

SENATE FISCAL OFFICE  
REPORT

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**GOVERNOR'S FY2018 AND  
FY2017 SUPPLEMENTAL BUDGETS**

**2017-H-5175**

**FIRST LOOK**

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JANUARY 24, 2017

## Senate Committee on Finance

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## Overview

The Governor's FY2018 Budget recommendation totals \$3,792.7 million in general revenue; \$109.0 million greater than the FY2017 Budget as Enacted. The recommendation includes \$9,248.1 million in all funds; an increase of \$309.3 million above the FY2017 Budget as Enacted.

Expenditures by Source	FY2016 Final	FY2017 Enacted	FY2017 Governor	Change to	
				Enacted	FY2018 Governor
General Revenue	\$3,547.9	\$3,683.7	\$3,700.4	\$16.7	\$3,792.7
Federal Funds	2,877.4	2,957.1	3,098.1	141.0	3,081.8
Restricted Receipts	245.7	257.0	306.8	49.8	273.8
Other Funds	1,834.2	2,040.9	2,095.3	54.3	2,099.7
<b>Total</b>	<b>\$8,505.2</b>	<b>\$8,938.7</b>	<b>\$9,200.5</b>	<b>\$261.8</b>	<b>\$9,248.1</b>

Expenditures by Function						
General Government	\$1,432.7	\$1,503.8	\$1,561.6	\$57.8	\$1,536.1	\$32.3
Human Services	3,700.1	3,767.9	3,901.7	133.8	3,897.2	129.3
Education	2,378.9	2,522.4	2,503.9	(18.6)	2,593.4	71.0
Public Safety	515.2	556.0	587.1	31.0	592.3	36.3
Natural Resources	83.2	110.1	111.9	1.8	118.5	8.4
Transportation	395.1	478.5	534.5	56.0	510.5	32.0
<b>Total</b>	<b>\$8,505.2</b>	<b>\$8,938.7</b>	<b>\$9,200.5</b>	<b>\$261.8</b>	<b>\$9,248.1</b>	<b>\$309.3</b>

**FTE Authorization**                      **15,116.3**                      **14,952.6**                      **15,035.9**                      **83.3**                      **15,067.4**                      **114.8**

*\$ in millions. Totals may vary due to rounding.*

The Governor's FY2018 Budget closes the anticipated \$66.2 million current services operating deficit through a combination of revenue increases and expenditure reductions. The proposed budget relies upon state debt restructuring and refinancing, reserve transfers from several quasi-public agencies, and assumptions of streamlined efficiencies and savings in state government operations and personnel to close this deficit.

### FY2018 Deficit Solution

Projected deficit (July)	(\$184.8)
Nov REC/CEC	40.6
FY2017 Carry Forward	78.0
Rainy Day Fund	(3.6)
<b>Projected Deficit (January)</b>	<b>(\$69.8)</b>

### Budget Initiatives

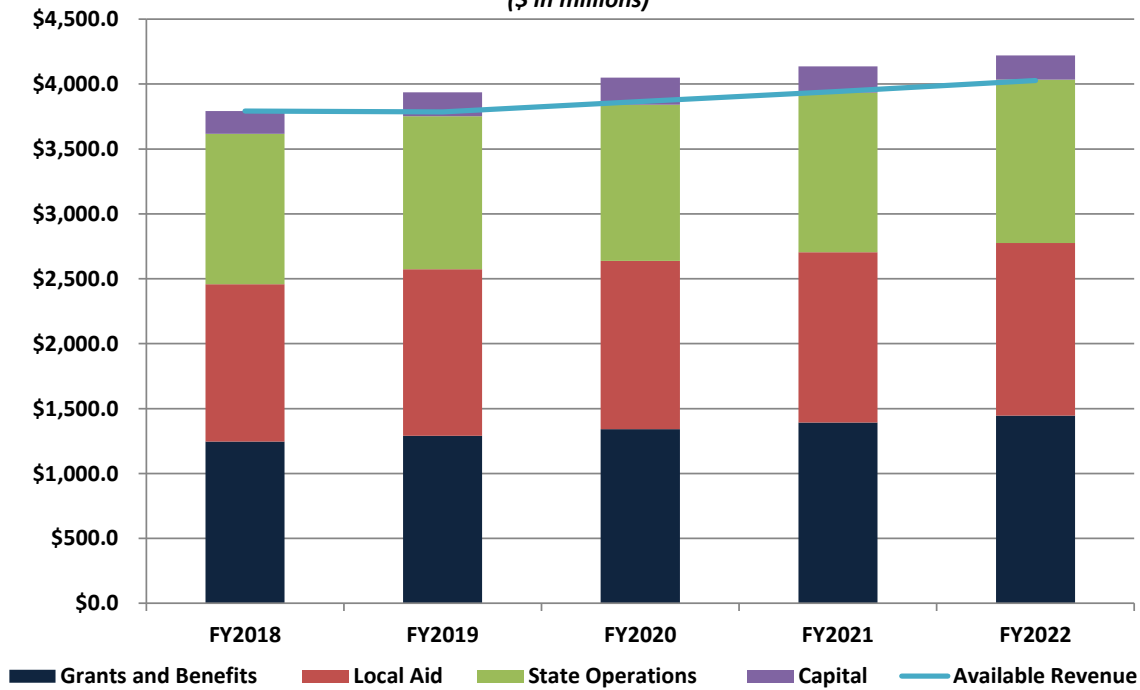
Expenditure Reductions	(19.9)
Transfers and Other Operational Changes	14.5
Tax and Fee Changes	35.8
<b>Projected Ending Balance</b>	<b>\$0.6</b>

*\$ in millions. Totals may vary due to rounding.*

## FIVE-YEAR FORECAST

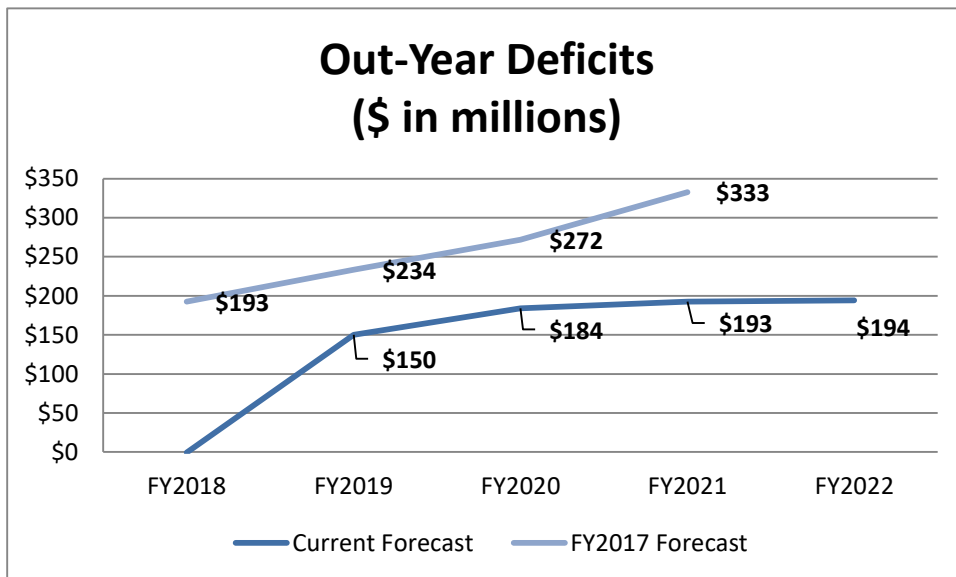
The Budget projects out-year deficits increasing from \$150.6 million in FY2019 (3.8 percent of spending) to \$194.1 million in FY2022 (4.6 percent of spending). Projected average annual revenue growth of 1.5 percent, coupled with a projected average annual increase in expenditures of 2.7 percent, contributes to the State's projected deficit. Specific drivers include the expansion of Massachusetts gaming facilities and increased motor vehicle excise tax reimbursements to cities and towns in FY2019. Increased sales tax revenues from expanded online sales collections partially mitigate other expenditure increases.

**FY2018-FY2022 Out Year Projections**  
(\$ in millions)



Out-year deficit projections are lower than what was forecast one year ago. Increasing base revenue collections and assumed implementation of FY2018 expenditure reductions combine to reduce the FY2021 projected deficit by \$140.0 million.

**Out-Year Deficits**  
(\$ in millions)



## Revenue Changes

The Governor's FY2018 Budget proposal increases general revenue collections by an estimated \$52.0 million (1.4 percent) above the November 2016 revenue estimate, excluding the annually-enacted hospital license fee. The Governor includes \$169.0 million for the fee. New revenue initiatives include an enhanced sales and use tax collection initiative aimed at remote internet sellers, shifting reserve funds from quasi-public agencies to general revenue, an increase in the cigarette tax, new fee and penalty adjustments, and enhanced tax compliance programs.

<b>Governor's Recommended Revenue Changes</b>	<b>FY2018</b>
Remote Sellers Sales Tax Collections	\$34.7
Transfers from Quasi-Public Agencies	13.3
Increase Excise Tax on Cigarettes	8.7
Manufacturing Investment Tax Credit	(3.5)
New Revenue Officer FTEs	2.0
Manufacturing Job Training Tax Credit	(2.0)
OHHS Initiatives	(1.6)
Delay License Plate Reissuance	(1.1)
Medical Marijuana Restricted Receipt Surplus	0.7
Department of Labor and Training Fee and Penalty Changes	0.6
Rent Increase - Public Utilities Commission	0.2
Eisenhower House Revenue	(0.2)
<b>Total</b>	<b>\$52.0</b>

*\$ in million. Totals may vary due to rounding.*

### **Remote Sellers Sales Tax Collections**

**\$34.7 million**

The Governor includes \$34.7 million in additional revenue based on a proposal to capture sales and use taxes by encouraging remote sellers to register, collect, and remit the sales and use tax. It is based on a similar Colorado initiative that has withstood U.S. Supreme Court review. The initiative specifically requires remote sellers and other online marketplace actors to do one of the following: register, collect, and remit sales/use tax for each transaction; post a notice on its website informing Rhode Island purchasers that sales or use tax is due on certain purchases; notify RI purchasers at the time of sale that sales or use tax is due on the product or service purchased; email RI purchasers that sales or use tax is due; or send RI purchasers an annual notice detailing their cumulative annual taxable purchases from the seller. A minimum penalty of \$20,000 is established for failing to comply with the above requirements.

### **Transfers from Quasi-Public Agencies**

**\$13.3 million**

The Governor transfers approximately \$13.3 million in reserves from five quasi-public agencies to support the General Fund.

<b>Agency</b>	<b>Amount</b>
Resource Recovery Corporation	\$6.0
Bridge and Turnpike Authority	2.6
Narragansett Bay Commission	2.5
Health and Educational Building Corporation	1.2
Infrastructure Bank	1.0
<b>Total</b>	<b>\$13.3</b>

*\$ in millions*

***Increase Excise Tax on Cigarettes******\$8.7 million***

The Governor proposes an increase of \$0.50 on the excise tax levied per pack of cigarettes, which raises the tax from \$3.75 to \$4.25 per pack of twenty, or to the equivalent of \$0.21 per cigarette. According to the Budget documents, the total retail price will increase by \$0.58, from \$9.49 to \$10.07 per individual pack. This amount is \$0.22 less than the total retail price in Massachusetts, and \$0.07 per pack below Connecticut. The additional excise tax would generate an additional \$8.7 million (combined excise and sales taxes) in revenue above the projections from the November 2016 Revenue Estimating Conference.

***Manufacturing Investment Tax Credit******(\$3.5 million)***

The Governor reduces general revenues by \$3.5 million to accommodate the creation of a Manufacturers Refundable Investment Tax Credit. The credit is designed to incentivize Rhode Island manufacturers to invest in and expand their businesses, and thereby contribute to the overall growth and expansion of the State's manufacturing sector. The Commerce Corporation may award a refundable tax credit up to \$200,000 to use against costs associated with financing manufacturing capital assets such as plant and equipment. Under the program, a manufacturer is only able to redeem the credit if its value exceeded the tax liability in the year the credit is available. Manufacturers have to apply on an annual basis to the Commerce Corporation, who makes awards based on competitive factors set forth in the application.

***New Revenue Officer FTEs******\$2.0 million***

The Governor includes \$2.0 million for enhanced collection of owed taxes, fines, and penalties. The proposal allows the Division of Taxation to hire 2.0 new Revenue Officer I positions, which assist in collecting taxes on delinquent accounts and the securing of delinquent tax returns, and 1.0 Data Analyst position who is responsible for conducting full analysis of taxation databases and providing this to revenue agents and officers to identify areas to audit.

***Manufacturing Job Training Tax Credit******(\$2.0 million)***

The Governor reduces general revenues by \$2.0 million to accommodate the creation of a specific Manufacturers Job Training Tax Credit. The credit is designed to provide incentive to manufacturers to invest in their workforce and create more jobs through increased workforce development training. The credit is available to offset a manufacturer's expenses associated with the training and/or retraining of employees. Similar to the investment tax credit described above, manufacturers may be awarded up to \$200,000 per year, and in order to redeem the credit it must exceed their tax liability in the year the tax credit is available.

***OHHS Initiatives******(\$1.6 million)***

The Governor reduces revenue by \$1.6 million due to proposed reductions in payment rates related to Medicaid. Payment rates are reduced for institutional long-term care facilities providing nursing and/or hospice care to Medicaid beneficiaries through both the traditional "per diem" reimbursement system and the new managed long-term care program. It is anticipated that this initiative will generate an all-funds expenditure savings of \$11.8 million. However, reduced payments equate to reduced taxable revenue subject to the health care provider tax. The result is a loss of \$630,273 in revenue. Similarly, the Governor is proposing lower payments to hospitals and other adjustments that also reduce Medicaid payments and thereby lower the available taxable revenue base subjected to the insurance premium tax. These changes are estimated to lower collections under the insurance premiums tax by \$980,954.



***Delay License Plate Reissuance******(\$1.1 million)***

The Governor delays a required license plate reissuance until April 1, 2018. Under current law, registrants are charged \$6.00 for each set of license plates above the regular registration fee. The delay in implementing the issuance results in a loss of \$1.1 million in general revenue in FY2018.

Under RIGL 31-3-33, the DMV is required to issue new reflective license plates for all registered vehicles every 10 years. Current law requires the Division to reissue license plates by July 1, 2017.

***Medical Marijuana Restricted Receipt Surplus******\$670,641***

The Governor includes \$670,641 more in general revenue by authorizing the transfer of end of fiscal year surpluses within the medical marijuana restricted receipt accounts within the Departments of Health and Business Regulation. These accounts were established to finance the administration of the medical marijuana program within each department. Collections from patient, cardholder, cultivator, and compassion center fees are estimated to exceed estimated departmental expenditures through the end of FY2018.

***Department of Labor and Training Fee and Penalty Changes******\$605,000***

The Governor includes a \$605,000 in net additional departmental revenue associated with a series of proposed fee and penalty changes. In order to advance the use of apprenticeship for workforce development training, the Governor eliminates the \$120/year fee for apprentice sponsors and the \$20-\$24/year fee for registered apprentices depending on the trade. This change is estimated to reduce revenue by \$45,000. Several penalties are increased within the programs of the Workforce Regulation and Safety Division including: violations of wage and hour law (from 15.0 to 25.0 percent of back wages; 25.0 to 50.0 percent for subsequent violations); the misclassification of employees (from \$500 to \$1,000 for each employee misclassified); violation of payroll records law (from \$10 to \$25 for late filings, max fine for report from \$100 to \$200); and electrical trade license violations (from \$500 to \$1,500 for first, \$950 to \$2,000 for subsequent). The increases fines are estimated to yield \$650,000 in new revenue.

***Rent Increase – Public Utilities Commission******\$160,380***

The Governor includes an additional \$160,380 in revenue from increased rent from the Public Utilities Commission and the Division of Public Utilities and Carriers for their office space at 89 Jefferson Boulevard, Warwick. According to the Warwick Tax Assessor's Office, the current rental rate of \$13.81 per square foot is below the market rent for similar space. Based on this input the Division of Capital Asset Management is recommending an increase to \$19.75 per square foot.

***Eisenhower House Revenue******(\$153,500)***

The Governor reduces general revenue by \$153,500 by establishing a restricted receipt account into which proceeds from the rental of the Eisenhower House for private events are deposited. These funds will now be used by the Department of Environmental Management to improve and maintain the historic property within Fort Adams, Newport.

**FY2017 SUPPLEMENTAL CHANGES - REVENUE*****Delay License Plate Reissuance******(\$935,975)***

The Governor delays a statutorily-required license plate reissuance until April 1, 2018. Under current law, registrants are charged \$6.00 for each set of license plates above the regular registration fee. The delay in implementing the issuance results in a loss of \$935,975 in general revenue in FY2017.

***Attorney General Restricted Receipt******\$401,323***

The Governor recommends the transfer for \$401,323 from the Attorney General's Settlement restricted receipt account to general revenue in FY2017. Current law requires that proceeds from all multi-state settlements, to which Rhode Island is a party, be deposited into a restricted receipt account within the Office of the Attorney General (AG). The AG is permitted to retain 10.0 percent of each settlement, up to a cap of \$65,000, to cover costs associated with membership in the multi-state initiatives. Over several of the past years this cap has not been adhered to and funds above it have been allowed to accumulate. The cumulative total of excess funds is \$401,323.

***Medical Marijuana Restricted Receipt Surplus******\$264,370***

The Governor includes \$264,370 more in general revenue by authorizing the transfer of end of fiscal year surpluses within the medical marijuana restricted receipt accounts within the Departments of Health and Business Regulation. These accounts were established to finance the administration of the medical marijuana program within each department. Collections from patient, cardholder, cultivator, and compassion center fees are estimated to exceed estimated departmental expenditures through the end of FY2017.

***Refunding Bond Cost of Issuance Excess******\$67,400***

The Governor includes \$67,400 in additional revenue in FY2017 attributable to the transfer of the surplus balance in the escrow account that is used for recording cost of debt issuance expenses related to the refunding of bond issuances. According to the State Controller all cost of issuance expenses for prior debt have been paid, rendering the \$67,400 in remaining balance surplus funds.

## Expenditure Changes by Agency

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Unless otherwise specified, dollar amounts refer to general revenue.

**Administration:** The Governor delays the issuance of new General Obligation Bonds during FY2017, resulting in a general revenue debt service savings of \$6.6 million in FY2017 and \$3.1 million in FY2018.

The Budget does not include funding for the 38 Studios Capital Reserve Fund in FY2018 as the Fund possesses sufficient revenue from settlements to cover the required \$12.5 million debt service for FY2018.

Personnel changes include an increase of 4.0 FTE positions in the Human Resources program, and an increase of 1.0 FTE position to the Information Technology program, reflecting the transfer of personnel from the Department of Public Safety to the consolidated programs in Administration.

**Business Regulation:** The Budget includes funding for 2.0 Health Economic Specialist FTEs to shift from the Department of Health to the Office of the Health Insurance Commissioner (OHIC) to handle the anticipated workload associated with oversight of the Health Care Accessibility and Quality Assurance Act and the Utilization Review Act, which is being transferred to OHIC from the Department of Health. There are 13.0 total OHIC FTEs funded in FY2018.

**Executive Office of Commerce:** The Governor includes \$51.8 million in general revenue to support new and existing initiatives designed to spur economic development. This includes \$7.5 million for operational support for the RI Commerce Corporation, and \$37.2 million in the Economic Development Initiative Fund and Commerce Programs, including:

- \$20.0 million to assist economic development projects through the Rebuild RI program.
- \$10.1 million to replenish the I-195 Redevelopment Fund.
- \$1.6 million to help retain talented graduates through the Wavemaker Fellowship program.
- \$1.3 million to enhance local economic activity through the Main Street RI Streetscapes program.
- \$1.2 million to sustain P-Tech, the information technology workforce development initiative.
- \$500,000 to develop new air service at T. F. Green Airport.

The Governor proposes \$300,000 of additional general revenue for the Polaris Manufacturing Technical Assistance Program (Polaris), an intermediary and training provider that seeks to enhance the competitiveness of RI manufacturers.

The Budget funds the State's National Security Infrastructure Support Fund (NSISF) with \$200,000 to support economic development within RI's defense sector. The NSISF was originally established by the General Assembly in 2005 to increase the State's competitiveness during the federal Base Realignment and Closure process.

**Labor and Training:** The Governor recommends an increase of 23.7 FTE positions in the Department relative to the FY2017 Budget as Enacted. The following new FTE positions are included in both FY2017 and FY2018: 1.5 FTE positions in the Central Management program; 6.0 FTE positions associated with the Real Jobs Rhode Island initiative within the Workforce Development Services program; 1.5 FTE positions in the Workforce Regulation and Safety program, to manage workplace fraud caseloads; and, 14.2 FTE positions in the Income Support Program, to manage the claims processing workload.

In the Workforce Regulation and Safety (WRS) program there is an increase of \$642,987 in general revenue to cover personnel costs. These general revenue funds are replacing Tardy and Interest restricted receipt account funding that has historically been used to offset WRS program costs. The Department will utilize this Tardy and Interest funding to support the Unemployment Insurance (UI) program.

**Revenue:** The FY2018 Budget includes 16.0 additional FTE positions, including: 8.0 FTE positions associated with the implementation and operation of the new integrated tax system, and 8.0 FTE positions to reduce wait times at the registry of motor vehicles.

The Governor delays the statutorily mandated reissuance of license plates by one year, to April 2018.

The Payment in Lieu of Taxes (PILOT) program is fully funded at 27.0 percent of assessed property taxes on eligible tax exempt properties, with an increase of \$3.2 million in FY2018.

**General Treasurer:** The Budget adds an \$8.0 million other fund expenditure reflecting the transfer of the CollegeBoundSaver investment earnings to the Division of Higher Education Assistance (DHEA). The State Auditor General recently concluded that Government Accounting Standard Board (GASB) requires the revenue transferred to the DHEA be matched by an expenditure statement.

**Executive Office of Health and Human Services:** The Governor proposes \$938.6 million in general revenue expenditures (\$2,466.0 million all funds) to fund the Executive Office of Health and Human Services (EOHHS) in FY2018, increasing general revenue expenditures by \$1.6 million (\$68.0 million all funds) over the FY2017 Budget as Enacted. The November 2016 Caseload Estimating Conference (CEC) adopted total financing of \$952.3 million in general revenue for the Medical Assistance program in FY2018. The Governor proposes the following to reduce general revenue expenditures below November CEC adopted levels in the following areas:

#### **Hospitals**

- Reduces general revenue expenditures by \$4.3 million (\$12.5 million all funds) by freezing current Medicaid reimbursement rates to hospitals.
- Saves \$4.0 million in general revenue (\$9.8 million all funds) by reducing the Upper Payment Limit (UPL) funding pool by approximately 50.0 percent.
- Eliminates the \$2.0 million (\$4.0 million all funds) funding pool in support of Graduate Medical Education (GME) at Rhode Island's academic Level I trauma center hospital.
- Includes a 1.0 percent rate cut to hospitals beginning on January 1, 2018, saving \$1.0 million in general revenue (\$2.6 million all funds).

#### **Medicaid Managed Care Organizations (MCOs)**

- Maximizes federal funds by altering the Performance Goal Program in MCOs, thereby saving \$1.5 million in general revenue expenditures.
- Saves \$827,155 (\$2.2 million all funds) by freezing administration rates to MCOs.

#### **Long Term Services and Supports**

- Proposes \$12.3 million in general revenue (\$25.2 million all funds) savings by eliminating administrative rates provided to MCOs for long-term nursing home residents enrolled in the Integrated Care Initiative (ICI). The Governor recommends shifting long-term nursing home residents that are currently enrolled in the ICI back to the Medicaid fee-for-service program. \$6.5 million of the savings will be repurposed to develop enhanced community based programs.

- Saves \$5.6 million in general revenue (\$11.2 million all funds) by freezing the current Medicaid reimbursement rates to nursing homes.
- Includes a 7.0 percent increase to the wage payments of personal care attendants and home health aides, requiring an additional \$2.5 million in general revenue (\$4.1 million all funds).
- Generates \$1.2 million in general revenue (\$2.5 million all funds) savings by improving patient share collections for Medicaid members who are eligible for long-term services and supports.

#### **Other Services and Adjustments**

- Reduces general revenue expenditures for the Unified Health Infrastructure Project (UHIP) by \$6.2 million (\$36.6 million all funds). Adjustments in the scope of work for the project has been modified thereby reducing anticipated expenditures in FY2018.
- Increases the “attachment point” for the Children’s Health Account (CHA) from \$7,500 per child per service per year to \$12,500, generating increased CHA collections of \$3.6 million which will save an equivalent amount of general revenue.

*Analyst Note: The Children’s Health Account (a restricted receipt) recognizes revenues from a special assessment on commercial insurers designed to recoup state expenditures for Children with Special Healthcare Needs (CSHCN) who are commercially covered and receive supplemental Medicaid-financed services that the commercial insurer does not pay for. The cost of services Medicaid pays for services provided to commercially insured CSHCN are off-set by the collection of this assessment. Planned expenditures of Children’s Health Account receipts are exclusively used to offset general revenue appropriations in the Medical Assistance (Medicaid) program.*

- Saves \$1.2 million in general revenues (\$3.0 million all funds) by establishing a consistent rate methodology for all Federally Qualified Health Center (FQHC) payments. Currently, payments to FQHC vary based on previously negotiated reimbursement rates.
- Reduces general revenues by \$907,669 (\$2.5 million all funds) through reduced inpatient utilization for behavioral health related conditions.
- Increases general revenue collections by \$250,000 by improving estate recovery collections against Medicaid members.

**Department of Children, Youth, and Families:** The Budget reduces general revenue expenditures by \$1.9 million (\$7.4 million all funds) below the FY2017 Enacted level. The Governor reduces general revenue expenditures by \$2.1 million for personnel costs associated with the reorganization of the educational programming and reduced staffing requirements at the Juvenile Correction facilities. Savings are offset by a slight increase in expenditures within other divisions across the Department.

**Health:** The Governor adds \$50,000 in general revenue to fund a tobacco prevention and cessation program. This will be achieved through an anti-smoking media campaign, and policy/advocacy efforts.

Under Article 22 the Governor transfers \$590,618 in restricted receipts from the Housing Resources Commission to the Department of Health (DOH) and consolidates authority for lead-related issues at DOH. The Department will be responsible for all aspects of the lead poisoning prevention program and adds 3.0 (2.0 state lead inspectors and 1.0 data manager) FTEs to fulfill these responsibilities.

A Health Equity Institute subprogram is created in FY2018, and \$662,588 in general revenue shifts from the Community Health and Equity program to the Central Management program.

There is a net decrease of 2.0 FTEs from the FY2017 Budget as Enacted, which includes: the consolidation of the Chief of the Center of Professional Boards and Commissions and the Chief of Professional Licensing into one position; 7.0 financial staff positions moving to the Executive Office of Human Services; 2.0 Health Economist Specialists transferred to the Office of the Health Insurance

Commissioner; 3.0 FTE positions added to the lead prevention program; 1.0 Health Program Administrator added to the Center of Legislative and Regulatory Affairs, to address the backlog of incomplete regulation; 1.0 Nurse Care Evaluator to inspect health care facilities; 1.0 Public Health Promotion Specialist to investigate complaints made against health care professionals.

**Human Services:** There is a change in the Department of Human Services' (DHS) cost allocation plan that shifts approximately \$2.3 million in general revenue from various DHS programs to the Individual and Family Support (IFS) program. This shift is to centralize eligibility determination services within IFS. There is a \$2.6 million general revenue savings within in the program due to workforce changes related to UHIP and an additional \$1.1 million in savings related to the design, development, and implementation of the project.

The November Caseload Estimating Conference (CEC) adopted \$1.3 million less than the FY2017 enacted level. The majority of this reduction is attributed to an estimate of 9,386 child care subsidies, which is 217 less childcare subsidies than in the enacted budget. The State will implement the new federal rules under the reauthorization of the Child Development Block Grant in FY2018. These rules include: 12 months of continuous eligibility; at least 3 months of continuous eligibility for families who lose their jobs; a graduated phase out; infant-toddler prioritization; and expanded outreach to homeless families

The Governor adds \$1.0 million for a performance-based quality payment program for Child Care Assistance Program providers who serve infants and toddlers. Additionally, the Budget includes \$390,000 in general revenue to increase support for the Head Start early education program.

Across the Department, there is a reduction of 60.0 FTE positions due to the implementation of the new UHIP system and an additional 39.0 FTE finance positions shift to the Executive Office of Health and Human Services.

The Division of Elderly Affairs adds \$300,000 in general revenue to fund free and discounted bus fares to high-need elderly individuals at risk of institutionalization, disabled individuals, and elderly or disabled veterans. Previously, the State of Rhode Island had required the Rhode Island Public Transit Authority (RIPTA) to provide free, unlimited transportation to low-income persons who are either senior citizens or persons with disabilities. This program is due to sunset on February 1, 2017.

**Behavioral Healthcare, Developmental Disabilities, and Hospitals:** The Governor increases general revenue expenditures by \$6.5 million (\$8.7 million all funds) over the FY2017 enacted level. The increases expenditures are primarily associated with services provided by the Behavioral Health (BH) division and the Developmental Disabilities (DD) division. Increased spending is offset by reduced expenditures in the division of Hospitals and Community Rehabilitation Services (HCRS). The following initiatives are included in the Governor's proposed budget:

- Includes \$3.5 million in general revenue related to authorizations and services for individuals with developmental and intellectual disabilities.
- Includes \$3.0 million in general revenue for increasing wages for Direct Service Professionals (DSP) providing services to individuals with developmental and intellectual disabilities.
- Increases general revenue by \$2.7 million for unachieved savings in the FY2017 enacted budget related to Shared Living Arrangements, the Cost Allocation Plan, and home health aide transfers.
- Reduces general revenue expenditures by \$2.1 million by increasing community-based residential options for persons with developmental and intellectual disabilities, while also reducing placements for high cost group home residential options.

- Transfers \$2.0 million in general revenue from the Department of Corrections to the division of BH for opioid addiction services and treatment.
- Saves \$1.4 million in general revenue related to the reorganization of state-run hospitals. The reorganization intends to shift patients residing at the state-owned psychiatric hospital to other state-owned facilities and consolidates services and staffing.

**Office of the Child Advocate:** The Governor adds 1.0 FTE position over the FY2017 Budget as Enacted authorization of 6.0 FTEs. The additional FTE position will be a Case Management Coordinator funded through a federal grant; however, an increase of general revenue of \$19,126 will be needed to fund employee related benefits.

**Elementary and Secondary Education:** The Governor increases funding in the Department by \$45.8 million in general revenue (\$44.9 million all funds). The major general revenue changes include the following:

- **Education Aid:** The Governor fully funds the seventh year of the education funding formula with an increase of \$40.0 million in general revenue. Funding for the Early Childhood categorical is increased by \$1.1 million. All of the other categorical funds are supported at the FY2017 level, except for Public School of Choice Density Aid which is reduced by \$553,325. The Governor recommends making the English Learners categorical permanent and level funds the support at \$2.5 million. The stabilization funds are all increased to moderate the impact of reduced funding due to the phase-in of the funding formula. Group Home Aid decreases by \$688,863 pursuant statute requiring the average daily membership of a district to be decreased by the number of group home beds used in the group home calculation. The Governor also maintains funding for the Recovery High School at \$500,000, consistent with the FY2017 Budget as Enacted.
- **Agency Wide Reduction:** The Budget includes a decrease of \$603,040 in general revenue to reflect a 3.0 percent reduction in non-statutory, non-contractual portions of the Administration of the Comprehensive Strategy (ACES) program budget.
- **Kindergarten Entry Profile (KEP):** The Governor includes \$250,000 in general revenue for the Kindergarten Entry Profile (KEP). The KEP will assess the status of incoming kindergarten students and help teachers understand the developmental needs of the students to better tailor instruction, to share with parents, and to contribute toward a statewide measure of how Rhode Island children are doing when they enter kindergarten. As Rhode Island works to expand early education programs across the state, the data collected from the KEP will be used to guide policy priorities and future initiatives. In addition, Local Education Associations (LEAs) will have access to data to guide their educational interventions and support efforts to achieve proficiency benchmarks in the third grade.
- **2.0 new FTE positions:** The Governor recommends 2.0 new FTE positions. One position is for an English Learner/World Language Leadership position to support school district personnel in the implementation of proposed EL regulations and the growth of world language and dual language offerings. The other position would support the early learning initiative as the third FTE dedicated to the program.
- **Advanced Coursework Network:** The Budget adds \$250,000 in general revenue to expand the Advanced Coursework Network, bringing the all funds total to \$550,000 in FY2018. The Advanced Coursework Network is an initiative offering advanced coursework options for Rhode Island students with the goal of expanding access to opportunities that promote college and career readiness while they remain enrolled at their public school.
- **Davies Advanced Manufacturing:** The Budget includes \$3.7 million in Rhode Island Capital Plan (RICAP) funds to provide updated technology and infrastructure to train students in advanced

manufacturing. Davies is located in Lincoln, Rhode Island, and serves 8,575 students from around the State.

- **School Housing Aid:** The Governor fully funds the school housing aid program, based on updated project completion projections, at \$70.9 million, and recommends \$9.1 million for the School Building Authority Capital Fund, consistent with the FY2017 Budget as Enacted.

**Higher Education:** The Governor increases funding over the FY2017 Budget as Enacted by \$29.4 million in general revenue for Public Higher Education and accepts the 7.0 percent tuition increase proposed by the Board of Education. Changes in general revenue funding include the following:

- **Rhode Island Promise Scholarship:** The Governor proposes a scholarship program to provide two years of free tuition and mandatory fees to qualifying, Rhode Island high school graduates or GED recipients attending any of Rhode Island's three public postsecondary education institutions. The first year of the program is funded at \$10.0 million, including \$3.0 million in scholarship costs, \$6.0 million in preparedness grants to the institutions, and \$1.0 million to support associated communications, outreach, and a Free Application for Federal Student Aid (FAFSA) completion initiative. The preparedness grants will ensure that appropriate capacity building and adjunct program activities are funded and can commence as quickly as possible. The program will begin with the high school graduating class of 2017.
- **Nursing Education Center:** The Governor provides funding for the Nursing Education Center to begin course offerings in FY2018 and 10.0 new FTE positions for administrative staff. Article 17 of the Budget authorizes the Council on Postsecondary Education and the State Properties Committee to enter into a lease agreement for parking spaces for the Nursing Education Center (NEC) at an estimated cost of \$500,000 annually. The provider has not yet been determined; however, the parking facility would have to provide space for a minimum of 400 automobiles.
- **Westerly Higher Education and Industry Center:** The Budget funds the new Westerly Higher Education and Industry Center. Electric Boat began using the facility to train employees in January 2017; however, the entire facility is scheduled for completion in February 2017. The facility will provide classroom and laboratory space for existing students in the area, as well as space for collaborative programs with local industries. The new job skill center is managed through the Office of the Postsecondary Commissioner.
- **Prepare RI Dual Enrollment Fund:** The Governor recommends an additional \$500,000 in general revenue due to higher than anticipated participation in the dual/concurrent enrollment program. The increase will provide total resources of \$1.8 million in all funds.
- **Polaris Manufacturing Extension Program:** The \$250,000 community service objective that is used to provide training, share expertise, and promote manufacturing statewide is moved from the Higher Education budget to the Executive Office of Commerce.

**Historical Preservation and Heritage Commission:** The Governor recommends the transfer of the operation of the Eisenhower House, a state-owned historic mansion used as a rental facility for meetings, events, and weddings to the Department of Environmental Management. This transfer saves \$176,037 on operational costs which are offset by additional expenditures in personnel, for a net general revenue savings of \$33,853.

**Corrections:** The FY2018 Budget includes \$6.7 million in general revenue for wage base adjustments for the Rhode Island Brotherhood of Correctional Officers (RIBCO) for the contract years FY2013 through FY2015, and a successor agreement for FY2016 and FY2017. The reserved amount is based on raises negotiated with other state employee unions, which totaled 6.0 percent. The RIBCO award includes wage



increases of 2.0 percent per year from FY2013 through FY2016 and an increase of 2.25 percent beginning January 1, 2017, totaling a compounded 10.68 percent increase over five years.

The Governor includes an additional \$645,172 in general revenue to fund 3.0 FTE positions (2.0 clinical social workers and 1.0 administrative assistant) and contract services for discharge planning. This funding is proposed to bolster mental health services due to the growing number of mentally ill inmates.

There is an anticipated savings of \$1.4 million related to the Justice Reinvestment Initiative due to the proposed closure of a 72-bed module at the Intake Service Center.

The Department closed the Bernadette Guay Facility in the beginning of FY2017. This facility housed a small number of female inmates who have been reassigned to the Gloria McDonald facility. The Governor recommends the continued closure of this facility in FY2018, producing \$1.1 million in savings.

**Public Safety:** The Governor recommends an additional \$1.4 million in general revenue to support reconfiguration of the Central Management program to include a new Department of Public Safety Commissioner. The Department will be headed up by a civilian Commissioner, replacing the previous Director post held by the Superintendent of the State Police. The Department's general revenue budget includes \$301,213 for policy staff and other support to the new Commissioner; and \$778,455 to finance the staff and operations of a new Office of the Cybersecurity Director that will be transferred to DPS from the Department of Administration.

\$18.5 million from all funds are added to DPS reflecting the Governor's recommendation that the Rhode Island Emergency Management Agency (EMA) be consolidated within the DPS, and that its Director report to the Governor and the Commissioner.

**Environmental Management:** The Budget increases general revenue by \$3.8 million (\$10.5 million all funds). The major changes include the following:

- **Outdoor Recreation Investments:** The Governor recommends \$2.5 million to fund the strategic plan to grow and promote outdoor recreation that was developed by the Outdoor Recreation Council, created pursuant in January 2016 through Executive Order. The funds will be directed to local recreation matching grants, state and local recreation programming (including environmental education and event programming), and recreation-related acquisition and maintenance.
- **Volvo Ocean Race:** The Budget provides \$775,000 in general revenue for security, waste disposal, and program supply costs for the Volvo Race in May 2018.
- **Eisenhower House:** The Governor transfers management of the Eisenhower House from the Historical Preservation and Heritage Commission to the Department of Environmental Management (DEM). The Eisenhower House is a historic property at Fort Adams that is used to host weddings and other functions.
- **Minimum Wage Increase:** The Budget includes \$122,017 to fund the impact of the proposed minimum wage increase on the Department's seasonal recreational program.
- **Local Agriculture and Seafood grants fund:** An additional \$100,000 in general revenue is included in the Budget to provide additional grants through the Local Agriculture and Seafood Grant program. The program awards grants through a competitive process to support the growth, development, and marketing of local food and seafood within Rhode Island.
- **Conservation Districts:** The Budget provides \$50,000 for Conservation District grants. The Districts are quasi-public subdivisions of state government, administered by volunteers from the community.

- **Beach Parking Fees:** The Governor maintains the beach parking fees permanently at the lower level, instead of terminating the reduction after 2017 as provided in the FY2017 Budget as Enacted.

**Transportation:** The Governor recommends \$384.0 million in total funding for the Department of Transportation's (DOT) Infrastructure and Engineering program. This includes \$268.6 million in federal funds, \$76.2 million from state gas tax revenues, and \$33.3 million from the Rhode Island Capital Plan fund (RICAP). Of the funds, \$32.5 million will go to the Highway Improvement Program (HIP), supporting transportation projects that can be started in FY2018.

The Governor provides \$6.3 million more for road and bridge maintenance than in the FY2017, for a total of \$64.3 million. This is funded by revenues from the final phase in the remaining Department of Motor Vehicles fee transfer from the General Fund to the Highway Maintenance Account.

## State Aid and Education Aid

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### STATE AID TO CITIES AND TOWNS

**Distressed Community Relief Fund:** The Distressed Community Relief Fund is maintained at the FY2017 enacted level of \$12.4 million in FY2018. The Town of Johnston is newly qualified as a distressed community and will receive a 50.0 percent appropriation of \$601,333. In a year that a newly qualified community enters the program, it receives 50.0 percent of the current law requirement for the first year it qualifies. The remaining 50.0 percent of Johnston's appropriation will be divided among the remaining 7 distressed communities. Although Cranston will exit the program in FY2018, it will receive a one-time payment of \$1.3 million, pursuant to current law.

**Payment in Lieu of Taxes (PILOT):** PILOT is funded at \$45.2 million, a \$3.2 million increase above the FY2017 enacted level. Current law requires reimbursement at 27.0 percent of forgone tax revenue, but allows for a ratable reduction if the appropriation is less than this amount. The Governor's recommendation for FY2018 represents full reimbursement at the rate of 27.0 percent.

**Motor Vehicle Excise Tax Reimbursement:** Motor Vehicle Reimbursement funding is maintained at \$10.0 million, with a minimum vehicle exemption value of \$500.

Article 11 reduces the maximum taxable motor vehicle value from 100.0 percent of average retail price, to 70.0 percent of clean retail value, as reported in defined automobile guides. The valuation changes would take effect in July 2018, resulting in a loss of approximately \$58.0 million to municipalities in FY2019. The Governor indicates an intent to provide state funding to municipalities to account for this loss in the FY2019 budget.

**Library Grant-in-Aid:** The Governor increases State Aid to Libraries from the FY2017 enacted amount of \$8.6 million to \$9.4 million in both FY2017 and FY2018.

**Library Construction Aid:** The Governor recommends \$2.3 million in FY2018 to fund reimbursement to communities for up to 50.0 percent of eligible costs of approved library construction projects. A moratorium on the acceptance of new applications for library construction projects, enacted in 2011 by the General Assembly, ended on July 1, 2014.

**Public Service Corporation Tax:** The FY2018 Budget provides \$13.6 million to be distributed to municipalities on July 31, 2017. This estimate is subject to change upon the receipt of final (December 2016) data in the spring of 2017.

**Meals & Beverage Tax:** The 1.0 percent tax on gross receipts from the sale of food and beverages is estimated to generate \$27.2 million in FY2017 and \$28.9 million in FY2018 for distribution to cities and towns.

**Hotel Tax:** A 1.0 percent local hotel tax and 25.0 percent of the local share of the state 5.0 percent tax is expected to generate \$10.5 million in FY2017 and \$10.7 million in FY2018 for distribution to cities and towns.

**Airport Impact Aid:** Airport impact aid payments to municipalities that have airports are level funded at approximately \$1.0 million for FY2018. The funding is provided annually through Article 1 of the budget and flows through the Rhode Island Commerce Corporation.

**Property Revaluation Reimbursement:** The Governor includes \$937,288 to reimburse municipalities for a portion of the cost of conducting statistical property revaluations.

### Other Municipal Aid

**Main Street RI Fund:** The Governor includes \$1.3 million in FY2018 for a 50.0 percent matching grant for municipalities to upgrade streetscapes in business districts (lighting, street furniture, medians). Funding will flow through the Executive Office of Commerce.

## EDUCATION AID

### Formula and Categorical Aid

When the education funding formula was passed, categorical funds were identified that would not be distributed through the formula, but according to other methodology. The Governor includes an additional \$43.8 million in education aid, including an increase of \$40.0 million to fully fund the seventh year of the funding formula.

**Seventh Year of Funding Formula:** The Budget includes an increase of \$40.0 million to fully fund the education aid formula in the seventh year of the phase in. This increase brings total formula aid funding to \$909.7 million.

**Central Falls Stabilization:** Central Falls schools are currently 100.0 percent state funded. The State provides both the local and state contributions, as determined by the education funding formula. For FY2018, Central Falls' Stabilization funding is estimated to increase by \$2.0 million. The budget provides a total of \$6.8 million to fund this category.

**Transportation:** This category provides funding for transporting students to out-of-district, non-public schools for districts that participate in the statewide transportation system, and for 50.0 percent of the local costs associated with transporting students within regional school districts. The Governor recommends level funding this category at \$6.4 million in FY2018.

**Early Childhood Education:** This category provides funding for early childhood education programs. The Governor funds this category at \$6.2 million in FY2018, an increase of \$1.1 million over the FY2017 Budget as Enacted.

**High-Cost Special Education:** The aid category provides funding to districts for high-cost special education students. The Governor level funds this category at \$4.5 million.

**Career and Technical Education:** This category provides a state grant program to help districts with certain start-up and maintenance expenditures for career and technical education programs. The Governor level funds this category at \$4.5 million.

**Group Homes:** The Governor's FY2018 Budget includes \$4.1 million to fund group home beds, \$756,863 less than the FY2017 Budget as Enacted. This decrease is recommended pursuant to the statute requiring that the average daily membership of a district be decreased by the number of group home beds used in the group home calculation.

Categorical	FY2018 Governor's Education Aid	
	Change from Enacted	Total Funding
Seventh Year of Formula	\$40.0	\$909.7
Central Falls Stabilization	2.0	6.8
Transportation	-	6.4
Early Childhood	1.1	6.2
High-Cost Special Education	-	4.5
Career & Tech. Schools	-	4.5
Group Home Aid	(0.8)	4.1
Davies Stabilization	1.5	3.0
English Learners	-	2.5
Public School Choice Density	(0.6)	0.9
Met School Stabilization	0.6	0.8
Regionalization Bonus	-	-
<b>Total</b>	<b>\$43.8</b>	<b>\$949.4</b>

*\$ in millions. Totals may vary due to rounding.*

**Davies Stabilization:** Article 11 of the FY2017 Budget as Enacted established a stabilization fund to provide additional support to Davies for costs associated with a stand-alone high school offering both academic and career and technical coursework. The Budget provides an additional \$1.5 million (\$3.0 million total) in FY2018.

**English Learners:** Article 11 of the FY2017 Budget as Enacted established a category of aid that provides a 10.0 percentage point increase in the per-pupil core instruction amount for English learners. The Governor level funds this category at \$2.5 million.

**School Choice Density Aid:** Districts where 5.0 percent or more of the average daily membership attend charter schools, open enrollment schools, Davies, or the Met School will receive an additional \$100 per public school of choice student. Pursuant to current law, this represents reduction of \$75 per student from the FY2017 Budget. Total funding is \$938,000.

**Met Stabilization:** Article 11 of the FY2017 Budget as Enacted established a stabilization fund to provide additional support to the Met School for costs associated with a stand-alone high school offering both academic and career and technical coursework. The \$625,068 is recommended to provide a zero net impact on funding relative to FY2018.

**Regionalization Bonus:** This category provides a bonus to regional districts and for those that regionalize in the future. In the first year, the bonus is 2.0 percent of the State's share of the total foundation aid. In the second year the bonus is 1.0 percent of the State's share, and in the third year the bonus phases out. The Governor provides no funding in FY2018, as no new regional districts have been formed.

#### ***Other Aid to Local Education Agencies (LEAs)***

In addition to the funding formula and categorical aid, the Budget includes the following aid to Local Education Agencies (LEAs).

**Telecommunications Education Access Fund (E-Rate):** The Governor recommends \$400,000 in general revenue for the Telecommunication Education Access Fund (E-Rate), consistent with the FY2017 Budget as Enacted. The purpose of the Rhode Island Telecommunications Education Access Fund (RITEAF or E-rate) is to fund a basic level of internet access for all qualified schools (kindergarten through grade 12) and libraries in the State.

**Textbook Reimbursement:** The Governor level funds the state Textbook Reimbursement Program (\$240,000) relative to the FY2017 Budget as Enacted. Currently, the State provides reimbursement to school districts for the cost of furnishing textbooks in the fields of English/language arts and history/social studies to resident students in grades K-12 attending non-public schools.

**School Breakfast Program:** The Governor fully funds the State's share of administrative costs for the school breakfast program (\$270,000). These administrative costs include hiring servers needed to effectively run the program and encourage participation.

**School Housing Aid:** The Governor fully funds the school housing aid program, based on updated project completion projections, at \$70.9 million, and recommends \$9.1 million for the School Building Authority Capital Fund, consistent with the FY2017 Budget as Enacted.

**Teacher Retirement:** The Governor recommends \$100.7 million for the State's share of teacher retirement, an increase of \$1.6 million over the FY2017 Budget as Enacted.



## Consolidations, Transfers, and Other Statewide Issues

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Unless otherwise specified, dollar amounts refer to general revenue.

**Administration:** The Governor transfers the 1.0 Director for Cybersecurity and \$500,000 in general revenue from Administration to the Department of Public Safety, for salary and contracted services in both FY2017 and in FY2018.

The Governor proposes savings of \$1.3 million in general revenue by contracting with a private firm to administer Workers' Compensation to better manage claims, provide more safety programs, and to enable more injured employees to return to work. The Personnel and Operating savings program contains the projected statewide savings to be distributed amongst state agencies as part of the FY2018 Supplemental Budget.

**Business Regulation:** The Governor shifts oversight of the Health Care Accessibility and Quality Assurance Act and the Utilization Review Act from the Department of Health (DOH) to the Office of the Health Insurance Commissioner (OHIC) within the Department of Business Regulation. The reorganization is recommended to ensure proper compliance with the federal statutes. To facilitate this oversight, 2.0 Health Economic Specialist FTEs are reassigned from the DOH to OHIC.

**Health:** The Governor consolidates lead poisoning prevention efforts under the Department of Health (DOH) and eliminates the Interagency Coordinating Council on Environmental Lead. Authority over the lead mitigation of rental properties is transferred from the Housing Resource Commission (HRC) to DOH. Additionally, \$0.05 of the HRC's \$0.30 portion of the Real Estate Conveyance Tax collection is transferred to the Department of Health's lead screening restricted receipt account.

The Health Equity Institute subprogram is created in FY2018 and \$662,588 in general revenue shifts from the Community Health and Equity program to Central Management to support this subprogram.

**Emergency Management:** The Governor transfers the Rhode Island Emergency Management Agency into a reorganized Department of Public Safety, further consolidating state public safety agencies into a single entity.

**Public Safety:** The Governor recommends reorganizing the Department of Public Safety (DPS), to be headed by a civilian Commissioner, replacing the previous Director post held by the Superintendent of the State Police. The State Police remains a Division within the Department. The Governor further recommends that the Rhode Island Emergency Management Agency (EMA) be consolidated within the DPS and that its Director report to the new civilian Commissioner and the Governor. Finally, the State's Director of Cybersecurity will be transferred from the Department of Administration to the new DPS, and shifted from the unclassified service to the classified service within the State Merit System.





## FY2017 Supplemental

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FY2017 opened with \$44.5 million in additional surplus funds above the budgeted surplus of approximately \$123.3 million. The November 2016 Revenue Estimating Conference identified \$44.8 million in additional anticipated general revenue collections for FY2017. Increases in revenue were offset by an additional \$4.7 million in projected human services costs from the Caseload Estimating Conference.

The Governor's budget recommends a \$16.7 million increase in general revenue expenditures compared to the FY2017 Budget as Enacted.

Following are items of note in the Supplemental proposal:

- **Administration:** The Governor recommends an additional \$6.3 million in Information Technology Investment Fund (ITIF) restricted receipts to finance adjusted current year phasing on several major State information technology projects, including the Time, Leave and Attendance System; the Statewide ePermitting Platform; the Integrated Budget Development System; the DLT Imaging System; and the Unified Health Infrastructure Project (UHIP).

The Governor recommends \$8.4 million less in general revenue financing for State debt service than the enacted level. The reduction includes a refunding of prior general obligation bonds based on actual savings; shifts of Higher Education debt from the Department of Administration to public higher education institutions; and, the delay of a new bond issuance originally slated for FY2016 that will now take place in the Spring of 2017.

- **Business Regulation:** The Governor recommends \$910,686 in additional federal funds based on the receipt of two new awards secured by the Office of the Health Insurance Commissioner: the Market Reform grant and an Innovation Model Initiative grant. These grants will support staff and operations previously funded by a series of expiring federal Rate Review grants.
- **Commerce:** The Governor shifts \$1.5 million in general revenue from the Stay Invested in RI Wavemaker Fellowship to the First Wave Closing Fund, bringing the latter's balance to \$12.0 million. The budget includes \$28,525 in general revenue for operations of the Executive Office of Commerce to facilitate the move from its temporary offices inside the State House to leased space closer to the Commerce Corporation in Providence.
- **Labor and Training:** The Governor recommends an increase of 26.7 FTE positions in the Department relative to the FY2017 Budget as Enacted. This increase includes 1.5 FTE positions in the Central Management program; 6.0 FTE positions associated with the Real Jobs Rhode Island initiative within the Workforce Development Services program; 1.5 FTE positions in the Workforce Regulation and Safety program, to manage workplace fraud caseloads; and, 14.2 FTE positions in the Income Support Program, to manage the claims processing workload.
- **Revenue:** The Governor delays the mandated reissuance of license plates by one year, to April 2018, saving \$3.0 million in general revenue.
- **General Treasury:** The Governor recommends revised appropriations of \$2.1 million from the Unclaimed Properties restricted receipt fund based on adjusted estimates of property payments from the November 2016 Revenue Estimating Conference.
- **Executive Office of Health and Human Services:** The Governor increases general revenue by \$8.0 million over the FY2017 Enacted Budget due to increased expenditures in hospital, pharmacy, and medical service that were adopted in the November 2016 Caseload Estimating Conference. Increased

expenditures are offset by reductions in spending in home and community-based services, nursing facilities, and Rhody Health populations.

- **Children, Youth, and Families:** The Governor includes a net increase in general revenue of \$4.5 million, primarily due to increased expenditures within the Child Welfare (CW) and Behavioral Healthcare (BH) divisions. Increased expenditures are related to contracted provider services for residential and community-based placements and personnel costs. Expenditures are offset by reduced spending in Central Management and Juvenile Corrections. The Juvenile Corrections division reduces spending by \$1.8 million in FY2017 related to the reorganization of the educational program at correctional facilities.
- **Human Services:** There is a change in the Department of Human Services' (DHS) cost allocation plan that shifts approximately \$4.0 million in general revenue from various DHS programs to the Individual and Family Support (IFS) program. This shift is to centralize eligibility determination services within IFS.

The Governor recommends adding \$290,116 in general revenue to fund salaries and IT system support associated with correcting UHIP system errors.

The Budget is reduced by \$4.9 million as adopted in the November Caseload Estimating Conference (CEC) due to the Department requesting a 12-month waiver for new federal rules under the reauthorization of the Child Development Block Grant. The November CEC adopted an estimate of 9,023 childcare subsidies, which is 580 less than enacted.

- **Behavioral Health, Developmental Disabilities, and Hospitals:** The Budget includes an \$8.5 million increase for services and programs for individuals with intellectual and developmental disabilities, unachieved overtime savings at state-run hospitals, and increased personnel expenditures.
- **Corrections:** In FY2017 the Budget adds \$3.9 million in general revenue to fund the arbitration award for the Rhode Island Brotherhood of Correctional Officers (RIBCO), which includes 989 correctional officers and nurses. This increase is above what the State had saved in reserve funds, which was based on a 6.0 percent raise that had been negotiated with other state employee unions. The award totals a cumulative wage increase of 10.68 percent.

The Governor includes \$220,220 to fund legal services for the lawsuit filed against the State by the U.S. Department of Justice. This lawsuit alleges that the Department of Corrections engages in recruiting practices that adversely affect minority candidates. Currently, the suit is in the discovery phase.

- **Public Safety:** The Governor includes \$1.0 million for the State Police to finance a salary increases retroactive to May 2016 resulting from a negotiated settlement agreement.
- **Environmental Management:** The Budget shifts the \$2.0 million in general revenue for the Clean Diesel Program from FY2017 into FY2018 to reflect the timing of the expenditures. The rules and regulations for the new program are expected to be finalized in the spring of 2017; however, grants will not be dispersed before FY2018. The Governor maintains the beach parking fees permanently at the lower level and provides an additional \$62,500 for the host community share to reflect actual parking revenues.
- **Transportation:** The Governor adds \$26.2 million in Highway Maintenance Account funds for the purchase and maintenance of new vehicles and equipment required for the increase in maintenance staff as part of the RhodeWorks program. \$43.8 million is being added in FY2017 to support various transportation capital projects, including \$6.3 million in emergency-type bridge and pavement projects.

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## Articles

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### **Article 1: Relating to Making Appropriations in Support of FY2018**

This article makes appropriations for general revenues, federal, restricted, and other funds, and authorizes FTE levels for each agency and department. Article 1 also makes the following changes:

- Authorizes debt payments for the I-195 Redevelopment District Commission loan.
- Sets the airport impact aid formula.
- Allows all unexpended balances associated with license plate reissuance to be reappropriated to FY2019.
- Requires the Public Utilities Commission to pay an annual rent of \$333,420 for the office building at 89 Jefferson Boulevard in the City of Warwick, reflecting an increase of \$160,380 to the annual rent. The Commission has paid an annual rent of \$173,040 since moving into the structure.
- Caps the amount the Judiciary may charge to five state agencies (Public Defender's Office, Office of the Attorney General, Department of Corrections, DCYF, and Department of Public Safety) for public courthouse occupancy costs at \$1.2 million.
- Requires that Rhode Island Housing continue to provide resources to support the Neighborhood Opportunities Program; an amount, however, is not designated. The Article requires a report be provided to the Director of Administration, chair of the Housing Resources Commission, State Budget Officer, and the chairs of the House and Senate Finance Committees on the number of housing units produced and funding.
- Requires the following transfers be made to the State Controller by June 30, 2018: \$6.0 million from Resource Recovery Corporation; \$1.0 million from the Rhode Island Infrastructure Bank; \$2.5 million from Narragansett Bay Commission; \$1.2 million from Rhode Island Health and Educational Building Corporation; and, \$2.6 million from the Rhode Island Turnpike and Bridge Authority.

### **Article 2: Relating to Economic Development and Tax Credits**

This article expands the number of tax credits and funds managed by the Commerce Corporation. Specifically, the article:

- Creates a Refundable Investment Tax Credit to incentivize Rhode Island manufacturers to invest in their businesses, and thereby contribute to the overall growth and expansion of the State's manufacturing sector. The Commerce Corporation may award a refundable tax credit up to \$200,000 to use against costs associated with financing manufacturing capital assets such as plant and equipment. A manufacturer is only able to redeem the credit if its value exceeded the tax liability in the year the credit is available. Manufacturers have to apply on an annual basis to the Commerce Corporation, who make awards based on competitive factors set forth in the application.
- Creates a specific Refundable Jobs Training Tax Credit available to qualifying manufacturers for expenses incurred in the training and/or retraining of employees. Similar to the investment tax credit described above, manufacturers may be awarded up to \$200,000 per year, and in order to redeem the credit it must exceed their tax liability in the year the tax credit is available.
- Establishes a Technical Assistance for Municipal Zoning and Permitting Fund to finance and support technical assistance to cities and towns. This fund helps cities and towns evaluate and streamline zoning, planning, and permitting processes with the goal of advancing local economic development.

**Article 3: Relating to Rhode Island Promise Scholarship**

This article establishes the Rhode Island Promise Scholarship program to provide students with two years of tuition and mandatory fees at an eligible institution, less federal and all other financial aid available to the recipient. The financial aid office, in conjunction with the office of enrollment, will administer the program under the supervision of the Council on Postsecondary Education (Council). The Council is authorized to promulgate rules and establish procedures for the award, denial, or revocation of scholarships. The article requires the General Assembly to appropriate the funds necessary to implement the program.

To qualify, a student must satisfy the following criteria:

- Enroll in either the Community College of Rhode Island (CCRI), Rhode Island College (RIC), or the University of Rhode Island (URI) beginning in the fall of 2017, or thereafter.
- Qualify for in-state tuition and fees pursuant to the *Residency Policy* adopted by the Council on Postsecondary Education.
- Have satisfied the high school graduation or equivalency diploma condition prior to reaching the age of 19.
- If enrolling at CCRI, the student must enroll on a full-time basis by the fall immediately following high school graduation or the receipt of the high school equivalency diploma.
- If enrolling in RIC or URI, the student must be currently enrolled on a full-time basis, have declared a major, and have accumulated a minimum of 60 credit hours towards a bachelor's degree at the student's current institution.
- Have completed the Free Application for Federal Student Aid (FAFSA) form by the deadline prescribed by the applicable institution for each academic year in which the student seeks a scholarship.
- Be "on track to graduate on time" as determined pursuant to the standards of the applicable institution.
- Maintain a minimum of 2.0 grade point average at the postsecondary institution.

Allowances in the attendance requirements are possible for students who have an approved medical or personal leave of absence, or are a member of the national guard of United States' military. A student is limited to one, two-year scholarship.

**Article 4: Relating to Division of Motor Vehicles**

Article 4 makes a number of changes impacting the Division of Motor Vehicles. The article:

- Establishes a \$1.50 per transaction technology surcharge fee that would sunset on June 30, 2022. Currently, through rules and regulations and authorized under the FY2008 Budget as Enacted, the DMV levies a similar surcharge that sunsets this fiscal year. The budget includes \$2.1 million in restricted receipt expenses for FY2018.
- Delays the license plate reissuance from April 1, 2017, to April 1, 2018. Under RIGL 31-3-33, the DMV is required to issue new reflective license plates for all registered vehicles every 10 years. Funding for the initiative shifts from FY2017 to FY2018.
- Allocates 0.5 percent of annual Rhode Island Highway Maintenance Account proceeds to the DMV for operating expenses. This is estimated to total \$471,785 in FY2018.

**Article 5: Relating to Government Reorganization**

This article makes the following changes to the organization of state government:

- Establishes a civilian Commissioner of Public Safety, appointed by the Governor and confirmed by the Senate, to head the Department of Public Safety. It removes the Superintendent of State Police as the Director of Public Safety and transfers all duties previously assigned to the Director to the Commissioner.
- Consolidates the Emergency Management Agency (EMA) and the Department of Public Safety, with the Director of EMA reporting to the Commissioner of Public Safety and the Governor.
- Makes changes to the State's Merit System, including shifting 1.0 Cybersecurity Officer FTE from the unclassified service to the classified service and adding the following positions to the unclassified service: 1.0 Legislative Liaison FTE within the Department of Health; 1.0 Chief of Staff FTE, 1.0 Chief Public Affairs Officer FTE, and 1.0 Policy Director FTE within the Department of Environmental Management; 1.0 Deputy Director FTE, 1.0 Chief of Staff FTE, 1.0 Communications/Legislative Coordinator, and 1.0 Policy Director within the Department of Human Services; 1.0 Medicaid Director FTE within the Executive Office of Health and Human Services; and 1.0 Policy Director within the Department of Public Safety.
- Transfers oversight of the Utilization Review Act, Health Care Accessibility and Quality Assurance Act, and the Health Plan Modification Act from the Department of Health to the Office of the Health Insurance Commissioner to comply with the federal Affordable Care Act.

**Article 6: Relating to Government Reform**

This article makes several changes to the State personnel system and enhances fraud detection on federal and state programs. Specifically, this article:

- Eliminates the public hearing process and General Assembly authorization to change salaries of department directors.
- Permits the Governor to delegate authority to the Director of the Department of Administration to approve changes to the pay plan for unclassified employees; and, allows a promotional appointee to be restored to their former classification if they are dismissed from their promoted position during the probationary period.
- Permits the salaries of directors of state departments to be set in the same manner as employees of the Office of the Governor.
- Allows the Office of Internal Audit to use any tax information deemed proper and contained on tax filings or reports for the purposes of fraud detection and prevention for any federal or state program.

**Article 7: Related to State Funds**

This article adjusts or establishes new restricted receipt accounts as follows:

- Establishes a new State Park Merchandizing restricted receipt account within the Department of Environmental Management (DEM) for the purposes of restocking items sold in visitor centers and gift shops at RI state parks.
- Establishes a new restricted receipt account for the Eisenhower House within DEM and transfers authority to collect fees at the site from the Historical Preservation and Heritage Commission to DEM.
- Exempts five restricted receipt accounts from the 10.0 percent indirect cost recovery charge provisions under RIGL 35-4-27. The proposed exemptions would apply to the Lead Poisoning

Prevention account within the Department of Health (DOH); the State Park Merchandizing account within the DEM; the OER Reconciliation Funding account within the Department of Administration (DOA); the OPEB System account within DOA; and the DMV Registry Technology account within the Department of Revenue.

- Establishes a new Performance Improvement Fund at the Department of Administration to support pay-for-success contracts.
- Authorizes the Division of Taxation to retain a portion of the money collected under contingency fee contracts to be used to support the maintenance of the Division's new computer system.
- Authorizes the transfer of any surplus funding from the medical marijuana restricted receipt accounts in the Departments of Health and Department of Business Regulation at the end of each fiscal year to the general fund.

### ***Article 8: Relating to Tax and Revenues***

This article makes changes and adjustments to several of the State's tax laws and their enforcement. These amendments include:

- Changing the distribution of the state gas tax as it relates to the Department of Human Services (DHS) and the Rhode Island Public Transit Authority (RIPTA). One cent of the State's \$0.34/gallon gas tax is currently allocated to DHS to assist with elderly and disabled transportation. DHS transfers 79.0 percent of this allocation to RIPTA to subsidize reduced fare transit for low-income seniors and the disabled. This amendment distributes the 79.0 percent portion directly to RIPTA and reduces DHS's portion to 21.0 percent.
- Increasing the excise tax on cigarettes by \$0.50, which raises the tax from \$3.75 to \$4.25 per pack of twenty, or to the equivalent of \$0.21 per cigarette. According to the Department of Revenue, the total retail price increases by \$0.58, from \$9.49 to \$10.07 per individual pack. Floor stock tax is assessed at the same rate of \$0.50 per pack of cigarettes. The additional excise tax and associated sales taxes generates an additional \$8.7 million (excise and sales) in revenue above the projections from the November 2016 Revenue Estimating Conference.
- Clarifying what constitutes a tobacco product for purposes of taxation and enforcement. Penalties for selling tobacco products without a license are increased from a \$10,000 fine to being charged with a misdemeanor and up to a \$10,000 fine and/or up to a year in prison.
- Establishing an expiration date on certificates of exemption from the sales and use tax (four years from issuance). Definitions of sales suppression (including remote data manipulation) are expanded to aid in sales tax enforcement.
- Reducing the income tax withholding rate for corporate income from 9.0 percent to 7.0 percent.
- Requires businesses to notify the Division of Taxation of the sale of assets. The inclusion of "debtors in possession" is added to the bankruptcy notification requirements.

### ***Article 9: Relating to Remote Sellers Sales Tax Collections***

This article creates a new statutory framework designed to improve the capture of sales and use taxes by encouraging remote sellers to register, collect, and remit the sales and use tax. It is based on a similar Colorado initiative that has withstood U.S. Supreme Court review.

The article specifically requires remote sellers and other online marketplace retailers to do one of the following: register, collect, and remit sales/use tax for each transaction; post a notice on its website informing Rhode Island purchasers that sales or use tax is due on certain purchases; notify RI purchasers



at the time of sale that sales or use tax is due on the product or service purchased; email RI purchasers that sales or use tax is due; or send RI purchasers an annual notice detailing their cumulative annual taxable purchases from the seller.

A minimum penalty of \$20,000 is established for failing to comply with the above requirements. The article also exempts from these requirements those online marketplace retailers that facilitate sales for a seller or retailer that is registered to collect and remit taxes in Rhode Island.

***Article 10: Relating to Making Revised Appropriations in Support of FY2017***

This article makes revised appropriations for general revenues, and includes revisions to authorized expenditures from federal, restricted and other funds as well as authorized FTE levels for each agency and department for FY2017. The Governor's budget includes \$16.7 million in additional general revenue spending compared to the FY2017 Budget as Enacted.

***Article 11: Relating to the Motor Vehicle Excise Tax***

Article 11 reduces the maximum taxable motor vehicle value from 100.0 percent of average retail price, to 70.0 percent of clean retail value, as reported in defined automobile guides. According to the Administration, this roughly equates to the resale price of vehicles and approximates the taxable values applied in Massachusetts and Connecticut. It also prevents municipalities from decreasing motor vehicle exemptions below current levels. The valuation changes would take effect in July 2018, resulting in a loss of approximately \$58.0 million to municipalities in FY2019. The Governor indicates an intent to provide state funding to municipalities to account for this loss in the FY2019 budget.

***Article 12: Relating to Medicaid Reform Act of 2008 Resolution***

This article establishes the legal authority for Executive Office of Health and Human Services to implement Category I and Category II changes to the 1115 demonstration waiver that require the General Assembly's approval. The article proposes to:

- Freeze, reduce, and/or modify payments to hospitals, nursing facilities, and behavioral health providers.
- Amend rules and regulations associated with mandated patient-share collections in order to strengthen the agency's capacity to collect patient-share.
- Modify the payment methodology to Federally Qualified Health Centers (FQHC).
- Amend the Integrated Care Initiative Demonstration program to; enhance programming for home and community-based long-term services and improve long-term eligibility determination procedures.
- Reform the payment structure for oral surgery for adult dental services.
- Amend rules and regulations associated with estate recoveries and liens.
- Add the Home Asthma Response Program to the State Plan.
- Amend the State Plan to include the Centers of Excellence which promote best practices for opioid treatment.

***Article 13: Relating to Medical Assistance and Uncompensated Care***

This article makes several changes to the financing and delivery of the Medicaid program. This article amends several sections of law and specifically:

- Reduces hospital reimbursement rates by 1.0 percent.
- Freezes the nursing home inflation adjustment scheduled to occur on October 1, 2017.

- Reforms the reimbursement methodology by creating an acuity-based policy adjuster.
- Reforms the payment methodology to Federally Qualified Health Centers.
- Reduces the Upper Payment Limit pool by 50.0 percent.
- Specifies a one-time base-payment reimbursement rate increase for the purposes of increasing home health worker wages.
- Increases the Children’s Health Account assessment from \$7,500 per child to \$12,500 per child.
- Eliminates the Graduate Medical Education program.

**Article 14: Relating to Licensing of Hospital Facilities**

This article authorizes the State to collect a Hospital Licensing Fee and maintains the current Hospital Licensing Fee of 5.862 percent. The fee is estimated to generate \$169.0 million in revenue in FY2018.

**Article 15: Relating to Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals- Maintenance of Effort**

This article creates a single state authority for purposes of calculating the maintenance of effort (MOE) for the Substance Abuse Block Grant awarded by the Substance Abuse and Mental Health Services Administration (SAMHSA). The MOE is a federal requirement placed upon the Substance Abuse Block Grant program which requires that the State demonstrate certain levels of funding for substance abuse programs from year to year.

**Article 16: Relating to Debt Management Act Joint Resolutions**

This article authorizes the issuance of \$139.0 million in new debt to finance an array of projects across state government. The projects, total costs, financing instruments, annual amounts and total debt are summarized in the following table:

Article 16 - Relating to Debt Management Act Joint Resolution							
Certificates of Participation (COPS)	Department	FY2018	FY2019	FY2020	FY2021	Principal	Total Debt
Information Technology Improvements	Administration	\$5.0	\$6.4	\$3.3	\$1.5	\$16.2	\$21.0
Energy Improvements in State Facilities	Administration	3.0	3.0	3.0	3.0	12.0	15.2
Confined Aquatic Dredged Material Disposal Cells (CAD Cell)	Coastal Resources Management Council	10.5	-	-	-	10.5	13.6
Energy Performance Contract - Phase 3	URI	7.0	4.6	-	-	11.6	16.8
<b>Health and Education Building Revenue</b>							
<b>Bonds (RIHEBC)</b>							
White Horn Brook Apartments	URI	49.1	39.7	-	-	88.8	173.3
<b>Total</b>		<b>\$74.6</b>	<b>\$53.7</b>	<b>\$6.3</b>	<b>\$4.5</b>	<b>\$139.0</b>	<b>\$239.9</b>

*\$ in millions*

**Article 17: Relating to Lease Agreement for Leased Office and Operating Space**

This article authorizes the Council on Postsecondary Education and the State Properties Committee to enter into a lease agreement for parking spaces for the Nursing Education Center (NEC) at an estimated cost of \$500,000 annually. The provider has not yet been determined; however, the parking facility would have to provide space for a minimum of 400 automobiles.

**Article 18: Relating to Education Aid**

This article makes the categorical that provides additional support for English learners permanent. Article 11 of the FY2017 Budget as Enacted established a category of aid that provides a 10.0 percentage point increase in the per-pupil core instruction amount for English learners only for FY2017.

**Article 19: Relating to Electric Vehicle Rebate Program**

This article creates an Electric Vehicle Rebate Program administered by the Office of Energy Resources in the Department of Administration. The Governor includes \$250,000 in general revenue for the first year of the program, which will expire June 30, 2022. The Office of Energy Resources is authorized to promulgate rules and regulations to implement this program.

**Article 20: Relating to Minimum Wages**

This article increases the minimum wage from \$9.60 to \$10.50 per hour effective October 1, 2017.

**Article 21: Relating to Department of Labor and Training Fees and Fines**

The articles eliminates the annual fees associated with the following apprenticeships: \$20 for electricians, oil burnerpersons, fire alarm installers, electrical sign installers, lighting protection installers, plumbers, irrigators, and water-filtration/treatment system installers; and \$24 for pipefitters, refrigeration/air conditioning technicians, sprinkler technicians, and sheet metal masters. These changes will decrease revenue by an estimated \$45,000.

Additionally, the article changes/adds the following penalties, which increases revenue by an estimated \$650,000:

- Unlicensed electrician first violation penalties increase from \$500 to \$1,500 and subsequent violations increase from \$950 to \$2000.
- Administrative penalties are added for employers who violate wage payment labor laws. The penalty is a percentage of the back wages ordered to be paid. The first violation penalty is 15.0 percent to 25.0 percent within a three year period. Subsequent violations, within the same three year period, are 25.0 percent to 50.0 percent.
- The minimum civil penalty relating to the misclassification of a worker as an independent contractor, when the worker should be considered a paid employee, increases from \$500 to \$1,500. The maximum penalty remains the same at \$3,000.
- The minimum penalty on employers who fail to submit quarterly wage reports or who fail to make any required contribution or payments required by law increases to \$25 and the maximum penalty increases to \$200.

**Article 22: Relating to Lead Poisoning Prevention Programs**

This article eliminates the Interagency Coordinating Council on Environmental Lead and establishes the Department of Health (DOH) as the lead state agency on lead poisoning prevention efforts. These efforts include lead screening, detection, education, hazard reduction, and enforcement. Under current law, the Housing Resources Commission (HRC) restricted receipt account receives \$0.30 of Real Estate Conveyance Tax collections. The article shifts \$0.05 of the HRC's \$0.30 collection to the Department of Health's lead screening restricted receipt account. Authority over lead mitigation at rental properties is transferred from HRC to DOH.

***Article 23: Relating to Behavioral Healthcare, Developmental Disabilities and Hospitals***

This article authorizes the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals to increase reimbursement rates for providers with the purpose of raising wages for Direct Support Professionals and Job Coaches. The article requires the Department and the Office of Internal Audit to review the implementation of the increase to ensure the wage is passed-through as intended.

***Article 24: Relating to Effective Date***

This article provides that the Act would take effect on July 1, 2017, except as otherwise provided therein.

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**GENERAL REVENUE BUDGET SURPLUS**

<b>Opening Surplus</b>	<b>FY2015 Audited</b>	<b>FY2016 Audited</b>	<b>FY2017 Enacted</b>	<b>FY2017 Governor</b>	<b>FY2018 Governor</b>
Free Surplus	\$67,806,737	168,038,072	\$123,283,301	\$167,818,206	\$78,032,073
Adjustment to Opening Surplus	13,794,502	-	0	-	-
Reappropriated Surplus	7,378,665	6,890,273	-	7,848,853	-
<b>Subtotal</b>	<b>\$88,979,904</b>	<b>\$174,928,345</b>	<b>\$123,283,301</b>	<b>\$175,667,059</b>	<b>\$78,032,073</b>
<b>Revenues</b>					
Enacted/Actual/Estimated	\$3,641,108,643	\$3,663,592,637	\$3,674,742,669	\$3,674,742,668	\$3,611,647,000
November Revenue Estimate	-	-	-	44,846,332	-
Governor Changes	-	-	-	(202,882)	220,489,715
<b>Total Revenues</b>	<b>\$3,641,108,643</b>	<b>\$3,663,592,637</b>	<b>\$3,674,742,669</b>	<b>\$3,719,386,118</b>	<b>\$3,832,136,715</b>
To Cash Stabilization Fund	(\$111,267,461)	(\$114,948,921)	(\$113,940,779)	(\$116,616,130)	(\$117,305,064)
<b>Total Available Resources</b>	<b>\$3,618,821,086</b>	<b>\$3,723,572,060</b>	<b>\$3,684,085,191</b>	<b>\$3,778,437,048</b>	<b>\$3,792,863,724</b>
<b>Expenditures</b>					
Actual/Enacted	\$3,453,892,741	\$3,547,905,001	\$3,683,715,867	\$3,683,715,867	\$0
Governor	-	-	-	4,122,579	3,792,208,988
Reappropriations	-	-	-	7,848,853	-
November Caseload Estimate	-	-	-	4,717,676	-
<b>Total Expenditures</b>	<b>\$3,453,892,741</b>	<b>\$3,547,905,001</b>	<b>\$3,683,715,867</b>	<b>\$3,700,404,975</b>	<b>\$3,792,208,988</b>
Total Surplus	164,928,345	175,667,059	369,324	78,032,073	654,736
Transfer to Other Funds	10,000,000	-	-	-	-
Reappropriations	(6,890,273)	(7,848,853)	-	-	-
<b>Free Surplus</b>	<b>\$168,038,072</b>	<b>\$167,818,206</b>	<b>\$369,324</b>	<b>\$78,032,073</b>	<b>\$654,736</b>

## ALL FUNDS EXPENDITURES

General Government	FY2016 Final	FY2017 Enacted	FY2017 Governor	Change from		
				Enacted	FY2018 Governor	
Administration	\$349,623,351	\$391,952,283	\$400,715,432	\$8,763,149	\$391,158,286	(\$793,997)
Business Regulation	13,204,877	15,859,889	16,875,344	1,015,455	15,906,183	46,294
Executive Office of Commerce	73,415,799	79,415,044	79,503,826	88,782	76,792,843	(2,622,201)
Labor and Training	425,337,568	419,517,728	444,584,790	25,067,062	428,383,022	8,865,294
Revenue	458,777,131	485,517,596	491,757,112	6,239,516	501,141,263	15,623,667
Legislature	37,669,916	42,749,302	47,547,814	4,798,512	44,252,464	1,503,162
Lieutenant Governor	1,026,362	1,079,576	1,053,288	(26,288)	1,084,217	4,641
Secretary of State	7,518,125	10,937,570	10,534,006	(403,564)	9,350,797	(1,586,773)
General Treasurer	49,277,318	37,560,433	49,146,897	11,586,464	48,025,446	10,465,013
Board of Elections	1,714,512	1,982,707	2,068,676	85,969	1,548,735	(433,972)
Ethics Commission	1,546,331	1,653,383	1,631,610	(21,773)	1,665,873	12,490
Office of the Governor	4,755,102	5,091,069	5,375,482	284,413	5,397,554	306,485
Commission for Human Rights	1,521,437	1,581,423	1,646,008	64,585	1,690,102	108,679
Public Utilities Commission	7,277,989	8,926,973	9,177,801	250,828	9,733,377	806,404
<b>Total</b>	<b>\$1,432,665,818</b>	<b>\$1,503,824,976</b>	<b>\$1,561,618,086</b>	<b>\$57,793,110</b>	<b>\$1,536,130,162</b>	<b>\$32,305,186</b>
<b>Human Services</b>						
Office of Health and Human Services	\$2,360,301,137	\$2,398,192,585	\$2,489,033,653	\$90,841,068	\$2,466,045,748	\$67,853,163
Children, Youth, and Families	214,952,935	216,489,823	218,284,037	1,794,214	209,069,952	(7,419,871)
Health	128,882,069	162,884,652	169,940,915	7,056,263	171,168,076	8,283,424
Human Services	615,305,121	602,087,123	620,615,953	18,528,830	653,721,813	51,634,690
BHDDH	378,574,897	385,632,555	401,089,576	15,457,021	394,366,931	8,734,376
Governor's Commission on Disabilities	429,998	685,423	778,020	92,597	842,190	156,767
Governor's Commission on the Deaf	455,950	587,746	590,650	2,904	627,910	40,164
Office of the Child Advocate	654,839	795,582	780,155	(15,427)	814,329	18,747
Office of the Mental Health Advocate	545,220	542,009	549,273	7,264	549,563	7,554
<b>Total</b>	<b>\$3,700,102,166</b>	<b>\$3,767,897,498</b>	<b>\$3,901,662,232</b>	<b>\$133,764,734</b>	<b>\$3,897,206,512</b>	<b>\$129,309,014</b>
<b>Education</b>						
Elementary and Secondary Education	\$1,289,122,639	\$1,353,972,840	\$1,358,110,571	\$4,137,731	\$1,398,479,535	\$44,506,695
Public Higher Education	1,082,232,546	1,161,281,203	1,137,268,264	(24,012,939)	1,187,999,008	26,717,805
Council on the Arts	2,995,774	3,030,538	3,731,796	701,258	3,072,310	41,772
Atomic Energy Commission	1,576,882	1,333,049	1,539,039	205,990	1,304,373	(28,676)
Higher Education Assistance Authority	-	-	-	-	-	-
Historical Preservation & Heritage Comm.	2,972,449	2,803,698	3,218,083	414,385	2,538,339	(265,359)
<b>Total</b>	<b>\$2,378,900,290</b>	<b>\$2,522,421,328</b>	<b>\$2,503,867,753</b>	<b>(\$18,553,575)</b>	<b>\$2,593,393,565</b>	<b>\$70,972,237</b>
<b>Public Safety</b>						
Attorney General	\$29,455,187	\$35,142,783	\$46,080,121	\$10,937,338	\$44,129,197	\$8,986,414
Corrections	212,530,274	224,790,655	223,366,125	(1,424,530)	234,218,260	9,427,605
Judiciary	113,538,723	117,067,369	120,252,202	3,184,833	121,038,254	3,970,885
Military Staff	15,372,292	23,177,316	20,996,945	(2,180,371)	38,177,942	15,000,626
Emergency Management Agency	18,635,772	23,994,138	22,158,553	(1,835,585)	-	(23,994,138)
Public Safety	114,278,534	119,972,144	142,334,521	22,362,377	142,343,112	22,370,968
Public Defender	11,380,521	11,897,202	11,866,028	(31,174)	12,438,055	540,853
<b>Total</b>	<b>\$515,191,303</b>	<b>\$556,041,607</b>	<b>\$587,054,495</b>	<b>\$31,012,888</b>	<b>\$592,344,820</b>	<b>\$36,303,213</b>
<b>Natural Resources</b>						
Environmental Management	\$78,795,498	\$102,747,614	\$103,441,715	\$694,101	\$113,264,686	\$10,517,072
Coastal Resources Management Council	4,423,433	7,322,525	8,440,396	1,117,871	5,232,623	(2,089,902)
<b>Total</b>	<b>\$83,218,931</b>	<b>\$110,070,139</b>	<b>\$111,882,111</b>	<b>\$1,811,972</b>	<b>\$118,497,309</b>	<b>\$8,427,170</b>
<b>Transportation</b>						
Transportation	\$395,129,559	\$478,457,845	\$534,458,464	\$56,000,619	\$510,490,328	\$32,032,483
<b>Grand Total</b>	<b>\$ 8,505,208,067</b>	<b>\$ 8,938,713,393</b>	<b>\$ 9,200,543,141</b>	<b>\$261,829,748</b>	<b>\$ 9,248,062,696</b>	<b>\$309,349,303</b>

## GENERAL REVENUE EXPENDITURES

General Government	FY2016 Final	FY2017 Enacted	FY2017 Governor	Change from		
				Enacted	Enacted	
Administration	\$212,928,494	\$237,083,518	\$229,671,472	(\$7,412,046)	\$248,080,830	\$10,997,312
Business Regulation	8,174,920	10,583,452	10,621,228	37,776	11,115,093	531,641
Executive Office of Commerce	60,458,832	55,574,117	55,735,212	161,095	51,842,819	(3,731,298)
Labor and Training	8,382,043	8,212,636	8,139,796	(72,840)	8,751,313	538,677
Revenue	109,737,194	113,893,951	110,882,648	(3,011,303)	119,391,677	5,497,726
Legislature	36,219,919	41,052,730	45,936,290	4,883,560	42,522,507	1,469,777
Lieutenant Governor	1,026,362	1,079,576	1,053,288	(26,288)	1,084,217	4,641
Secretary of State	6,690,089	10,281,051	9,920,874	(360,177)	8,911,319	(1,369,732)
General Treasurer	2,271,575	2,736,231	2,733,044	(3,187)	2,698,692	(37,539)
Board of Elections	1,714,512	1,982,707	2,068,676	85,969	1,548,735	(433,972)
Ethics Commission	1,546,331	1,653,383	1,631,610	(21,773)	1,665,873	12,490
Office of the Governor	4,755,102	5,091,069	5,375,482	284,413	5,397,554	306,485
Commission for Human Rights	1,242,374	1,258,128	1,247,603	(10,525)	1,258,074	(54)
<b>Total</b>	<b>\$455,147,747</b>	<b>\$490,482,549</b>	<b>\$485,017,223</b>	<b>-\$5,465,326</b>	<b>\$504,268,703</b>	<b>\$13,786,154</b>
<b>Human Services</b>						
Office of Health and Human Services	\$911,535,815	\$936,987,012	\$945,360,040	\$8,373,028	\$938,634,987	\$1,647,975
Children, Youth, and Families	154,742,352	151,773,764	156,296,331	4,522,567	149,855,862	(1,917,902)
Health	25,468,221	25,931,822	25,999,235	67,413	26,325,249	393,427
Human Services	96,094,578	97,636,314	93,147,617	(4,488,697)	95,725,491	(1,910,823)
BHDDH	176,268,226	173,184,239	181,721,907	8,537,668	179,645,532	6,461,293
Governor's Commission on Disabilities	380,615	412,547	420,596	8,049	454,938	42,391
Governor's Commission on the Deaf	406,634	477,746	460,650	(17,096)	498,710	20,964
Office of the Child Advocate	643,280	650,582	635,541	(15,041)	669,708	19,126
Office of the Mental Health Advocate	545,220	542,009	549,273	7,264	549,563	7,554
<b>Total</b>	<b>\$1,366,084,941</b>	<b>\$1,387,596,035</b>	<b>\$1,404,591,190</b>	<b>\$16,995,155</b>	<b>\$1,392,360,040</b>	<b>\$4,764,005</b>
<b>Education</b>						
Elementary and Secondary Education	\$1,064,893,020	\$1,112,847,293	\$1,112,937,359	\$90,066	\$1,158,617,116	\$45,769,823
Public Higher Education	180,874,064	196,357,528	198,610,423	2,252,895	225,782,593	29,425,065
Council on the Arts	1,844,116	1,951,884	1,939,368	(12,516)	1,945,056	(6,828)
Atomic Energy Commission	908,285	981,100	979,682	(1,418)	982,157	1,057
Higher Education Assistance Authority	-	-	-	-	-	-
Historical Preservation & Heritage Comm.	1,362,860	1,202,559	1,162,001	(40,558)	1,168,706	(33,853)
<b>Total</b>	<b>\$1,249,882,345</b>	<b>\$1,313,340,364</b>	<b>\$1,315,628,833</b>	<b>\$2,288,469</b>	<b>\$1,388,495,628</b>	<b>\$75,155,264</b>
<b>Public Safety</b>						
Attorney General	\$24,053,485	\$25,595,982	\$26,146,783	\$550,801	\$26,194,751	\$598,769
Corrections	208,284,387	211,700,506	213,349,798	1,649,292	216,818,823	5,118,317
Judiciary	95,181,220	96,606,091	97,067,590	461,499	98,014,477	1,408,386
Military Staff	2,219,237	2,659,719	2,626,341	(33,378)	2,634,057	(25,662)
Emergency Management Agency	1,762,456	1,848,876	1,847,848	(1,028)	-	(1,848,876)
Public Safety	93,409,462	99,442,148	101,565,164	2,123,016	105,028,142	5,585,994
Public Defender	11,306,039	11,784,382	11,768,208	(16,174)	12,340,235	555,853
<b>Total</b>	<b>\$436,216,286</b>	<b>\$449,637,704</b>	<b>\$454,371,732</b>	<b>\$4,734,028</b>	<b>\$461,030,485</b>	<b>\$11,392,781</b>
<b>Natural Resources</b>						
Environmental Management	\$38,163,784	\$40,206,777	\$38,295,450	(\$1,911,327)	\$43,995,800	\$3,789,023
Coastal Resources Management Council	2,410,069	2,452,438	2,500,547	48,109	2,558,332	105,894
<b>Total</b>	<b>\$40,573,853</b>	<b>\$42,659,215</b>	<b>\$40,795,997</b>	<b>(\$1,863,218)</b>	<b>\$46,554,132</b>	<b>\$3,894,917</b>
<b>Grand Total</b>	<b>\$3,547,905,172</b>	<b>\$3,683,715,867</b>	<b>\$3,700,404,975</b>	<b>\$16,689,108</b>	<b>\$3,792,708,988</b>	<b>\$108,993,121</b>



## FTE POSITIONS

	FY2016	FY2017	FY2017	Change	FY2018	Change
	Actual	Enacted	Governor	from	Governor	from
				Enacted		Enacted
<b>General Government</b>						
Administration	712.7	708.7	708.7	-	713.7	5.0
Business Regulation	98.0	97.0	106.0	9.0	106.0	9.0
Executive Office of Commerce	16.0	16.0	16.0	-	17.0	1.0
Labor and Training	409.5	409.5	436.2	26.7	433.7	24.2
Revenue	514.5	523.5	523.5	-	539.5	16.0
Legislature	298.5	298.5	298.5	-	298.5	-
Lieutenant Governor	8.0	8.0	8.0	-	8.0	-
Secretary of State	57.0	59.0	59.0	-	59.0	-
General Treasurer	84.0	88.0	87.0	(1.0)	87.0	(1.0)
Board of Elections	11.0	12.0	12.0	-	12.0	-
Ethics Commission	12.0	12.0	12.0	-	12.0	-
Office of the Governor	45.0	45.0	45.0	-	45.0	-
Commission for Human Rights	14.5	14.5	14.5	-	14.5	-
Public Utilities Commission	50.0	51.0	54.0	3.0	57.0	6.0
<b>Total</b>	<b>2,330.7</b>	<b>2,342.7</b>	<b>2,380.4</b>	<b>37.7</b>	<b>2,402.9</b>	<b>60.2</b>
<b>Human Services</b>						
Office of Health and Human Services	187.0	179.0	178.0	(1.0)	269.0	90.0
Children, Youth, and Families	672.5	629.5	628.5	(1.0)	616.5	(13.0)
Health	490.6	503.6	503.6	-	499.6	(4.0)
Human Services	959.1	937.1	937.1	-	838.1	(99.0)
BHDDH	1,419.4	1,352.4	1,352.4	-	1,319.4	(33.0)
Office of the Child Advocate	6.0	6.0	7.0	1.0	7.0	1.0
Governor's Commission on the Deaf	3.0	4.0	4.0	-	4.0	-
Governor's Commission on Disabilities	4.0	4.0	4.0	-	4.0	-
Office of the Mental Health Advocate	4.0	4.0	4.0	-	4.0	-
<b>Total</b>	<b>3,745.6</b>	<b>3,619.6</b>	<b>3,618.6</b>	<b>(1.0)</b>	<b>3,561.6</b>	<b>(58.0)</b>
<b>Education</b>						
Elementary and Secondary Education	337.4	325.1	325.1	-	325.1	-
Public Higher Education	3,513.4	3,551.0	3,551.0	-	3,561.0	10.0
Council on the Arts	8.6	8.6	8.6	-	8.6	-
Atomic Energy Commission	8.6	8.6	8.6	-	8.6	-
Historical Preservation and Heritage Commission	16.6	16.6	15.6	(1.0)	15.6	(1.0)
<b>Total</b>	<b>3,884.6</b>	<b>3,909.9</b>	<b>3,908.9</b>	<b>(1.0)</b>	<b>3,918.9</b>	<b>9.0</b>
<b>Public Safety</b>						
Attorney General	236.1	235.1	235.1	-	235.1	-
Corrections	1,419.0	1,423.0	1,423.0	-	1,426.0	3.0
Judiciary	724.3	723.3	723.5	0.2	723.5	0.2
Military Staff	92.0	92.0	92.0	-	92.0	-
Emergency Management	32.0	29.0	29.0	-	-	(29.0)
Public Safety	633.2	610.2	616.6	6.4	660.6	50.4
Public Defender	93.0	93.0	93.0	-	94.0	1.0
<b>Total</b>	<b>3,229.6</b>	<b>3,205.6</b>	<b>3,212.2</b>	<b>6.6</b>	<b>3,231.2</b>	<b>25.6</b>
<b>Natural Resources</b>						
Environmental Management	399.0	399.0	400.0	1.0	403.0	4.0
Coastal Resources Management Council	29.0	29.0	29.0	-	29.0	-
<b>Total</b>	<b>428.0</b>	<b>428.0</b>	<b>429.0</b>	<b>1.0</b>	<b>432.0</b>	<b>4.0</b>
<b>Transportation</b>						
Transportation	752.0	701.0	741.0	40.0	775.0	74.0
<b>Higher Education Sponsored Research</b>						
Office of Higher Education	1.0	1.0	1.0	-	1.0	-
CCRI	89.0	89.0	89.0	-	89.0	-
RIC	82.0	82.0	82.0	-	82.0	-
URI	573.8	573.8	573.8	-	573.8	-
<b>Total</b>	<b>745.8</b>	<b>745.8</b>	<b>745.8</b>	<b>-</b>	<b>745.8</b>	<b>-</b>
<b>Grand Total</b>	<b>15,116.3</b>	<b>14,952.6</b>	<b>15,035.9</b>	<b>83.3</b>	<b>15,067.4</b>	<b>114.8</b>

## MUNICIPAL AID

Municipality	FY2018 Direct Municipal Aid to Cities and Towns					Library Construction Aid	Total FY2018 Municipal Aid	Change from FY2017
	FY2017 Enacted	Payment In Lieu of Taxes	Distressed Communities Relief Fund	Motor Vehicle Excise Tax	Grant- in-Aid			
Barrington	\$607,756	\$16,157		\$217,477	\$380,070	\$158,661	\$772,365	\$164,609
Bristol	1,511,676	1,035,981		94,294	187,103	282,400	1,599,778	88,102
Burrillville	780,612	97,322		200,798	170,118	261,561	729,799	(50,813)
Central Falls	375,132	25,295	225,398	96,208	27,075		373,976	(1,156)
Charlestown	95,318			44,097	50,815		94,912	(406)
Coventry	489,165			244,791	238,140		482,931	(6,234)
Cranston	8,263,498	5,287,952	1,341,001	1,005,084	582,746		8,216,783	(46,715)
Cumberland	746,350	135		247,485	285,364	207,771	740,755	(5,595)
East Greenwich	709,944	459,869		81,417	132,321	57,240	730,847	20,903
East Providence	2,052,991	243,053		501,297	415,613	61,766	1,221,729	(831,262)
Exeter	220,165			92,110	52,931	75,968	221,009	844
Foster	107,417			72,955	34,371		107,326	(91)
Glocester	181,183			102,420	77,938		180,358	(825)
Hopkinton	105,593			69,295	35,323		104,618	(975)
Jamestown	137,097			22,042	126,828		148,870	11,773
Johnston	681,286		601,333	422,637	124,168		1,148,138	466,852
Lincoln	409,124			198,583	203,414		401,997	(7,127)
Little Compton	49,293			12,896	35,067		47,963	(1,330)
Middletown	263,858			63,006	145,593	51,353	259,952	(3,906)
Narragansett	213,889			60,810	191,652		252,462	38,573
Newport	2,063,682	1,405,248		77,989	411,403	203,310	2,097,950	34,268
New Shoreham	158,478			6,714	74,303	64,335	145,352	(13,126)
North Kingstown	511,567	1,712		185,691	282,085	29,206	498,694	(12,873)
North Providence	1,614,996		1,030,137	389,770	202,114		1,622,021	7,025
North Smithfield	256,779			177,990	78,305		256,295	(484)
Pawtucket	3,257,862	554,958	1,539,903	794,500	409,155		3,298,516	40,654
Portsmouth	201,600			84,669	113,853		198,522	(3,078)
Providence	39,672,196	33,303,459	5,797,634	1,882,415	1,265,199		42,248,707	2,576,511
Richmond	92,955			65,687	26,001		91,688	(1,267)
Scituate	173,150			68,633	104,815		173,448	298
Smithfield	1,264,851	718,669		255,759	294,639		1,269,067	4,216
South Kingstown	563,601	204,036		139,730	218,810		562,576	(1,025)
Tiverton	502,954			59,170	123,043	321,483	503,696	742
Warren	149,967			92,183	56,598		148,781	(1,186)
Warwick	3,580,975	1,690,561		964,536	739,962	126,341	3,521,400	(59,575)
Westerly	947,752	161,199		216,507	318,791	253,767	950,264	2,512
West Greenwich	86,702			54,390	33,299		87,689	987
West Warwick	1,286,325		924,370	231,779	162,506		1,318,655	32,330
Woonsocket	1,697,549		924,681	402,183	186,880	166,898	1,680,642	(16,907)
<b>Total</b>	<b>\$76,085,291</b>	<b>\$45,205,606</b>	<b>\$12,384,457</b>	<b>\$10,000,000</b>	<b>\$8,598,411</b>	<b>\$2,322,060</b>	<b>\$78,510,534</b>	<b>\$2,425,243</b>

FY2018 Indirect Local Aid to Cities and Towns						
Municipality	FY2017 Indirect Aid	Public Service Corp. Tax	Meals and Beverage Tax	Hotel Tax	FY2018 Total Indirect Aid	Change from FY2017
Barrington	\$398,042	\$209,719	\$194,161	\$1,131	\$405,011	\$6,969
Bristol	797,373	289,577	501,539	53,444	844,560	47,187
Burrillville	434,507	207,376	213,789	-	421,165	(13,342)
Central Falls	385,751	249,834	137,175	125	387,134	1,383
Charlestown	358,714	100,263	177,798	59,523	337,584	(21,130)
Coventry	1,007,788	450,490	438,580	116,310	1,005,380	(2,408)
Cranston	3,007,373	1,038,680	2,017,085	19,577	3,075,342	67,969
Cumberland	949,027	436,817	532,865	-	969,682	20,655
East Greenwich	861,602	168,882	762,356	1,160	932,398	70,796
East Providence	1,691,296	607,219	1,080,186	59,170	1,746,575	55,279
Exeter	190,516	85,909	112,880	28	198,817	8,301
Foster	78,080	59,761	20,180	182	80,123	2,043
Glocester	212,484	126,732	84,803	2,805	214,340	1,856
Hopkinton	160,711	104,846	58,735	1,209	164,790	4,079
Jamestown	234,613	70,086	103,996	24,426	198,508	(36,105)
Johnston	1,004,463	373,181	657,909	10,256	1,041,346	36,883
Lincoln	1,318,677	274,218	882,583	125,321	1,282,122	(36,555)
Little Compton	136,094	44,943	64,431	7,593	116,967	(19,127)
Middletown	1,857,988	207,028	816,358	987,413	2,010,799	152,811
Narragansett	1,235,200	203,230	748,109	206,281	1,157,620	(77,580)
Newport	5,122,274	316,689	2,549,588	2,876,320	5,742,597	620,323
New Shoreham	756,296	11,497	406,366	716,245	1,134,108	377,812
North Kingstown	1,036,627	339,927	625,697	98,053	1,063,677	27,050
North Providence	787,403	414,648	391,939	12	806,599	19,196
North Smithfield	436,483	155,854	353,664	3,925	513,443	76,960
Pawtucket	1,844,060	918,089	913,872	49,731	1,881,692	37,632
Portsmouth	467,287	223,391	258,582	24,415	506,388	39,101
Providence	10,081,211	2,298,821	5,918,974	2,314,376	10,532,171	450,960
Richmond	260,577	98,461	159,294	4,803	262,558	1,981
Scituate	219,430	134,071	72,100	7,866	214,037	(5,393)
Smithfield	1,232,126	276,509	885,319	202,292	1,364,120	131,994
South Kingstown	1,496,271	393,252	938,339	215,664	1,547,255	50,984
Tiverton	454,161	203,475	254,224	1,290	458,989	4,828
Warren	450,382	135,886	400,972	937	537,795	87,413
Warwick	5,341,634	1,056,511	3,051,877	1,386,595	5,494,983	153,349
Westerly	1,862,488	292,589	982,690	731,517	2,006,796	144,308
West Greenwich	343,951	78,764	154,633	124,254	357,651	13,700
West Warwick	890,273	372,833	391,441	156,602	920,876	30,603
Woonsocket	1,156,381	529,588	581,307	69,712	1,180,607	24,226
<b>Total</b>	<b>\$50,559,614</b>	<b>\$13,559,646</b>	<b>\$28,896,396</b>	<b>\$10,660,563</b>	<b>\$53,116,605</b>	<b>\$2,556,991</b>

## EDUCATION AID

Governor's FY2018 Education Aid (excludes categorical)<sup>1</sup>

	FY2017 Aid			FY2018 Governor's Proposed Aid		
	Formula Aid (excludes categorical)	Group Home Aid (Revised) <sup>2</sup>	Total	Change in Formula Aid (excludes categorical)	Change in Group Home Aid	Total
Barrington	\$5,215,104	\$0	\$5,215,104	(\$74,442)		\$5,140,662
Burrillville	12,982,040	82,140	13,064,180	398,957	(1,907)	13,461,230
Charlestown	1,687,921	-	1,687,921	(34,102)		1,653,819
Coventry	22,704,444	99,129	22,803,573	888,796	(13,147)	23,679,222
Cranston	54,827,149	47,702	54,874,851	3,337,843	(6,760)	58,205,934
Cumberland	17,659,354	-	17,659,354	856,963		18,516,317
East Greenwich	2,626,313	-	2,626,313	(100,153)		2,526,160
East Providence	32,245,114	550,150	32,795,264	3,112,300	(74,152)	35,833,412
Foster	1,163,998	-	1,163,998	(9,340)		1,154,658
Glocester	2,502,877	-	2,502,877	(121,826)		2,381,051
Hopkinton	5,386,069	-	5,386,069	(95,104)		5,290,965
Jamestown	438,902	-	438,902	17,967		456,869
Johnston	15,770,318	-	15,770,318	2,613,415		18,383,733
Lincoln	10,906,917	119,396	11,026,313	1,132,791	(14,104)	12,145,000
Little Compton	413,267	-	413,267	(15,306)		397,961
Middletown	8,134,323	334,390	8,468,713	(217,263)	(11,841)	8,239,609
Narragansett	2,114,201	-	2,114,201	(14,070)		2,100,131
Newport	10,720,594	184,817	10,905,411	771,161	(30,505)	11,646,067
New Shoreham	110,826	-	110,826	6,382		117,208
North Kingstown	10,846,006	-	10,846,006	(150,204)		10,695,802
North Providence	19,547,302	185,742	19,733,044	2,141,247	(31,941)	21,842,350
North Smithfield	5,960,085	108,137	6,068,222	(97,348)	(1,484)	5,969,390
Pawtucket	82,687,909	458,964	83,146,873	5,330,499	(164,530)	88,312,842
Portsmouth	4,019,920	600,518	4,620,438	(191,556)	(9,688)	4,419,194
Providence	230,869,652	887,685	231,757,337	10,257,871	(285,735)	241,729,473
Richmond	4,840,982	-	4,840,982	(203,619)		4,637,363
Scituate	3,711,979	-	3,711,979	(138,357)		3,573,622
Smithfield	5,536,267	235,340	5,771,607	452,934	(16,628)	6,207,913
South Kingstown	6,994,271	253,242	7,247,513	(474,511)	(3,519)	6,769,483
Tiverton	6,230,844	-	6,230,844	246,726		6,477,570
Warwick	37,368,197	407,284	37,775,481	856,689	(52,682)	38,579,488
Westerly	8,724,889	-	8,724,889	245,894		8,970,783
West Warwick	23,016,375	-	23,016,375	1,212,333		24,228,708
Woonsocket	56,033,685	75,400	56,109,085	2,669,954	(27,705)	58,751,334
Bristol-Warren <sup>3</sup>	14,731,387	117,362	14,848,749	(413,626)	(8,779)	14,426,344
Exeter-West Greenwich	5,231,063	117,674	5,348,737	(290,994)	(1,756)	5,055,987
Chariho	153,282	-	153,282	(38,321)		114,961
Foster-Glocester	4,743,256	-	4,743,256	(99,173)		4,644,083
Central Falls <sup>3</sup>	34,316,653	-	34,316,653	(1,720,444)		32,596,209
<b>District Total</b>	<b>\$773,173,736</b>	<b>\$4,865,072</b>	<b>\$778,038,807</b>	<b>\$32,050,963</b>	<b>(\$756,863)</b>	<b>\$809,332,907</b>
Charter School Total	75,177,727	-	75,177,727	9,003,457	-	84,181,184
Davies	11,043,048	-	11,043,048	(715,093)	-	10,327,955
Met School	9,209,491	-	9,209,491	(625,068)	-	8,584,423
Urban Collaborative	1,115,290	-	1,115,290	275,504	-	1,390,794
<b>Total</b>	<b>\$869,719,292</b>	<b>\$4,865,072</b>	<b>\$874,584,363</b>	<b>\$39,989,762</b>	<b>(\$756,863)</b>	<b>\$913,817,262</b>

<sup>1</sup> Distribution of categorical aid is not available at this time. A table showing categorical totals can be found in the "State and Education Aid" section within this publication.

<sup>2</sup> Reflects the addition of 4 group home beds in Providence.

<sup>3</sup> This does not reflect the \$2.0 million increase (\$6.8 million total) in Central Falls Stabilization funds, or the stabilization funds for Davies and the Met School.





## Senate Fiscal Office

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Board of Elections

Commission on Disabilities

Convention Center Authority

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Lieutenant Governor

Military Staff

Public Utilities Commission

Quonset Development Corporation

RI Emergency Management Agency

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**Kelly M. Carpenter**

*Legislative Fiscal Analyst II*

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Atomic Energy Commission

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Elementary and Secondary Education

Environmental Management

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Higher Education

Judiciary

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Human Services

Labor and Training

Public Defender

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