

Mergers and Consolidations

Introduction

Merger and consolidation proposals have appeared regularly in budgets. The FY 1991 budget presented to the 1990 General Assembly listed 72 state agencies and departments. By contrast, the FY 2023 budget adopted by the 2022 General Assembly contains 38 state agencies and departments. The FY 2024 budget includes 39 state agencies and departments, reflecting the addition of the Department of Housing created by the 2022 Assembly and some proposed changes. This report explains those changes as well as for the ten prior years. Prior publications have included information back to 1991 and that can still be accessed in online publications.

FY 2024

Department of Housing. The 2022 Assembly created the Department of Housing to be administered by a secretary of housing, effective January 1, 2023. The Department oversees and serves as the lead agency of the Executive Branch for coordinating all state housing initiatives and promoting housing development. Pursuant to 2022-H 7940, Substitute A, as amended, on July 1, 2023, the Department of Housing has powers to operate functions from the Executive Office of Commerce. Consistent with this legislation, the Budget includes the transfer of Housing and Community Development functions to the Department of Housing. It also adds a total of 38.0 full-time equivalent positions for the Department, including 21.0 new positions and 17.0 transferred from the Executive Office.

The Rhode Island Longitudinal Data System Act. The Budget includes \$0.6 million from general revenues and 3.0 new data scientists to move DataSpark, which maintains and operates Rhode Island's Longitudinal Data System, from the University of Rhode Island to the Office of Postsecondary Commissioner. The Budget also includes moving the 4.0 full-time equivalent positions and \$0.5 million of federal and private grants that supports RI DataHub from the University to the Office. It also includes legislation to codify the governance and operations of this system.

Medicaid Eligibility Quality Control. The Budget transfers the Medicaid Eligibility Quality Control unit, which includes \$0.4 million and 3.0 full-time equivalent positions, from the Department of Human Services to the Executive Office of Health and Human Services. States are federally required to have a Medicaid Eligibility Quality Control unit to report the ratio of erroneous excess payments in their medical assistance programs. The Executive Office reported that because the Department is responsible for determining Medicaid eligibility, transferring this oversight unit would resolve any potential conflict issues.

Health Equity Zone Staff. The Governor proposed transferring 7.0 full-time equivalent positions associated with the Health Equity Zone program from the Department of Health to the Executive Office of Health and Human Services. While funding will remain with the Department, the Executive Office reported that the transfer will support the continued growth of the program. It noted that it is leading a cross-sector state expansion, scaling, and sustainability workgroup for the Health Equity Zone program to secure additional investments, including through the Medicaid program. The Assembly did not concur and retained staffing in the Department of Health.

Family Home Visiting Program Transfer. The Governor proposed transferring the Medicaid funded portion of Family Home Visiting services from the Department of Health to the Executive Office of Health and Human Services. His budget recommendation included \$1.7 million, of which \$0.8 million is from general revenues, this will allow the 15 family home visiting providers to bill directly through the Medicaid claiming system instead of using a manual process. The Assembly did not concur and retained expenses in the Department of Health.

First Connections Program Transfer. The Governor proposed transferring the Medicaid funded portion

for prenatal services of the First Connections program from the Department of Health to the Executive Office of Health and Human Services. His budget recommendation included \$0.3 million, of which \$0.1 million is from general revenues, so providers can bill through the Medicaid claiming system instead of using a manual process. The Assembly did not concur and retained expenses in the Department of Health.

History

FY 2023

Rhode Island Psychiatric Hospital - Benton Facility. The Budget included a total of \$30.7 million from general revenues to separate the 52-bed Benton facility from the Eleanor Slater Hospital system. The Budget includes \$0.8 million for five new positions: Chief Executive Officer, Chief Medical Officer, Chief Nursing Officer, Chief Quality Officer and Chief Financial Officer. Since the expenses for forensic patients at the Benton facility are not eligible for Medicaid reimbursement, this separation of approximately 150 medical and civil psychiatric patients gives the state a better opportunity to come into compliance with a patient mix that allows the state to bill Medicaid. The Assembly passed Sections 3 through 10 of Article 11 of 2022-H 7123, Substitute A, as amended, to authorize the new facility.

Opioid Stewardship Fund. The Budget transfers authority for administrating the Opioid Stewardship Act, including staff from the Department of Health to the Executive Office of Health and Human Services. The Opioid Stewardship Act, enacted in 2019, established fees totaling \$5.0 million annually, assessed to manufacturers and distributors of opioids registered in the state, and deposited as restricted receipts for programs that provide opioid treatment, recovery, prevention, and education services, subject to future appropriation. Expenditures for programs supported by the fund appear in multiple state agencies.

FY 2022

RICLAS Transfer to Private Providers. The Department of Behavioral Healthcare, Developmental Disabilities and Hospitals operates a state-run residential system with the capacity to provide services to 140 adults with developmental disabilities. In January 2021, there were 116 individuals receiving services in 23 group homes and two apartments. There are 267.0 full-time equivalent positions assigned and 232.0 filled as of January 2021, including 185.0 direct care workers.

The Governor recommended that these operations be transferred to the private agencies that provide residential and community based day and employment services to about 3,800 individuals, as well as day services to 44 individuals in the state-run system. The Governor's FY 2022 recommendation lowers the Department's staffing authorization by 50.0 full-time equivalent positions to start the transfer. The change would take effect by October 1, 2021. The Assembly did not concur with the proposal.

Office of Medical Review. The Assembly concurred with the Governor's proposal to transfer the Office of Medical Review and its 10.0 full-time equivalent positions from the Executive Office of Health and Human Services to the Department of Human Services' Long Term Care Unit to streamline the process of reviewing and processing applications for long term care services.

State Housing Policy and Planning Restructuring. The Governor's budget proposed adding two members to the Rhode Island Housing board and restructured and expanded the Housing Resources Coordinating Committee from four members to seven. It also restructured and reduced the Housing Resources Commission from 28 members to 20, including the membership of the coordinating committee. A new deputy secretary from the Executive Office of Commerce will serve as the Commission's executive director. The Assembly established a new Deputy Secretary position but excluded the remainder of the proposal.

Employer Tax Division. The Assembly concurred with the Governor's proposal to transfer the responsibilities of the collection of taxes for temporary disability insurance, employment security, and the Job Development Fund from the Department of Revenue Division of Taxation to the Department of Labor and Training. This includes the transfer of 35.0 full-time equivalent positions associated with these employer tax collection duties. The division was last housed at the Department of Labor and Training in 1996 when it was transferred to Taxation.

Commercial Driver's Licenses. The Assembly concurred with the Governor's proposal to transfer the responsibility to administer the Commercial Driver's License road test from the Community College of Rhode Island to the Division of Motor Vehicles, as of January 1, 2022.

FY 2021

RICLAS Transfer to Private Providers. The Department of Behavioral Healthcare, Developmental Disabilities and Hospitals operates a state-run residential system with the capacity to provide services to 140 adults with developmental disabilities. Approximately 120 individuals received services in FY 2020 that include 23 group homes and two apartments. The Governor recommended that these operations be transferred to the private agencies that provide residential and community-based day and employment services to about 3,800 individuals, as well as day services to 60 individuals in the state-run system. The Governor's FY 2021 recommendation lowered the Department's staffing authorization by 204.0 full-time equivalent positions to account for this change. The Assembly did not concur with the proposal.

State Housing Policy and Planning Restructuring. The Governor's budget eliminates the 28-member Housing Resources Commission and its related four member coordinating committee. Under current law, the Housing Resources Commission is the lead entity for housing policy and planning, and coordinates responsibilities with Rhode Island Housing through a memorandum of agreement. In place of the Housing Resources Commission, the recommendation establishes a seven-member coordinating council similar to the existing coordinating committee, and elevates the council to be the state's lead housing entity. The council would be permitted to assume control of Rhode Island Housing staff by memorandum of agreement. The budget renames the Office of Housing and Community Development as a division, and recommends a 19-member steering committee with similar membership to the existing commission to advise the council, but does not specifically enumerate entities for inclusion. The Assembly did not concur with the proposal.

Commercial Driver's Licenses. The Governor recommended transferring the responsibility to administer the Commercial Driver's License road test from the Community College of Rhode Island to the Division of Motor Vehicles, as of January 1, 2020. The Assembly did not concur with the proposal.

FY 2020

Employer Tax Division. The Governor recommended transferring the responsibilities of the collection of taxes for temporary disability insurance, employment security, and the Job Development Fund from the Department of Revenue to the Department of Labor and Training. This includes the 37.0 full-time equivalent positions associated with these employer tax collection duties from the Department of Revenue to the Department of Labor and Training. The Assembly did not concur with this proposal.

Office of Veterans' Affairs. The Governor proposed to transfer the Office of Veterans' Affairs and its staff from the Department of Human Services to the Executive Office of Health and Human Services. This includes 252.1 positions. She requested an amendment to rescind her recommendation and rename it the Office of Veterans Services. The Assembly concurred and included a separate staffing authorization.

Division of Elderly Affairs. The Governor proposed to transfer the Division of Elderly Affairs and its staffing of 31.0 positions to the Executive Office of Health and Human Services creating an Office of Elder

Affairs. She subsequently requested an amendment to rescind the proposal and rename it the Office of Healthy Aging. The Assembly concurred and included a separate staffing authorization.

Water Resources Board. The Governor proposed to transfer the Water Resources Board and its staff to the Public Utilities Commission. Operating costs for the Water Resources Board would be charged to regulated utilities. The legislation designates the Department of Administration as the agency that will be responsible for the Big River Management area, which must be maintained for future development of groundwater wells. Prior to 2011, the Water Resources Board was a stand-alone agency. The 2011 Assembly adopted legislation merging the Board into the Division of Planning to more closely align the water planning aspects of the Board with the statewide planning process. The Assembly did not concur and maintained the Water Resources Board in the Department of Administration.

Child Care Facilities Licensing. The Governor's budget transferred the Child Care Facilities Licensing unit to the Department of Human Services. It added 8.0 new full-time equivalent positions for the Department of Human Services and 1.0 new legal position for the Executive Office of Health and Human Services. Current staff doing this work at the Department of Children, Youth and Families would be reassigned within the Department. The Department of Human Services would now be responsible for licensing; the shift would centralize transactions with child care providers. The Assembly concurred but reduced staffing authorization for the Department of Children, Youth and Families by 8.0 positions.

Office of Grants Management. The Governor proposed to transfer functions of federal grants management from the Office of Management and Budget to Accounts and Control. The 2012 Assembly adopted Governor Chafee's recommendation to establish the Office of Management and Budget within the Department of Administration to serve as the principal agency of the executive branch for managing budgetary functions, performance management, and federal grants management. The Assembly concurred.

Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The Governor's FY 2020 through FY 2024 capital plan shifts funding and project oversight for capital projects related to the Eleanor Slater hospital system at both the Cranston and Burrillville campuses, and Barry and Simpson administrative halls to the Department of Administration's Division of Capital Asset Management and Maintenance. In addition, she transferred those functions for community facilities for those with developmental disabilities and behavioral health issues as well. She requested an amendment to transfer the substance abuse asset protection project to the Department of Administration. The Assembly concurred.

Small Business Ombudsman. The Governor proposed to transfer the staffing authorization for the Small Business Ombudsman from the Office of Regulatory Reform within the Department of Administration to the Department of Business Regulation in accordance with a proposed streamline and simplify initiative. It should be noted that the enacted budget assumes a cost allocation for the position paid from the Commerce Corporation's resources; the recommendation does not alter that assumption. The Governor proposed a substantially similar initiative in FY 2018; the Assembly did not concur. The Assembly did not concur with the streamline and simplify initiative; however, it did transfer the position, and shifted the funding for the position from the Commerce Corporation to the Department of Business Regulation.

State Building Office. The Governor's recommended budget included a proposal for an efficiency commission tasked with identifying \$10.0 million of general revenue savings. Subsequently, the Governor requested an amendment which proposed consolidating the Contractors' Registration and Licensing Board and State Building Code Commission of the Division of Building, Design and Fire Professionals into a new State Building Office, as of January 1, 2020 for savings of \$0.1 million. The Assembly concurred.

Office of Postsecondary Commissioner - Department of Elementary and Secondary Education Co-Locate. The Budget removed \$1.0 million from general revenues from the Office of Postsecondary Commissioner based on a proposal from the Efficiency Commission and recommended by the Governor to

co-locate the Office and the Department of Elementary and Secondary Education with the goal to encourage shared administrative support and allow for closer collaboration. The Office would still do planning support for the Council on Postsecondary Education and focus on strategy and policy. The Department of Elementary and Secondary Education would provide the administrative support for the Councils and also provide legal, finance and support functions. Savings are based on the funding for several positions being eliminated from sharing administrative support and the Budget reduces the Office's staffing authorization by 6.0 full-time equivalent positions.

FY 2019

Water Resources Board. The Governor proposed transferring the Water Resources Board and its staff to the Public Utilities Commission. Operating costs for the Water Resources Board would be charged to regulated water suppliers. The legislation designates the Department of Administration as the agency that will be responsible for the Big River Management area, which must be maintained for future development of groundwater wells. Additional statutory changes are required; however, the legislation calls for those changes to be submitted to the 2019 Assembly. A memorandum of understanding, signed on October 20, 2017, between the Department of Administration and the Public Utilities Commission was used to allow the transfer for FY 2018.

Prior to 2011, the Water Resources Board was a stand-alone agency. The 2011 Assembly adopted legislation merging the Board into the Division of Planning to more closely align the water planning aspects of the Board with the statewide planning process. The Assembly did not concur and maintained the Water Resources Board in the Department of Administration.

Building, Design and Fire Professionals. The Assembly concurred with the Governor's proposal to consolidate professions relating to building and construction design, inspection, and enforcement of building and fire codes. The Budget reflected the transfer of several programs, funding and staffing of 59.0 full-time equivalent positions to the Department of Business Regulation. These include the State Fire Marshal from the Department of Public Safety, the Building Code Commission, Contractors' Registration and Licensing Board, and the Fire Code Safety Board of Appeal and Review from the Department of Administration.

A memorandum of understanding between the Department of Administration and the Department of Public Safety, was signed on January 12, 2018 to allow the transfer for FY 2018.

Health Professional Licensing to Business Regulation. The Governor proposed transferring the licensure of several professionals from the Department of Health to the Department of Business Regulation. These include: barbers, cosmeticians, manicurists and estheticians; electrolysis; funeral directors and embalmers; opticians; speech pathologists and audiologists; hearing aid dealers; athletic trainers; interpreters for the deaf; and music therapists. The budget also assumed the transfer of \$0.2 million from general revenues and two positions for the administration of licensing functions from the Department of Health to the Department of Business Regulation. The Assembly did not concur with any of the proposed transfers.

Centralized Services. The 2017 Assembly authorized the establishment of internal service funds for centralized services including information technology, capital asset management and maintenance, and human resources to maximize available non-general revenue sources. Prior to this change, these costs were budgeted in the Department of Administration. The state uses internal service funds to reimburse one agency for services provided to another. Agencies receiving these services will reimburse the internal service funds for the costs. The Governor's budget transferred \$48.3 million from the Department of Administration to state agencies and the Assembly concurred.

Consolidation of Medical Marijuana Oversight at Business Regulation. The Governor proposed expanding the regulatory role of the Department of Business Regulation, including centralizing the registration and regulation of authorized purchasers, compassion center cardholders, primary caregivers, issuance or renewal of registry identification cards, and eliminating the role of the Department of Health to define the equivalent amounts of medical marijuana. The program is staffed by 5.9 full-time equivalent positions in the Department of Health; the Department of Business Regulation had 4.0 full-time equivalent positions, but the Governor's budget proposed to add 4.0 more positions in FY 2019. The Assembly did not concur with this proposal.

FY 2018

Public Safety Consolidation. The Governor proposed legislation to replace the director of the Department of Public Safety with a civilian commissioner, who will be appointed by the Governor with the advice and consent of the Senate. Under current law, the Department of Public Safety is administered by a director who also serves as Superintendent of the State Police. The Governor also proposed to merge the Emergency Management Agency and establish it as the seventh division within the Department of Public Safety. The director of the Emergency Management Agency would be appointed by the Governor; however, the Commissioner may prescribe other duties and responsibilities. The Assembly did not concur.

Lead Poisoning Prevention. The Governor proposed legislation to repeal the Lead Hazard Mitigation Act and amend the Lead Poisoning Prevention legislation to centralize lead poisoning prevention activities, which are currently performed by the Department of Health and the Rhode Island Housing Resources Commission, under the purview of the Department of Health. The proposal would allow the Department to oversee interagency coordination activities and it would be responsible for adopting rules and regulations to certify lead safe compliance for all residential units and permitting lead inspectors. The Department is also required to maintain a registry of lead safe certificates.

The Governor proposed legislation to amend the disposition of the real estate conveyance tax to transfer five cents of the current 30 cents that the Housing Resources Commission receives to the Department of Health for lead poisoning prevention activities. The recommended budget included \$0.6 million from these resources for the Department of Health to fund 3.0 additional positions, including two lead inspectors and one data manager as well as operating costs. She subsequently requested an amendment to require an annual transfer of not less than \$590,000 from the Real Estate Conveyance Tax. The Assembly did not concur and maintained current law.

Health Care Utilization Review Transfer. Previously, the Department of Health certified health plan and utilization review entities, monitored obligations of health plan provider contracts, investigated and tracked complaints against health plans and utilization reviews by enrollees. The Office of the Health Insurance Commissioner reviews denial of benefits and accuracy of claims processing and is also responsible for the adequacy of network coverage in terms of access to and availability of providers and the continuity of care available to consumers.

The Governor proposed to transfer the oversight of the health care utilization review from the Department of Health to the Office of the Health Insurance Commissioner. The Budget also reflected the transfer of funding and staffing of 2.0 full-time equivalent positions. The Assembly concurred.

Health and Human Services - Finance Staff. The Governor transferred 91.0 finance positions to the Executive Office of Health and Human Services from agencies under its umbrella in her FY 2018 recommendation; this is consistent with current law. The transfer includes: 39.0 positions from the Department of Human Services, 33.0 positions from the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals, 12.0 positions from the Department of Children, Youth and Families, and 7.0 positions from the Department of Health. Funding would remain with the individual

agencies. Functions include finance administration, billing and data entry. This increased the level of 17.0 finance positions in the Executive Office to 108.0 positions. The Assembly concurred.

Eleanor Slater Hospital Reorganization. The Governor's FY 2018 recommendation assumed savings of \$12.2 million, \$5.7 million from general revenues from reorganizing the state hospital. This included transferring youth currently at the 54-bed Youth Assessment Center to the Youth Detention Center and moving the adult forensic population at the Pinel Building into the newly vacated space. It included privatizing laboratory services, downsizing medical services and administrative staff and closing one of the two remaining intermediate care facilities. The plan also included transferring medical patients to the Zambarano campus in Burrillville and converting recently vacated space into a step-down unit to increase capacity for psychiatric patients. The Assembly included savings of \$11.2 million, \$5.2 million from general revenues. It did not concur with privatizing laboratory services.

Eisenhower House. The Assembly concurred with the Governor's proposal to transfer the management of the Eisenhower House, a historic state-owned property in Newport, from the Historical Preservation and Heritage Commission to the Department of Environmental Management. The Budget included \$188,150 from all funds for staff and operations of the facility. This includes \$50,000 from general revenues and \$138,150 from new restricted receipts, which would be derived from booking fees of the facility. FY 2016 expenditures for the facility were \$135,536.

FY 2017

Office of Diversity, Equity and Opportunity. Governor Raimondo's budget proposed legislation to establish the Office of Diversity, Equity and Opportunity in statute; the Office is currently operating under an executive order. The legislation places the State Equal Opportunity Office under the administrative supervision of the Office of Diversity, Equity and Opportunity instead of the Division of Human Resources, and requires the Office of Personnel Administration to consult with the Office in preparing a comprehensive plan to maintain and secure equal opportunity. The legislation adds the associate director of the Office as a member of the Labor Relations Committee. The Assembly concurred.

Division of Enterprise Technology Strategy and Services. Governor Raimondo proposed legislation to replace the current Division of Information Technology, which was created by an executive order with the Division of Enterprise Technology Strategy and Services to be managed by the chief of digital excellence. The legislation amends current law to establish the Office of Library and Information Services within the Division and places the chief of library services under the supervision of the chief of digital excellence. The Division will also consist of the following offices: Information Technology and Digital Excellence. The Assembly concurred.

Division of Capital Asset Management and Maintenance. Governor Raimondo proposed legislation to create the Division of Capital Asset Management and Maintenance, which will assume the responsibilities of the current divisions of Facilities Management and Capital Projects and Property Management. Both divisions were created by an executive order in 2004. The legislation allows the Director of the Department of Administration to appoint a director of the division. Some of the responsibilities of the division director include: reviewing agency capital budget requests to ensure that requests are consistent with strategic and master facility plans of the state; managing and maintaining state owned facilities; overseeing new construction and rehabilitation projects; maintaining an inventory of all state properties; and responding to facilities emergencies. The Assembly concurred.

Office of Internal Audit. Governor Raimondo proposed legislation to repeal the Bureau of Audits and establish the Office of Internal Audit within the Office of Management and Budget. The Office will be managed by a chief of internal audit, who must be appointed by the Director of the Department of Administration. The Office is authorized to conduct audits of any state department, agency or private entity

that is a recipient of state funding or state grants. The Office is also tasked with evaluating the efficiency of operations and internal controls, preventing and detecting fraud, waste, abuse or mismanagement of funds.

The Budget reflected the consolidation of internal auditing functions and staff from the Departments of Transportation and Human Services, the Office of Postsecondary Commissioner and the University of Rhode Island. The Assembly concurred.

Women, Infants, and Children Nutrition Program. Governor Raimondo proposed legislation to transfer the administration and management of the Women, Infants, and Children nutrition program from the Department of Human Services to the Department of Health. The Department of Health previously managed the program; however, the 2009 Assembly adopted legislation to transfer the program to the Department of Human Services. This was to consolidate management and nutrition benefits. There have been issues with the United States Department of Agriculture regarding the designation of the administrating state agency. The Assembly concurred.

Department of Health. Governor Raimondo's budget reflected a reorganization of functions within the Department of Health. Certain programs such as the Health Laboratories and the Office of State Medical Examiners were merged. It reflected the creation of the Division of Customer Services and includes the operations of Vital Records, which was previously under the Public Health Information program, and the operations of Licensing, Professional Boards and Commissions and the Center for Health Facilities Regulation, previously under the Environmental and Health Services Regulation program. The Assembly concurred.

Governor's Commission on Disabilities. Subsequent to her budget submission, Governor Raimondo requested legislation to designate the Governor's Commission on Disabilities as the state agency responsible to apply for and receive federal funds under the Workforce Innovation and Opportunity Act for the State Independent Living Plan, effective October 1, 2016. She also requested an amendment to transfer funding from the Department of Human Services to the Commission. The Assembly concurred.

Office of Veterans' Affairs. Governor Raimondo included legislation to create the Office of Veterans' Affairs within the executive branch, reporting directly to the Governor. This removed it as a Division in the Department of Human Services; however, for administrative purposes, funding for the Office of Veterans' Affairs will remain in the Department of Human Services' budget. The Assembly concurred.

FY 2016

Higher Education Assistance Authority Merger. Governor Raimondo's budget transferred all of the powers, duties, authority and resources of the Rhode Island Higher Education Assistance Authority to the Council for Postsecondary Education and the Office of the General Treasurer and established a new Division of Higher Education Assistance in the Office of Postsecondary Commissioner. The budget reflected the transfer of \$19.1 million and 15.0 full-time equivalent positions to the Office of Postsecondary Commissioner. Administrative responsibility for the state's tuition savings program would be transferred to the Office of the General Treasurer. The recommendation represents direct program positions as well as overhead support. Remaining direct functions will require fewer staff with the efficiencies provided for in a merger; therefore, the Assembly eliminated 5.0 positions and \$0.8 million. One position and \$0.3 million was shifted to the Office of the General Treasurer to administer the *CollegeBoundfund*.

Executive Office of Commerce. The 2013 Assembly created the Executive Office of Commerce to be administered by a secretary of commerce, effective February 1, 2015. The Office oversees and serves as the lead agency of the Executive Branch for managing the promotion of commerce and the state's economy. Pursuant to 2013-H 6063, Substitute B, on or about February 1, 2015, the Executive Office of Commerce

has powers to operate functions from the Department of Business Regulation and, subsequently, various functions from the Department of Administration. Consistent with the legislation, Governor Raimondo's budget included the transfer of Housing and Community Development functions to the Executive Office of Commerce. It also transferred the Film and Television Office from the Department of Administration to Commerce. It did not, however, transition Department of Business Regulation functions, leaving it as a stand-alone department. The Assembly concurred, with the exception of transferring the Film and Television Office to the Arts Council.

Capital Projects Consolidation. Governor Raimondo's budget proposed consolidating construction property and asset management functions into the Department of Administration. It appears that the positions are kept in their respective agencies, including the Departments of Behavioral Healthcare, Developmental Disabilities and Hospitals, Environmental Management, Corrections, and Transportation. The Assembly concurred; however, transferred funding back for the Department of Environmental Management, consistent with the Governor's requested budget amendment.

Division of Advocacy. Governor Raimondo's budget proposed consolidating the Governor's Commission on Disabilities, the Commission on the Deaf and Hard of Hearing, the Office of the Child Advocate, and the Office of the Mental Health Advocate under a newly created Division of Advocacy within the Executive Office of Health and Human Services. The consolidation was for administrative and budget purposes only, and all agencies would maintain their responsibilities as mandated by current law. The Governor subsequently requested an amendment that rescinded the proposed legislation, maintained the offices as separate agencies, and restored operating savings assumed to be achieved through the merger. The Assembly concurred.

Non-Prescribing Boards Consolidation. Governor Raimondo proposed consolidating all of the non-prescribing health professional boards into one board. There are 25 professional boards that include a variety of professions, such as dietitians, physical therapists, occupational therapists, optometrists, social workers and funeral home directors. The Department of Health approves all written and practical examinations, and issues licenses and permits for these professions. The proposed legislation would create a single board of review for appeals, discipline and advisory functions. This would allow for the elimination of 2.0 positions that support the boards and \$0.2 million from general revenues. The Assembly did not concur.

RI Film and Television Office. The Budget transferred the Rhode Island Film and Television Office, including \$0.3 million from general revenues and 2.6 full-time equivalent positions, from the Department of Administration to the Rhode Island State Council on the Arts. The Film and Television Office works with filmmakers to identify filming sites, vendors, and promote the benefits of working in Rhode Island. Governor Raimondo's FY 2016 recommendation transferred the Office to the Executive Office of Commerce. The Office was transferred to the Department of Administration from the Council as part of the FY 2013 budget.

Bays, Rivers and Watersheds Coordination Team. The Assembly concurred with Governor Raimondo's proposal to abolish the Bays, Rivers and Watersheds Coordination Team, which was responsible for the coordination of the environmental agencies in the state to restore and develop both freshwater and marine waters and watersheds. The work is funded by an \$80,000 transatlantic cable fee, a \$1 per hundred gallons charge on septage disposal in the state, and a \$250,000 annual allocation from the Oil Spill, Prevention, Administration and Response Fund. The restricted receipts will be utilized by the Department of Environmental Management for efforts relating to watershed and marine monitoring, water pollution abatement, and climate change.

FY 2015

Office of Diversity, Equity and Opportunity. The Budget reflected the creation of the Office of Diversity, Equity and Opportunity within the Department of Administration. Existing staff of 7.0 full-time equivalent positions and funding will be transferred from the Division of Purchasing's Minority Business Enterprise Office and the Division of Human Resources' Outreach and Diversity Office.

In May 2013, Governor Chafee issued Executive Order 13-05 entitled "Promotion of Diversity, Equal Opportunity and Minority Business Enterprises in Rhode Island." The Executive Order required that the Department of Administration review all divisions and offices within the Department that are charged with facilitating equal opportunity employment and make recommendations to improve collaboration between these offices. The creation of the Office of Diversity, Equity and Opportunity reflects the Department of Administration's recommendation.

Rhode Island Emergency Management Agency. The Budget reflected the Emergency Management Agency and the National Guard as two stand-alone agencies. They were two distinct programs in the Military Staff under the control of the Adjutant General. This action was recommended to reflect the individual agency missions as well as their operational structures. There were no major changes to funding levels or positions.

Executive Office of Commerce. Governor Chafee's budget proposed to delay the creation of the Executive Office of Commerce and the transfer of the functions of the Department of Business Regulation from February 1, 2015 to July 1, 2015. The Assembly did not concur with the delay.

The Governor also proposed maintaining the Office of Regulatory Reform in the Office of Management and Budget instead of transferring it to the new Executive Office of Commerce. The Assembly concurred.

Department of Environmental Management Customer Service Unit. The Budget created in statute a customer service unit within the Department of Environmental Management. The Department already includes an Office of Customer and Technical Assistance, but the legislation codifies a requirement that the agency have a customer service unit and program to provide technical assistance to customers and help them to comply with environmental regulations and requirements. This legislation also mandated that the Department and the Office of Regulatory Reform collaborate on a report detailing an alternative compliance approaches plan, which would be due to the General Assembly and the Governor by May 1, 2015.

Higher Education Assistance Authority. The Budget included legislation that requires the administration to include a plan for allocating Higher Education Assistance Authority programs to other agencies as part of the FY 2016 budget.

Behavioral Healthcare Services to EOHHS. The Budget transferred Medicaid-funded behavioral healthcare services from the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals to the Executive Office of Health and Human Services so that mental health and substance abuse treatment services for disabled individuals will be appropriated to one agency and included \$60.8 million, of which \$30.1 million is general revenues.

FY 2014

EDC/Commerce Corporation. The Budget delayed the creation of the Executive Office of Commerce and the transfer of the functions of the Department of Business Regulation from February 1, 2015 to July 1, 2015. It maintains the Office of Regulatory Reform in the Office of Management and Budget instead of transferring it to the new Executive Office of Commerce. As contained in 2013-H 6063, Substitute B, on or about February 1, 2015, the Office is empowered to assume functions from the Department of Business

Regulation and, subsequently, various functions from the Department of Administration. The legislation further required that the Office submit a comprehensive review of the roles, functions and programs of the Department of Administration and the Department of Labor and Training to the House of Representatives and the Senate before September 1, 2015. Additionally, the Office shall make recommendations and a business plan for the integration of these entities with the Office, and the Governor may include these recommendations as part of the FY 2017 budget.

Renewable Energy Fund Program Transfer. Governor Chafee's budget transferred the Renewable Energy Fund from the Economic Development Corporation to the Office of Energy Resources. The Office previously managed the fund and the 2007 Assembly enacted legislation to transfer the fund to the Corporation, effective FY 2008. The Governor's recommended budget included expenditures of \$2.5 million and staffing of 2.0 positions from the Corporation. The Assembly did not concur and maintained the program in the Corporation.

Office of Regulatory Reform. Subsequent to the enactment of the FY 2013 budget, the Assembly adopted legislation contained in Chapter 445 of the 2012 Public Laws to transfer the Office of Regulatory Reform from the Economic Development Corporation to the Office of Management and Budget in the Department of Administration. Governor Chafee's revised budget reflected this transfer as well as the 2.0 positions that support the Office. The Office was created in 2010 to improve the state's business climate by making it easier for businesses to navigate through state and local permitting and regulatory issues. The Assembly adopted legislation in 2013-H 6063, Substitute B, requiring that the Office of Regulatory Reform report to the Secretary of Commerce within the Executive Office of Commerce, effective February 1, 2015.

Rhode Island Health Benefits Exchange. The Budgets reflected the transfer of the Rhode Island Health Benefits Exchange from the Office of the Governor to the Department of Administration. In September 2011, Governor Chafee issued an executive order to establish the Office as the centrally accountable office for operational and financial implementation, including policy development.

Construction Permitting, Approvals and Licensing. The Budget reflected the creation of a new program in the Department of Administration: Construction Permitting, Approvals and Licensing, consisting of the State Building Code Commission, Contractors' Registration Board, and Fire Code Board of Appeal. Staffing and funding were transferred from Capital Projects and Property Management. The Department indicated that the program change was necessary to avert the appearance of a conflict of interest between the Office of Capital Projects and the aforementioned offices.

Rhode Island Public Telecommunications Authority. The Budget included the statutory authority to end state support to the Authority as of July 1, 2013, and abolish it as a public agency, as the Authority has been transferred to the Rhode Island PBS Foundation.

Assisted Living and Home Care Waiver Services. The Budget shifted assisted living and home care waiver services in the Division of Elderly Affairs within the Department of Human Services to the Executive Office of Health and Human Services for FY 2014, consistent with Governor Chafee's requested amendment, in order to locate all Medicaid assisted living and home care expenditures in the Executive Office's budget.