2019 through FY 2024 for asset protection for the Old State House. This includes \$0.3 million for FY 2019 and \$0.5 million for FY 2020.

**26. Capital - Pastore Center Buildings Demolition (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, a total of \$6.0 million from Rhode Island Capital Plan funds was reduced from FY 2020 through FY 2024. The Governor requested two amendments further revising costs for the Pastore Center Buildings Demolition project. This includes \$125,100 less for FY 2019 for architectural and engineering services for demolition and \$1.0 million less for FY 2020. The House Finance Committee concurs.

**27. Capital - Pastore Center Campus Projects.** The Governor recommends a total of \$39.9 million from Rhode Island Capital Plan funds for new asset protection projects on the Pastore Center Campus, including \$13.3 million for FY 2019 and \$4.8 million for FY 2020. The recommendation assumes funding for projects that were previously under the purview of the Department of Labor and Training and the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee does not concur with this level of aggregation and recommends the creation of two asset protection projects for the Pastore Center, including a medical buildings asset protection project and one for non-medical buildings.

**28. Capital - Pastore Center Medical Buildings Asset Protection.** The Pastore Center Campus encompasses approximately 325 acres of land and includes 35 buildings. These buildings include 1.5 million square feet of floor space and house the operations of state agencies, including the Division of Motor Vehicles, Department of Labor and Training, Department of Business Regulation and several human services agencies. The Governor's recommendation reflects a new asset protection project for the Pastore Center, including projects previously under the purview of the Department of Labor and Training and the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The House Finance Committee does not concur with this level of aggregation and recommends a total of \$19.7 million from Rhode Island Capital Plan funds for asset protection projects of medical buildings on the campus. This assumes use of \$5.1 million in FY 2019 and \$3.5 million for FY 2020.

**29. Capital - Pastore Center Parking (GBA).** The FY 2019 revised budget includes \$0.2 million from Rhode Island Capital Plan funds for a final payment to close out the Pastore Center Parking project. The House Finance Committee concurs with the Governor's requested amendment to reduce expenses by \$0.1 million based on the amount needed.

**30. Capital - Pastore Center Utilities System Upgrade (GBA).** The FY 2019 revised budget includes \$2.6 million from Rhode Island Capital Plan funds to repair and make improvements to the electrical distribution system at the Pastore Center and to replace steam condensate pumps. The House Finance Committee concurs with the Governor's requested amendment to shift \$0.4 million from FY 2019 to FY 2020 to reflect a delay.

**31. Capital - Pastore Center Water Tanks and Pipes (GBA).** The FY 2019 revised budget includes \$0.4 million from Rhode Island Capital Plan funds to identify and address water supply and distribution deficiencies at the Pastore Center. Based on projected expenditures, the House Finance Committee concurs with the Governor's requested amendment to reduce funding by \$250,173.

**32. Capital - Shepard Building (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her

capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation reduced project costs for the Shepard Building by \$150,000 for FY 2019, \$0.8 million for FY 2020 and \$0.6 million for FY 2021. The Governor requested amendments further reducing current year funding by \$0.2 million, adding \$0.6 million to FY 2021 and removing funding from FY 2022 through FY 2024 based on a recommendation of the Efficiency Commission to sell the building. The House Finance Committee concurs with the funding reduction.

**33. Capital - South County Projects.** The Governor's recommendation consolidates funding for the Old Colony House and the Washington County Government Center into a single asset protection project called South County Capital Projects. Subsequently, the Governor requested several amendments bringing the project cost to \$2.7 million from Rhode Island Capital Plan funds. The House Finance Committee recommends maintaining the appropriation for each project and providing a total of \$2.8 million.

**34. Capital - State Office Building.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The House Finance Committee recommends maintaining the appropriation for each project. It recommends \$350,000 each for FY 2019 and FY 2020. No funding is included beyond FY 2020, as the Administration will be conducting a feasibility study of moving the state archives facility into the building.

**35. Capital - Statewide Facility Master Plan (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, \$2.5 million from FY 2019 was shifted to FY 2020 and FY 2021. The Governor subsequently requested several amendments to further revise the project cost including \$2.4 million less for FY 2019 based on a decision not to purchase the Colorado Avenue property and \$0.4 million less for the Pastore Master Plan. The House Finance Committee recommends \$1.0 million for the statewide facility master plan, consistent with the Department's revised project cost. This includes \$650,000 for FY 2019 and \$250,000 for FY 2020. The Committee also recommends funding for relocation expenses in a separate project.

**36. Capital - Virks Building Renovations (GBA).** The FY 2019 revised budget includes new expenditures of \$0.3 million from Rhode Island Capital Plan funds to purchase and install a water infiltration system. The House Finance Committee concurs with the Governor's requested amendment to reduce expenditures by \$0.8 million to reflect an available expenditure credit.

**37. Capital - Washington County Government Center.** The Governor's recommendation consolidates funding for the Old Colony House and the Washington County Government Center into a single asset protection project called South County Capital Projects. The House Finance Committee recommends maintaining separate appropriations for each project, including a total of \$2.7 million from Rhode Island Capital Plan funds for FY 2019 through FY 2024 for asset protection projects for the Washington County Government Center, including \$35,000 for FY 2019 and \$1.1 million for FY 2020.

**38. Capital - William Powers Building.** The Governor's recommendation consolidates funding for Cannon, Chapin, State Office Building, Old State House, and the William Powers Administration buildings into a single asset protection project. The House Finance Committee recommends maintaining the appropriation for each project. This includes \$12.3 million from Rhode Island Capital Plan funds from FY 2019 through FY 2024 for the Powers Administration building, assuming use of \$1.0 million for FY 2019 and \$1.3 million for FY 2020.

**39. Capital - Zambarano Buildings (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in

her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the initial reconciliation reduced FY 2020 funding by \$2.4 million and added \$0.5 million for FY 2024. The Governor subsequently requested another amendment shifting \$0.9 million from FY 2019 to FY 2020 based on a delay in the replacement of elevators. The House Finance Committee concurs.

**40. DCYF - Data Analytics Pilot.** The FY 2019 enacted budget includes \$300,000 from general revenues to fund a data analytics pilot to support the mission of the Department of Children, Youth and Families. The Department of Administration indicates that the project is not being implemented. The House Finance Committee adjusts expenditures accordingly.

**41. Debt Service Savings (GBA).** The House Finance Committee concurs with the Governor's requested amendment to recognize \$0.8 million of general revenue debt service savings. This includes \$0.6 million less for the I-195 land acquisition based on available proceeds from land sales and \$0.1 million less for payments under the Fidelity Job Rent Credits agreement based on actual average filled positions. Under the incentive based agreement between the state and Fidelity, the state provides job rent credits for each full-time equivalent employee in excess of a 1,000 employee base.

**42. Deloitte Settlement Shift to FY 2020.** The Governor recommends \$14.0 million for FY 2019 and \$20.4 million for FY 2020 from Deloitte Settlement funds in the Executive Office of Health and Human Services, Department of Human Services and HealthSource RI's budgets to offset general revenue costs for the Unified Health Infrastructure Project. A settlement was reached in April that included a \$50 million payment. As of early June, federal approval of the new contract and the state's proposal to maintain use of all settlement funds was still pending. The House Finance Committee recommends shifting the use of any settlement funds to FY 2020 and adds \$9.6 million from general revenues for updated expenditure projections for the aforementioned agencies, including \$0.4 million for HealthSource RI.

**43. Disparity Study.** The Governor recommends a total of \$0.5 million from general revenues including \$0.2 million in FY 2019 and \$0.3 million in FY 2020 for a vendor to conduct a disparity study to examine procurement practices of state agencies that purchase goods and services pursuant to the provisions of the State Purchasing Act. The House Finance Committee does not recommend funding the study.

**44. Energy Resources - Federal Grant Awards (GBA).** The House Finance Committee concurs with the Governor's requested amendment to include funding from two federal awards that the Energy Office received. This includes \$27,000 to support the Ocean State Clean Cities Coalition and \$105,000 to improve energy affordability, reliability, and resiliency.

**45. Fraud and Waste Savings (GBA).** The House Finance Committee concurs with the Governor's requested amendment to restore \$0.2 million in general revenue savings deemed to be achieved through cost avoidance as part of the Medicaid caseload projections.

**46. HealthSource RI Turnover Savings.** The FY 2019 revised budget includes \$2.3 million from restricted receipts and federal funds to fund HealthSource RI's 16.0 authorized positions. Through the last pay period of April, HealthSource RI has averaged 13.6 filled positions. The House Finance Committee recommends reducing restricted receipt expenditures by \$350,000 to reflect turnover savings and statewide benefit savings that were not assumed in the revised budget.

**47. Purchasing - Senior Buyer Position.** The House Finance Committee does not concur with the Governor's recommendation to add \$0.1 million from general revenues to fund a new senior buyer position.

**48. Strategic Contract Sourcing.** The enacted budget assumes general revenue savings of \$3.0 million from the Administration's initiative to conduct an analysis of contracts to identify opportunities that would

enhance the state's buying power and reduce costs associated with procured goods and services. Implementation funding was not previously requested or recommended. The Department subsequently entered into a contract with a vendor to help identify the savings. The total contract cost is \$0.8 million; the FY 2019 revised budget includes \$0.5 million and \$0.3 million was spent in FY 2018 for which funding was not appropriated. The House Finance Committee does not concur and adjusts expenditures accordingly.

**49. Tort Court Awards (GBA).** The Department of Administration receives an annual \$400,000 appropriation to pay for liability claims against any state department or state employee. Historical spending for this varies depending on court awarded settlements. The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million based on pending litigation that will likely result in settlements in FY 2019.

**50. Turnover and Operating Savings.** The House Finance Committee recommends reducing general revenue expenditures by \$0.7 million, including \$0.4 million to reflect additional turnover savings from the Office of Legal Services, Office of Management and Budget, and Central Management and \$249,000 for consultants and cybersecurity training for employees, based on the Budget Office's third quarter report.

### **Business Regulation**

**51. Capital - Fire Academy (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$0.2 million from Rhode Island Capital Plan funds from FY 2019 to FY 2020 based on current project timelines and expenditures.

**52. Contractors' Licensing Technology (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.1 million of expenditures from restricted receipts for technology expenditures.

**53. Fire Academy Training Fees (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million of expenditures from restricted receipts for additional Fire Training Academy classes.

**54. Medical Marijuana (1.0 FTE).** The House Finance Committee recommends reducing restricted receipt expenditures by \$0.2 million including \$75,681 for a newly proposed legal counsel position and \$115,889 for operations, consistent with the transfer of excess medical marijuana receipts estimated at the May 2019 Revenue Estimating Conference.

**55. Turnover (Q3).** The House Finance Committee recommends general revenue turnover savings of \$0.4 million for FY 2019 based on the Department's current staffing and projected spending through the third quarter.

### **Executive Office of Commerce**

**56. Capital - Quonset Piers Correction.** The House Finance Committee recommends \$0.4 million less than the Governor's recommendation for FY 2019 from Rhode Island Capital Plan funds for the Quonset Pier 2 project. The Governor's recommendation erroneously included additional funding. As of June 11, 2019, it appears the Quonset Development Corporation has spent the erroneously included funding and noted it intended to correct the error in the next capital budget submission.

**57. Community Development Block Grant.** The House Finance Committee recommends \$3.5 million less from federal Community Development Block Grant funds to align the budget with projected FY 2019 final expenditures.

## **Labor and Training**

**58. Grant and Audit Units.** The House Finance Committee does not concur with the Governor's recommendation to repurpose 6.0 vacant full-time equivalent positions into separate grant and audit units that would function under the Governor's Workforce Board. Accordingly, the Committee recommends reducing federal funds by \$0.1 million and restricted receipts by \$0.2 million.

**59. Real Jobs to Other Sources.** The House Finance Committee recommends reducing the general revenue appropriation for Real Jobs Rhode Island by \$1.5 million and increasing use of job development fund restricted receipts by the same amount for FY 2019. This is designed to offset the projected overspending in the administration of unemployment, which the Department reports is expected to total \$1.5 million. Federal resources supporting the Real Jobs program increased by \$3.1 million in the revised budget to reflect the receipt of two new grants.

**60. Staffing Overspend.** The House Finance Committee recommends \$1.5 million from general revenues to cover overspending in the Department of Labor and Training's Unemployment Insurance Administration. This addresses the same issue that was apparent in the closing for the Department, when it overspent \$3.9 million from general revenues. As unemployment has declined, and federal funding with it, the Department's program continues to exceed available resources. While this issue was identified by the Department in its third quarter report, neither the Governor's recommendation nor requested amendments addressed it. To avoid having an unbudgeted expense be charged to general revenues at the close of the fiscal year again, the recommendation funds the overspend with a reduction in state support for the Real Jobs program which has multiple, flexible funding sources.

## **Department of Revenue**

**61. Turnover (Q3).** The House Finance Committee recommends general revenue turnover savings of \$1.7 million for FY 2019 based on the Department's current staffing. The Department has averaged 67.7 vacancies for FY 2019, including over 23.0 positions in the Division of Taxation, and nearly 27.0 positions at the Division of Motor Vehicles, the majority of which were funded. Both divisions received increased appropriations as part of the FY 2019 enacted budget to implement new programs which in some cases resulted in turnover in other areas.

## **Office of the General Treasurer**

**62. Unclaimed Property.** The House Finance Committee recommends adding \$1.7 million from restricted receipts to adjust the unclaimed property program transfer to the state to reflect the May Revenue Estimating Conference estimate of \$11.2 million.

## **Board of Elections**

**63. Public Financing of Elections.** The Governor recommends \$1.8 million from general revenues for the Public Financing of Elections program based on the Board's second quarter report and actual expenditures through the November 2018 election. The Board's third quarter report notes that \$102,528 was returned to the program upon completion of an audit of the program by the Board's campaign finance director. The House Finance Committee reduces expenditures accordingly.

**64. Turnover and Printing.** The House Finance Committee recommends reducing general revenue expenditures by \$90,000 to reflect additional turnover savings based on updated projections from the Board's third quarter report as well as savings from printing available for FY 2019.

## Office of the Governor

**65. Supplemental Funding.** The Governor's revised recommendation for FY 2019 is \$0.8 million more than enacted, including \$0.7 million more for staffing and \$50,000 more for the contingency fund. The House Finance Committee recommends funding consistent with the enacted budget.

### Executive Office of Health and Human Services

**66. Deloitte Settlement Shift to FY 2020.** The Governor recommends \$14.0 million for FY 2019 and \$20.4 million for FY 2020 from Deloitte Settlement funds in the Executive Office of Health and Human Services, Department of Human Services and HealthSource RI's budgets to offset general revenue costs for the Unified Health Infrastructure Project. A settlement was reached in April that included a \$50 million payment. As of early June, federal approval of the new contract and the state's proposal to maintain use of all settlement funds was still pending. The House Finance Committee recommends shifting the use of any settlement funds to FY 2020 and adds \$9.6 million from general revenues for updated expenditure projections for the aforementioned agencies, including \$0.9 million from general revenues for the Executive Office of Health and Human Services.

**67. Medicaid Caseload - May Conference.** The House Finance Committee recommends decreasing medical assistance expenses by \$19.1 million for FY 2019. This reflects the \$32.1 million change made at the May caseload conference for updated program costs. The estimate includes savings of \$10.7 million from updated costs for Hepatitis C coverage 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 \$13.6 million less from general revenues and \$5.4 million less from federal funds.

**68. Rhode Island Quality Institute - Currentcare (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$203,156 from federal funds for total funding of \$4.2 million for the state's payment for Currentcare. The Rhode Island Quality Institute has partnered with the State of Rhode Island to develop an electronic network that gives medical professionals access to their patients' health information.

**69. Staffing and Contracts.** The House Finance Committee recommends reducing funding for staffing and contracts by \$1.0 million based on projected spending through the third quarter. The Governor provided \$1.0 million from general revenues, \$7.7 million from federal funds and \$0.4 million from restricted receipts for staffing and contracted services. The Executive Office's third quarter report includes staffing savings of \$0.6 million from not filling vacant positions, and the House Finance Committee recommends that savings as well as \$0.4 million in savings from contracted financial and management services to bring funding more in line with the enacted level.

**70. State Innovations Model Initiative (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add the remaining \$2.1 million from federal funds from the State Innovation Model grant which expires on June 30, 2018. Expenses have been incurred and include funding for behavioral health workforce training, community health teams, support for the Health Equity Zones, and Care Transformation Collaborative nurse care managers. The grant also supports expenses at the Office of the Health Insurance Commissioner and HealthSource RI.

### Children, Youth and Families

**71. Capital - Generators - Training School (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$185,000 from Rhode Island Capital Plan funds from FY 2019

to FY 2020 for the installation of a generator at the Training School based on an updated projected installation schedule.

**72. Capital - Training School Asset Protection (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$750,000 from Rhode Island Capital Plan funds from FY 2019 and FY 2020 for asset protection at the Rhode Island Training School to later years based on an updated project schedule, specifically pertaining to repairs of the facility's roof.

**73. Child Care to Block Grant Funds.** The Governor's revised budget recommendation includes \$6.7 million from all sources, including \$5.5 million from general revenues, for child care expenses for the Department of Children, Youth and Families. Child care subsidies are provided for children in foster care. The House Finance Committee recommends \$2.5 million of general revenue expenditures be shifted to available child care development block grant funds.

**74. Third Quarter Report Overspending (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$11.1 million, including \$6.3 million from general revenues and \$4.8 million from federal funds for the Department of Children, Youth and Families based on spending through the first three quarters of FY 2019 and further growth in out-of-state placements, which is 55 residents through the end of May. At the end of the first quarter, the Department projected a \$14.9 million general revenue deficit for higher than expected foster care caseload and an increase in high end residential placements. The Governor's budget recommendation added \$10.6 million, including \$11.9 million from general revenues, primarily for the number of high end residential placements being more than assumed in the enacted budget.

## Health

**75. Health Information Technology (GBA).** The FY 2019 revised and FY 2020 budgets include \$175,000 from restricted receipts in the Health Information Technology fund to support the Rhode Island Quality Institute. The House Finance Committee concurs with the Governor's requested amendment to reduce expenditures by \$36,998 for FY 2019 and \$144,784 for FY 2020.

**76. Indirect Cost Recovery Expenses 3rd Quarter.** The Department of Health uses its indirect cost recovery restricted receipts to offset costs associated with administering federally funded programs. Based on the Department's FY 2019 projected expenditures, the House Finance Committee recommends reducing indirect cost recovery restricted receipts expenses by \$0.4 million. These funds would be available to offset FY 2020 expenses.

**77. Monitoring & Compliance Expenses to General Revenue.** The Governor proposes establishing a Compliance Order restricted receipt account in the Department of Health to be funded with administrative fees and penalties imposed from compliance orders. The legislation does not specify what the funds can be used for, but the budget proposes to use the funds to pay for compliance staffing. It appears that a total of \$1.2 million has been received. The House Finance Committee does not concur with the Governor's proposal and recommends that the receipts be deposited as general revenues, consistent with current law. The House Finance Committee recommends \$0.2 million for FY 2019 and \$0.5 million from general revenues for FY 2020 in lieu of restricted receipts for staff to conduct inspections of state facilities as well as investigate complaints.

**78. Salary Overfunded - Correction (GBA).** The FY 2019 revised budget inadvertently overfunded salary expenses by \$0.2 million, including \$178,870 from federal funds and \$45,287 from restricted receipts. The House Finance Committee concurs with the Governor's requested amendment to correct this.

## Human Services

**79. Capital - Office of Veterans' Affairs (GBA).** The Governor's budget inadvertently excluded restricted receipts for projects at the Rhode Island Veterans' Memorial Cemetery. Amended recommendations for several projects were included in her capital budget submitted weeks later. For this project, the amended recommendation restored \$0.4 million for FY 2019 and \$0.2 million for FY 2020. The House Finance Committee concurs and adjusts funding accordingly.

**80. Cash Assistance Caseload - May Conference.** The House Finance Committee recommends reducing expenditures for cash assistance caseloads by \$4.2 million, including \$1.6 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.

**81. Deloitte Settlement Shift to FY 2020.** The Governor recommends \$14.0 million for FY 2019 and \$20.4 million for FY 2020 from Deloitte Settlement funds in the Executive Office of Health and Human Services, Department of Human Services and HealthSource RI's budgets to offset general revenue costs for the Unified Health Infrastructure Project. A settlement was reached in April that included a \$50 million payment. As of early June, federal approval of the new contract and the state's proposal to maintain use of all settlement funds was still pending. The House Finance Committee recommends shifting the use of any settlement funds to FY 2020 and adds \$9.6 million from general revenues for updated expenditure projections for the aforementioned agencies, including \$8.3 million for the Department of Human Services.

## BHDDH

**82. Capital - DD Private Waiver Fire Code Audit Finding (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$1.7 million from Rhode Island Capital Plan Funds for FY 2019 to address previous audit findings. The use of Medicaid funds to pay for 50 percent of the project costs to upgrade fire code and sprinkler system in the community facilities was disallowed as prior approval was not received.

**83. Capital - DD Residential Development.** The House Finance Committee recommends \$0.3 million from Rhode Island Capital Plan funds for FY 2019 through FY 2024 which is \$0.2 million less than recommended for the Thresholds residential development program, Access to Independence and furniture acquisition programs for individuals with developmental disabilities who live in the community. Recommended funding is consistent with spending for FY 2018.

**84. Capital - Hospital Equipment.** The House Finance Committee recommends reducing FY 2019 expenses by \$31,949 from Rhode Island Capital Plan funds to reflect updated spending and eliminating the \$300,000 recommended annually from FY 2020 through FY 2024 for hospital equipment. The intent was to modernize equipment at the state hospital; however, it now appears current purchases do not meet the useful life criteria for Rhode Island Capital Plan funds and should instead be funded as part of the operating budget.

**85. Capital - Substance Abuse Asset Protection to DOA (GBA).** The Governor requested an amendment subsequent to her capital budget recommendation that transfers funding for substance abuse asset protection projects to the Department of Administration. The House Finance Committee concurs and transfers this project to the Department of Administration and includes \$233,413 for FY 2019 and \$250,000 annually.

**86. CNOM Adjustment - Prior Year.** The House Finance Committee recommends reducing expenses in the Division of Behavioral Healthcare Services by \$2.8 million, including \$0.3 million from general

revenues, to adjust for prior year costs not otherwise matchable Medicaid claims for mental health and substance abuse services.

**87. RICARES to Federal Funds.** The Governor includes \$100,000 from general revenues to be paid to RICARES for recovery housing certification in FY 2019 and FY 2020. This activity can be supported through existing federal substance abuse block grant funds, and the House Finance Committee recommends reducing general revenues accordingly.

**88. Security Services Supplemental.** The Governor's recommendation adds \$7.2 million for expenses at the state run hospital above the enacted level, which includes \$1.8 million more than enacted for contracted security services at both campuses. The Department's third quarter report includes spending of \$1.1 million of the \$2.1 million included in the Governor's budget. The House Finance Committee recommends \$0.4 million less from all sources, including \$0.2 million from general revenues, based on the supplemental funding not being necessary to meet the security needs for the state-run hospital.

**89. Turnover.** The Governor's recommendation added \$7.2 million for all expenses at the state run hospital above the enacted level, which includes \$4.9 million for staffing at both campuses, including \$3.0 million from general revenues. The House Finance Committee recommends savings of \$0.2 million, including \$0.1 million from general revenues, based on updated expenditure data.

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

**90. Turnover.** Based on spending through the third quarter, the House Finance Committee recommends general revenue turnover savings of \$91,000 and federal funds savings of \$28,413. As of the pay period ending on May 24, the Office has nine positions filled and intends to keep the last position vacant until it begins its analysis of data relating to the Children's Rights settlement. This position will likely not be filled in FY 2019.

#### **Deaf and Hard of Hearing**

**91. Turnover Savings.** The House Finance Committee recommends reducing general revenue expenditures by \$70,000 to reflect turnover savings from the current vacant executive director position, which is anticipated to be filled in September 2019.

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

**92. School Construction Review Design.** The FY 2019 revised budget includes \$45,500 from general revenues to obtain services for reviewing school construction design plans. The Commission indicates that it has not received any design plans needing review. The House Finance Committee recommends removing the funding as it is not needed.

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

**93. Adolescent Health (1.0 FTE).** The Governor recommends \$132,509 from new federal funds in FY 2019 for a new full-time equivalent position to oversee a new federal grant. In FY 2019, the Department was awarded a five-year, \$9.0 million grant to support adolescent health and academic achievement, specifically regarding mental health issues. The House Finance Committee does not concur with adding the new position; the Department has several staff that administer federal grants as well as several vacant positions.

**94. Capital - Davies HVAC.** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget

submitted weeks later along with requested amendments to reconcile the proposed funding. For this project, the reconciliation reduced FY 2019 funding by \$1.1 million. The School reports that remaining repairs are delayed until it can move forward with its master plan. Based on that, the House Finance Committee recommends reducing FY 2019 funding by \$0.2 million and shifting \$0.5 million from FY 2020 to FY 2022.

**95. Davies School Lunch (GBA).** The House Finance Committee concurs with the Governor's requested amendment to increase restricted receipt funding for Davies Career and Technical School by \$60,000, reflecting anticipated collections from its breakfast and lunch programs.

**96. School Climate (1.0 FTE).** The Governor recommends \$41,169 from new federal funds in FY 2019 for a new full-time equivalent position to oversee a new school climate transformation grant. Subsequent to submitting its budget request, the Department was awarded a five-year \$2.5 million grant to support districts in expanding programs that address student social, emotional and behavioral needs. The House Finance Committee does not concur with adding the new position; the Department has several staff that administer federal grants as well as several vacant positions.

**97. School Resource Officer Aid (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to restore \$16,706 from general revenues for school resource officer aid. The 2018 Assembly provided \$2.0 million for this new initiative. The Governor's FY 2019 revised budget reduces that to \$0.2 million based on funding requests through December 2018 only. Based on requests through May 2019, an additional \$16,706 is needed to fund this obligation.

**98. Statewide Transportation Program (GBA).** The House Finance Committee concurs with the Governor's requested amendment to increase the appropriation for the statewide transportation program by \$3.9 million from restricted receipts based on increased participation in the program. Restricted receipts are collected from local education agencies that participate in the statewide system to cover its expenses.

**99. Turnover.** Based on updated staffing projections, the House Finance Committee recommends \$0.3 million in general revenue turnover savings, which is equivalent to approximately 2.2 positions. The FY 2019 revised budget includes \$43.3 million from all sources to fund 323.1 full-time equivalent positions. Through the beginning of May, the Department has averaged 28.4 vacancies for FY 2019, including staff at the School for the Deaf and Davies Career and Technical School.

### Higher Education

**100. Capital - OPC Higher Education Center (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to shift \$1.8 million from Rhode Island Capital Plan funds authorized for FY 2019 to FY 2020 for the Northern Rhode Island Education Center project based on an updated timeline. As of June, the final site had still not been determined and there are outstanding questions about what the funding will support given current indications that leased space is being considered.

**101. Capital - RIC Academic Buildings Phase I (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to advance \$2.0 million from Rhode Island Capital Plan funds authorized as part of the FY 2019 enacted budget for FY 2020 to FY 2019 for the College's Academic Building Phase I project to reflect an updated project schedule.

**102. Capital - URI Biological Resources Lab (GBA).** The Governor's budget overstated available resources from Rhode Island Capital Plan funds. Reduced recommendations for several projects were included in her capital budget submitted weeks later along with requested amendments to reconcile the proposed funding. In some cases, there were also unrelated changes that caused a discrepancy between the capital budget and the amounts identified in the appropriations bill. For this project, the initial

reconciliation added \$0.7 million. The House Finance Committee concurs with the Governor's requested budget amendment to remove \$2.8 million from Rhode Island Capital Plan funds for the University of Rhode Island's Biological Resources Lab project in FY 2019 and add \$2.9 million to FY 2020 based on the contract awarded and a revised construction schedule.

**103. New England Board of Higher Education.** The House Finance Committee recommends adding \$147,000 from general revenues to pay the dues for membership in the New England Board of Higher Education compact in each FY 2019 and FY 2020. The compact enables Rhode Island residents to pursue degree programs across New England at a lower cost than traditional out-of-state tuition. The annual fee was paid through the Rhode Island Higher Education Assistance Authority's budget before it merged it with the Office of Postsecondary Commissioner. The Office paid the dues through federal guaranty agency loan funds through FY 2018 until the loan portfolio was sold on June 30, 2018. The FY 2019 budget placed limits on the use of remaining federal funds, and the Office used that for staff and other support and did not pay the dues nor request additional funding to do so in its FY 2019 revised or its FY 2020 budget. The Governor requested an amendment to provide this funding from guaranty agency reserve funds but as that is a finite source, the House Finance Committee recommends general revenues.

**104. OPC New Grants (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.2 million to reflect grants received after the Governor's budget was submitted. This includes \$23,396 from the Lumina Foundation to establish a communications strategy to assist in increasing postsecondary enrollment for working-age adults. It also includes \$147,214 from the Walmart Foundation to help develop a pathway to higher education for populations that have traditionally faced barriers to employment. This 18-month grant also includes \$0.6 million for FY 2020.

**105. Reverse Statewide Operating Savings for Shepard Building (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to restore \$42,188 in statewide operating savings that were erroneously taken against support for the Shepard Building for FY 2019. The Governor's budget distributes \$3.0 million in general revenue savings assumed in the Department of Administration's enacted budget to be achieved from a statewide initiative proposed by the Governor to reduce the cost of certain commodities. The distribution of the savings was based on shares of spending rather than actual savings expected.

**106. RI Promise (GBA).** Based on actual spending for the first and second cohort of Rhode Island Promise scholarships for FY 2019, the House Finance Committee recommends savings of \$0.4 million. This reflects a payment of \$3.0 million for the fall 2018 semester and a payment of \$2.6 million for the spring 2019 semester and would provide a total of \$5.6 million from general revenues for FY 2019.

#### Arts Council

**107. Federal Grant Carry-Forward (GBA).** Consistent with the Governor's requested amendment, the House Finance Committee recommends an additional \$88,276 of carried forward federal grant funding for the Rhode Island State Council on the Arts.

**108. New Arts and Health Grant (GBA).** Consistent with the Governor's requested amendment, the House Finance Committee recommends an additional \$10,000 of restricted receipt funding for the Rhode Island State Council on the Arts for a new Arts in Healthcare grant award from ArtPlace America.

**109. Percent for Arts (Q3).** Based on expenditures through the third quarter, the House Finance Committee recommends reducing the Percent for Arts amount by \$0.6 million. The Governor's recommended budget included an additional \$0.8 million of Percent for Arts spending for public works of art at state facilities bringing expected FY 2019 spending to \$1.2 million for all outstanding projects. The Council has subsequently reported it will not exceed \$0.6 million of expenditures.

## Historical Preservation & Heritage Commission

**110. Turnover Savings (Q3).** The House Finance Committee recommends general revenue turnover savings of \$156,482 based on third quarter spending projections. Although it experienced vacancies earlier in the fiscal year, the Commission's 15.6 positions are all currently filled.

### Attorney General

**111. Google Forfeiture Funds (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$350,000 from Google Settlement funds for furniture purchased in the current year.

**112. Medicaid Fraud Unit System.** The Governor recommends \$250,000 from general revenues and \$750,000 from matching Medicaid funds for a vendor to implement a new data system to support the Medicaid Fraud Unit which is consistent with the enacted budget. A vendor has not been selected and the Office of the Attorney General reports that the project has been placed on hold. The House Finance Committee reduces funding accordingly.

**113. Third Quarter Savings.** The House Finance Committee recommends turnover savings of \$1.9 million consistent with the Office's third quarter report. There was a high level of vacancies with the transition to a new administration.

### Corrections

**114. Capital - Asset Protection.** The Governor's recommendation consolidates all Department of Corrections projects into a single asset protection project. The House Finance Committee recommends maintaining the appropriation for each project for FY 2019 with \$2.9 million for asset protection based on updated spending which is \$10.7 million less than the Governor's recommendation and \$0.9 million less than the approved plan. Beginning in FY 2020, the House Finance Committee recommends that capital projects be aggregated into two distinct projects with one for asset protection and one for facilities renovations and recommends \$8.6 million for the asset protection project for FY 2020, which is \$4.2 million less than the Governor's recommendation.

**115. Capital - Dix Building Renovations.** The Governor's recommendation consolidates all Department of Corrections projects into a single asset protection project with \$13.6 million for FY 2019. Subsequently, the Governor requested several amendments bringing the total project cost to \$12.1 million from Rhode Island Capital Plan funds. The House Finance Committee recommends maintaining the appropriation for each project for FY 2019 with \$0.4 million for the Dix Building based on updated spending. Beginning in FY 2020, the House Finance Committee recommends that capital projects be aggregated into two distinct projects with one for asset protection and one for facilities renovations.

**116. Capital - Intake Service Center Renovations.** The Governor's recommendation consolidates all Department of Corrections projects into a single asset protection project with \$13.6 million for FY 2019. Subsequently, the Governor requested several amendments bringing the total project cost to \$12.1 million from Rhode Island Capital Plan funds. The House Finance Committee recommends maintaining the appropriation for each project with \$1.0 million for the Intake Service Center based on updated spending. Beginning in FY 2020, the House Finance Committee recommends that capital projects be aggregated into two distinct projects with one for asset protection and one for facilities renovations.

**117. Capital - Maximum General Renovations.** The Governor's recommendation consolidates all Department of Corrections projects into a single asset protection project with \$13.6 million for FY 2019. Subsequently, the Governor requested several amendments bringing the total project cost to \$12.1 million

from Rhode Island Capital Plan funds. The House Finance Committee recommends maintaining the appropriation for each project with \$0.5 million for the Maximum Security facility based on updated spending. Beginning in FY 2020, the House Finance Committee recommends that capital projects be aggregated into two distinct projects with one for asset protection and one for facilities renovations.

**118. Capital - Medium Infrastructure.** The Governor's recommendation consolidates all Department of Corrections projects into a single asset protection project with \$13.6 million for FY 2019. Subsequently, the Governor requested several amendments bringing the total project cost to \$12.1 million from Rhode Island Capital Plan funds. The House Finance Committee recommends maintaining the appropriation for each project with \$5.1 million for the Medium Security facility based on updated spending. Beginning in FY 2020, the House Finance Committee recommends that capital projects be aggregated into two distinct projects with one for asset protection and one for facilities renovations.

**119. Centralized Services (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million from general revenues based on billings through the first three quarters of FY 2019. The Governor's recommended budget lowered the Department of Corrections centralized services budget by \$2.3 million. However, updated spending shows the Department is projected to exceed the revised level, most of it for human resources. It is unclear why this is the case as these billings are not generally variable.

**120. State Criminal Alien Assistance Program (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$124,233 from State Criminal Alien Assistance Program federal funds reflecting an updated award amount from the federal Department of Justice. As these funds are used to substitute for state support, the House Finance Committee recommends reducing general revenues by a like amount.

### Judicial

**121. Capital - Noel Shelled Courtroom Build Out (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to shift \$2.2 million from Rhode Island Capital Plan funds from FY 2019 to FY 2020 for the Judiciary's Noel Shelled Build Out project based on a revision to the construction schedule.

**122. Federal Grant Adjustments (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$18,755 from federal funds for FY 2019. This reflects revisions to eight different federal grants based on updated data.

**123. Operating Savings (Q3).** Based on spending through the third quarter of FY 2019, the House Finance Committee recommends general revenue operating savings of \$0.5 million. This includes \$0.2 million for court technology. The budget also includes \$1.4 million from restricted receipts from the Judiciary Technology Surcharge Account, which is \$0.1 million more than enacted. With the completion of the case management system, more electronic filings are occurring resulting in additional revenue that can be used in lieu of general revenues for court technology. The savings also include \$0.3 million for facilities and operations.

**124. Pay-Go Judges Pensions.** The Governor recommends \$6.1 million from all sources, including \$5.4 million from general revenues for retirement costs for judges and magistrates hired before 1990 who are not part of the state employees' retirement system. Based on updated data from the Judiciary, there is \$0.6 million in savings available in the current year. The House Finance Committee recommends reducing funding accordingly.

**125. Turnover Savings (Q3).** Based on spending through the third quarter of FY 2019, the House Finance Committee recommends general revenue turnover savings of \$0.7 million for the Judiciary. This is equivalent to six full-time equivalent positions. As of the pay period ending May 11, the Judiciary had 41.7 vacant positions. The Governor's budget assumed turnover equivalent to 25.2 full-time equivalent positions.

### **Military Staff**

**126. Capital - Armory of Mounted Command Roof Replacement (GBA).** The FY 2019 revised budget includes \$0.8 million from Rhode Island Capital Plan funds for the rehabilitation of the Armory of Mounted Commands building. Based on projected expenditures, the House Finance Committee concurs with the Governor's requested amendment to shift \$0.5 million from FY 2019 to FY 2020.

**127. Capital - Bristol Readiness Center (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$125,000 from Rhode Island Capital Plan funds from FY 2019 to FY 2020 for a feasibility study and an environmental assessment for a new armory facility in Bristol. The construction of the facility will be 100 percent federally funded.

**128. Capital - Joint Force Headquarters Building (GBA).** The FY 2019 revised budget includes \$6.6 million from Rhode Island Capital Plan funds to build a new joint force headquarters at Camp Fogarty in East Greenwich. Based on projected expenditures, the House Finance Committee concurs with the Governor's requested amendment to shift \$0.4 million to FY 2020.

### **Public Safety**

**129. Capital - Asset Protection (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reduce Rhode Island Capital Plan funds for the Department of Public Safety's asset protection project by \$124,157 based on updated cost estimates, which would provide \$642,429 for FY 2019.

**130. Capital - Training Academy (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reduce Rhode Island Capital Plan funds for the State Police Training Academy by \$375,879 based on the Department halting progress on the facility until the Facilities Master Plan is completed.

**131. Capital - Headquarters Roof Replacement.** The Governor's capital budget includes \$125,000 for FY 2019 from Rhode Island Capital Plan funds for design work related to a newly proposed Headquarters Roof Replacement project for the Department of Public Safety. The House Finance Committee does not concur with the current year funding; the Department used asset protection funding to pay for these services.

**132. Fiscal Clerk (1.0 FTE).** The House Finance Committee does not concur with the Governor's proposal to add \$0.1 million from restricted receipts collected from indirect cost recovery on federal grants for 1.0 new full-time fiscal clerk position. This position was filled in September 2018. There are currently no negotiated indirect cost recovery rates on federal grants and as of June 6, 2019, the total receipts are \$24,084, which is not enough to support the cost of this new position.

**133. Forfeiture Fund Expenses (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$153,617 from restricted receipts for costs associated with investigating violations of controlled substances. Of that, \$23,500 would be distributed to four municipalities that participated in investigations. The remaining \$130,117 would be spent on additional safety equipment and vehicles.

## Public Defender

**134. Turnover.** The House Finance Committee concurs with the Governor's requested amendment to reduce general revenue expenses by \$0.2 million based on savings from vacant positions in the current year consistent with the Public Defender's third quarter report.

## Emergency Management

**135. Pre-Disaster Mitigation Grant (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to include \$0.2 million from federal funds that was mistakenly excluded from the agency's request. This funding is from the 2016 pre-disaster mitigation grant, a competitive grant with the goal of reducing risk to populations and structures from future hazard events.

**136. Turnover Savings (Q3).** Based on the third quarter report and spending projected through the end of FY 2019, the House Finance Committee recommends general revenue turnover savings of \$75,000 for the Emergency Management Agency. Through the pay period ending April 27, the Agency has averaged 2.5 vacancies.

## Environmental Management

**137. Capital - Blackstone Valley Park Improvements (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$0.5 million from Rhode Island Capital Plan funds from FY 2019 to FY 2020 for ongoing efforts at improving access to the Blackstone River Valley and related work in the Blackstone Valley Corridor. The Governor's revised budget added \$0.5 million for the project, mostly to reflect new work to be done in Cumberland.

**138. Capital - Galilee Pier Improvements (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reduce Rhode Island Capital Plan funding for the Galilee Piers Improvements project by \$1.9 million for FY 2019, shift \$1.6 million to FY 2020, and alter the amounts from FY 2021 through FY 2024. Total funding is unchanged from the recommendation.

**139. Capital - Recreational Facilities Improvements (GBA).** The Governor recommends \$17.3 million from Rhode Island Capital Plan funds from FY 2019 through FY 2024 for a variety of major capital development projects at state parks, beaches and campgrounds. The House Finance Committee concurs with her requested amendment to reduce funding in the current year by \$1.0 million based on updated spending. Additionally, the Committee reduces funding in FY 2020 by \$0.5 million.

**140. Capital - Marine Infrastructure and Pier Development.** The Governor recommends \$6.8 million from Rhode Island Capital Plan funds from FY 2019 through FY 2024 for marine infrastructure and pier development at sites important to Rhode Island's tourism and fishing economy. Based on projected spending through the end of FY 2019, the House Finance Committee recommends shifting \$525,000 from FY 2019 to FY 2020.

**141. Federal Grants Adjustment.** Subsequent to the budget submission, the Governor requested an amendment for an additional \$1.1 million from federal funds for the Department's FY 2019 revised budget. The funding reflects the addition or adjustment of eight separate grants which were either received after the Governor's recommendation or unintentionally excluded from the Department's request. The House Finance Committee concurs with adding the funding but also reduces expenditures from another grant to reflect projected spending. This results in a \$2,971 reduction of expenditures from federal funds.

**142. Parks and Recreation Overspending (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.4 million from general revenues to address overspending

relative to the Department's FY 2019 revised budget. The Department's third quarter report identified this issue and pointed to additional costs for seasonal employees, fleet costs, building and grounds maintenance and utilities. The Governor's revised recommendation provided \$0.8 million less for operating costs than actual FY 2018 spending.

### **Coastal Resources Management Council**

**143. Capital - Shoreline Change (Beach) SAMP (GBA).** The House Finance Committee concurs with the Governor's requested amendment to remove \$0.2 million from Rhode Island Capital Plan funds for FY 2019 and \$50,000 for FY 2020 for the Beach Special Area Management Plan. Funding was included in error as this project is complete.

**144. Staffing.** The House Finance Committee recommends reducing funding from general revenues by \$90,000 and federal funds by \$50,000 to correct personnel costs in the Governor's recommendation which appears to be based on the Council's request which was overstated.

### **Transportation**

**145. Capital - Maintenance Facilities Improvements (GBA).** The FY 2019 revised budget included \$0.6 million from Rhode Island Capital Plan funds for asset protection projects at several maintenance facilities. Based on projected expenditures, the House Finance Committee concurs with the Governor's requested amendment to shift \$0.5 million from FY 2019 to FY 2020.

**146. Capital - Salt Storage Facilities.** The Capital Budget includes a total of \$7.0 million from Rhode Island Capital Plan funds for the construction of salt storage facilities at various locations statewide where salt is currently stored uncovered. This assumes use of \$1.1 million for FY 2019 and based on projected expenditures, the Governor requested an amendment to shift \$0.2 million to FY 2020. The House Finance Committee recommends shifting it to FY 2021 based on historical expenditures.

**147. Capital - Train Station Maintenance and Repairs.** The FY 2019 revised budget includes \$0.5 million from Rhode Island Capital Plan funds for repairs at three train stations: Woonsocket, Kingston and Westerly. The Kingston and Westerly stations are currently active and the Woonsocket station serves as a bus depot. Based on historical expenditures, the House Finance Committee recommends reducing expenditures by \$0.2 million.

**148. Gas Tax DOT Yield.** The House Finance Committee recommends increasing gasoline tax expenditures for the Department of Transportation by \$0.3 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.

**149. Gas Tax RIPTA Yield.** The House Finance Committee recommends adjusting available gasoline tax in the Department of Transportation based on an increased transfer to the Rhode Island Public Transit Authority of \$1.2 million to reflect an upward revision to the gasoline tax yield estimate.

**150. Gas Tax Turnpike and Bridge Authority Yield.** The House Finance Committee recommends adjusting available gasoline tax in the Department of Transportation based on an increased transfer to the Rhode Island Turnpike and Bridge Authority of \$0.4 million to reflect an upward revision to the gasoline tax yield estimate.

**151. Turnover Savings.** The House Finance Committee recommends \$5.0 million in turnover savings from gasoline tax based on projected salary and benefit costs for which the FY 2019 revised budget included

\$86.7 million from all sources. The Department's average filled positions through the last pay period in May 2019 were 687.5 full-time equivalent positions, or 67.5 positions below the authorized level of staffing. The turnover savings is equivalent to 45 vacancies. The enacted budget had assumed turnover savings of 17 positions.

**152. Vehicle Maintenance Correction (GBA).** The Governor's budget inadvertently included a negative appropriation of \$53,364 for vehicle maintenance related expenses. The House Finance Committee concurs with her requested amendment to correct this.

**153. Winter Maintenance Operations.** Based on actual expenditures the House Finance Committee recommends reducing expenditures for winter maintenance operations, for which the FY 2019 revised budget included \$18.0 million from gasoline tax proceeds, by \$2.8 million. Expenditures through May 8 totaled \$15.2 million, \$2.9 million below the revised budget.

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## **Section V**

### **Summary Tables**

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## Expenditures from All Funds

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>General Government</b>				
Administration	\$ 284,663,464	\$ 302,359,961	\$ 323,951,978	\$ 328,142,776
Business Regulation	24,509,397	24,749,917	30,770,515	26,363,657
Executive Office of Commerce	56,449,152	54,935,746	68,180,523	58,996,451
Labor and Training	458,214,237	447,449,239	454,282,965	449,014,095
Revenue	584,033,516	601,015,646	623,720,496	643,187,244
Legislature	45,412,322	50,769,941	46,586,115	45,836,115
Lieutenant Governor	1,114,597	1,107,847	1,147,816	1,147,816
Secretary of State	12,300,162	12,253,563	10,701,157	11,001,157
General Treasurer	43,122,580	44,134,422	42,218,385	42,655,641
Board of Elections	5,252,516	4,461,999	2,462,583	2,748,855
Rhode Island Ethics Commission	1,812,237	1,748,039	1,845,298	1,845,298
Governor's Office	5,633,047	5,633,047	6,493,211	6,093,211
Human Rights	1,833,011	1,803,028	1,917,005	1,917,005
Public Utilities Commission	9,934,831	10,623,497	12,212,583	11,382,980
<b>Subtotal - General Government</b>	<b>\$ 1,534,285,069</b>	<b>\$ 1,563,045,892</b>	<b>\$ 1,626,490,630</b>	<b>\$ 1,630,332,301</b>
<b>Human Services</b>				
Health and Human Services	\$ 2,606,962,740	\$ 2,655,661,086	\$ 2,745,096,336	\$ 2,691,732,762
Children, Youth and Families	227,918,654	249,217,527	228,591,189	229,359,090
Health	174,111,689	187,409,262	188,616,584	186,637,844
Human Services	632,830,659	621,109,194	585,698,686	638,003,380
BHDDH	422,451,955	439,879,413	448,470,696	460,013,445
Child Advocate	1,195,963	967,647	1,234,057	1,234,057
Deaf and Hard of Hearing	603,178	566,745	693,338	663,338
Commission on Disabilities	1,387,275	1,344,308	1,558,659	1,558,659
Mental Health Advocate	653,260	567,389	602,411	602,411
<b>Subtotal - Human Services</b>	<b>\$ 4,068,115,373</b>	<b>\$ 4,156,722,571</b>	<b>\$ 4,200,561,956</b>	<b>\$ 4,209,804,986</b>
<b>Education</b>				
Elementary and Secondary	\$ 1,444,249,758	\$ 1,453,599,327	\$ 1,488,768,125	\$ 1,491,082,208
Higher Education	1,207,574,517	1,212,082,820	1,250,299,534	1,247,326,398
Arts Council	3,132,046	3,404,592	3,478,248	3,438,248
Atomic Energy	1,496,787	1,374,254	1,495,094	1,495,094
Historical Preservation	2,454,026	2,636,108	2,595,330	2,595,330
<b>Subtotal - Education</b>	<b>\$ 2,658,907,134</b>	<b>\$ 2,673,097,101</b>	<b>\$ 2,746,636,331</b>	<b>\$ 2,745,937,278</b>

## Expenditures from All Funds

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>Public Safety</b>				
Attorney General	\$ 41,602,976	\$ 41,862,159	\$ 33,287,718	\$ 33,287,718
Corrections	251,419,419	248,088,192	252,805,290	257,611,700
Judicial	124,433,984	121,532,937	126,730,281	127,492,559
Military Staff	30,292,314	43,274,603	40,129,489	41,148,960
Emergency Management	20,325,241	24,428,455	13,697,589	13,622,589
Public Safety	124,504,718	133,050,288	139,092,198	138,208,356
Public Defender	12,676,516	12,134,977	12,923,936	12,900,536
<b>Subtotal-Public Safety</b>	<b>\$ 605,255,168</b>	<b>\$ 624,371,611</b>	<b>\$ 618,666,501</b>	<b>\$ 624,272,418</b>
<b>Natural Resources</b>				
Environmental Management	\$ 108,689,507	\$ 95,381,431	\$ 102,890,607	\$ 101,818,898
CRMC	6,468,424	8,047,732	5,310,930	5,220,930
<b>Subtotal-Natural Resources</b>	<b>\$ 115,157,931</b>	<b>\$ 103,429,163</b>	<b>\$ 108,201,537</b>	<b>\$ 107,039,828</b>
<b>Transportation</b>				
Transportation	\$ 591,021,131	\$ 625,688,700	\$ 629,480,461	\$ 648,773,516
<b>Subtotal-Transportation</b>	<b>\$ 591,021,131</b>	<b>\$ 625,688,700</b>	<b>\$ 629,480,461</b>	<b>\$ 648,773,516</b>
<b>Total</b>	<b>\$ 9,572,741,806</b>	<b>\$ 9,746,355,038</b>	<b>\$ 9,930,037,416</b>	<b>\$ 9,966,160,327</b>

## Expenditures from General Revenues

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>General Government</b>				
Administration	\$ 177,080,380	\$ 172,478,396	\$ 199,464,434	\$ 206,900,425
Business Regulation	17,430,457	16,503,698	18,508,156	17,896,681
Executive Office of Commerce	30,289,375	30,226,612	35,365,201	27,181,129
Labor and Training	14,464,955	15,848,041	15,813,787	14,679,932
Revenue	178,831,507	176,581,494	193,770,950	216,254,237
Legislature	43,691,627	49,000,993	44,754,101	44,004,101
Lieutenant Governor	1,114,597	1,107,847	1,147,816	1,147,816
Secretary of State	9,875,734	9,800,081	9,233,255	9,533,255
General Treasurer	2,973,776	2,953,922	3,037,551	3,037,551
Board of Elections	5,252,516	4,461,999	2,462,583	2,748,855
Rhode Island Ethics Commission	1,812,237	1,748,039	1,845,298	1,845,298
Governor's Office	5,633,047	5,633,047	6,493,211	6,093,211
Human Rights	1,335,441	1,335,441	1,353,591	1,353,591
Public Utilities Commission	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 489,785,649</b>	<b>\$ 487,679,610</b>	<b>\$ 533,249,934</b>	<b>\$ 552,676,082</b>
<b>Human Services</b>				
Health and Human Services	\$ 982,916,072	\$ 975,564,715	\$ 1,033,465,709	\$ 1,003,282,411
Children, Youth and Families	161,614,041	177,445,681	167,263,422	164,624,585
Health	28,963,829	30,324,530	32,240,040	30,968,921
Human Services	97,999,785	114,018,408	74,895,242	91,838,627
BHDDH	188,091,966	193,925,853	195,293,312	194,881,240
Child Advocate	969,922	805,811	986,701	986,701
Deaf and Hard of Hearing	523,178	455,902	563,338	533,338
Commission on Disabilities	1,002,537	906,410	1,055,069	1,055,069
Mental Health Advocate	653,260	567,389	602,411	602,411
<b>Subtotal - Human Services</b>	<b>\$ 1,462,734,590</b>	<b>\$ 1,494,014,699</b>	<b>\$ 1,506,365,244</b>	<b>\$ 1,488,773,303</b>
<b>Education</b>				
Elementary and Secondary	\$ 1,188,639,908	\$ 1,187,182,301	\$ 1,235,838,953	\$ 1,239,252,258
Higher Education	230,093,700	233,661,033	244,302,858	243,050,858
Arts Council	2,007,993	1,977,819	2,084,748	2,004,748
Atomic Energy	1,078,908	1,018,455	1,059,094	1,059,094
Historical Preservation	1,210,054	1,225,069	1,488,293	1,488,293
<b>Subtotal - Education</b>	<b>\$ 1,423,030,563</b>	<b>\$ 1,425,064,677</b>	<b>\$ 1,484,773,946</b>	<b>\$ 1,486,855,251</b>

## Expenditures from General Revenues

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>Public Safety</b>				
Attorney General	\$ 27,959,192	\$ 25,604,213	\$ 28,675,203	\$ 28,675,203
Corrections	237,063,223	235,747,418	238,105,210	242,088,059
Judicial	101,994,888	100,208,208	106,127,755	105,213,960
Military Staff	3,081,090	3,097,681	3,219,493	3,219,493
Emergency Management	2,043,945	2,208,219	2,439,647	2,364,647
Public Safety	103,337,018	104,032,363	111,196,673	105,918,952
Public Defender	12,575,531	12,059,312	12,848,271	12,824,871
<b>Subtotal-Public Safety</b>	<b>\$ 488,054,887</b>	<b>\$ 482,957,414</b>	<b>\$ 502,612,252</b>	<b>\$ 500,305,185</b>
<b>Natural Resources</b>				
Environmental Management	\$ 41,841,215	\$ 41,450,676	\$ 45,178,568	\$ 43,623,975
CRMC	2,760,157	2,667,303	2,913,195	2,883,195
<b>Subtotal-Natural Resources</b>	<b>\$ 44,601,372</b>	<b>\$ 44,117,979</b>	<b>\$ 48,091,763</b>	<b>\$ 46,507,170</b>
<b>Transportation</b>				
Transportation	\$ -	\$ -	\$ -	\$ -
<b>Subtotal-Transportation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 3,908,207,061</b>	<b>\$ 3,933,834,379</b>	<b>\$ 4,075,093,139</b>	<b>\$ 4,075,116,991</b>

## Expenditures from Federal Grants

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>General Government</b>				
Administration	\$ 3,877,255	\$ 4,801,039	\$ 4,048,409	\$ 4,152,873
Business Regulation	892,631	1,346,487	765,694	755,788
Executive Office of Commerce	14,445,458	12,529,815	17,611,003	17,611,003
Labor and Training	40,753,823	45,302,995	39,989,080	38,284,651
Revenue	2,109,465	1,925,417	545,243	1,969,581
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	1,983,770	1,983,770	1,016,230	1,016,230
General Treasurer	1,074,874	1,016,641	998,974	998,974
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	497,570	467,587	563,414	563,414
Public Utilities Commission	168,378	168,378	178,002	178,002
<b>Subtotal - General Government</b>	<b>\$ 65,803,224</b>	<b>\$ 69,542,129</b>	<b>\$ 65,716,049</b>	<b>\$ 65,530,516</b>
<b>Human Services</b>				
Health and Human Services	\$ 1,605,800,743	\$ 1,661,092,197	\$ 1,685,722,447	\$ 1,664,521,164
Children, Youth and Families	61,730,191	68,559,311	57,515,210	59,986,948
Health	101,214,203	110,492,058	106,001,980	105,815,939
Human Services	521,070,844	500,402,974	494,120,978	514,400,576
BHDDH	226,187,567	237,990,525	245,939,037	258,743,858
Child Advocate	226,041	161,836	247,356	247,356
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	335,167	395,318	458,689	458,689
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 2,516,564,756</b>	<b>\$ 2,579,094,219</b>	<b>\$ 2,590,005,697</b>	<b>\$ 2,604,174,530</b>
<b>Education</b>				
Elementary and Secondary	\$ 214,475,474	\$ 219,350,586	\$ 213,559,606	\$ 213,293,458
Higher Education	7,924,589	8,253,542	14,853,141	8,000,000
Arts Council	719,053	811,773	762,500	762,500
Atomic Energy	-	7,936	-	-
Historical Preservation	696,513	846,018	557,028	557,028
<b>Subtotal - Education</b>	<b>\$ 223,815,629</b>	<b>\$ 229,269,855</b>	<b>\$ 229,732,275</b>	<b>\$ 222,612,986</b>

## Expenditures from Federal Grants

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>Public Safety</b>				
Attorney General	\$ 12,710,334	\$ 14,977,486	\$ 3,552,999	\$ 3,552,999
Corrections	1,796,840	2,341,364	1,886,711	2,010,944
Judicial	2,914,044	3,073,152	3,144,740	3,144,740
Military Staff	18,480,072	31,652,184	34,354,996	34,354,996
Emergency Management	16,335,897	20,210,983	9,295,523	9,295,523
Public Safety	15,613,903	23,653,909	19,986,405	19,986,405
Public Defender	100,985	75,665	75,665	75,665
<b>Subtotal-Public Safety</b>	<b>\$ 67,952,075</b>	<b>\$ 95,984,743</b>	<b>\$ 72,297,039</b>	<b>\$ 72,421,272</b>
<b>Natural Resources</b>				
Environmental Management	\$ 31,763,160	\$ 31,735,126	\$ 32,309,520	\$ 32,309,520
CRMC	2,733,267	4,326,554	1,597,735	1,557,735
<b>Subtotal-Natural Resources</b>	<b>\$ 34,496,427</b>	<b>\$ 36,061,680</b>	<b>\$ 33,907,255</b>	<b>\$ 33,867,255</b>
<b>Transportation</b>				
Transportation	\$ 299,540,160	\$ 324,513,786	\$ 327,008,399	\$ 325,075,495
<b>Subtotal-Transportation</b>	<b>\$ 299,540,160</b>	<b>\$ 324,513,786</b>	<b>\$ 327,008,399</b>	<b>\$ 325,075,495</b>
<b>Total</b>	<b>\$ 3,208,172,271</b>	<b>\$ 3,334,466,412</b>	<b>\$ 3,318,666,714</b>	<b>\$ 3,323,682,054</b>

## Expenditures from Restricted Receipts

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>General Government</b>				
Administration	\$ 26,597,691	\$ 34,509,839	\$ 23,497,835	\$ 24,412,178
Business Regulation	6,119,812	6,529,534	11,115,466	7,144,829
Executive Office of Commerce	4,754,319	4,754,319	4,754,319	4,754,319
Labor and Training	38,975,091	31,578,077	32,453,432	30,022,846
Revenue	2,064,187	1,875,472	4,546,960	3,605,253
Legislature	1,720,695	1,768,948	1,832,014	1,832,014
Lieutenant Governor	-	-	-	-
Secretary of State	440,658	469,712	451,672	451,672
General Treasurer	38,419,246	39,524,516	37,518,001	37,955,257
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	9,766,453	10,455,119	12,034,581	11,204,978
<b>Subtotal - General Government</b>	<b>\$ 128,858,152</b>	<b>\$ 131,465,536</b>	<b>\$ 128,204,280</b>	<b>\$ 121,383,346</b>
<b>Human Services</b>				
Health and Human Services	\$ 18,245,925	\$ 19,004,174	\$ 25,908,180	\$ 23,929,187
Children, Youth and Families	2,674,422	2,422,535	1,887,557	1,887,557
Health	43,933,657	46,592,674	49,974,564	49,452,984
Human Services	8,996,552	1,878,357	11,918,988	26,750,699
BHDDH	5,072,422	5,614,502	6,088,347	6,088,347
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	80,000	110,843	130,000	130,000
Commission on Disabilities	49,571	42,580	44,901	44,901
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 79,052,549</b>	<b>\$ 75,665,665</b>	<b>\$ 95,952,537</b>	<b>\$ 108,283,675</b>
<b>Education</b>				
Elementary and Secondary	\$ 35,755,376	\$ 41,756,725	\$ 37,560,566	\$ 37,427,492
Higher Education	2,679,609	3,648,967	3,386,377	3,767,896
Arts Council	5,000	15,000	5,000	45,000
Atomic Energy	99,000	27,000	99,000	99,000
Historical Preservation	465,870	439,802	421,439	421,439
<b>Subtotal - Education</b>	<b>\$ 39,004,855</b>	<b>\$ 45,887,494</b>	<b>\$ 41,472,382</b>	<b>\$ 41,760,827</b>

## Expenditures from Restricted Receipts

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>Public Safety</b>				
Attorney General	\$ 783,450	\$ 1,130,460	\$ 909,516	\$ 909,516
Corrections	59,356	64,399	59,369	59,369
Judicial	12,085,986	12,238,243	13,007,786	13,007,786
Military Staff	100,000	55,000	55,000	55,000
Emergency Management	450,985	514,839	468,005	468,005
Public Safety	552,603	1,123,617	1,742,319	6,136,198
Public Defender	-	-	-	-
<b>Subtotal-Public Safety</b>	<b>\$ 14,032,380</b>	<b>\$ 15,126,558</b>	<b>\$ 16,241,995</b>	<b>\$ 20,635,874</b>
<b>Natural Resources</b>				
Environmental Management	\$ 17,580,291	\$ 15,695,625	\$ 16,332,964	\$ 16,060,848
CRMC	250,000	250,000	250,000	250,000
<b>Subtotal-Natural Resources</b>	<b>\$ 17,830,291</b>	<b>\$ 15,945,625</b>	<b>\$ 16,582,964</b>	<b>\$ 16,310,848</b>
<b>Transportation</b>				
Transportation	\$ 3,034,406	\$ 3,006,725	\$ 3,007,550	\$ 3,007,550
<b>Subtotal-Transportation</b>	<b>\$ 3,034,406</b>	<b>\$ 3,006,725</b>	<b>\$ 3,007,550</b>	<b>\$ 3,007,550</b>
<b>Total</b>	<b>\$ 281,812,633</b>	<b>\$ 287,097,603</b>	<b>\$ 301,461,708</b>	<b>\$ 311,382,120</b>

## Expenditures from Other Funds

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>General Government</b>				
Administration	\$ 77,108,138	\$ 90,570,687	\$ 96,941,300	\$ 92,677,300
Business Regulation	66,497	370,198	381,199	566,359
Executive Office of Commerce	6,960,000	7,425,000	10,450,000	9,450,000
Labor and Training	364,020,368	354,720,126	366,026,666	366,026,666
Revenue	401,028,357	420,633,263	424,857,343	421,358,173
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	-	-	-	-
General Treasurer	654,684	639,343	663,859	663,859
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 849,838,044</b>	<b>\$ 874,358,617</b>	<b>\$ 899,320,367</b>	<b>\$ 890,742,357</b>
<b>Human Services</b>				
Health and Human Services	\$ -	\$ -	\$ -	\$ -
Children, Youth and Families	1,900,000	790,000	1,925,000	2,860,000
Health	-	-	400,000	400,000
Human Services	4,763,478	4,809,455	4,763,478	5,013,478
BHDDH	3,100,000	2,348,533	1,150,000	300,000
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	-	-	-	-
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 9,763,478</b>	<b>\$ 7,947,988</b>	<b>\$ 8,238,478</b>	<b>\$ 8,573,478</b>
<b>Education</b>				
Elementary and Secondary	\$ 5,379,000	\$ 5,309,715	\$ 1,809,000	\$ 1,109,000
Higher Education	966,876,619	966,519,278	987,757,158	992,507,644
Arts Council	400,000	600,000	626,000	626,000
Atomic Energy	318,879	320,863	337,000	337,000
Historical Preservation	81,589	125,219	128,570	128,570
<b>Subtotal - Education</b>	<b>\$ 973,056,087</b>	<b>\$ 972,875,075</b>	<b>\$ 990,657,728</b>	<b>\$ 994,708,214</b>

## Expenditures from Other Funds

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>Public Safety</b>				
Attorney General	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Corrections	12,500,000	9,935,011	12,754,000	13,453,328
Judicial	7,439,066	6,013,334	4,450,000	6,126,073
Military Staff	8,631,152	8,469,738	2,500,000	3,519,471
Emergency Management	1,494,414	1,494,414	1,494,414	1,494,414
Public Safety	5,001,194	4,240,399	6,166,801	6,166,801
Public Defender	-	-	-	-
<b>Subtotal-Public Safety</b>	<b>\$ 35,215,826</b>	<b>\$ 30,302,896</b>	<b>\$ 27,515,215</b>	<b>\$ 30,910,087</b>
<b>Natural Resources</b>				
Environmental Management	\$ 17,504,841	\$ 6,500,004	\$ 9,069,555	\$ 9,824,555
CRMC	725,000	803,875	550,000	530,000
<b>Subtotal-Natural Resources</b>	<b>\$ 18,229,841</b>	<b>\$ 7,303,879</b>	<b>\$ 9,619,555</b>	<b>\$ 10,354,555</b>
<b>Transportation</b>				
Transportation	\$ 288,446,565	\$ 298,168,189	\$ 299,464,512	\$ 320,690,471
<b>Subtotal-Transportation</b>	<b>\$ 288,446,565</b>	<b>\$ 298,168,189</b>	<b>\$ 299,464,512</b>	<b>\$ 320,690,471</b>
<b>Total</b>	<b>\$ 2,174,549,841</b>	<b>\$ 2,190,956,644</b>	<b>\$ 2,234,815,855</b>	<b>\$ 2,255,979,162</b>

## Full-Time Equivalent Positions

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>General Government</b>				
Administration	655.7	655.7	670.1	647.7
Business Regulation	161.0	161.0	187.0	161.0
Executive Office of Commerce	16.0	16.0	18.0	14.0
Labor and Training	409.7	409.7	451.7	390.7
Revenue	604.5	604.5	587.5	602.5
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	13.0	13.0	13.0	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	53.0	53.0	60.0	51.0
<b>Subtotal - General Government</b>	<b>2,438.9</b>	<b>2,438.9</b>	<b>2,513.3</b>	<b>2,405.9</b>
<b>Human Services</b>				
Health and Human Services	192.0	192.0	479.1	186.0
Children, Youth and Families	631.5	629.5	629.5	621.5
Health	514.6	517.6	520.6	499.6
Human Services	1,020.1	1,030.1	755.0	1,038.1
BHDDH	1,302.4	1,304.4	1,305.4	1,189.4
Child Advocate	10.0	10.0	10.0	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
<b>Subtotal - Human Services</b>	<b>3,682.6</b>	<b>3,695.6</b>	<b>3,711.6</b>	<b>3,556.6</b>
<b>Education</b>				
Elementary and Secondary	321.1	321.1	328.1	321.1
Higher Education	4,394.3	4,394.3	4,396.3	4,384.3
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
<b>Subtotal - Education</b>	<b>4,748.2</b>	<b>4,748.2</b>	<b>4,757.2</b>	<b>4,738.2</b>

## Full-Time Equivalent Positions

	FY 2019 Enacted	FY 2019 Committee	FY 2020 Recommended	FY 2020 Committee
<b>Public Safety</b>				
Attorney General	237.1	237.1	239.1	239.1
Corrections	1,416.0	1,416.0	1,426.0	1,411.0
Judicial	723.3	723.3	723.3	726.3
Military Staff	92.0	92.0	98.0	92.0
Emergency Management	32.0	32.0	32.0	32.0
Public Safety	564.6	563.6	595.6	593.6
Public Defender	95.0	95.0	96.0	96.0
<b>Subtotal-Public Safety</b>	<b>3,160.0</b>	<b>3,159.0</b>	<b>3,210.0</b>	<b>3,190.0</b>
<b>Natural Resources</b>				
Environmental Management	395.0	395.0	406.0	394.0
CRMC	30.0	30.0	30.0	30.0
<b>Subtotal-Natural Resources</b>	<b>425.0</b>	<b>425.0</b>	<b>436.0</b>	<b>424.0</b>
<b>Transportation</b>				
Transportation	755.0	755.0	785.0	755.0
<b>Subtotal-Transportation</b>	<b>755.0</b>	<b>755.0</b>	<b>785.0</b>	<b>755.0</b>
<b>Total Positions</b>	<b>15,209.7</b>	<b>15,221.7</b>	<b>15,413.1</b>	<b>15,069.7</b>



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**Section VI**

**Article Explanations**

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## Explanations of Budget Articles

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### 2019-H 5151, Substitute A

#### Article 1

**Section 1. Appropriations.** This section of Article 1 contains the appropriations for FY 2020.

**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 between agencies. It also clarifies that this authority does not supersede current law requirements for functions of government designated by law to be performed within a particular department or agency. In those cases, no transfer of duties or functions and no re-allocation, in whole or part, of appropriations and full-time equivalent positions to any other department or agency shall be authorized.

**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 2020.

**Section 8. Employment Security Funds.** This section appropriates all funds required for benefit payments to unemployed individuals from the Employment Security Fund for FY 2020.

**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 2020. The 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 2020. 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

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## Explanations of Budget Articles

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Senate or designee, may jointly adjust the authorization. Total staffing is 15,069.7 full-time equivalent positions, 152.0 positions less than the final authorization for FY 2019.

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

**Section 12. Multi-Year Appropriations.** This section makes multi-year appropriations for a number of capital projects included in the FY 2021 through FY 2024 Capital Budget that are funded from Rhode Island Capital Plan funds. The FY 2020 and multi-year appropriations supersede appropriations made for capital projects in Section 12 of Article 1 of the FY 2019 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 2020. 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. Rhode Island Housing and Mortgage Finance Corporation Transfer.** This section requires the transfer of \$1.5 million from Rhode Island Housing to state general revenues by June 30, 2020.

**Section 16. Rhode Island Infrastructure Bank Transfer.** This section requires the transfer of \$4.0 million from the Rhode Island Infrastructure Bank to state general revenues by June 30, 2020.

**Section 17. Rhode Island Student Loan Authority Transfer.** This section requires the transfer of \$1.5 million from the Rhode Island Student Loan Authority to state general revenues by June 30, 2020.

**Section 18. Quonset Development Corporation Transfer.** This section requires the transfer of \$1.2 million from the Quonset Development Corporation to state general revenues by June 30, 2020.

**Section 19. Commerce Corporation Transfer.** This section requires the transfer of \$1.5 million from First Wave Closing Fund reserves to state general revenues by October 1, 2019.

**Section 20. Effective Date.** This section establishes that the article is effective July 1, 2019.

### Article 2. State Funds

**Sections 1 and 2. Real Estate Appraisers.** These sections establish authority for two new restricted accounts in the Department of Business Regulation relating to real estate appraisals collected and paid to the Federal Reserve's Federal Financial Institutions Examination Council Appraisal Subcommittee, tasked with developing uniform reporting systems for various federally supervised financial institutions.

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**Section 3. Auditor General.** Article 2 gives the auditor general the authority to conduct investigations and inspections or oversight reviews with the purpose of preventing and detecting fraud, waste, abuse, and mismanagement.

**Section 4. Healthcare Information Technology.** The 2004 Assembly adopted legislation establishing a Healthcare Information Technology and Infrastructure Development Fund to be administered by the Department director in coordination with the Healthcare Information Technology and Infrastructure Advisory Committee. The fund is supported by any grant or donations and must be used for projects that support healthcare information technology projects shown to improve healthcare quality. Section 4 converts the fund to a restricted receipt account from which expenditures can be made.

**Section 5. Control of State Spending.** This section addresses administrative adherence to budget control laws by requiring a monthly report in the event that an agency's quarterly report forecasts a deficit and prohibits the controller from authorizing payments for additional staff, contracts, or purchases for any agency expected to overspend with exceptions for immediate health and safety. It empowers the Chairpersons of the House and Senate Finance Committees to request a written report as to whether documented overspending resulted in any disciplinary action or the \$1,000 fine allowed under current law and reasons for not doing so, if applicable.

**Section 6. Indirect Cost Recovery.** This section exempts five accounts from the state's indirect cost recovery charge; three of them are newly authorized in Article 2. Article 11 includes authorization for the Health Insurance Market Integrity Fund and the De Coppet Estate Fund was authorized in 2014.

**Sections 7 through 9 and 12. E-911 Uniform Emergency Telephone System.** These sections revise the fees and distribution of current Public Safety and First Response phone charges. This includes lowering the First Response surcharge on wired and wireless phone lines to \$0.50 and \$0.75 respectively and eliminating the \$0.26 Geographic Information System and Technology Fund surcharge on all wireless lines. The article reserves the remaining \$0.50 monthly charge on wired and wireless phone lines for E-911 and directs those revenues into a restricted receipt account exempt from indirect cost recovery and used exclusively for E-911 operations. Those charges would also not be subject to the current 10.0 percent transfer to the Information Technology Investment Fund. The article also requires collections from the current monthly surcharges on prepaid phone lines to be deposited into the new restricted account.

**Section 10. Designated State Health Programs.** This section establishes a restricted receipt in the general fund so that the healthcare workforce development activities at state's public institutions of higher education can receive the federal match that is available to the state's Medicaid program through its Executive Office of Health and Human Services' Designated State Health Program. The match of \$23.5 million is included in the FY 2019 final and FY 2020 enacted budgets for the three institutions and is appropriated as federal funds.

**Section 11. Attorney General Settlements.** This section expands the expenses that can be paid from proceeds generated through multi-state initiative settlements to related administrative and litigation costs; use is currently limited to membership fees and dues. It allows the recovery of attorneys' fees and costs as part of the settlement proceeds. The article clarifies that any settlement proceeds must be appropriated by the Assembly.

**Section 13. Effective Date.** Sections 7 through 9 and 12 take effect October 1, 2019. The remaining sections are effective upon passage.

### Article 3. Government Reform

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**Sections 1, 3, and 4. Regulatory Changes.** These sections repeal the permit fee for parking lot and parking garage operators within the Warwick Airport Parking District, license fees for gasoline retailers, and the temporary licenses for motor carriers qualified to operate in two or more jurisdictions.

**Sections 2 and 4. Function Transfers.** These sections transfer enforcement powers for violating provisions for a variety of price and brand display requirements, and counterfeit or fraudulent sales as they relate to fuel and lubricants as well as all other false advertisement violations from the Department of Business Regulation to the Department of Labor and Training.

**Sections 5 through 8. Background Checks.** The article establishes new requirements for background checks for volunteers, employees and vendors. All employees, including those of vendors and subcontractors, with access to federal tax information would have to undergo state and national fingerprint criminal background checks. The personnel administrator would be empowered to facilitate the coordination of this requirement for state employees. The background check for employees of vendors will be included in contracts for all new employees and current employees must complete the background check within a “reasonable time” as approved by the respective agency directors or their designees.

These sections also require applicants who are seeking to volunteer at the Training School, or employment at a child day care program, a foster or adoptive home, a child’s behavioral health program, or in a child caring agency to receive background checks. These background checks will require fingerprinting testing to occur every five years. The director of the Department of Human Services would be responsible for determining disqualifying criteria revealed in the background check for operating a facility that it licenses. The Department of Children, Youth and Families already conducts many of these practices and this article codifies them and adds some additional requirements for background checks that come as a result of the federal laws through the Reauthorization of the Child Care and Development Block Grant and the Family First Prevention Services Act. The new background check requirements that are not currently part of the practice include household members of family child care homes and any employee, not just those who deal directly with the children, of any residential child caring agency.

**Section 9. Correctional Officer Application Fee.** This section authorizes the director of the Department of Corrections to establish an application fee for correctional officer applicants. The Department currently accepts applications through the state employment website; there is no charge for this. To expand the reach in recruiting interested candidates, the Department would offer an option to utilize an online application portal offered by a private vendor; any payments collected from the application system would be made to the vendor. The article also requires the Department to maintain its current free application process.

**Sections 10 through 11. Revenue and Taxation Authority.** These sections authorize the Division of Taxation to periodically publish a list of entities and their active licenses to facilitate liquor license confirmation. It also removes the requirement for the Department of Revenue to monitor the Coventry Fire District’s compliance with its governing statutes.

**Section 12. Injured on Duty.** This section includes several changes to the injured on duty law, for state employees only, to limit the amount of time this benefit is applicable. It allows an independent medical examiner to certify that a person has reached maximum medical improvement triggering the 60-day clock to apply for an accidental disability pension. Under current law, it must be the treating physician that makes the certification. The article also provides that injured on duty benefits would terminate upon final ruling of the State Retirement Board and would not continue during appeal. Current recipients of injured on duty payments will have 90 days starting July 1, 2019 to apply for accidental disability payments, otherwise

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## Explanations of Budget Articles

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benefits would be terminated, with some exceptions. Those current recipients who have been denied or approved for an ordinary or accidental disability benefit by a final ruling of the State Retirement Board would have their injured on-duty payments terminated. The budget assumes savings of \$1.7 million from general revenues for distribution to impacted agencies.

### Article 4. Government Reorganization

**Sections 1 through 4. Department of Business Regulation.** These sections clarify specific statutory responsibilities and correct references to the director of the Department of Business Regulation as the paramount authority over the Contractors' Registration and Licensing Board now that it is within that Department. Requirements for signed affidavits are also removed. The article also reorganizes the Board and State Building Code Commission into a State Building Office within the Department.

**Sections 5 and 6. Veterans' Affairs.** These sections rename the Office of Veterans' Affairs the Office of Veterans Services and remove obsolete language.

**Sections 7 and 8. Motor Vehicle Inspection Commission.** These sections repeal the motor vehicle inspection commission and transfer the authority to adjudicate administrative hearings related to motor vehicle inspections to the Director of the Department of Revenue. The Commission is defunct and the proposed changes align with current practice.

**Sections 9 and 10. Federal Grants Management.** These sections transfer functions of federal grants management from the Office of Management and Budget to Accounts and Control.

**Section 11. Employee Transfer.** Under current law, the Department of Administration is required to report on the transfer of non-union state employees. This article would require reporting on the transfer of all state employees.

**Sections 12, 17, and 24. Elderly Affairs.** These sections rename the Division of Elderly Affairs as the Office of Healthy Aging. The article retains the director position which will be appointed by and report directly to the Governor, with the advice and consent of the Senate, and removes the unclassified designation for the position.

**Section 13. Statewide Planning Council.** This section makes several changes to the composition of the Statewide Planning Council; however, the total membership of 27 is retained. It removes the State Budget Officer and adds the director of the Rhode Island Emergency Management Agency. It reduces the number of public members from six to four and increases the number of members from municipalities from one to three to ensure broader participation by communities as identified by a Recertification Review of the state's Metropolitan Planning Organization conducted in 2018. The article adds the Transportation Advisory Committee in statute, which advises the Statewide Planning Council in developing the Transportation Improvement Program. It also renames the Division of Planning to Statewide Planning.

**Sections 14 and 15, and 19 through 23. Day Care Licensing.** These sections transfer responsibility for licensing and monitoring child day care providers from the Department of Children, Youth and Families to the Department of Human Services and grandfather previously issued, unexpired licenses prior to January 1, 2020. It also clarifies that child caring agencies, foster and adoptive homes, and children's behavioral health programs are a part of the Department of Children, Youth and Families' licensing responsibilities.

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**Sections 16 and 18. Small Business Ombudsman.** Sections 16 and 18 transfer the small business ombudsman from the Office of Regulatory Reform in the Department of Administration to the Department of Business Regulation.

### Article 5. Taxes, Revenues and Fees

**Sections 1, 2, 4 and 6. Fees and Penalties.** Sections 1 and 2 increase license fees for mortgage loan originators from \$100 to \$400 and registration fees for debt collector businesses from \$100 to \$750. Section 6 decreases the applicable interest rates for the collections unit of the Department of Revenue from 18 and 21 percent to be the greater of 13 percent or the same rate charged by the agency referring the debt for collection. Section 4 freezes beach fees at the rate effective June 30, 2011 through the conclusion of the 2021 beach season. The Budget assumes \$0.9 million from the changes in Sections 1 and 2.

**Section 3 Hospital License Fee.** This article extends the hospital licensing fee in FY 2020 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 \$193.8 million, including \$187.0 million from community hospital payments and \$6.8 million from state payments for Eleanor Slater Hospital.

This section also includes a 5.0 percent license fee for FY 2021 using the same 2018 base year. Revenues collected will be \$161.5 million, including \$155.9 million from the community hospitals and \$5.7 million for Eleanor Slater Hospital.

**Sections 5. Hotel Tax.** This section incorporates the share of revenues collected from hosting platforms into the standard hotel tax distribution. This shifts resources from Commerce's share to regional districts.

**Sections 7, 12, and 13. Revenue and Taxation Authority.** These sections add income from video lottery machines and casino gaming to existing law requiring withholding from lottery prizes, require use of prescribed forms for withholding by employee leasing companies, and adds interest charges when an entity fails to remit withholding at prescribed times. Additionally, employers with more than \$200 per month in withholding must remit electronically or face fines. The article also includes model legislation that gives states a mechanism to deal with the results of the new federal audit regime for certain corporate partnerships.

**Section 8. Pass-through Entity Tax Credit.** This section allows partners of a pass-through entity to pay the associated tax liability at the entity level at the highest personal income tax rate and establish a tax credit which the partners would claim on their own filings. This allows the entity to claim deductions for state and local taxes, beyond the \$10,000 cap placed on personal income during the 2017 tax reform.

**Sections 9 through 11. Sales and Use Taxes.** These sections subject digital streaming to the state's sales tax. Section 9 also exempts urns for cremations and feminine hygiene products from sales tax, eliminates language reducing the sales tax rates upon enactment of a federal law requiring remote sellers to collect and remit sales taxes, and makes technical corrections to industry references. The changes relating to specified digital products, urns, and feminine hygiene products, are effective October 1, 2019, and the Budget assumes \$2.6 million in additional revenues.

**Section 14. Historic Tax Credits.** This section extends the availability of historic preservation tax credits to December 31, 2022 for recipients of the state cultural arts and economy grant program.

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**Section 15. Litter Fees.** This section doubles the fees on beverage containers and hard-to-dispose materials established in 1989 and not altered since. Current law charges include \$0.04 per case of beverage containers sold by a wholesaler, \$0.05 per quart or \$0.053 per liter on motor oils, \$0.10 per gallon or \$0.0264 per liter on antifreeze, \$0.0025 per gallon or \$0.00066 per liter on organic solvents, \$0.50 per tire, and \$3.00 for each new vehicle. The budget assumes \$3.1 million in additional general revenues.

### Article 6. Public 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 6 contains five authorizations totaling \$330.5 million. It includes \$80.5 million from revenue bonds for three projects at the University of Rhode Island. These include \$51.5 million for the renovation and expansion of Memorial Union, \$2.1 million for Fraternity Circle master plan implementation, and \$26.9 million for a new combined health and counseling center. Annual debt service would be \$5.9 million for all three projects supported by student fees, general revenues, tuition, and retail leases.

It authorizes the Rhode Island Turnpike and Bridge Authority to issue up to \$50.0 million from revenue bonds to finance renovations and repairs of bridges under its purview, which include the following bridges: Mount Hope, Jamestown Verrazzano, Newport Pell, and the Sakonnet River. Annual debt service would be \$3.6 million and would be supported by tolls, gasoline tax and other Authority revenues.

The resolution also authorizes \$200.0 million through the Grant Anticipation Revenue Vehicle (GARVEE) to fund construction costs for the Route 95 Northbound Providence Viaduct project. The term of the bonds must not exceed 15 years and projected annual debt service would be \$16.9 million and would be supported by future federal funds increases allotted to the state.

### Article 7. Motor Vehicles

Article 7 raises the \$1.50 technology surcharge applied to all Division of Motor Vehicles transactions to \$2.50, makes the fee permanent, and prohibits the fee from being applied to motor vehicle inspections. The revenues currently deposited in the Information Technology Investment Fund will continue through FY 2022 to close out that project. The increased revenues are available for immediate use by the Division to allow sufficient funds to pay for additional costs of the new computer system and the entire fee would be available to the Division after FY 2022. The Budget assumes this will generate \$1.6 million of new revenues for the division.

The article further delays the requirement to reissue license plates six months to June 1, 2020, establishes a reporting requirement for the Division of Motor Vehicles regarding its progress towards that deadline, and raises the fee for reissued plates from \$6 to \$8. It also deletes the current exemption for having a title applicable to vehicles over 20 years old, after the 2000 model year.

### Article 8. Transportation

Article 8 makes two changes to the Highway Maintenance Account. It requires that 95.0 percent of the funds be deposited in the account; the remaining 5.0 percent will be retained as general revenues to partially offset the cost of collections. It also provides the Rhode Island Public Transit Authority with an additional \$5.0 million from the Department of Transportation's current share of the funds in perpetuity.

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Article 8 amends current permit fees for excess weight loads. It increases the single use trip permit fee from \$20 to \$40 and the annual fee from \$300 to \$400 for loads under 130,000 pounds. It establishes a new fee of \$300 for loads exceeding 130,000 pounds. The budget assumes \$0.5 million in general revenues.

### Article 9. Education

**Section 1. Education Aid.** Section 1 requires that if the state's share of education formula aid for any local education agency is determined to be incorrect after the budget for that fiscal year is enacted, local education agencies, the Senate President and the Speaker of the House must be notified within 15 days of the determination. Districts whose funding was underpaid would be paid in the following fiscal year; districts that have been overpaid would have an amount withheld in the following fiscal year prorated to the month in which notification occurred.

**Sections 2 through 12. University of Rhode Island Board of Trustees.** These sections create a 17 member Board of Trustees for the University of Rhode Island. The Governor would make initial appointment of all 17 members with the advice and consent of the Senate to serve terms between one and three years. After the initial terms expire, the Governor retains nine appointments, with the advice and consent of the Senate. The remaining eight members would be appointed by the Board. The article would transfer authority for a variety of functions from the Council on Postsecondary Education to the new Board and remove the University from the authority of the Commissioner of Postsecondary Education. It would preserve all of the General Assembly's current authority over the University. These sections would take effect on February 1, 2020.

**Section 13. Need Based Scholarships.** Section 13 changes the requirement that state-funded, need-based scholarships, or the Last Dollar Scholarship, to include the lesser of 20 percent or \$1.5 million in awards for students attending private, non-profit higher education institutions to be consistent with the Governor's recommendation; it had been the lesser of 20 percent or \$2.0 million. The article also adds language to permit funding from tuition savings fees be used to support the dual enrollment program consistent with budgeted funding since the inception of the program.

**Section 14. Spending from Restricted Receipts.** Section 14 adds language to ensure that restricted receipts received by the Department of Elementary and Secondary Education from the Rhode Island Health and Educational Building Corporation be limited to the amount in the appropriations act.

**Section 15. RIHEBC Administrative Fees.** Section 15 clarifies that Rhode Island Health and Educational Building Corporation administrative fees charged to cities, towns, and local education agencies for the issuance of school construction bonds shall be based on the original principal amount of the issuance.

### Article 10. Revised Budget

**Section 1. Appropriations.** This section of Article 10 contains the revised appropriations for FY 2019.

**Section 2. Line Item Appropriations.** This section establishes that each line in Section 1 of Article 10 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 between agencies. It also clarifies that this authority does not supersede current law requirements for functions of government designated by law to be performed within a particular department or agency. In those cases, no transfer of

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## Explanations of Budget Articles

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duties or functions and no re-allocation, in whole or part, of appropriations and full-time equivalent positions to any other department or agency shall be authorized.

**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 unemployed individuals 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 budget includes \$7.9 million from these sources for state grant programs.

**Section 11. 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 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 15,221.7 full-time equivalent positions, 12.0 positions more than originally enacted for FY 2019.

**Sections 12 through 17. Environmental Management Unexpended Bond Funds Transfer.** These sections require the transfer of unexpended bond funds totaling \$1.4 million from six different accounts within the Department of Environmental Management to state general revenues by June 30, 2019.

**Section 18. Effective Date.** This section provides that the act shall take effect upon passage.

### Article 11. Healthcare Market Stability

The article removes the exemption status of short-term limited duration policies and defines them as health insurance coverage, which would now be regulated in the same manner as prescribed in law for small (2-50 individual) and large (51+) group markets. The article also decouples the state's premium assessment

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upon those insurers offering products on the Rhode Island Health Benefit Exchange from the rate charged for federally facilitated marketplaces and establishes the current 3.5 percent fee in statute, effective January 1, 2020. Current law authorizes an assessment, which cannot be more than the revenues that would be raised through the federally facilitated marketplace. The federal rate is scheduled to decrease from 3.5 percent to 3.0 percent.

The article establishes a Reinsurance Program, to provide stability in the individual insurance market. It imposes a Shared Responsibility Payment penalty for individuals who do not have health insurance coverage, with certain exemptions and would be effective on January 1, 2020. For federal tax year 2017, the penalty per household was \$695 per adult and \$347.50 per child under 18, or 2.5 percent of the household's income, whichever is greater; however, the penalty was capped at the national average premium for bronze level plans. This article mirrors the federal penalty, with the exception of capping the penalty at the statewide average premium for bronze level plans offered on the state's health benefits exchange. The penalty would be collected by the tax administrator and deposited into a restricted account and would be used to provide reinsurance, or payments to health insurance carriers, as a means of ensuring that premiums do not increase drastically, and for administrative costs. Remaining funds from the penalty can be used for preventative health care programs in consultation with the Executive Office of Health and Human Services. No funds from this penalty are expected to be available for use until FY 2021. The legislation prohibits the use of general revenues for reinsurance payments.

### Article 12. Economic Development

**Sections 1 through 3. Rebuild Rhode Island.** These sections require creation of separate and streamlined application processes for specified projects and facilitates the inclusion of participants of the 2013 Historic Tax Credit program. Certain historical structures and projects with a manufacturer are exempted from the minimum square footage and minimum project costs. The article raises the program cap from \$150.0 million to \$200.0 million, with sales and use tax exemptions now subject to both the individual project cap and aggregate program cap and extends the sunset of the program by six months to December 31, 2020. The Budget includes \$10.0 million to continue payments into the fund to support the redemption of credits.

**Sections 4 and 5. Opportunity Zone Tax Modifications.** New federal tax law allows for preferential treatment of gains on Opportunity Fund investments after 10 years. Article 12 allows investors to access the exemption from state taxes on new gains through year seven if they exit the program, even though the investors get no federal tax benefit from an early exit.

**Sections 6. Motion Picture Tax Credit.** This section raises the annual cap on the tax credits available to productions by \$5.0 million to \$20.0 million and extends the sunset provision by three years to July 1, 2027.

**Sections 7. Qualified Jobs.** This section limits new credits authorized to an employer to 75.0 percent of the withholdings, not to exceed \$7,500 for each new job created. The current program allows up to 100 percent of withholding to be taken as a credit.

**Sections 8 and 9. Economic Development Districts.** These sections allow the General Assembly to establish new development districts overseen by 7-member commissions appointed by the Governor with advice and consent of the Senate. The commissions would be charged with planning and regulating development of contiguous tracts of developable or state-owned land of 20 acres or more with certain exclusions. The commissions supersede all municipal zoning and planning authority, but may coordinate permit approvals with state or municipal officials. Section 9 also designates the I-195 Redevelopment

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District Commission a development district under this section and removes the requirement for projects on its land to be subject to Providence's comprehensive plan and zoning ordinances.

**Section 10. Small Business Loan Fund.** This section establishes investor groups known as small business development funds and a credit against insurance taxes, which is non-refundable or saleable. The funds would have to present a 10-year plan to find investments that will create a certain number of jobs and cover the cost of the credits. Private investors would contribute the funds. Half would come from insurance companies with a tax liability in Rhode Island in exchange for the promise of future tax credits if goals are met. The other half would come from private investors who have no expectation of a state tax credit. The credit is allowed for a period of up to six years, but issue no sooner than year four of the investment, equal to a specified percentage of the equity investment in an eligible business to create or retain jobs. The program will be administered by the Commerce Corporation which would be responsible for approving each fund created and certifying compliance. Eligible businesses have less than 250 employees, and net income of less than \$15.0 million in the prior year, with 60.0 percent of its employees, or at least 60.0 percent of its payroll expenses located within the state. No eligible business may receive more than \$4.0 million from any investment group or combination of groups, and the article provides for the recapture of credits for non-performance.

### Article 13. Human Services

**Section 1. Caseload Estimating Conference Monthly Reporting.** This section adds information to be included by the Executive Office of Health and Human Services and the Department of Human Services as part of the monthly medical and cash assistance caseload reports. The additional information includes the number of Medicaid recipients with access to employer sponsored insurance, the number of employer plans that did not meet the cost effectiveness criteria for RIte Share, enrollment in the premium assistance program, the number of individuals receiving the enhanced Supplemental Security Income payment and enrolled in Rhody Health Options for long term care services and supports.

**Sections 2 and 4. Child Care.** The article changes rates paid for subsidized child care through the state's child care assistance program to family-based child care providers from a flat rate to a tiered system of reimbursement, consistent with the collective bargaining agreement. Payments made for infants and toddlers would be based on the rating achieved by the provider, according to the state's quality rating system. The Budget includes \$150,000 from general revenues to implement this change. It also increases the state's liquid asset limitation for child care assistance eligibility from \$10,000 to \$1.0 million to comply with a 2014 federal statutory change. Although the Department of Human Services changed its rules and regulations to reflect the \$1.0 million liquid asset limitation prior to the Governor's budget submission, these regulations are currently in conflict with state law. In order to be eligible for subsidized child care, a family must cooperate with establishing paternity for all children in the family. These sections limit those provisions to children who are eligible to receive child care.

**Section 3, 8 and 9. Supplemental Security Income Payments/Assisted Living.** Section 3 expands the availability of the higher state Supplemental Security Income payment for certain residents of assisted living facilities to participants in alternate, successor or substitute programs, or delivery options as determined by the Executive Office of Health and Human Services. That payment, in addition to the federal payment, is used to pay the room and board costs only for an individual currently enrolled in a Medicaid managed care plan with the plan paying for the direct medical services provided at the assisted living facility. Sections 8 and 9 update applicable medical assistance program language to reflect this change.

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**Section 5. Hospital and Nursing Homes Payments.** This section increases the hospital rate for FY 2020 and the Budget includes \$40.4 million more, including \$14.3 million from general revenues. It also limits the October 1, 2019 nursing home rate increase to one percent for savings of \$7.5 million, including \$3.5 million from general revenues. There is an adjustment to revenues from both actions making the net general revenue change \$13.5 million and \$3.1 million, respectively.

**Section 6. Hospital Uncompensated Care and Supplemental Payments.** This section extends the uncompensated care payments to the community hospitals for FY 2021, with the state making a payment that does not exceed \$142.4 million. It also includes an FY 2020 payment of that same amount. It also eliminates the requirements that the payments be recalculated based on actual hospital experience and redistributed amongst the hospitals. This section also eliminates the inpatient upper payment limit reimbursement for community hospitals for FY 2020 for savings of \$9.4 million, including \$3.6 million from general revenues.

**Section 7. RIte Share.** This section requires a plan be submitted by October 1, 2019 by the Executive Office of Health and Human Services to identify Medicaid eligible individuals who have access to employer sponsored health insurance. After the plan has been submitted, the following information shall be included in the monthly medical assistance report: the number of individuals with access to third party insurance, the number of plans that meet the cost effectiveness criteria, and the enrollment in RIte Share.

**Section 8. Hospice Rates.** This article clarifies that the increase to hospice direct care workers does not apply to room and board. The savings for FY 2020 are \$5.5 million; adjusting for the revenue loss, the state savings is \$2.3 million.

**Sections 10 and 11. Participants' Rights.** These sections update the rights of a person with developmental disabilities to reflect federal changes required in the provision of home and community based services.

**Section 12. Medicaid Reporting.** This section adds to the Medicaid annual report for administrative expenses and expenses by population and services.

**Section 13. Medicaid Waiver.** This section retains the current process requiring Assembly approval for Medicaid waiver changes.

**Section 14. Patient Centered Medical Home.** This section updates the payment reforms to be considered as part of the patient centered medical home collaborative to include alternatives to fee-for-service reimbursements to include partial and full capitated payments.

**Section 15. Medicaid Resolution.** This section includes the resolution language for Assembly approval to make program changes included in the FY 2020 budget. It limits the October 1, 2019 nursing home adjustment to one percent and increases hospital rates. The section also includes a wage increase for direct support professionals working for community based agencies providing services to developmentally disabled adults. The Budget adds \$6.4 million, including \$3.0 million from general revenues, to fund this. The article eliminates the performance incentive available to the managed care plans for meeting certain benchmarks and includes savings from reducing the incidence of C-section births for savings of \$5.4 million, including \$0.9 million from general revenues adjusting for the loss of revenue. It also allows the Executive Office of Health and Human Services to seek federal opportunities that do not adversely impact beneficiaries or increase program expenses beyond the FY 2020 appropriation.

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## Explanations of Budget Articles

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**Section 16. Opioid Stewardship.** This section of the article creates an annual \$5.0 million fee assessed to manufacturers, distributors, and wholesalers of opioids registered in the state. Companies would be assessed based on their in-state market share of all distributed or manufactured opioids, subject to some exceptions. These funds would be deposited as restricted receipts for programs that provide opioid treatment, recovery, prevention, and education services. Full payment for the 2018 calendar year is due January 1, 2020 with subsequent payments occurring quarterly thereafter.

### Article 14. State Leases

This article includes joint resolutions to seek General Assembly approval for four long-term lease agreements for the Departments of Transportation, Corrections, and Human Services, and the Board of Elections. The FY 2020 budget includes \$1.5 million to fund the cost. Legislative approval is required for lease agreements for terms of five years or longer, and exceeding \$500,000 in value.

### Article 15. Marijuana

**Sections 1 through 4. Hemp.** The article amends current cultivation laws to permit production of hemp-derived cannabidiol consumable products and provides distributor and retailer licenses for existing growers and handlers at no charge; for new applicants, the fee is \$500. Establishing a state regulatory regime is necessary for local industries to be compliant with changes to federal law. It subjects consumable products to current food and safety regulations and provides authority to enforce provisions of these sections including the retail packaging and placement. It also exempts hemp from the Controlled Substances Act.

**Sections 5 through 7. Medical Marijuana.** The article increases the number of compassion centers from three to nine, and raises the application fee from \$250 to \$50,000 and the raises the licensing fee from \$250,000 to \$500,000. Current compassion center owners and their associates are prohibited from an ownership stake in the new centers. It further permits certified school nurse teachers to administer non-inhalant products, shifts the regulation of caregivers from the Department of Health to the Department of Business Regulation, and limits reimbursements to caretakers to documented expenses. It also eliminates cooperative cultivator activities. These sections codify the authority of the Department of Business Regulation over operational standards for compassion centers. The Budget assumes \$3.0 million in new revenues.

### Article 16. Effective Date

Article 16 provides that the act shall take effect on July 1, 2019, except where a provision within an article specifies a retroactive or prospective effective date.



## House Fiscal Advisory Staff

**Patricia Arruda**

*Legislative Budget Analyst*

Office of the Governor  
Department of Human Services  
Department of Elementary and Secondary  
Education

**Robert E. Carr**

*Legal Counsel*

**John Collins, II**

*Legislative Budget Analyst*

Office of the Lieutenant Governor  
Department of Children, Youth and Families  
Office of the Child Advocate  
Department of Corrections

**Timothy Donahue**

*Legislative Budget Analyst*

Executive Office of Commerce  
Department of Business Regulation  
Department of Revenue  
RI Council on the Arts

**Hideilda Flores**

*Administrative Assistant*

**Sharon Reynolds Ferland**

*House Fiscal Advisor*

**Linda M. Haley**

*Principal Legislative Budget Analyst*

Executive Office of Health and Human Services  
Department of Behavioral Healthcare,  
Developmental Disabilities and Hospitals  
Office of the Mental Health Advocate  
Office of the Attorney General  
Office of the Public Defender

**Kathleen Morgan**

*Administrative Assistant*

**Christopher O'Brien**

*Committee Clerk*

**Molly Ogren**

*Legislative Budget Analyst*

RI Ethics Commission  
RI Commission for Human Rights  
Public Utilities Commission  
Historical Preservation and Heritage Commission  
Department of Public Safety

**Liza Pinto**

*Deputy House Fiscal Advisor*

Legislature  
Office of the General Treasurer  
Public Higher Education  
RI Atomic Energy Commission  
Judicial Department  
RI Emergency Management Agency

**Chantale Sarrasin**

*Principal Legislative Budget Analyst*

Department of Administration  
Department of Health  
Commission on the Deaf and Hard of Hearing  
Governor's Commission on Disabilities  
Military Staff  
Department of Transportation  
RI Public Transit Authority  
RI Airport Corporation  
Turnpike and Bridge Authority

**Mark Singleton, II**

*Legislative Budget Analyst*

Department of Labor and Training  
Secretary of State  
Board of Elections  
Department of Environmental Management  
Coastal Resources Management Council  
RI Infrastructure Bank  
Narragansett Bay Commission  
RI Resource Recovery Corporation