

# FY 2021 Revised Changes to Governor

## Revenue Changes

- 1. May Revenue Estimate.** The Revenue Estimating Conference concluded May 10 and revised the FY 2021 estimate to \$4,215.5 million, which is \$177.1 million more than the revenues included in the FY 2021 enacted budget, and \$250.6 million more than assumed in the Governor's recommendation.
- 2. Hospital License.** The House Finance Committee does not concur with the Governor's proposal to increase the FY 2021 hospital license fee from five to six percent of 2018 base year revenues. Its recommendation maintains the rate at five percent but updates the base year to 2019. This base year adjustment aligns the fee with the most recent full year, a typical practice.
- 3. PPP Decouple at \$250,000.** The Governor proposes partially decoupling the state from the federal treatment of forgiven Paycheck Protection Program loans by making only forgiven loan amounts under \$150,000 exempt from state taxation. This change was estimated to recapture \$67.7 million of the estimated loss with \$3.6 million in FY 2021 and \$64.1 million in FY 2022. That estimate was updated to \$2.1 million for FY 2021 and \$59.4 million for FY 2022 based on the results of the May Revenue Estimating Conference. The House Finance Committee recommends increasing the loan amount exempt from state taxation to \$250,000, which would reduce the amount recaptured by \$13.7 million, including \$0.5 million for FY 2021 and \$13.2 million for FY 2022. This decoupling is estimated to impact 2,043 or 6.9 percent of the 30,000 Rhode Island businesses that participated in the program.
- 4. Historical Tax Credit Fund Capitalization.** The House Finance Committee recommends transferring \$20.0 million to the Historic Preservation Tax Credit Trust Fund. The recapitalization allows the program to reach additional program participants. The budget also extends the sunset for the Historic Preservation Tax Credits 2013 program by one year to June 30, 2022.
- 5. IT Fund Capitalization.** The House Finance Committee recommends transferring \$67.0 million to the Information Technology Investment Fund, which was created for acquiring information technology improvements, including, but not limited to, hardware, software, and ongoing maintenance. The Information Technology Investment Fund is projected to have an FY 2021 ending balance of \$2.0 million. This transfer is intended to provide sufficient resources to fully fund the state's share of the new Child Welfare information system and the Enterprise Resource Planning System. The Governor had requested debt financing for the projects which replace long outdated state systems.
- 6. Unemployment Support.** The Families First Coronavirus Response Act and Coronavirus Aid, Relief, and Economic Security (CARES) Act signed into law by President Trump on March 18 and 27, 2020, respectively, contained significant changes to unemployment benefits and workers eligibility for them. The changes shift some of the burden to cover costs from employers to federal funds and expand benefits to workers not previously eligible. These changes were subsequently extended twice, most recently through the American Rescue Plan Act signed into law by the President on May 11, 2021. Based on information provided by the Department of Labor and Training, an additional \$531.3 million will be provided from federal funds for unemployment benefits and administrative expenses for FY 2021. Additionally, in order to cover the state share of benefit payments, \$8.6 million more will be required from the Employment Security Trust Fund than included in the Governor's recommendation. The House Finance Committee shows this \$539.9 million increase in resources and expenditures.
- 7. COVID Relief & Other Non-General Revenues** The state received funding from a variety of sources, most of it in response to the COVID-19 emergency. Adjustments were also made based on spending to date and available resources including changes to Rhode Island Capital Plan funded

projects. The House Finance Committee recommendation shows this \$78.5 million decrease in resources and expenditures.

### **Administration**

**8. Capital - Cannon Building.** The revised budget includes \$0.5 million from Rhode Island Capital Plan fund expenditures in FY 2021 for the Cannon Building project, which involves renovations to restrooms and the auditorium, and upgrades to heating, ventilation and air conditioning and electrical systems. The House Finance Committee recommends \$0.2 million less based on the Department's projected expenses.

**9. Capital - Washington County Government Center.** The capital budget includes \$0.4 million in FY 2021 from Rhode Island Capital Plan funds for asset protection projects at the Washington County Government Center, including bathroom renovations. The House Finance Committee recommends \$0.1 million less based on the final cost of the project.

**10. Third Quarter Revisions.** The House Finance Committee concurs with the Governor's requested amendment to include general revenue savings of \$0.1 million from HealthSource RI's share of Unified Health Infrastructure Project expenses. It also includes \$0.2 million in additional turnover savings and operating expenses based on third quarter projections.

**11. Tort Awards and Consent Decree Legal.** The administration projects general revenue expenditures of \$0.9 million to pay for legal and liability claims against any state department or any state worker. This is \$300,000 more than the Governor's revised budget and \$500,000 more than the FY 2021 enacted budget. Expenditures include \$0.5 million for settlements and \$337,464 for legal expenses, which is \$212,519 more than FY 2020 and appears to include \$167,510 relating to the consent decree with the Department of Justice regarding job training and community services to individuals with developmental disabilities. The House Finance Committee recommends \$0.9 million, consistent with projected expenses.

**12. COVID Relief - Federal Grants Management System (GBA).** The Governor's budgets include \$4.1 million for a statewide federal grants management system. This includes \$2.5 million in FY 2021, of which \$2.0 million is from federal Coronavirus Relief funds and \$0.5 million is from restricted receipts budgeted in the Department of Health's budget. The House Finance Committee concurs with the Governor's requested amendment to remove the federal expenditures from the Department of Administration's budget based on an alternative plan to finance the project with indirect cost recovery receipts in the Department of Health, federal funds and agency billings through the Information Technology internal service fund.

**13. LIUNA Settlement Liability - FY 2021 (GBA).** The FY 2022 recommended budget includes \$4.3 million from general revenues in anticipation of a settlement agreement with the Laborers' International Union of North America regarding back pay for longevity and overtime payments. The House Finance Committee concurs with the Governor's requested amendment to include \$4.7 million in FY 2021 as the settlement agreement is anticipated to occur in June 2021. This is \$0.4 million more than the recommended budget, based on updated payroll data.

**14. RICAP Payback.** The FY 2020 final budget transferred \$120.0 million from the Budget Stabilization and Cash Reserve Account or "Rainy Day Fund" for use in balancing that budget. The FY 2021 enacted budget included \$90 million to repay the Rhode Island Capital Plan Fund and authorization to delay the remaining \$30 million to FY 2022. The Governor's budget recommendation alters the repayment schedule to \$7.5 million in FY 2021 and \$42.5 million in FY 2022, leaving \$70.0 million in FY 2023. The House Finance Committee recommends adding \$112.5 million from general revenues for FY 2021 to complete the full repayment in FY 2021.

**15. Health Insurance Market Integrity Fund Adjustment.** The revised budget includes \$8.3 million from the Health Insurance Market Integrity Fund to make reinsurance payments to health insurance carriers. The House Finance Committee recommends removing this expense in FY 2021 based on HealthSource RI's updated timeline for payments.

### **Business Regulation**

**16. COVID Relief - Inspections/Enforcement.** The Governor's recommended budget includes \$3.7 million, including \$1.7 million from general revenues, intended for post-December 30, 2020 expenses for COVID-related inspections and enforcement activities. Updated expenditure information shows a lower expenditure need and the Department has sufficient federal funds to cover them. The House Finance Committee recommends removing the \$1.7 million from general revenues.

**17. Third Quarter Revisions.** The House Finance Committee recommends adjusting expenditures downward by \$2.2 million, including \$0.8 million from general revenues, based on projected spending through the third quarter. Turnover savings account for \$0.8 million, including \$0.5 million from general revenues. The remaining adjustments reflect revisions to actuarial and other expenses, cannabis regulation, and a correction to how some federal funds are shown.

### **Executive Office of Commerce**

**18. Third Quarter Revisions.** The House Finance Committee recommends \$0.2 million less, including \$0.1 million less from general revenues, to reflect additional turnover and operating savings for FY 2021 based on the Executive Office of Commerce's third quarter report.

**19. Rebuild RI FY 2020 Restoration.** The 2020 Assembly made two funding reductions to the Rebuild RI Tax Credit program during the 2020 legislative session. These include the elimination of the \$10.0 million appropriation for the program in the 2020 final budget and the recapture of \$5.0 million from the \$11.2 million appropriated during FY 2019. The design of the program is to forward fund credits, thereby creating a lesser burden on state sources when those credits are redeemed in the future. The House Finance Committee recommends restoring the program's resources to the level assumed pre-pandemic to fund future redemption of credits.

**20. Capital - Quonset Piers.** The approved plan assumes \$10.0 million from Rhode Island Capital Plan funds to support the Quonset Point Pier 2 project. As part of the capital request for the Executive Office of Commerce, the Quonset Development Corporation requested use of \$20,274 of unspent resources to provide Rhode Island Capital Plan funding consistent with the approved plan. The Governor's budget recommendation excluded the requested funding, providing less Rhode Island Capital Plan support than assumed in the approved plan. The House Finance Committee recommends funding consistent with the approved plan.

### **Labor and Training**

**21. Back to Work RI - Shift to FY 2022.** The Governor's revised budget includes \$35.3 million from federal Coronavirus Relief funds for Back to Work RI, a program that connects Rhode Islanders with job opportunities across the state providing resources and training. The House Finance Committee recommends shifting \$9.5 million from FY 2021 to FY 2022 based on projected expenditures.

**22. COVID Related - Workforce Recruitment (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reduce Coronavirus Relief federal funds for workforce recruitment expenses by \$0.8 million, from \$1.8 million to \$1.0 million.

**23. Unemployment Benefits (GBA).** The House Finance Committee recommends \$526.6 million more for unemployment benefits to reflect expected claims based on the extension of temporary federal unemployment programs. This includes \$518.0 million from federal funding which supports new and amended benefits and expanded worker eligibility authorized since the pandemic began, and \$8.6 million from the Employment Security Trust Fund for traditional claims for covered employment.

**24. Unemployment Benefits Administration (GBA).** The House Finance Committee recommends \$13.3 million more from available federal funds for personnel and operating expenses for the administration of unemployment benefits, reflecting the Department's projected expenses.

### **Department of Revenue**

**25. RIMS Correction.** The House Finance Committee recommends excluding \$1.7 million from restricted receipts erroneously contained in the enacted budget and the Governor's recommendation for the ongoing maintenance and operations support for the Rhode Island Motor Vehicle System, otherwise known as RIMS.

**26. Tax Increment Financing Appropriation (GBA).** The House Finance Committee recommends \$0.4 million from restricted receipts for obligations due under the Rhode Island Tax Increment Financing program authorized in, Chapter 42-64.21 of the General Laws, consistent with a Governor's requested amendment. For certain agreements, the Division of Taxation segregates the annual incremental revenues for deposit in a restricted receipt account. The disbursement of these funds is subject to appropriation, and the amount is consistent with the Commerce Corporation's projections of amounts due.

**27. Third Quarter Revisions.** The House Finance Committee recommends a \$0.9 million reduction from general revenues and adjustments among the divisions based on spending through the third quarter and other information. Turnover savings totaling \$1.0 million are offset by \$150,000 of additional expenditures to relocate the Division of Motor Vehicles branch office in Westerly for FY 2021.

### **Lieutenant Governor**

**28. Turnover.** The House Finance Committee recommends \$140,000 of turnover savings resulting from the transition to a new administration. As of early June, only 5.0 of 8.0 authorized positions are filled.

### **Secretary of State**

**29. Help America Vote Act Increase (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$1.4 million from federal Help America Vote Act grant funds to reflect election expenses in FY 2021. This is consistent with the Secretary of State's revised FY 2021 budget request.

**30. Center for Election Innovation Research Grant (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.6 million from restricted receipts for a new grant awarded by the non-profit Center for Election Innovation Research that was used to enhance voter education, information and outreach during the November 2020 elections and the March 2 special election.

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

**31. Unclaimed Property.** The House Finance Committee recommends adding \$5.4 million from restricted receipts to adjust the unclaimed property program transfer to the state to reflect the May Revenue Estimating Conference estimate of \$15.6 million.

**32. Crime Victims Compensation.** The House Finance Committee recommends adding \$435,000 from general revenues and reducing restricted receipts by a like amount for crime victim compensation grants for FY 2021 based on projected court receipts. Restricted monies come from fees collected by the state courts. Federal funds come from the Victims of Violent Crimes program administered by the United States Department of Justice. Court receipts were impacted by the court closures in response to the COVID-19 pandemic.

### **Board of Elections**

**33. Third Quarter Revisions.** Based on spending through the third quarter, the House Finance Committee recommends reducing expenditures from general revenues by \$500,000 for the Board of Elections for FY 2021. This reflects savings from the Board hiring fewer seasonal positions for the elections and turnover savings from two vacant positions.

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

**34. Consent Decree - Court Monitor.** The House Finance Committee recommends \$292,000, including \$146,000 from general revenues, to support FY 2021 expenses for the court monitor in the consent decree regarding certain services to individuals with developmental disabilities. This is \$258,000 less than recommended to reflect third quarter projections based on the current contracts and incurred expenses.

**35. LTSS Resiliency Fund - Technical Adjustment (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reduce expenses by \$19.6 million to correct the inadvertent overstatement of the use Coronavirus Relief funds for the Long Term Services and Supports Resiliency Fund in the recommended budget.

**36. Medicaid Caseload - May Conference.** The House Finance Committee recommends decreasing medical assistance expenses by \$27.2 million for FY 2021 to reflect the results of the May Caseload Estimating Conference estimate. Accounting for the savings already assumed in the Governor's budget, primarily another quarter of the enhanced Medicaid rates, FY 2021 spending is estimated to be \$15.3 million less from general revenues and \$12.0 million less from federal funds.

**37. Nursing Home Isolation Units.** The Governor recommended \$250,000 from general revenues for isolation units in nursing facilities during the public health emergency for FY 2021. The program was active from January 2021 through March 2021 with \$180,000 being spent. The House Finance Committee adjusts funding accordingly and reduces expenses by \$70,000.

**38. UHIP - Q3 Cost Allocation Shift from DHS.** The House Finance Committee concurs with the Governor's requested amendment to adjust expenses for the Unified Health Infrastructure Project between the Executive Office and the Department of Human Services based on the most recent spending plan included in the third quarter report. For the Executive Office, this includes increasing general revenues by \$1.1 million, restricted receipts by \$0.2 million and decreasing federal funds by \$1.5 million primarily to adjust for contracted services expenses. For the Department of Human Services, there is a \$1.1 million reduction from general revenues and a \$3.3 million decrease from federal funds.

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

**39. Third Quarter Revisions.** The House Finance Committee recommends adding \$2.0 million, based on projections included in the third quarter report, including \$0.2 million more from general revenues. It also recommends \$1.8 million more from federal Chafee funds provided through the 2021 Consolidated Appropriations Act for requirements prohibiting foster youth to age out of the system during the pandemic. General revenue changes include \$1.7 million more for facility rental costs, the largest being \$0.6 million

more for its headquarters, and \$0.2 million more for other operating costs, partially offset by general revenue savings of \$0.4 million for temporary services and \$1.4 million for placement costs.

### **Human Services**

**40. Capital - MIS System Replacement Correction.** The Governor's recommended capital budget assumes \$0.2 million from federal funds for FY 2021 to replace the management information system for the Office of Rehabilitative Services. However, the funds were inadvertently excluded from the revised budget recommendation and the project has begun. The House Finance Committee recommends including the funds.

**41. Cash Assistance Caseload - May Conference.** The House Finance Committee recommends reducing expenditures for cash assistance caseloads by \$13.3 million, including \$0.8 million from general revenues, to reflect the May Caseload Estimating Conference estimates for Rhode Island Works, subsidized child care, supplemental security income and general public assistance bridge programs.

**42. Federal Funds Revisions.** Based on projected expenditures from federal funds authorized under the CARES Act, the House Finance Committee recommends \$0.4 million less. Revisions reflect corrections to awards included in the recommendation, as well as realignment of funding with projected spending, which includes shifting \$1.1 million to FY 2022.

**43. LIHEAP to FY 2022.** The Governor's revised budget includes \$37.5 million for the Low Income Home Energy Assistance Program (LIHEAP). Based on projected expenditures, the House Finance Committee recommends shifting \$3.3 million from federal funds available through the CARES Act to FY 2022. The program assists low income households with meeting the increasing costs of home energy and reducing the severity of an energy related crisis.

**44. Paratransit Program Gas Tax Proceeds.** The Governor's recommended budget includes the enacted amount of \$4.4 million from Intermodal Transportation funds for the elderly paratransit program, which is supported by a portion of gas tax proceeds. Revised projections for the gas tax collections estimate the fund will receive \$4.0 million for FY 2021. The House Finance Committee recommends adjusting expenditures accordingly.

**45. Personnel and Operating (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.8 million from general revenues for personnel and operating expenses consistent with the Department's third quarter report. This reflects revisions based on its updated cost allocation plan and shifts expenditures among programs.

**46. UHIP - Q3 Cost Allocation Shift to EOHHS.** The House Finance Committee concurs with the Governor's requested amendment to reduce expenditures for the Unified Health Infrastructure Project by \$4.5 million from all sources, including \$3.5 million from federal funds. This includes shifting \$1.1 million from general revenues from the Department to the Executive Office of Health and Human Services.

**47. Veterans' Home Q3 (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reduce general revenue expenditures for the Rhode Island Veterans' Home by \$2.3 million because of Federal Emergency Management Agency funds made available to the Home as a result of the COVID-19 emergency. The Governor's revised budget included the federal funds but not the corresponding reduction to general revenues.

## BHDDH

**48. Suicide Prevention State Planning Grant (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$100,000 from restricted receipts for total funding of \$165,000 through the National Suicide Prevention Lifeline's 9-8-8 planning grant. Funding is available to state mental health, behavioral health and public health agencies to assist with implementing a new, national, three-digit number for mental health crisis and suicide response, or 9-8-8.

**49. Eleanor Slater Hospitals Medicaid.** The House Finance Committee concurs with the Governor's requested amendments to adjust Medicaid funding at the state hospital while continued billing issues are resolved. The enacted budget included \$10.0 million from Medicaid in anticipation of federal approval of a state plan amendment allowing the state to resume billing Medicaid for non-forensic patients at the state hospital. The Governor's revised budget increased this by \$1.5 million. The budget also assumed the state would remain in compliance, as was reported to be in December 2020, with the required ratio of medical to psychiatric to avoid designation as an Institute for Mental Disease and the related disqualification from most Medicaid billing. The federal government approved the pending Medicaid billing proposal retroactive to April 2020. Soon thereafter, in May 2021, the Department reported that recent reviews of patient medical records resulted in changes to previously reported diagnoses that moved the facility back out of compliance on its patient mix putting the Medicaid billing back in jeopardy. Expenses related to patients who are either under age 22 or 65 or older continue to be eligible for Medicaid match. This will allow for \$2.2 million in federal Medicaid and the remaining \$9.4 million in shift to general revenues. The House Finance Committee concurs.

**50. Hospital License Fee.** The House Finance Committee recommendation maintains the hospital license fee at the current rate of five percent and updates the base year to 2019 revenues. The Governor's recommendation increased it to six percent and added \$1.1 million for the Department to make a state payment totaling \$6.8 million for Eleanor Slater Hospital. The House Finance Committee recommends a payment totaling \$5.9 million and reduces funding accordingly.

### Deaf and Hard of Hearing

**51. Third Quarter Revisions.** Based on projected expenditures, the House Finance Committee recommends adding \$60,000 from general revenues for updated staffing costs and centralized services associated with updating the Commission's website.

### Elementary and Secondary Education

**52. COVID Relief - Rethink K-12 Education Grant Correction.** In August, the Department of Elementary and Secondary Education was awarded a three-year, \$10.9 million competitive grant authorized under the Coronavirus Aid, Relief and Economic Security Act. Funds are limited to the establishment and expansion of virtual learning and course access programs. The Governor's recommendation includes the entire grant award in the revised FY 2021 recommendation. Based on actual expenditures projected by the Department, the House Finance Committee recommends reducing FY 2021 expenditures by \$9.9 million and adding \$6.3 million to FY 2022.

**53. Opioid Stewardship Fund to Enacted (GBA).** The Governor's revised budget inadvertently excludes the enacted amount of \$590,000 from Opioid Stewardship funds for school mental health initiatives. The House Finance Committee concurs with a requested amendment to restore the funds.

**54. Group Home Aid (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$153,000 from general revenues for group home aid for enrollment increases as required under current law.

**55. Textbook Loan Program.** The House Finance Committee recommends reducing general revenues by \$0.2 million for the state textbook loan program based on actual reimbursements.

**56. Capital - Davies HVAC.** Based on projected FY 2021 expenses, the House Finance Committee recommends shifting \$373,500 from Rhode Island Capital Plan funds, for the HVAC Project at Davies Career and Technical School, from FY 2021 to FY 2024.

**57. School for the Deaf.** The House Finance Committee recommends adding \$0.1 million from general revenues for staff costs at the School for the Deaf based on projected expenditures.

### **Higher Education**

**58. Capital - OPC - Higher Education Centers.** The House Finance Committee recommends shifting \$2.0 million from Rhode Island Capital Plan funds authorized for the Northern Rhode Island Education Center project from FY 2021 to FY 2022 based on construction delays. The Center was originally slated to open in July 2021 but is now projected to be open later in the fall.

**59. Capital - CCRI Knight Campus Renewal.** Based on planned expenditures for the Community College of Rhode Island's Knight Campus Renewal project in FY 2021, the House Finance Committee recommends shifting \$890,000 from Rhode Island Capital Plan funds to later years including \$250,000 to FY 2022 and \$640,000 to FY 2023. Total funding remains at the recommended level.

**60. Promise May Update.** Based on the May update from the Community College on Rhode Island Promise scholarships for FY 2021, the House Finance Committee recommends reducing expenditures by \$0.1 million. This reflects \$3.9 million for the fall 2020 semester and \$3.1 million for the spring 2021 semester providing a total of \$7.1 million from general revenues for FY 2021.

### **Arts Council**

**61. Third Quarter Revisions.** The House Finance Committee recommends reducing expenditures for the Rhode Island State Council on the Arts by \$0.4 million. The Council reports its Percent for Arts appropriation exceeds projected spending by \$340,000 and the remaining \$10,000 from restricted receipts provided by ArtPlace America will not spent in the current year.

### **Historical Preservation & Heritage Commission**

**62. Staffing Base Adjustment.** Based on spending through the third quarter, the House Finance Committee recommends general revenue personnel savings of \$150,000 for the Historical Preservation and Heritage Commission. This corrects overstated salaries and benefits included in the Governor's budget and the request.

**63. Correction to Federal Funds.** The House Finance Committee recommends reducing expenditures from two federal grants by \$87,903 to correct errors in both the request and recommendation. One of the grants expired in FY 2020 and the other grant was overstated based on estimated receipts.

### **Attorney General**

**64. Third Quarter Revisions.** The House Finance Committee recommends reducing expenses by \$0.9 million, including \$0.2 million from general revenues, to reflect operating savings based on the Office of Attorney General's third quarter report. It also recommends \$0.8 million less from federal funds to reflect projected spending from three new federal grants which the Governor's recommendation overstated by including the entire multi-year grant awards.

**65. Capital - Asset Protection.** The House Finance Committee recommends reducing expenditures from Rhode Island Capital Plan funds by \$100,000 based on the Office's projected expenses for asset protection projects. This would provide \$77,791 for FY 2021.

### **Corrections**

**66. COVID Related Personnel Costs (GBA).** The Governor's recommendation includes \$123.3 million from Coronavirus Relief funds for payroll expenses within the Department of Corrections. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency are federally reimbursable expenses as are those to facilitate compliance with COVID-19 related public health measures. The House Finance Committee concurs with the Governor's requested amendment to shift an additional \$6.9 million from general revenues to this source based on available funds.

**67. Population Savings.** The Governor's FY 2021 budget recommendation assumes a population of 2,267 inmates. The Department's third quarter report assumes an annual average of 2,155 inmates for FY 2021 which is 112 less than assumed in the Governor's recommendation. Based on the Department's updated population projection, the House Finance Committee recommends \$0.7 million less to reflect the lower inmate population.

### **Judicial**

**68. State Court Improvement Grant (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.1 million from federal funds for a new State Court Improvement grant received in response to the COVID-19 emergency. Funding may be used to make technology investments for remote hearings as well as training for judges, attorneys, and caseworkers on participating in remote hearings.

**69. Third Quarter Revisions.** The Judiciary indicated that there were current year general revenue savings of \$1.3 million in its third quarter report. This includes \$0.2 million less for juror fees and expenses based on capacity and social distancing restrictions related to the COVID-19 pandemic and \$0.9 million less for indigent defense. There are also savings of \$0.1 million for retirement costs for judges and magistrates hired before 1990 who are not part of the state employees' retirement system. The House Finance Committee recommends the savings.

### **Military Staff**

**70. Third Quarter Revisions.** The Military Staff's third quarter report identifies a shift additional personnel costs to federal funding resulting in general revenue savings of \$0.1 million. The House Finance Committee recommends funding consistent with the Department's third quarter report.

### **Public Safety**

**71. Road Construction Reimbursements -Vehicles (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.3 million from reimbursements for road construction patrols and enforcement for the Department of Public Safety to purchase eight State Police patrol vehicles in FY 2021. Over the past three years, the Department accrued a balance on these funds making this one-time purchase possible. This was not included in the request or the Governor's recommended budget.

## Public Defender

**72. Third Quarter Revisions.** The House Finance Committee recommends reducing general revenue expenses by \$140,000 to reflect additional turnover and operating savings for FY 2021 based on the Office's third quarter report.

## Environmental Management

**73. Capital - Galilee Piers.** Based on planned expenditures, the House Finance Committee recommends shifting \$4.0 million from Rhode Island Capital Plan funds from FY 2021 to FY 2022 for the Department of Environmental Management's Galilee Piers project.

**74. COVID Relief - Staffing Correction (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$1.6 million from federal Coronavirus Relief funds in FY 2021 inadvertently excluded in the Governor's recommendation. This is consistent with the enacted budget. Eligible personnel expenses occurred in the fall for the Department of Environmental Management's law enforcement division.

## Coastal Resources Management Council

**75. Third Quarter Revisions.** Based on spending through the third quarter, the House Finance Committee recommends \$0.1 million less from general revenues for the Coastal Resources Management Council for FY 2021.

## Transportation

**76. Gas Tax - GARVEE Bonds Yield.** The House Finance Committee recommends decreasing expenditures for GARVEE bonds debt service, which are paid for with the equivalent of two cents of the gasoline tax, by \$0.1 million to reflect a downward revision of the gasoline tax yield estimate.

**77. Gas Tax - Turnpike and Bridge Yield.** The House Finance Committee recommends adjusting available gasoline tax in the Department of Transportation based on a decreased transfer to the Rhode Island Turnpike and Bridge Authority of \$0.2 million to reflect a downward revision to the gasoline tax yield estimate. The FY 2021 final budget would include \$14.0 million to the Authority.

**78. RIPTA - Gas Tax Yield and HMA.** The House Finance Committee recommends a transfer of \$48.7 million from gasoline tax proceeds and highway maintenance funds to the Rhode Island Public Transit Authority. This is \$0.4 million less than the revised budget, including \$0.5 million less to reflect a downward revision to the gasoline tax yield estimate and \$0.1 million more for the Authority's share of the highway maintenance account based on updated estimates.

**79. Gas Tax - DOT Yield.** Based on a downward revision to the gas tax yield, the House Finance Committee recommends decreasing expenditures in the Maintenance Division by \$1.0 million to reflect anticipated resources.

**80. Turnover Savings.** The House Finance Committee recommends \$5.0 million in turnover savings from federal funds based on projected salary and benefit costs for which the FY 2021 revised budget included \$93.0 million from all sources. The revised budget assumes turnover savings equivalent to 12 vacancies and the additional turnover savings is equivalent to approximately 40 vacancies. As of the pay period ending June 5, there were 77 full-time equivalent positions vacant.