



State of Rhode Island
Office of the General Treasurer
State House – Room 102
Providence, Rhode Island 02903

Seth Magaziner
General Treasurer

February 8, 2022

Honorable Marvin L. Abney, Chair
House Committee on Finance

Re: In support of FY2023 Proposed Budget – Article 5, Question 1 Higher Education Facilities

Dear Chair Abney,

I am writing to express my support for continued investment in Rhode Island's public higher education facilities with a general obligation bond. I can affirm that this bond is affordable and I believe the investment is important to supporting a 21st century economy.

I have been a strong proponent of improving public school facilities for pre-K through grade 12 because old and outdated school buildings impact the ability of teachers to teach and students to learn. This is also true for higher education.

Improvements to the University of Rhode Island Narragansett Bay Campus will improve research facilities and prepare students for emerging fields in marine industries. The investment of \$12 million to improve all four Community College of Rhode Island campuses will support programs to prepare Rhode Island's workforce, especially those sectors like health care that are facing shortages.

Our Office, in conjunction with the Public Finance Management Board, conducts a Debt Affordability Study (DAS) every two years, in which we provide a recommendation of how much new borrowing the State can assume while remaining within acceptable liability levels. The DAS published in December 2021 estimated that the State can afford to add \$736.8 million of new tax-supported borrowing in fiscal year 2023. In combination with the tax-supported debt already approved by the General Assembly and the proposals in the Governor's FY2023 proposed budget, the bond proposed in Article 5, Question 1 is affordable for the State.

Investment in public higher education by improving facilities for students and faculty will support economic growth. I urge the Committee to support this proposal and to include it in the final FY2023 budget.

Sincerely,

A handwritten signature in blue ink that reads "Seth Magaziner".

Seth Magaziner
General Treasurer

cc: Honorable Members of the House Committee on Finance
Honorable K. Joseph Shekarchi, Speaker of the House