

House Fiscal Advisory Staff

2013-H 5127 Substitute A As Recommended by the House Finance Committee



Submitted to the 2013 House of Representatives

House Committee on Finance

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Hon. Larry Valencia

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Introduction

Introduction

This document provides information concerning the FY 2014 budget contained in 2013-H 5127, Substitute A as passed out of House Finance Committee on June 18. The sections that follow contain descriptions of the Committee's recommended changes to the Governor and current law. Section I, beginning on page 3, is a short summary of the budget.

Section II, beginning on page 7, presents the changes to the Governor's recommendations for FY 2014 introduced and referred to House Finance on January 22. It is followed by explanations of the items in the table. The explanations are numbered to correspond to the item numbers shown in the table.

Section III, beginning on page 35, contains State Aid to Cities and Towns and Education Aid. Both of these reports contain comparison tables to FY 2013 as well as descriptions of the major aid components.

Section IV, beginning on page 63, contains the changes to the Governor's revised budget which was included as Article 10 of 2013-H 5127. It is followed by explanations of the items in the table. The explanations are numbered to correspond to the item numbers shown in the table.

Section V, beginning on page 94, contains summary tables of general revenues by source, expenditures by agency by fund source, and full-time equivalent positions. The expenditure and full-time equivalent positions tables show values for the FY 2013 enacted budget, the final FY 2013 budget as reported by the House Finance Committee, the Governor's FY 2014 recommendations and the House Finance Committee's recommendations.

Section VI, beginning on page 107, contains brief descriptions of the articles contained in 2013-H 5127, Substitute A.

The names and telephone numbers of the House Fiscal Staff are listed below by their assignments. Please feel free to allow staff to assist you with any questions you may have concerning the budget.

General Government Agencies

Analyst and Phone Number (222)

Department of Administration	Chantale Sarrasin (2485)
Department of Business Regulation	Abby E. McQuade (1303)
Department of Labor and Training	Stephanie Loven (3876)
Department of Revenue	Chantale Sarrasin (2485)
Legislature.....	Liza Pinto (2059)
Office of the Lieutenant Governor	Chantale Sarrasin (2485)
Office of the Secretary of State.....	John H. Hart (1386)
Office of the General Treasurer	Liza Pinto (2457)
Rhode Island Board of Elections	John H. Hart (1386)
Rhode Island Ethics Commission	Abby E. McQuade (1303)
Office of the Governor	Chantale Sarrasin (2485)
Rhode Island Commission for Human Rights	Nobel Judy (3877)
Public Utilities Commission	Abby E. McQuade (1303)
Economic Development Corporation.....	Chantale Sarrasin (2485)

Human Services Agencies

Office of Health and Human Services.....	Linda M. Haley (1164)
Department of Children, Youth and Families	Jarrold M. Pimentel (1304)
Department of Health	Stephanie Loven (3876)
Department of Human Services	Stephanie Loven (3876)
Behavioral Healthcare, Developmental Disabilities and Hospitals	Linda M. Haley (1164)
Office of the Child Advocate	Jarrold M. Pimentel (1304)
Commission on the Deaf and Hard of Hearing	Jarrold M. Pimentel (1304)
Governor’s Commission on Disabilities	Jarrold M. Pimentel (1304)
Office of the Mental Health Advocate	Linda M. Haley (1164)

Education Agencies

Department of Elementary and Secondary Education.....	Liza Pinto (2059)
Board of Governors for Higher Education	Liza Pinto (2059)
Rhode Island Council on the Arts	Jarrold M. Pimentel (1304)
Rhode Island Atomic Energy Commission	Liza Pinto (2059)
Rhode Island Higher Education Assistance Authority	Liza Pinto (2059)
Historical Preservation and Heritage Commission	Abby E. McQuade (1303)
Rhode Island Public Telecommunications Authority.....	Linda M. Haley (1164)

Public Safety Agencies

Office of the Attorney General	Nobel Jeudy (3877)
Department of Corrections	Nobel Jeudy (3877)
Judicial Department	John-Paul Verducci (2014)
Military Staff	John-Paul Verducci (2014)
Department of Public Safety	Abby E. McQuade (1303)
Office of the Public Defender	Nobel Jeudy (3877)

Natural Resources Agencies

Department of Environmental Management	John H. Hart (1386)
Coastal Resources Management Council	John H. Hart (1386)
State Water Resources Board	John H. Hart (1386)
Clean Water Finance Agency.....	John H. Hart (1386)
Narragansett Bay Commission	John H. Hart (1386)
Rhode Island Resource Recovery Corporation	John H. Hart (1386)

Transportation Agencies

Department of Transportation	John-Paul Verducci (2014)
Rhode Island Public Transit Authority.....	John-Paul Verducci (2014)
Rhode Island Airport Corporation	John-Paul Verducci (2014)

Section I Overview

Summary

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
Expenditures by Function*				
General Government	\$ 1,523.7	\$ 1,609.5	\$ 1,430.7	\$ 1,488.7
Human Services	3,186.7	3,114.6	3,316.7	3,308.6
Education	2,266.7	2,278.3	2,318.8	2,317.7
Public Safety	507.2	530.2	524.6	522.1
Natural Resources	103.9	103.3	111.7	118.7
Transportation	511.6	465.8	469.9	461.0
Total	\$ 8,099.9	\$ 8,101.6	\$ 8,172.5	\$ 8,216.8
Expenditures by Category*				
Salaries and Benefits	\$ 1,540.9	\$ 1,518.6	\$ 1,558.8	\$ 1,553.9
Contracted Services	274.2	291.8	276.6	276.9
Subtotal	\$ 1,815.1	\$ 1,810.4	\$ 1,835.4	\$ 1,830.9
Other State Operations	700.1	719.8	584.3	711.7
Aid to Local Units of Government	1,129.9	1,127.1	1,177.8	1,170.7
Assistance, Grants, and Benefits	3,665.1	3,643.6	3,778.6	3,708.7
Capital	370.5	354.4	379.8	379.9
Capital Debt Service	274.4	283.4	269.4	268.1
Operating Transfers	144.7	162.9	147.1	146.9
Total	\$ 8,099.9	\$ 8,101.6	\$ 8,172.5	\$ 8,216.8
Sources of Funds*				
General Revenue	\$ 3,295.8	\$ 3,233.8	\$ 3,399.2	\$ 3,368.3
Federal Aid	2,676.4	2,723.2	2,645.1	2,716.3
Restricted Receipts	232.5	269.3	252.8	252.3
Other	1,895.2	1,875.3	1,875.5	1,879.8
Total	\$ 8,099.9	\$ 8,101.6	\$ 8,172.5	\$ 8,216.8
FTE Authorization	15,026.3	15,076.4	15,171.6	15,107.3

**Data in millions*

Summary

The Governor's budget recommendations for FY 2014, along with his revisions to the FY 2013 enacted budget, are contained in 2013-H 5127, introduced on January 22, 2013. The Governor released his budget documents on January 16, 2013 following his State of the State address.

The Governor recommends a total FY 2014 budget of \$8,172.5 million. Total expenditures increase \$72.6 million from the FY 2013 budget enacted by the 2012 Assembly, or 0.9 percent. His FY 2013 revised budget totals \$8,079.7 million; FY 2012 expenditures were \$7,718.5 million.

The Governor's budget includes \$3,399.2 million of expenditures funded from general revenues, \$103.3 million, or 3.1 percent more than the enacted general revenue funded budget. They are also \$131.5 million more than his revised recommendations.

The House Finance Committee recommends total expenditures of \$8,216.8 million, which is \$44.3 million more than the Governor recommended. It contains \$3,368.3 million from general revenues, which is \$30.9 million less than the Governor recommended.

FY 2014	General				
	Revenue	Federal	Restricted	Other	All Funds
FY 2013 Enacted	\$ 3,295.8	\$ 2,676.4	\$ 232.5	\$ 1,895.2	\$ 8,099.9
Governor	3,399.2	2,645.1	252.8	1,875.5	8,172.5
Change to Enacted	\$ 103.3	\$ (31.3)	\$ 20.2	\$ (19.7)	\$ 72.6
Percent Change	3.1%	-1.2%	8.7%	-1.0%	0.9%
Assembly	\$ 3,368.3	\$ 2,716.3	\$ 252.3	\$ 1,879.8	\$ 8,216.8
Change to Enacted	72.4	40.0	19.8	(15.3)	116.9
Percent Change	2.2%	1.5%	8.5%	-0.8%	1.4%
Change to Governor	\$ (30.9)	\$ 71.3	\$ (0.4)	\$ 4.3	\$ 44.3
Assembly Change to FY 2013	\$ 134.5	\$ (6.9)	\$ (17.0)	\$ 4.6	\$ 115.2
Percent Change to FY 2013	4.2%	-0.3%	-6.3%	0.2%	1.4%
Assembly Change to FY 2012	\$ 258.0	\$ 117.2	\$ 68.2	\$ 54.8	\$ 498.3
Percent Change to FY 2012	8.3%	4.5%	37.1%	3.0%	6.5%

General revenue expenditures recommended by the Committee are \$72.4 million, or 2.2 percent more than general revenues appropriated for FY 2013 by the 2012 Assembly. General revenue expenditures are \$134.5 million more than the FY 2013 revised budget also contained in 2013-H 5127, Substitute A.

A significant portion of the changes in the budget relate to adjustments for payments of unemployment benefits, which are reflected in both federal and other funds. These account for \$74.4 million and \$61.4 million of the changes to the Governor's budgets for FY 2014 and FY 2013, respectively.

House Fiscal Staff estimates that in preparing the FY 2014 budget, the Governor faced a projected revenue-expenditure gap of \$128 million as of July. By November that had dropped to \$115 million, assuming no FY 2013 surplus.

This was somewhat lower than Staff's FY 2014 forecast in the FY 2013 enacted budget, mainly because of revisions and corrections to expenditure assumptions and continued caseload savings. There was no significant change in the long term projection that the budget gap would grow to over \$400 million by FY 2018. The Governor's budget appears to have resolved a significant majority of this gap with the prior year surplus in addition to other one-time savings.

The gap narrowed in FY 2013 by \$12.2 million but grew by \$44.6 million in FY 2014 due to weaker than expected revenue estimates offset by caseload changes adopted at the May 2013 Revenue and Caseload Estimating Conference. The two-year impact of the changes meant \$30 million less in available resources compared to the Governor's budget.

House Finance Committee closed this new budget gap by accepting only some of the Governor's new spending initiatives, maximizing the benefits available under the Affordable Care Act and making additional changes to agency budgets.

The Committee's budget also includes a number of initiatives that do not reflect a full year's savings or do not produce savings until FY 2014 or later. This is necessary to offset the use of FY 2013 surplus funds and other one-time savings in FY 2014 to limit the impact on out-year deficits. Examples of this

include the Affordable Care Act savings that begin on January 1, the elimination of future benefits for former spouses of state employees, and exchanging the Governor's business tax plan that costs more in the later years for one that has a declining cost.

The Governor's budget projects out-years to be significantly unbalanced. The forecast included with the Budget estimates a \$170.5 million gap for FY 2015, equating to 5.0 percent of useable revenues, that grows to \$468.9 million in FY 2018, 13.4 percent of useable revenues. The FY 2015 gap is due to the significant use of one-time items in the resolution of the current budget gap as well as commitment of future expenses and revenue reductions not reflected in FY 2014. Beginning in FY 2016, the estimate reflects the potential impact of casino gaming in Massachusetts. Those losses account for \$140.8 million or nearly 30 percent of the FY 2018 gap.

The House Finance Committee's budget does not resolve the out-year budget gaps.

The items that follow represent a selection of items of interest regarding the budget. Additional information is contained in the sections describing the changes to the Governor's budget, budget article explanations and aid reports.

- **38 Studios Debt Service.** The Budget includes a \$2.5 million debt service payment relating to 38 Studios as part of the Job Creation Guaranty program. It also repeals the program and provides funding for an outside market analysis of the impact of this issue on the state.
- **Business Taxes.** The House Finance Committee did not concur with the Governor's three separate proposals relating to taxes on businesses that have a combined impact of a \$5.3 million revenue loss in FY 2014 growing to \$25.9 million in FY 2018. The Committee did approve a plan to move to the federal system for accounting of depreciation of assets and to disallow a federal deduction on domestic production. The impact of those proposals begins in FY 2015 and would result in additional revenues by FY 2019. The budget includes \$10.0 million to fund the first year impact.
- **Validation Stickers.** The House Finance Committee does not concur with the Governor's proposed savings of \$280,500 from eliminating validation stickers issued to motorists updating their registration.
- **Nursing Facilities Payments.** The House Finance Committee concurs with the Governor's proposal to eliminate the October 1, 2013 nursing home rate increase. This includes \$7.1 million less in expenditures from state and federal sources including \$3.5 million from general revenues offset by a \$0.4 million revenue loss in health care taxes.
- **Hospital Rates.** The House Finance Committee concurs with the Governor's proposal to freeze the rates for inpatient and outpatient hospital services in FY 2014 and includes savings of \$9.9 million, \$4.9 million from general revenues.
- **Emergency Room Diversion Program.** The House Finance Committee includes \$250,000 in one-time funding from general revenues for a diversion pilot program to address emergency room usage for non-emergency purposes by individuals with behavioral health and substance abuse issues.
- **Public Higher Education.** The House Finance Committee concurs with the Governor's proposal to ensure that no public higher institution raise tuition for FY 2014.

- **Veteran's Court Staffing.** The House Finance Committee adds \$0.3 million for operational support of the newly formed Veteran's Court within the District Court of the Judiciary.
- **Rhode Island Public Transit Authority Debt Service.** The Governor recommends the Authority's debt service payments be made with general revenue in lieu of Authority sources in order to reduce the projected operating shortfalls. This includes \$1.6 million in FY 2013 and \$1.7 million in FY 2014. The House Finance Committee concurs.

General Revenue Surplus Statement

The following table shows the general revenue balances as recommended by the House Finance Committee. The Committee recommends an FY 2014 surplus of \$0.2 million, and has an operating deficit of \$95.8 million reflecting use of the FY 2013 surplus. The FY 2014 surplus is revenues minus the transfer to the Budget Reserve Fund minus expenditures. It represents the gap between useable revenues and expenditures. The budget reserve and cash stabilization account, the "rainy day fund" would have ending balances of \$153.4 million in FY 2012, \$172.6 million in FY 2013, and \$174.1 million in FY 2014. The account received 2.8 percent of general revenues plus free surplus in FY 2012 and will receive 3.0 percent in FY 2013 and FY 2014.

	FY 2012	FY 2013	FY 2014
Opening Surplus			
Free Surplus	\$ 64,229,426	\$ 115,187,511	\$ 105,962,719
Reappropriated Surplus	4,532,242	7,726,521	-
Subtotal	\$ 68,761,668	\$ 122,914,032	\$ 105,962,719
Revenues			
Enacted/Actual/Estimated	3,257,400,000	3,328,415,000	3,288,130,000
Governor	-	15,778,629	138,254,480
Assembly		(7,425,000)	(49,427,006)
Closing	13,316,491	-	-
Revenues	3,270,716,491	3,336,768,629	3,376,957,474
Cash Stabilization Fund	(93,378,486)	(103,558,684)	(104,487,606)
Total Available Resources	\$ 3,246,099,673	\$ 3,356,123,977	\$ 3,378,432,587
Expenditures			
Enacted/Actual/Estimated	3,110,242,012	3,295,836,490	3,462,056,341
Reappropriations	-	7,726,521	-
Governor	-	(35,902,340)	(62,902,032)
Assembly		(33,849,413)	(30,873,036)
Total Expenditures	\$ 3,110,242,012	\$ 3,233,811,258	\$ 3,368,281,273
Total Surplus	\$ 135,857,661	\$ 122,312,719	\$ 10,151,314
Transfers: Retirement, IT & Fleet,			
Depreciation	(12,943,629)	(16,350,000)	(10,000,000)
Reappropriations	(7,726,521)	-	-
Free Surplus	\$ 115,187,511	\$ 105,962,719	\$ 151,314
<i>Operating Surplus/(Deficit)</i>	<i>71,628,235</i>	<i>7,125,208</i>	<i>(95,811,405)</i>
Budget Stabilization and Cash Reserve	\$ 153,407,512	\$ 172,597,807	\$ 174,146,010
Percent of Revenues	4.7%	5.2%	5.2%

Section II

Adjustments to Governor's FY 2014 Budget

	FY 2014 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
	<i>Revenue Changes</i>					
1	ACA Medicaid Expansion - Gross Premiums Tax	1,100,000	-	-	-	1,100,000
2	Accident Report Revenue Loss	(287,000)	-	-	-	(287,000)
3	Artists Sales Tax Exemption - Pilot	(825,000)	-	-	-	(825,000)
4	Corporate Tax - Job Development Act	(2,401,979)	-	-	-	(2,401,979)
5	Corporate Tax - Enterprise Zone Tax Credit	(303,485)	-	-	-	(303,485)
6	Corporate Tax - Phased Rate Reduction	7,951,609	-	-	-	7,951,609
7	Corporate Tax -Domestic Production & Accelerated Depreciation	[10,000,000]	-	-	-	[10,000,000]
8	Investment Earnings	300,000	-	-	-	300,000
9	Liquor Tax Restructuring - Pilot	(1,200,000)	-	-	-	(1,200,000)
10	May Revenue Conference	(52,361,151)	-	-	-	(52,361,151)
11	Newport Grand Share - Increase	(1,000,000)	-	-	-	(1,000,000)
12	Red-light Legislation	100,000	-	-	-	100,000
13	Scholarship Tax Credit	(500,000)	-	-	-	(500,000)
	Total	(49,427,006)	-	-	-	(49,427,006)
	<i>Expenditures Changes</i>					
	Statewide					
14	Art 2. Actuarial Savings Adjustment	(532,841)	(181,545)	(125,309)	(97,563)	(937,258)
15	OPEB Rate Correction	(1,516,811)	(507,130)	(363,039)	(305,427)	(2,692,407)
16	State Employees Former Spouses Coverage - Prospective	915,200	371,800	71,500	71,500	1,430,000
	Administration					
17	38 Studios Debt Service -Market Analysis	50,000	-	-	-	50,000
18	Capital - Board of Elections - New Building	-	-	-	250,000	250,000
19	Capital - Chapin Health Lab.	-	-	-	(400,000)	(400,000)
20	Capital - Harrington Hall Renovations	-	-	-	1,000,000	1,000,000
21	Capital - Mathias	-	-	-	1,600,000	1,600,000
22	Capital - Old Colony House	-	-	-	75,000	75,000
23	Capital - Old State House	-	-	-	100,000	100,000
24	Capital - Pastore Center Central Power Plant	-	-	-	1,600,000	1,600,000
25	Capital - Pastore Center Medical Center Rehab.	-	-	-	(695,000)	(695,000)
26	Capital - Pastore Cottages Rehabilitation	-	-	-	500,000	500,000
27	Capital - State House Renovations	-	-	-	(2,621,000)	(2,621,000)
28	Capital - State Office Building	-	-	-	(585,000)	(585,000)
29	Capital - Veterans Memorial Auditorium Land Purchase	-	-	-	(350,000)	(350,000)
30	Capital - Virks	-	-	-	1,000,000	1,000,000
31	Capital - Washington County Government Center	-	-	-	162,000	162,000
32	Capital - William Powers Building	-	-	-	2,100,000	2,100,000
33	Capital - Zambarano Utilities	-	-	-	(1,810,000)	(1,810,000)
34	Community Development Block Grant Adjustment	-	4,000,000	-	-	4,000,000
35	Community Service Grant Adjustments	14,353	-	-	-	14,353

	FY 2014 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
36	Computer Refresh	(75,000)	-	-	-	(75,000)
37	Debt Service - New Issuance	(1,372,107)	-	-	-	(1,372,107)
38	DoIT Software Maintenance Contracts	(150,000)	-	-	-	(150,000)
39	EDC Tourism	(600,000)	-	-	-	(600,000)
40	Electronic Local Permitting - Shift from FY 2013	280,000	-	-	-	280,000
41	Innovation Matching Grants and Bio Science Internships	750,000	-	-	-	750,000
42	Merge Technology Initiative and Information Technology Investment Fund	(1,552,324)	-	1,552,324	-	-
43	New Capital Projects Manager Position	(100,000)	-	-	-	(100,000)
44	New Deputy Director of Purchasing	(132,594)	-	-	-	(132,594)
45	Personnel Classification Study	(500,000)	-	-	-	(500,000)
46	Renewable Energy Fund Transfer Back to EDC	-	-	(2,500,000)	-	(2,500,000)
47	Rhode Island Ready Project - From FY 2013	75,000	-	-	-	75,000
48	RIFANS 3.0 New Positions	(455,244)	-	-	-	(455,244)
49	State Employees Labor Contract Negotiations	(150,000)	-	-	-	(150,000)
50	State Police & DMV HR Coordinator Position	(255,765)	-	-	-	(255,765)
51	Stimulus - State Energy Plan	-	4,900,000	-	-	4,900,000
52	Turnover	(200,000)	-	-	-	(200,000)
53	Water Allocation Plan	(450,000)	-	-	-	(450,000)
Business Regulation						
54	Turnover	(200,000)	-	-	-	(200,000)
Labor and Training						
55	Federal UI Benefit Extension	-	54,810,000	-	6,609,000	61,419,000
56	Hurricane Sandy Clean Up Grant	-	615,345	-	-	615,345
57	Self-Employment Assistance Program	-	-	-	120,801	120,801
58	TANF Summer Youth Program	-	600,000	-	-	600,000
59	Trade Readjustment Assistance Program	-	(100,000)	-	-	(100,000)
60	Workforce Training and Apprentice Programs	(750,000)	-	-	-	(750,000)
Revenue						
61	Distressed Community Relief Fund	(5,000,000)	-	-	-	(5,000,000)
62	Municipal Incentive	(5,000,000)	-	-	-	(5,000,000)
63	PILOT	2,000,000	-	-	-	2,000,000
64	Validation Stickers	280,500	-	-	-	280,500
Office of the Lieutenant Governor						
65	State Innovation Model Grant Adjustment	-	969,380	-	-	969,380
Secretary of State						
66	State House Visitor's Center & Gift Shop	-	-	5,000	-	5,000
Office of the General Treasurer						
67	Bank Fees	300,000	-	-	-	300,000
68	Research Fellowship Foundation Grant	-	-	40,000	-	40,000
69	Unclaimed Property	-	-	6,976	-	6,976

	FY 2014 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
Public Utilities Commission						
70	Former ARRA Positions	-	-	(149,090)	-	(149,090)
Office of Health and Human Services						
71	ACA Expansion Pop - Revised	-	15,400,000	-	-	15,400,000
72	ACA First Savings and Transition Fund	(1,000,000)	(1,016,129)	-	-	(2,016,129)
73	Adult Medicaid Quality Grant	-	950,000	-	-	950,000
74	Assisted Living and Home Care Waiver Services from DHS	5,493,073	5,581,970	-	-	11,075,043
75	Coordinated Health Planning Project	150,000	-	-	-	150,000
76	current <i>care</i> - Medicaid Match Rate	(320,584)	714,748	-	-	394,164
77	HIV Drug Costs to ADAP Rebate Funds	(922,000)	922,000	-	-	-
78	HIV Treatment Program (ACA)	(466,288)	(473,809)	-	-	(940,097)
79	May Caseload Adjustments	(6,930,041)	(4,044,935)	-	-	(10,974,976)
80	Medicaid Benefits for Foster Care Children to age 26 (ACA)	49,192	50,800	-	-	99,992
81	New Positions	(584,294)	(131,264)	-	-	(715,558)
82	RIte Care Family Cost Sharing Elimination - January 1, 2014	1,165,600	1,633,382	-	-	2,798,982
83	RIte Care Parents to 133% - January 1, 2014 with 50% Premium Assistance	(4,165,600)	(4,232,787)	-	-	(8,398,387)
Children, Youth and Families						
84	System of Care	2,000,000	1,000,000	-	-	3,000,000
85	Community Service Grant Adjustments	50,000	-	-	-	50,000
Health						
86	Blood Lead Poisoning Prevention	157,710	-	-	-	157,710
Human Services						
87	Assisted Living and Home Care Waiver Services to OHHS	(5,493,073)	(5,581,970)	-	-	(11,075,043)
88	Community Service Grant Adjustments	555,862	-	-	-	555,862
89	Division of Elderly Affairs - Indirect Cost Recovery	(397,491)	(397,491)	397,491	-	(397,491)
90	Elderly Transportation Services - Correction	49,706	50,488	-	-	100,194
91	May Caseload Adjustments	(788,224)	(2,820,887)	-	-	(3,609,111)
92	New Positions -Excluding UHIP and Work Support Strategies Grant	(593,684)	(678,334)	(233,767)	-	(1,505,785)
93	Office of Rehabilitation Services - Correction	104,479	106,121	-	-	210,600
94	Services Provided by Elderly Affairs - Correction	920,856	935,398	-	-	1,856,254
BHDDH						
95	ACA First Savings	(3,000,000)	(2,032,258)	-	-	(5,032,258)
96	Behavioral Health ACA Corrections	(390,069)	(789,240)	-	-	(1,179,309)
97	Capital - Mental Health Residences Furniture	-	-	-	(40,000)	(40,000)
98	Developmental Disabilities Day Programs - Correction	476,464	430,487	-	-	906,951

	FY 2014 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
99	Developmental Disabilities Providers	1,000,000	1,016,129	-	-	2,016,129
100	Emergency Room Diversion (One-Time)	250,000	-	-	-	250,000
101	Group Home Savings to Hospitals	-	307,140	-	-	307,140
102	Housing First Initiative	(450,000)	(460,000)	-	-	(910,000)
103	Indirect Cost Recovery	(734,152)	(734,152)	259,818	-	(1,208,486)
104	Municipal Substance Abuse Task Forces	(500,000)	-	-	-	(500,000)
105	Respect Contract	450,000	460,000	-	-	910,000
106	Statewide Benefit Adjustment - 24-Hour Facilities	(400,250)	(406,706)	-	-	(806,956)
Office of the Child Advocate						
107	Counsel	(6,500)	-	-	-	(6,500)
Elementary & Secondary Education						
108	Capital - Davies HVAC	-	-	-	200,000	200,000
109	Capital - Woonsocket Career and Tech Center	-	-	-	(254,212)	(254,212)
110	Ch. 36 Transition Grant	(100,000)	-	-	-	(100,000)
111	Community Service Grant Adjustments	88,000	-	-	-	88,000
112	Davies Restore Medical Benefit Savings	86,380	-	-	-	86,380
113	Early Childhood Categorical Funds	(1,000,000)	-	-	-	(1,000,000)
114	Funding Formula Data Update	2,417,984	-	-	-	2,417,984
115	School for the Deaf - Rental Income	(67,500)	-	-	-	(67,500)
116	School Housing Aid	(760,175)	-	-	-	(760,175)
117	Teacher Retirement	(822,750)	-	-	-	(822,750)
Higher Education						
118	Office of Higher Education	(1,000,000)	-	-	-	(1,000,000)
119	RIC - RI Hospital Grant	-	-	-	142,849	142,849
120	STEM Position	121,000	-	-	-	121,000
Higher Education Assistance Authority						
121	Data Processing System	(200,000)	-	-	-	(200,000)
Historical Preservation & Heritage Commission						
122	Community Service Grant Adjustments	25,000	-	-	-	25,000
Attorney General						
123	Victims of Crime Assistance Grant	-	11,000	-	-	11,000
Corrections						
124	Capital - Maximum General Renovations	-	-	-	300,000	300,000
Judicial						
125	Community Service Grant Adjustments	300,000	-	-	-	300,000
126	Expanded Access to Civil Justice Grant	-	-	13,000	-	13,000
127	Veterans Court Staffing	300,000	-	-	-	300,000
Military Staff						
128	Capital - AMC Roof Replacement	-	-	-	(110,000)	(110,000)
129	Capital - Hurricane Sandy	-	-	-	1,500,000	1,500,000

	FY 2014 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
130	EMA - New Positions	(289,297)	(169,942)	-	-	(459,239)
131	Emergency Management Performance Grant	-	(1,064,836)	-	-	(1,064,836)
132	Federal Funds Adjustment	-	58,000	-	-	58,000
133	Indirect Cost Recovery	(477,404)	(477,404)	477,404	-	(477,404)
134	Urban Areas Security Initiative	-	(1,120,900)	-	-	(1,120,900)
Public Safety						
135	Capital - Fire Academy Building	-	-	-	(1,325,000)	(1,325,000)
136	Capital - Parking Area Improvements	-	-	-	225,000	225,000
137	Former ARRA Positions	(227,267)	-	-	-	(227,267)
138	Paralegal Position	(73,132)	-	-	-	(73,132)
139	Public Information Officer Position	(121,823)	-	-	-	(121,823)
140	Turnover	(250,000)	-	-	-	(250,000)
Environmental Management						
141	Artificial Reef Research	-	195,095	-	-	195,095
142	Capital - Fort Adams Sailing Improvements	-	-	-	2,383,558	2,383,558
143	Capital - Galilee Piers	-	-	-	1,146,307	1,146,307
144	Capital - Recreational Facilities Improvements	-	-	-	750,000	750,000
145	Community Service Grant Adjustments	(2,267)	-	-	-	(2,267)
146	Fishways Repair	-	112,000	-	-	112,000
147	Galilee Piers	-	2,908,307	-	-	2,908,307
148	Senior Reconciliation Clerk	(67,862)	-	-	-	(67,862)
149	Village Planning Challenge Grant	-	50,000	-	-	50,000
Coastal Resources Management Council						
150	Indirect Cost Recovery	(124,982)	(124,982)	124,982	-	(124,982)
151	Legal Services Shift to Federal	(30,000)	-	-	-	(30,000)
152	River Ecosystem Restoration	-	(352,240)	-	-	(352,240)
Transportation						
153	Capital - Highway Projects Match Plan	-	-	-	1,135,000	1,135,000
154	Capital - Local Roads Plan	-	-	-	(10,000,000)	(10,000,000)
155	Capital - Train Station Maintenance and Repairs	-	-	-	(200,000)	(200,000)
156	Gas Tax Estimate - DOT	-	-	-	111,860	111,860
157	Gas Tax Estimate - RIPTA	-	-	-	50,144	50,144
Total		(30,873,036)	71,260,649	(422,710)	4,339,817	44,304,720

FY 2014 Changes to Governor

Revenue Changes

- 1. ACA Medicaid Expansion - Gross Premiums Tax.** The Governor's budget includes \$69.8 million from expanding Medicaid to certain adults through the Affordable Care Act; however, his budget does not account for the increase in the gross premiums tax collected from the managed care plans to reflect this payment. He subsequently requested an amendment to add \$15.4 million for updated enrollment projections and the House Finance Committee adds \$1.1 million to account for anticipated collections from the \$84.3 million in premium payments.
- 2. Accident Report Revenue Loss.** The Governor proposed the elimination of state accident reports; however, his budget inadvertently omitted the revenue loss of \$287,000. The House Finance Committee adjusts revenues accordingly.
- 3. Artists Sales Tax Exemption.** The House Finance Committee recommends expanding the scope of sales tax exemptions for sale of qualified original art works, created by qualified artists, to include the whole state from December 1, 2013 through March 31, 2015. This exemption is currently limited to specific districts. Upon the sunset of this expansion, only qualified sales in current arts districts will be exempt from sales tax. Qualified artists in those specific districts will continue to be the only artists eligible for income tax exemptions. This expansion of sales tax exemptions is estimated to result in a revenue loss of \$825,000 million for FY 2014.
- 4. Corporate Tax - Job Development Act.** The Governor proposed reducing the Jobs Development Act to allow eligible companies to reduce their business corporation tax rate, which is 9.0 percent for tax year 2013. This proposal included a 25.0 percent rate reduction allowed for eligible companies against the rate in effect for tax year 2013 and a 50.0 percent reduction against the rate in effect for tax year 2013 for all tax years on or after January 1, 2015. The House Finance Committee does not concur.
- 5. Corporate Tax - Enterprise Zone Tax Credit.** The Governor's Budget eliminates the Enterprise Zone Tax Credit that is applicable to the corporate tax, effective January 1, 2014 and assumes revenues of \$0.3 million. A qualified business in an enterprise zone is allowed a credit against business corporations' taxes for wages paid to employees that are part of the new employees hired to meet the 12 month, 5.0 percent jobs growth requirement. Prior to 2011, this credit was also allowed against personal income tax for pass through entities. The House Finance Committee does not concur.
- 6. Corporate Tax Reform - Phased Rate Reduction.** The Governor's Budget proposes to decrease the Corporate Income Tax rate from 9.0 percent to 7.0 percent over three years. The rate would be 8.0 percent for tax year 2014 and be reduced by 0.5 percent each of the next two years until reaching 7.0 percent for tax year 2016. The Budget assumes a revenue loss of \$8.0 million in FY 2014, \$21.1 million in FY 2015, \$31.1 million in FY 2016, \$36.7 million in FY 2017 and \$37.6 million in FY 2018. The House Finance Committee does not concur.
- 7. Corporate Tax - Domestic Production/Accelerated Depreciation.** The House Finance Committee recommends enacting two corporate tax reforms for FY 2014, including the elimination of the existing \$25,000 expense cap for depreciation of assets from business income subject to Rhode Island business corporate tax, bank tax, or personal income tax amending state law to conform to

federal law regarding expensing limits and depreciation rules for assets. The Committee also recommends amending current law to require corporations to add back to Rhode Island taxable income any amount deducted under the federal domestic production activities deduction. Currently, Rhode Island businesses are able to deduct a percentage of qualified domestic production activities for the purpose of computing Rhode Island tax liabilities due. There is no fiscal impact to these changes for FY 2014, however, the Department of Revenue estimates that the fiscal impact for these changes is a revenue loss of \$27.5 million for FY 2015.

8. Investment Earnings. Based on a request from the Office of the General Treasurer, the Governor requested an amendment to add \$425,000 from general revenues to the Office's budget for the payment of bank fees offsetting that with a like amount of general revenues. Currently, bank fees are deducted from investment earnings on short term investments, and only the net amount is recorded as revenue. An audit finding stated that bank fees should be shown as an expenditure for more transparency. The House Finance Committee concurs and adds \$300,000 to both expenditures and revenues to reflect this change based on updated estimates from the Office of the General Treasurer.

9. Liquor Tax Restructuring - Pilot. The House Finance Committee includes a revenue loss of \$1.2 million from restructuring the states sales tax on alcohol purchases. This reflects the elimination of the sales tax on spirits and wine from December 1, 2013 to June 30, 2015, and increasing the excise tax on beer from \$3.00 per barrel to \$3.30, spirits from \$3.75 per gallon to \$5.40 and wine from \$0.60 to \$1.40 per gallon from July 1, 2013 through March 31, 2015.

10. May Revenue Conference. The Revenue Estimating Conference concluded May 10 and decreased the FY 2014 forecast to \$3,378.2 million, which is \$51.2 million less than November, and \$189.4 million less than the Governor's recommended budget which includes several changes to current law. Adjusting his revenue proposals for the new estimates further increases his budget recommendation by \$137.1 million for a total decrease of \$52.4 million.

11. Newport Grand Share Increase. The House Finance Committee recommends a 2.25 percent increase in the share of net terminal income from video lottery terminal gaming paid to Newport Grand, effective for two years. The May 2013 Revenue Estimating Conference estimated net terminal income of \$44.4 million for FY 2014 at Newport Grand. An increase of the share paid to Newport Grand, LLC from 27.8 percent to 30.05 percent will result in a general revenue decrease of \$1.0 million each for FY 2014 and FY 2015.

12. Redlight Legislation. The House Finance Committee includes \$0.1 million of additional general revenues for FY 2014 to reflect new legislation which mandates that all cities and towns issue a universal summons for all violations recorded by red light cameras. Under current law municipalities do not issue universal citations for violations, and ensuring all municipalities use the same citations would increase the state's ability to register and track all violations throughout the state.

13. Scholarship Tax Credit. The House Finance Committee recommends increasing the aggregate cap on the tax credit allowed for business entities making contributions to scholarship organizations from \$1.0 million to \$1.5 million. Currently, the funds are awarded on a first-come-first-serve basis. The maximum credit per tax year is \$100,000 and must be used in the year it is awarded. This change results in a revenue decrease of \$0.5 million for FY 2014.

Expenditure Changes

Statewide

14. Art 2. Actuarial Savings Adjustment. The House Finance Committee recommends additional savings of \$0.9 million including \$0.5 million from general revenues to reflect the actuarial savings from the Governor's proposal in Article 2 that requires the state to establish a Medicare exchange for the purpose of offering a wider array of retiree health benefit choices to post-65 retirees that are expected to cost less. The Budget includes savings of \$1.1 million from all funds and \$0.6 million from general revenues for FY 2014 from this proposal; however, these were understated and a subsequent review by the actuaries shows a total savings of \$2.0 million.

15. OPEB Rate Correction. The House Finance Committee recommends savings of \$2.7 million including \$1.5 million from general revenues to reflect a correction to the rate used for retiree health benefits based on the June 30, 2011 valuation. The budget assumes a rate of 7.8 percent but a credit to the fund brought the rate to 7.38 percent or 42 basis points less than budgeted. The state began funding post-employment benefits on an actuarial basis rather than a pay-go basis beginning with the FY 2009 enacted budget.

16. State Employees Former Spouses Coverage – Prospective. The Governor's budget includes savings of \$1.4 million from all funds, including \$0.9 million from general revenues from terminating state sponsored health insurance coverage provided to divorced spouses of state employees, effective January 1, 2014. The House Finance Committee recommends that this proposal be applied prospectively, thereby impacting only new judgment decrees, effective January 1, 2014 and restores the budgeted savings.

Department of Administration

17. 38 Studios Debt Service - Market Analysis. The House Finance Committee recommends \$50,000 from general revenue to conduct a market analysis pertaining to the 38 Studios debt. In 2010, the Economic Development Corporation backed a \$75.0 million loan to 38 Studios, which has subsequently defaulted on the loan.

18. Capital - Board of Elections - New Building. The revised budget includes \$250,000 to renovate the Board of Elections' current facility, located on Branch Avenue in Providence. Subsequently, the Department indicated that it would not begin the project in FY 2013. The Governor requested an amendment to shift \$250,000 from FY 2013 to FY 2014 to reflect a project delay. The House Finance Committee concurs.

19. Capital - Chapin Health Lab. The Capital Improvement Plan includes \$3.1 million from Rhode Island Capital Plan funds, of which \$2.1 million will be used in FY 2014 to renovate the Chapin Health Lab building. Infrastructure updates would include laboratory exhaust retrofit, new decomposition room ventilation, a new boiler system and HVAC upgrades. The current lighting system would also be replaced. The House Finance Committee recommends the total project costs; however, shifts \$0.4 million from FY 2014 to FY 2015.

20. Capital - Harrington Hall Renovations. The Office of Housing Resources had planned on using a total of \$0.6 million from available federal Consolidated Homeless funds over several years to rehabilitate Harrington Hall in the Pastore Center. The House Finance Committee recommends a total project cost of \$1.5 million from Rhode Island Capital Plan funds, of which \$1.0 million will be used

in FY 2014 to renovate the facility. This will free up the federal funds, which can now be used for emergency winter shelter operations in lieu of the state providing general revenues. The renovations will include updating the heating, ventilation and air conditioning system, painting and a new kitchen.

21. Capital - Mathias. Subsequent to his budget submission, the Governor requested an amendment to provide \$1.6 million from Rhode Island Capital Plan funds in FY 2014 to renovate the Mathias building at the Pastore Center. The project will include roof repairs, upgrades to the heating, ventilation and air conditioning system and telecommunication improvements. The House Finance Committee concurs.

22. Capital - Old Colony House. The FY 2013 revised budget includes \$0.4 million from Rhode Island Capital Plan funds for exterior renovation of the Old Colony House. The Department has indicated that the masonry work has been delayed. The House Finance Committee shifts \$0.2 million from the current year to FY 2014 and future years to reflect the delay.

23. Capital - Old State House. The revised budget includes \$250,000 from Rhode Island Capital Plan funds for various renovations at the Old State House including repaving the parking lot, replacing carpets, brick repairs and installing a new boiler. The Department plans to obtain architectural and engineering services to provide a comprehensive long term plan to renovate the building. The House Finance Committee reduces FY 2013 funding by \$175,000 and adds \$100,000 in FY 2014 based on projected expenditures.

24. Capital - Pastore Center Central Power Plant. The Governor's Capital Budget includes a total of \$2.6 million from Rhode Island Capital Plan funds and approved Certificates of Participation in FY 2013 and FY 2014 to purchase and install a diesel Blackstart generator. He subsequently requested an amendment to shift \$1.6 million from FY 2013 to FY 2014 to reflect a project delay. The House Finance Committee concurs.

25. Capital - Pastore Center Medical Center Rehab. The Governor's Capital Budget includes Rhode Island Capital Plan Fund expenditures of \$6.5 million to be used through FY 2018 to fund major maintenance and capital repairs for seven of the 14 buildings at the Pastore Center, now under the responsibility of the Division of Facilities Management. He subsequently requested an amendment to shift \$0.9 million from FY 2013 to FY 2014 to reflect a project delay, and to add a total of \$1.2 million in FY 2016 and FY 2017. Based on further information, the House Finance Committee shifts \$0.7 million from FY 2014 to FY 2013 to reflect anticipated expenditures to complete roof and exterior renovations at Benjamin Rush and the Louis Pasteur buildings.

26. Capital - Pastore Cottages Rehabilitation. The approved plan includes \$0.6 million from Rhode Island Capital Plan funds to renovate three four-bedroom cottages at the Pastore Center for office space. Subsequently, the Governor requested an amendment that increases the overall project costs by \$0.9 million, including \$0.5 million more in FY 2014 and \$0.4 million in FY 2015 and includes a shift of \$30,000 from FY 2013 to FY 2015. The scope of the project has increased to include interior renovations. The House Finance Committee concurs.

27. Capital - State House Renovations. The Governor's Capital Budget includes a total project cost of \$15.3 million from Rhode Island Capital Plan funds for renovations at the State House. The largest single component is \$14.5 million for a new central HVAC system for the building. The House Finance Committee shifts a total of \$3.4 million from FY 2013 and FY 2014 to FY 2016 through FY 2018 to reflect a project delay.

28. Capital - State Office Building. The Capital Plan includes \$10.0 million from Rhode Island Capital Plan funds in the five-year period for renovations at the State Office Building. Subsequently, the Governor requested an amendment to shift a total of \$3.8 million, including \$1.0 million from FY 2013 to later years to reflect a revised construction schedule. The project includes roof repairs, fixing water damaged areas and other repairs. The House Finance Committee concurs.

29. Capital - Veterans Memorial Auditorium Land Purchase. The Governor's Capital Improvement Plan includes Rhode Island Capital Plan fund expenditures of \$3.5 million to purchase the land adjacent to the Veterans Memorial Auditorium and \$1.0 million for site improvement costs. The land would be purchased for future development, and the Administration indicates that it could be used as parking. The House Finance Committee recommends \$3.15 million for the land purchase and includes language in Article 1 that states that the cost cannot exceed \$70 per square foot.

30. Capital - Virks. Subsequent to his budget submission, the Governor requested an amendment to provide \$1.0 million from Rhode Island Capital Plan funds for FY 2014 to repair the roof on the Virks building at the Pastore Center. The funds will also be used for interior renovations. The House Finance Committee concurs.

31. Capital - Washington County Government Center. The revised budget includes \$0.7 million from Rhode Island Capital Plan funds for ongoing renovations at the Washington County Government Center. Subsequently, the Governor requested an amendment to reduce the overall project costs by \$140,000. This reflects a reduction of \$302,000 in the current year and an increase of \$162,000 in FY 2014 to reflect a revised construction schedule. The House Finance Committee concurs with the amendment.

32. Capital - William Powers Building. The revised budget includes \$1.1 million for exterior improvements, including paving new walkways and extending existing walkways to allow better access for snow plowing, including expenditures of \$0.5 million for FY 2013. Subsequently, the Governor requested amendments to shift \$0.6 million from FY 2013 to FY 2014 to reflect a project delay and adds \$1.5 million in FY 2014 to repair the garage, including reinforcing the joints, sealing, and surface coating. The House Finance Committee concurs.

33. Capital - Zambarano Utilities. The Governor's Capital Budget assumes use of \$6.5 million from Rhode Island Capital Plan funds through FY 2016, of which \$3.3 million would be used in FY 2014 for capital repairs to various buildings and the wastewater treatment plant in order to meet new discharge limits set by the Department of Environmental Management. Subsequently, the Department indicated that it revised the scope of the project, and the Department of Environmental Management is reviewing the revised plan, which would result in savings of \$30,000 for FY 2013 and \$1.8 million for FY 2014 from not connecting to the municipal sewer line. The House Finance Committee includes the reported savings.

34. Community Development Block Grant Adjustment. The Governor requested several amendments to add a total of \$6.5 million for FY 2013 and FY 2014 to reflect new federal awards for the Disaster Recovery Assistance program and community development block grant awards. The Office of Housing and Community Development administers the program, which reimburses municipalities for infrastructure projects related to the 2010 flood. The House Finance Committee adds \$2.5 million for FY 2013 and \$4.0 million for FY 2014.

35. Community Service Grant Adjustments. The House Finance Committee includes an adjustment of \$14,353 for community service grants administered by the Department of Administration

and the Economic Development Corporation. This reflects the elimination of \$50,000 for a one-time grant to the Cape Verdean American Community Development agency. It also includes \$14,353 for the Japan/American Society and \$50,000 for Tall Ships.

36. Computer Refresh. The House Finance Committee does not concur with the Governor's recommendations to add \$75,000 from general revenues each in FY 2013 and FY 2014 to purchase new computers for staff in the Division of Information Technology.

37. Debt Service - New Issuance. The FY 2014 recommended budget includes \$194.4 million for all debt service expenditures, of which \$159.5 million is from general revenues. The House Finance Committee includes savings of \$1.4 million from a scheduled new issuance for energy conservation projects, the integrated tax system and the Enhanced Technology in Local Education Agencies project, which was approved by the 2012 Assembly. Debt service payments will be less than estimated.

38. DoIT Software Maintenance Contracts. The Governor recommends an additional \$0.2 million for both FY 2013 and FY 2014 for various operating expenses, including software and hardware maintenance contracts. The total operating budget for the Division is \$10.0 million from all funds, \$5.5 million or 54.7 percent is from general revenues. In FY 2012, the Division spent 88.8 percent or \$7.3 million of its final appropriation. The House Finance Committee does not recommend the additional expenditures.

39. EDC Tourism. The Governor's budget adds \$0.6 million from general revenues for the Economic Development Corporation to promote tourism in the state. The House Finance Committee does not concur and adjusts expenditures accordingly.

40. Electronic Local Permitting - Shift from FY 2013. The enacted budget includes \$300,000 from general revenues for the purchase or lease and operation of a web-accessible plan review management and inspection software system. This system would create a standardized system available to the State Building Code Commission and all municipalities. Subsequently, the Department indicated that \$20,000 would be spent in FY 2013. The House Finance Committee shifts \$280,000 to FY 2014 to reflect the Department's projected expenditures.

41. Innovation Matching Grants and Bio Science Internships. The House Finance Committee recommends \$750,000 from general revenues for the establishment of an innovative technology program, which will be administered by the Rhode Island Science and Technology Advisory Council. It also establishes a bioscience and engineering internship program. The legislation allows the Council to provide eligible businesses with grants to offset costs associated with applying to the U.S. Small Business Administration for Small Business Innovation Research grants or the Small Business Technology Transfer Research grants. The program will also provide matching funds to encourage businesses to apply for federal funds targeting research and innovation.

42. Merge Technology Initiative and Information Technology Investment Fund. The FY 2014 recommended budget includes \$4.6 million for information technology related expenditures in the Division of Information Technology. This includes general revenue expenses of \$1.6 million from the Technology Initiatives Fund, which is used for information technology projects that support other state agencies. It also includes \$3.0 million from the Information Technology Investment Fund, which is supported from land sales and other transfers. This fund was created by the 2011 Assembly and the 2012 Assembly transferred \$9.0 million into the fund. The Department anticipates new revenues of \$4.75 million in FY 2014 from land sales. The House Finance Committee recommends merging the two funds and includes expenditures of \$4.6 million, consistent with the Governor's recommendation.

- 43. New Capital Projects Manager Position.** The Governor's FY 2014 recommended budget includes \$0.1 million from general revenues to fund a new capital projects manager position. The House Finance Committee does not recommend funding.
- 44. New Deputy Director of Purchasing.** The Governor's FY 2014 recommended budget includes \$0.1 million from general revenues to fund a new deputy director of Purchasing. The Division's authorized level of staffing is 32.0 positions and as of February 23, it had 4.0 vacancies. The House Finance Committee does not recommend funding the position.
- 45. Personnel Classification Study.** The Governor's budget includes \$0.5 million for both FY 2013 and FY 2014 to obtain outside services to review the state's personnel classification system and to make recommendations. The system currently has over 1,000 position classifications. The House Finance Committee does not recommend the funding.
- 46. Renewable Energy Fund Transfer Back to EDC.** The House Finance Committee does not concur with the Governor's proposal to transfer the Renewable Energy Fund from the Economic Development Corporation to the Office of Energy Resources and adjusts expenditures and staffing accordingly. The Office previously managed the fund and the 2007 Assembly enacted legislation to transfer the fund to the Corporation, effective FY 2008. The Governor included this proposal as part of his FY 2013 budget recommendation; the Assembly did not concur.
- 47. Rhode Island Ready Project - From FY 2013.** The Governor included \$75,000 in FY 2013 from general revenues for the Administration to develop an initiative intended to enhance collaborative efforts between the Economic Development Corporation, state agencies, such as the Department of Environmental Management, and cities and towns to encourage business attraction, expansion and growth. The project is also intended to reduce waiting time and increase the predictability of getting land developed, buildings constructed and operations up and running. The House Finance Committee shifts the funding to FY 2014 to reflect a project delay.
- 48. RIFANS 3.0 New Positions.** The Governor's budget includes \$0.2 million for FY 2013 and \$0.5 million for FY 2014 from general revenues to fund three positions in the Division of Information Technology, consisting of an Oracle database administrator, an Oracle programmer and a programmer/analyst. The House Finance Committee does not concur with the additional positions or funding.
- 49. State Employees Labor Contract Negotiations.** Most current labor contracts will expire on June 30, 2013. The Governor recommends a total of \$0.3 million from general revenues, including \$150,000 in both FY 2013 and FY 2014 for costs associated with negotiating new contracts. The House Finance Committee does not recommend the funding.
- 50. State Police & DMV HR Coordinator Positions.** The budget includes \$0.3 million from general revenues for 2.0 human resources coordinators, one of which will be assigned to the Public Safety Service Center for personnel issues concerning the Department of Public Safety and the other to the Division of Motor Vehicles. The Department of Administration indicates this is a new arrangement, as the Public Safety Service Center has not previously included the Department of Public Safety. The Department of Administration assumed that the Department of Public Safety would have a corresponding reduction in its budget; however, that did not occur. The House Finance Committee does not recommend funding for the new positions.

51. Stimulus - State Energy Plan. The revised budget includes expenditures of \$7.2 million from federal stimulus funds for the State Energy Plan. Subsequently, the Governor requested an amendment to shift \$4.9 million from the current year to FY 2014. The grant is set to expire on September 30, 2013, and the Office of Energy Resources has obtained approval from the Department of Energy to use the remaining funds for several new initiatives including a revolving loan program to fund small commercial energy efficiency projects, and installing electric stations. The House Finance Committee concurs.

52. Turnover. The FY 2014 recommended budget includes \$75.6 million to fund 727.7 full-time positions and assumes \$1.8 million in turnover savings. The House Finance Committee recommends an additional \$0.2 million in turnover savings. This is equivalent to two positions remaining vacant for the entire fiscal year. As of the pay period ending June 1, the Department had 54.0 positions vacant.

53. Water Allocation Plan. The Governor's FY 2014 recommended budget includes \$550,000 from general revenues, \$450,000 more than enacted for the Water Allocation Plan to develop a Water Allocation Program. The funds will be used to pay for consultant services provided by the United States Geological Survey for geological data collection. The program consists of multi-year efforts to first quantify available supplies, and then use that information as a basis to assess water management needs, and then assess the options to satisfy those needs. The House Finance Committee does not recommend the additional funding as the plans are in flux.

Business Regulation

54. Turnover. The Governor's FY 2014 budget includes \$10.4 million from all funds to fund 94.0 full-time positions and assumes \$328,602 in turnover savings. The Governor's budget assumes the filling of vacant positions in the Insurance Regulation and Securities Regulation divisions. The House Finance Committee recommends an additional \$0.2 million in turnover savings based on filled positions as of May 2013.

Labor and Training

55. Federal UI Benefit Extension. The House Finance Committee concurs with the Governor's requested amendment to increase funding for unemployment insurance benefits in both FY 2013 and FY 2014. The Committee adds \$74.4 million in FY 2013, including \$66.4 million from federal funds and \$8.0 million from Employment Security Funds and \$61.4 million in FY 2014, including \$54.8 million from federal funds and \$6.6 million from Employment Security Funds. On January 2, 2013, Congress extended the Emergency Unemployment Compensation program, which had expired on December 29, 2012. This allows for full federal funding of the four federal benefit tiers, extending the prior program through December 28, 2013.

56. Hurricane Sandy Clean Up Grant. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding by \$1.4 million in FY 2013 and \$0.6 million in FY 2014 for the National Emergency Grant received by the Department of Labor and Training. The grant allows the Department to hire unemployed individuals to aid in the Hurricane Sandy clean-up at the state's parks and beaches. The Department is giving preference to unemployed veterans and will employ approximately 80 individuals through the end of September 2013.

57. Self-Employment Assistance Program. The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million to the Employment Security Trust Fund for the

purpose of allowing the Department to provide training and information to unemployed individuals interested in becoming self-employed and opening their own business. The federal government provided the state with the grant which it deposited directly into the Employment Security Fund solely for this purpose. The House Finance Committee includes expenditures of \$38,933 in FY 2013 and \$120,801 in FY 2014 for the program.

58. TANF Summer Youth Program. The House Finance Committee concurs with the Governor's requested amendment to include \$0.6 million from federal temporary assistance to needy families grant funds provided by the Department of Human Services for a subsidized summer employment program for youth between the ages of 14 and 24. Beginning on July 1, 2013, the Department of Labor and Training anticipates operating a program similar to the program run during the summer of 2012. The \$0.6 million will be matched with resources from the Department of Labor and Training, including job development and workforce investment act funding.

59. Trade Readjustment Assistance Program. The House Finance Committee concurs with the Governor's requested amendment for changes related to federal Trade Readjustment Assistance Act funds to support initiatives that help workers from Rhode Island companies who lost their jobs due to the adverse impact of foreign trade. This includes \$0.3 million more for FY 2013 and \$0.1 million less for FY 2014. Although the program has seen reductions in applications and eligibility over the past several years, the Department has experienced an increase in interest and approved applications since January 2013, but does not expect it to continue through FY 2014. Someone eligible for these benefits must first exhaust all of their unemployment insurance benefits before becoming eligible for this program.

60. Workforce Training and Apprenticeship Programs. The Governor's recommendation includes general revenue funding of \$1.0 million in FY 2013 and \$2.0 million in FY 2014 for a new work immersion and non-trade apprenticeship program to be administered by the Governor's Workforce Board. This proposal is contained in Article 15. The House Finance Committee does not include the funding in FY 2013 but includes \$1.3 million in FY 2014, concurring with the use of the funds for a new jobs program, but with some changes to the Governor's proposal.

Department of Revenue

61. Distressed Community Relief Fund. The Governor provides \$15.4 million in both FY 2013 and FY 2014 for the Distressed Communities Relief Fund, which is \$5.0 million more than enacted for each year. The House Finance Committee recommends funding the Distressed Communities Relief Fund at the enacted level.

62. Municipal Incentive. The Governor proposes \$10.0 million in FY 2014 for a new program to encourage sustainable funding of retirement plans and to reduce unfunded liabilities. Municipalities who fall into different categories of locally administered pension plans would be eligible. For FY 2014, a municipality may receive funds under three conditions. First, if it has no locally administered pension plan; secondly, if it has submitted an approved Funding Improvement Plan, if required, no later than June 1, 2013; or thirdly, if its locally administered plan is not required to submit a Funding Improvement Plan. Aid will also be given to those communities that are required to submit a Funding Improvement Plan but the due date for plan submission is after the March payment of municipal incentive aid. The House Finance Committee provides \$5.0 million.

63. PILOT. The House Finance Committee recommends an additional \$2.0 million for total funding of \$35.1 million in FY 2014 for the Payment in Lieu of Taxes Program, which reimburses

cities and towns for property taxes that would have been due on real property owned by nonprofit educational institutions of higher learning, nonprofit hospitals, or any state-owned hospital, veterans' residential facility or correctional facility, which is exempt from taxation by state law. Reimbursement is 27.0 percent of the forgone tax, subject to appropriation. The additional \$2.0 million would increase the reimbursement from 20.8 percent to 22.1 percent.

64. Validation Stickers. The House Finance Committee does not concur with the Governor's proposal to eliminate the requirement for the issuance of validation stickers on license plates and restores the budgeted savings of \$0.3 million from general revenues.

Office of the Lieutenant Governor

65. State Innovation Model Grant Adjustment. The Governor requested an amendment to add \$1.6 million, including \$0.7 million in FY 2013 and \$1.0 million in FY 2014 to reflect a new federal award from the Center for Medicare and Medicaid Services for the State Innovation Model Grant, which will be administered by the Office of the Lieutenant Governor. The funds will be used to support the development and testing of state-based models for multi-payer medical claim payments.

Secretary of State

66. State House Visitor's Center & Gift Shop. The House Finance Committee recommends \$5,000 from restricted receipts to support operations of the State House Visitor's Center and Gift Shop. The 2012 Assembly authorized a restricted receipt account funded from merchandise sales to support a new State House visitor's center and gift shop.

Office of the General Treasurer

67. Bank Fees. Based on a request from the Office of the General Treasurer, the Governor requested an amendment to add \$425,000 from general revenues to the Office's budget for the payment of bank fees offsetting that with a like amount of general revenues. Currently, bank fees are deducted from investment earnings on short term investments, and only the net amount is recorded as revenue. An audit finding stated that bank fees should be shown as an expenditure for more transparency. The House Finance Committee concurs and adds \$300,000 to both expenditures and revenues to reflect this change based on updated estimates from the Office of the General Treasurer.

68. Research Fellowship Foundation Grant. Based on a request from the Office of the General Treasurer, the Governor requested an amendment to add \$70,000 over FY 2013 and FY 2014 to reflect a private foundation grant that it received to support economic policy research within the Office. The Governor recommends \$30,000 for FY 2013 and \$40,000 for FY 2014 to fund a part-time position in the policy division. The House Finance Committee concurs.

69. Unclaimed Property. The House Finance Committee recommends an additional \$6,976 for FY 2014 to reflect the estimate of the May Revenue Estimating Conference. This includes a \$0.1 million increase in the transfer to the state General Fund estimated to be \$9.7 million.

Public Utilities Commission

70. Former ARRA Positions. The Governor recommends \$149,090 from restricted receipts to support two full-time equivalent positions currently funded by a grant associated with the American Recovery and Reinvestment Act, which will expire on October 31, 2013. The positions were created

in FY 2011 to support the advancement of green energy education in the Public Utilities Commission. The House Finance Committee recommends the elimination of these funds and associated full-time equivalent positions from the Commission's authorized level for FY 2014.

Office of Health and Human Services

71. ACA Expansion Pop - Revised. The Governor's FY 2014 recommended budget expands Medicaid coverage to certain adults through the Affordable Care Act and he includes \$69.8 million from federal funds to support medical benefits for this population. He subsequently requested an amendment to add \$15.4 million from federal funds based on updated enrollment projections for a total of \$85.2 million. The House Finance Committee concurs and adds the funds.

72. ACA First Savings and Transition Fund. The House Finance Committee recommends general revenue savings of \$1.0 million in the Office of Health and Human Services and \$3.0 million in Behavioral Healthcare, Developmental Disabilities and Hospitals based on individuals who currently receive optional medical benefits through the state transitioning to either the expanded Medicaid program or the health benefits exchange. The savings are partially matched with Medicaid. The budget assumes general revenue savings of \$6.0 million from this opportunity and the Committee recommends using \$2.0 million for an Affordable Care Act transition fund to minimize any interruption of benefits for individuals that may occur when shifting to the exchange.

73. Adult Medicaid Quality Grant. The Governor requested an amendment to add \$950,000 for a federally funded Medicaid quality grant that was awarded to the Office of Health and Human Services prior to his recommendation. The House Finance Committee concurs and includes funding for a new two-year grant to develop staff capacity to collect, report, and analyze data for adults enrolled in Medicaid.

74. Assisted Living and Home Care Waiver Services from DHS. The Governor requested an amendment to transfer the assisted living and home care Medicaid waiver program at the Department of Human Services' Division of Elderly Affairs to the Office of Health and Human Services. The House Finance Committee concurs and adds \$11.1 million, including \$5.5 million from general revenues, to the Office's budget for the program transfer.

75. Coordinated Health Planning Project. The Governor requested an amendment to add \$150,000 from general revenues to support coordinated health planning projects for which funding was excluded in the Office of Health and Human Services' request. The House Finance Committee concurs and adds the funding.

76. Currentcare - Medicaid Match Rate. The Governor's FY 2014 budget includes \$2.4 million from all sources, including \$0.6 million from general revenues, to make the state's payment for Medicaid enrollees in the Statewide Health Information Exchange, known as *currentcare*. The Governor requested an amendment to add \$0.4 million from all sources. He also lowers general revenues by \$0.3 million to reflect the higher 90 percent Medicaid match. The House Finance Committee concurs and includes \$2.8 million from all sources, \$0.3 million from general revenues for the state's payment.

77. HIV Drug Costs to ADAP Rebate Funds. The House Finance Committee includes savings of \$0.9 million from general revenues from shifting HIV drug expenses to available pharmaceutical rebate funds in FY 2014.

78. HIV Treatment Program (ACA). The House Finance Committee includes savings of \$0.9 million from all sources including \$0.5 million from general revenues from transitioning individuals who currently receive a pharmaceutical benefit through the HIV program to Medicaid under the expansion of the health benefits exchange. The House Finance Committee includes Ryan White federal funding and pharmaceutical rebates that are available to support treatment services for HIV positive individuals as recommended by the Governor in FY 2014.

79. May Caseload Adjustments. The House Finance Committee recommends a reduction of \$14.6 million, which includes \$7.7 million less from general revenues, to adjust the FY 2014 budget for the May Caseload Conference estimates for cash assistance caseloads and medical assistance expenditures. This includes \$11.0 million less for medical assistance expenses in the Office of Health and Human Services' budget including \$6.9 million less from general revenues.

80. Medicaid Benefits for Foster Care Children to Age 26 (ACA). The Governor requested an amendment to Article 20 to expand Medicaid coverage from age 21 to 26 for youth who had been in foster care as required by the Affordable Care Act. The House Finance Committee concurs and adds \$99,992 from all sources including \$49,192 from general revenues.

81. New Positions. The Governor recommends adding 21 new positions; however, the House Finance Committee concurs with adding 11 positions for savings of \$0.7 million, \$0.6 million from general revenues.

82. Rlte Care Family Cost Sharing Elimination - January 1, 2014. The House Finance Committee recommends eliminating the Rlte Care cost sharing requirement starting January 1, 2014. This is consistent with the plan to transition eligible Rlte Care parents to the health benefits exchange and make the costs of a commercial plan more affordable to the parents. State costs in the Rlte Care program are offset by approximately \$4.7 million in annual revenue collected from the monthly payment. The Committee reduces anticipated program revenue by \$2.8 million, including \$1.2 million from general revenues, for the final six months in FY 2014 for this action.

83. Rlte Care Parents to 133% - January 1, 2014 with 50% Premium Assistance. The House Finance Committee recommends transitioning eligible Rlte Care parents to the health benefits exchange and lowers the eligibility threshold from 175 percent to 133 percent of poverty effective January 1, 2014 for savings of \$8.4 million, including \$4.2 million from general revenues in FY 2014. The House Finance Committee recommends establishing a premium assistance program to pay 50 percent of the cost incurred by parents for coverage through the exchange after subtracting the Rlte Care monthly payment that the family currently incurs and any federal tax credits or subsidies that can be used.

Children, Youth and Families

84. System of Care. The Governor recommends the enacted level of \$71.3 million including \$55.8 million from general revenues for the System of Care in FY 2014. The House Finance Committee recommends \$3.0 million more including \$2.0 million from general revenues and \$1.0 million from federal funds to offset additional expenses incurred by the lead networks. This would increase the System of Care funding to \$74.3 million in FY 2014.

85. Community Service Grant Adjustments. The House Finance Committee recommends \$50,000 more from general revenues to reflect a grant to Youth Pride Incorporated in Warwick. This

organization provides counselors, educational leadership and organizational training and community services to gay, bisexual, and transgender youth.

Health

86. Blood Lead Poisoning Prevention. The House Finance Committee adds general revenue funding of \$0.2 million for the blood lead poisoning prevention program in the Department of Health. The Governor provided \$0.4 million from all sources, consistent with the Department's request, but the Department has indicated it requires at least \$0.6 million for the program to operate successfully. This increased funding provides a total of \$0.6 million for the program for FY 2014.

Human Services

87. Assisted Living and Home Care Waiver Services to OHHS. The Governor requested an amendment to transfer the assisted living and home care Medicaid waiver program at the Department of Human Services' Division of Elderly Affairs to the Office of Health and Human Services. The House Finance Committee concurs and transfers \$11.1 million, including \$5.5 million from general revenues, to the Office's budget for the program transfer.

88. Community Service Grant Adjustments. The House Finance Committee recommends adding \$0.6 million for total funding of \$3.2 million from general revenues for community service grants administered by the Department of Human Services and the Division of Elderly Affairs.

89. Division of Elderly Affairs - Indirect Cost Recovery. Most federal grants allow for recovery of overhead costs, in addition to direct administrative costs, though the application of a negotiated indirect cost rate. The Departments of Health, Elementary and Secondary Education and Environmental Management take advantage of this allowance to lower state general revenue costs. The House Finance Committee recommends all eligible agencies reduce general revenue expenditures through use of a negotiated federal indirect rate. For the Department of Human Services' Division of Elderly Affairs, the Committee recommends reducing general revenues by \$0.4 million assuming an indirect cost recovery rate of not less than 5.0 percent and shifts the grant funded expenditures from federal to restricted sources consistent with current practice for accounting for indirect cost recovery resources.

90. Elderly Transportation Services - Correction. The Governor's FY 2014 recommended budget includes savings of \$0.1 million, including \$49,706 from general revenues, from assuming certain seniors and disabled adults receiving transportation services provided under the global waiver would be eligible for the health benefits exchange. He requested an amendment to restore the savings since the population accessing these activities would not likely be affected and the House Finance Committee concurs.

91. May Caseload Adjustments. The House Finance Committee recommends a reduction of \$3.6 million, which includes \$0.8 million less from general revenues to adjust the FY 2014 budget for the May Caseload Conference estimates for cash assistance caseloads, including the Rhode Island Works, subsidized child care, supplemental security income and general public assistance bridge programs.

92. New Positions -Excluding UHIP and Work Support Strategies Grant. The Governor's FY 2014 recommended budget includes the authorization and funding for 15.5 new full-time equivalent positions. He provides \$1.5 million from all sources, including \$0.6 million from general revenues. Because the Department has maintained over 100 vacant positions during FY 2013, the House Finance Committee recommends eliminating the authorization and funding for these positions, instead requiring the Department to utilize existing positions and funding.

93. Office of Rehabilitation Services - Correction. The Governor's FY 2014 recommended budget includes savings of \$0.2 million, including \$0.1 million from general revenues, from assuming certain adults receiving home modification and personal care attendant services and social services for the blind provided under the global waiver by the Office of Rehabilitation Services would be eligible for the health benefits exchange. He requested an amendment to restore the savings since the population accessing these activities would not likely be affected and the activities themselves would not be a covered benefit; the House Finance Committee concurs.

94. Services Provided by Elderly Affairs - Correction. The Governor's FY 2014 recommended budget includes savings of \$1.9 million, including \$0.9 from general revenues, from assuming seniors receiving certain services, including adult day, home care, and in-home case management services provided under the global waiver would be eligible for the health benefits exchange. He requested an amendment to restore the savings since the population accessing these activities would not likely be affected and the House Finance Committee concurs.

Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

95. ACA First Savings. The House Finance Committee recommends savings of \$3.0 million in Behavioral Healthcare, Developmental Disabilities and Hospitals including \$1.0 million from general revenues in the Office of Health and Human Services based on individuals who currently receive optional medical benefits through the state transitioning to either the expanded Medicaid program or the health benefits exchange. The savings are partially matched with Medicaid. The budget assumes general revenue savings of \$6.0 million and the Committee recommends using \$2.0 million for an Affordable Care Act transition fund to minimize any interruption of benefits for individuals that may occur when shifting to the exchange.

96. Behavioral Health ACA Corrections. The Governor requested an amendment to correct his FY 2014 recommended budget savings in the behavioral health program that were included as part of the implementation of health care reform. He realizes \$1.2 million more in savings than originally anticipated, including \$0.4 million from general revenues. The House Finance Committee concurs.

97. Capital – Mental Health Residences Furniture. The Governor's FY 2014 through FY 2018 Capital Budget includes \$252,000 from Rhode Island Capital Plan funds to provide furniture to behavioral health clients who move into a new residence. He also includes \$32,000 in FY 2013 which the House Finance Committee reduces by \$29,000 to reflect current expenditures. The Committee also eliminates \$40,000 for FY 2014 and \$212,000 for the remaining four years of the capital plan.

98. Developmental Disabilities Day Programs - Correction. The Governor's FY 2014 recommended budget includes savings of \$0.9 million, including \$0.5 million from general revenues, from assuming that certain developmentally disabled adults who receive day programming services under the global waiver would be eligible for the health benefits exchange. He requested an amendment to restore the savings since this activity would not be a covered benefit. The House Finance Committee concurs.

99. Developmental Disabilities Providers. The House Finance Committee adds \$2.0 million from all funds, including \$1.0 million from general revenues, to increase funding to community based agencies that provide services to approximately 3,600 developmentally disabled adults to bring total FY 2014 funding for Project Sustainability to \$182.0 million.

100. Emergency Room Diversion (One-Time). The House Finance Committee adds \$250,000 from general revenues for a pilot diversion program to address emergency room utilization for non-emergency purposes by individuals with behavioral health and substance abuse issues.

101. Group Home Savings to Hospitals. The Governor's FY 2014 recommended budget includes savings from closing Southwick, one of the four Zambarano group homes, and consolidating the current residents into the three remaining homes. His budget inadvertently shows savings in the Division of Developmental Disabilities instead of the hospital program and he requested an amendment to correct this. He also adds back \$0.3 million in Medicaid funds that were inadvertently excluded from the budget to support the group homes. The House Finance Committee concurs.

102. Housing First Initiative. The Governor's FY 2014 recommended budget adds \$0.5 million from general revenues matched by \$0.5 million from Medicaid to support the housing first initiative's voucher program for individuals with behavioral health issues. The Department needs approval to use Medicaid matching funds since the federal program does not pay for room and board expenses and has not received it. The House Finance Committee does not concur and removes the funding.

103. Indirect Cost Recovery. Most federal grants allow for recovery of overhead costs, in addition to direct administrative costs, through the application of a negotiated indirect cost rate. The Department of Behavioral Healthcare, Developmental Disabilities and Hospitals will enter into a contract, starting May 1, 2013 to establish a federal indirect rate for its federal grants to take advantage of this allowance to lower state general revenue costs. The House Finance Committee recommends reducing general revenues by \$0.7 million assuming an indirect cost recovery rate of not less than 5.0 percent and shifts the grant funded expenditures from federal to restricted sources consistent with current practice for accounting for indirect cost recovery resources.

104. Municipal Substance Abuse Task Forces. The House Finance Committee includes savings of \$0.5 million from general revenues to provide state support totaling \$0.6 million to the 35 municipal substance abuse prevention task forces that promote drug free communities, in cooperation with school systems and human services organizations.

105. Respect Contract. The Governor's FY 2014 recommended budget eliminates the Respect contract with the Providence Center that pays for limited psychiatric hospitalization for individuals who are either uninsured or underinsured for savings of \$2.0 million, including \$1.0 million from general revenues. The House Finance Committee recommends adding back \$0.9 million for six months of funding assuming that the individuals will be eligible for benefits through either the extended Medicaid program or the health benefits exchange.

106. Statewide Benefit Adjustment - 24 Hour Facilities. The Governor's FY 2014 recommended budget includes statewide benefit savings at both Eleanor Slater Hospital and the state-run system for adults with developmental disabilities from restricted receipts; however, he did not include savings from either general revenues or federal funds. He requested an amendment to correct for this and includes savings of \$0.8 million, \$0.4 million from general revenues. The House Finance Committee concurs.

Office of the Child Advocate

107. Convert 0.8 Staff Attorney to 1.0 Legal Counsel. The House Finance Committee recommends \$6,500 less from general revenues to reflect savings associated with upgrading 0.8 staff attorney position to 1.0 legal counsel. The position is currently vacant and savings include three weeks of turnover savings in FY 2014. This position is partially funded through a federal Victims of Crime grant.

Department of Elementary and Secondary Education

108. Capital – Davies HVAC. The Governor recommends \$2.4 million from Rhode Island Capital Plan funds in the five-year capital plan programmed through FY 2016 to repair the HVAC system at the Davies Career and Technical Center. The House Finance Committee recommends adding \$200,000 for FY 2014 and \$227,500 for FY 2015 from FY 2016 to accelerate this project. Total funding is as recommended.

109. Capital - Woonsocket Career and Tech Center. The Governor recommends \$3.2 million from Rhode Island Capital Plan funds for FY 2013 through FY 2015 to replace the HVAC system and roof at the Woonsocket Career and Technical School. The House Finance Committee recommends shifting \$1.2 million from FY 2013 and FY 2014 to FY 2015 to reflect anticipated expenditures. Total funding is as recommended.

110. Ch. 36 Transition Grant. The 2012 Assembly provided state support to the Rhode Island Public Telecommunications Authority through July 1, 2013. The intention was that the Authority would partner with outside institutions or community groups for operating resources. The Governor's budget provides \$0.4 million in general revenue support for public television for FY 2014 to assist in the transition from a state agency to control of the Rhode Island PBS Foundation. The House Finance Committee recommends reducing that grant by \$100,000 to \$300,000.

111. Community Service Grant Adjustments. The House Finance Committee recommends adding \$88,000 from general revenues to make adjustments to two community service grants in the Department of Elementary and Secondary Education's budget. This includes adding \$38,000 for COZs and \$50,000 for a one-time grant to the East Providence High School for capital improvements to its gymnasium.

112. Davies Restore Medical Benefit Savings. The House Finance Committee concurs with the Governor's requested amendment to restore \$86,380 that he eliminated to reflect statewide benefit savings for the Davies Career and Technical School. Its budget should not be reduced by the value of the statewide savings because it gets a single state allocation for the year pursuant to the education funding formula.

113. Early Childhood Categorical Funds. The Governor recommends \$2.5 million for early childhood programs, which is \$1.0 million more than enacted. The funding formula allows for additional resources from the state to districts for high-cost special education students, high-cost career and technical programs, early childhood education programs, transportation costs and a limited two-year bonus for regionalized districts. Funding is used to increase access to voluntary, free, high-quality pre-kindergarten programs. This pilot program began in FY 2010 with \$700,000. The House Finance Committee recommends funding at the enacted level and removes the additional \$1.0 million.

114. Funding Formula Data Update. The House Finance Committee adds \$2.4 million from general revenues for the third year of the education funding formula based on updated data. This includes redistribution among districts with some receiving more and some receiving less than the Governor's budget assumed. The Department of Elementary and Secondary Education provided updated student enrollment and free and reduced lunch eligibility data in April. The Governor's budget uses June 30, 2012 student enrollment data adjusted for FY 2014 projected charter school enrollments.

115. School for the Deaf - Rental Income. The 2011 Assembly enacted legislation that authorizes the School for the Deaf to rent or lease space in its school building. It established a new restricted

receipt account for the deposit of funds from rentals or leases to be used by the school to support its operations. It also required that any rental agreement receive prior approval from the school's Board of Trustees and the state properties committee. The House Finance Committee recommends offsetting \$67,500 in general revenue funded operating expenditures with rental income.

116. School Housing Aid. The House Finance Committee recommends general revenue savings of \$0.8 million for FY 2014 in housing aid based on anticipated expenditures. Reimbursement cannot begin until a project is completed and districts must complete new projects by June 30, 2013 in order to be eligible for reimbursement to begin in FY 2014.

117. Teacher Retirement. The Governor recommends \$82.5 million to fund the state's share of the employer contribution for teacher retirement, an increase of \$4.3 million to the FY 2013 enacted budget. Employers contribute the difference between the teachers' share and the amount needed to support the system, as determined annually by the State Employees' Retirement System. The state pays 40.0 percent of the employer's share. Based on updated teacher payroll projections, the House Finance Committee recommends reducing the state's share by \$0.8 million. The House Finance Committee also includes \$0.8 million in savings for FY 2013 based on the updated projections.

Higher Education

118. Office of Higher Education. The 2012 Assembly enacted legislation that abolishes the Board of Governors for Higher Education and the Board of Regents, effective January 1, 2013 and creates a new 11 member Rhode Island Board of Education. It abolishes the Office of Higher Education, effective July 1, 2014. The Governor recommends \$2.0 million for the operations of the Office for FY 2014. Because FY 2014 is the last year of the Office's existence, the House Finance Committee recommends funding the Office at \$1.0 million, or \$1.0 million less than recommended.

119. RIC - RI Hospital Grant. The House Finance Committee concurs with the Governor's requested budget amendment to add \$137,621 for FY 2013 and \$142,849 for FY 2014 to reflect a grant for Rhode Island College's School of Nursing from Rhode Island Hospital. Funding will be used to support a Professional Development Nurse Faculty Specialist to provide professional nursing development and education services to professional nurses and nursing students.

120. STEM Position. The STEM Center at Rhode Island College is the state's primary educational hub, resource, and research collaborative, established to increase interest in and advancement of STEM in Rhode Island. It provides professional development; collects and disseminates best practices; and fosters networks and partnerships among PK-12 teachers, teacher candidates, higher education faculty, students, and parents. It is currently staffed by two part-time employees. The House Finance Committee recommends \$121,000 to hire an individual to staff the center full-time; the current director, who is leaving, staffed the center part-time.

Higher Education Assistance Authority

121. Data Processing System. The Governor's FY 2014 recommended budget includes \$200,000 from general revenues to repay federal funds used to purchase a data processing system. The Authority indicates it will purchase the system by the end of FY 2013 with federal funds from its Guaranty Agency which it would repay with \$200,000 from general revenues. The House Finance Committee does not concur with using \$200,000 from general revenues. It is likely federal funds will have already paid for the system by the end of FY 2013.

Historical Preservation & Heritage Commission

122. Community Service Grant Adjustments. The House Finance Committee recommends adding \$25,000 from general revenues for one community service grant in the Historic Preservation and Heritage Commission's budget for the Rhode Island Holocaust Memorial.

Attorney General

123. Victims of Crime Assistance Grant. The Governor's FY 2014 budget recommendation includes \$407 from federal funds from the victims of crime program within the Criminal Division of the Office of the Attorney General. He subsequently requested an amendment to add \$11,000 from federal funds to reflect a new grant awarded for FY 2013 and FY 2014 to maintain expansion of services to felony crime victims. The House Finance Committee concurs.

Department of Corrections

124. Capital - Maximum General Renovations. The Governor's capital budget includes a total of \$2.7 million from Rhode Island Capital Plan funds, of which \$0.8 million is for FY 2013 for heating, ventilation and air conditioning, and plumbing upgrades for the basement of the Maximum Security facility. The Department notes that a revision of the project scope generated a new bid that totals \$2.2 million. The House Finance Committee reprograms this project to be completed in FY 2015 and reduces total funding by \$0.5 million to reflect the revised project scope and updated schedule. This includes \$0.6 million less for FY 2013 and \$0.4 million less for FY 2016 offset by increases of \$0.3 million for FY 2014 and \$0.2 million for FY 2015.

Judiciary

125. Community Service Grant Adjustments. The House Finance Committee adds \$0.3 million from general revenues to the Judiciary's budget for FY 2014, of which \$0.1 million will be used for domestic violence advocacy within the family court, and \$0.2 million of which will be used to provide fiscal analysis of the impact of the Affordable Care Act on the prison population and explores community alternatives to reduce current state costs and the recidivism rate of incarceration.

126. Expanded Access to Civil Justice Grant. The House Finance Committee adds \$18,000 from restricted receipts, including \$5,000 for FY 2013 and \$13,000 for FY 2014 to reflect a donation from the American Bar Association. Funding will be used to promote expanded access to civil justice for low-income and disadvantaged persons.

127. Veterans Court Staffing. The House Finance Committee recommends \$0.3 million for operational support of the newly formed Veteran's Court within the District Court of the Judiciary. The funds would support a clinical supervisor, outreach coordinator, case manager and administrative assistant within the existing full-time equivalent position cap.

Military Staff

128. Capital - AMC Roof Replacement. The Governor recommends \$1.8 million from Rhode Island Capital Plan funds for FY 2013 for the rehabilitation of the Armory of Mounted Commands building, including multiple upgrades to existing infrastructure as well as the replacement of the roof. The House Finance Committee adds \$0.4 million in the current year and removes \$0.1 million of funding in FY 2014 to reflect an accelerated project schedule.

129. Capital - Hurricane Sandy. The Governor recommends \$3.0 million from Rhode Island Capital Plan funds for FY 2013 for the Military Staff to match \$9.0 million of federal funds for reimbursements to state agencies, as well as other entities such as quasi-state agencies and municipalities, for the repair of damages caused by the hurricane. Based on slower than anticipated reimbursements, the House Finance Committee shifts \$1.5 million from FY 2013 to FY 2014.

130. EMA - New Positions. The House Finance Committee removes the 5.0 new positions and \$0.5 million in associated funding recommended by the Governor for FY 2014. The new positions include a statewide interoperability coordinator, national incident management systems officer, critical infrastructure coordinator, domestic preparedness coordinator and an all hazards planning coordinator.

131. Emergency Management Performance Grant. The House Finance Committee concurs with the Governor's requested budget amendment to remove \$1.1 million from federal funds in FY 2014 to reflect a revised award and expenditure plan for Emergency Management Performance grant funding. The Agency's request and the Governor's recommendation included the funding in FY 2014; however, the funding for this program must be spent in FY 2013 to reflect the expiration of allotted funding.

132. Federal Funds Adjustment. The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.1 million from federal funds for FY 2014 to reflect revised awards and expenditures from federal grants, including a reduction to the Interoperable Communications Program offset by an increase for hazardous material response activities.

133. Indirect Cost Recovery. Most federal grants allow for recovery of overhead costs, in addition to direct administrative costs, through the application of a negotiated indirect cost rate. The Military Staff has established a federal indirect rate for its federal grants to take advantage of this allowance to lower state general revenue costs. The Committee recommends reducing general revenues by \$0.5 million and shifts the grant funded expenditures from federal to restricted sources consistent with the current practice of accounting for indirect cost recoveries.

134. Urban Areas Security Initiative. The House Finance Committee concurs with the Governor's requested budget amendment to remove \$1.1 million from federal funds in FY 2014 to reflect a revised award and expenditure plan for Urban Areas Security Initiative grant funding. The Agency's request and the Governor's recommendation included the funding in FY 2014; however, the funding for this program must be spent in FY 2013 to reflect the expiration of allotted funding.

Department of Public Safety

135. Capital - Fire Academy Building. The Governor includes \$2.8 million from Rhode Island Capital Plan funds for FY 2013 and FY 2014 to complete the second phase of construction for the new Fire Training Academy in Exeter. This includes \$0.7 million in the current year. The House Finance Committee recommends shifting \$0.7 million from FY 2013 and \$1.3 million from FY 2014 to FY 2015 to reflect the Department's revised timetable for this project.

136. Capital - Parking Area Improvements. The Governor includes a total of \$0.9 million from Rhode Island Capital Plan funds to repair and expand parking lots at the Department of Public Safety facilities, including \$450,000 in the current year. The Governor requested an amendment shifting \$437,000 from FY 2013 to FY 2014. The House Finance Committee recommends total funding as recommended, but shifts \$225,000 to FY 2014 and \$212,000 to FY 2015 to reflect the Department's actual and anticipated expenditures.

137. Former ARRA Positions. The Governor includes \$227,267 from general revenues and 2.0 new full-time equivalent positions, a Data Processing Systems Manager and a Computer Programmer, within the Division of State Police for FY 2014. These positions would replace two contract positions previously funded by federal Internet Crimes Against Children funds, granted to the Department as part of the American Recovery and Reinvestment Act. It should be noted that programs and positions funded by the American Recovery and Reinvestment Act were not intended to be permanent additions to agencies. The House Finance Committee recommends eliminating these funds and positions.

138. Paralegal Position. The House Finance Committee recommends eliminating 1.0 full-time paralegal position and \$73,132 from general revenues. It was not included in the Department's budget request, but is included in the Governor's FY 2014 budget recommendation.

139. Public Information Officer Position. The House Finance Committee recommends eliminating 1.0 full-time public information officer position and \$121,823 from general revenues. It was not included in the Department's budget request, but is included in the Governor's FY 2014 budget recommendation.

140. Turnover. The Governor's FY 2014 budget includes \$64.4 million from all funds to fund 180.0 full-time positions in the Division of Sheriffs and 312.0 full-time positions in the Rhode Island State Police. This includes \$58.9 million from general revenues and \$1.3 million in turnover savings. The House Finance Committee recommends an additional \$250,000 in turnover savings from general revenues to reflect historical personnel expenditures for the Sheriffs and State Police and filled positions as of May 2013.

Environmental Management

141. Artificial Reef Research. The House Finance Committee concurs with the Governor's requested amendment to increase funding for artificial reef research by \$0.2 million in FY 2014. The Department of Environmental Management indicates that this project involves deploying reef balls to construct three artificial reefs at locations to be determined around Narragansett Bay and conducting baseline and post-installation surveys, which will include three types of fish monitoring analyses (video, diver and mark-recapture). The amendment reflects the availability of additional federal funds.

142. Capital - Fort Adams Sailing Improvements. The House Finance Committee concurs with the Governor's requested amendment to shift \$1.0 million from FY 2013 to FY 2014 to reflect the revised project schedule for improvements to Fort Adams State Park, which will allow the state to host large-scale sailing events. In addition, the House Finance Committee adds \$1.4 million in FY 2014 for a community sailing center.

143. Capital - Galilee Piers. The House Finance Committee concurs with the Governor's requested amendment to shift \$1.1 million from FY 2013 to FY 2014 to reflect the revised project schedule for facilities and infrastructure improvements at the Port of Galilee.

144. Capital - Recreational Facilities Improvements. The House Finance Committee recommends \$140,000 more for FY 2013 and \$750,000 more for FY 2014 from Rhode Island Capital Plan funds for improvements at Rhode Island parks and management areas. The additional funding will be used for improvements at Brenton Point State Park.

145. Community Service Grant Adjustments. The Governor's FY 2014 budget includes \$6,222 from general revenues for a community service grant to support the Cooperative Extension Districts 4-

H associations. The grant is split among three recipients: Eastern Rhode Island Cooperative Extension, Rhode Island Agricultural Council and Southern Rhode Island Cooperative Extension. The House Finance Committee recommends a reduction of \$2,267 in order to eliminate funding to the Eastern Rhode Island Cooperative Extension, which the Department of Environmental Management indicates has not responded to its requests for required information.

146. Fishways Repair. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding for fishways repair by \$0.1 million in FY 2014. The requested funding, which reflects a new award from the National Oceanic and Atmospheric Administration, would be used to reconstruct the Wakefield Fishway at Main Street and repair the Palisades Fishway in South Kingstown.

147. Galilee Piers. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding for facilities and infrastructure improvements at the Port of Galilee by \$2.9 million in FY 2014. The purpose of this project is to repair and improve the Galilee State Pier by replacing deteriorated wooden bulkheads, paving the parking lot on the pier and providing treatment for stormwater runoff. The amendment reflects a grant from the United States Economic Development Administration awarded after the Governor's budget submission.

148. Senior Reconciliation Clerk. The Governor recommends \$67,862 and 1.0 full-time equivalent senior reconciliation clerk for FY 2014 to provide administrative support to the Coastal Resources Division. The House Finance Committee does not concur with this proposal and reduces funding accordingly.

149. Village Planning Challenge Grant. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding by \$50,000 in FY 2014 for a Planning Challenge Grant to assess the status of village development and provide training and guidance to local officials in order to encourage village growth. The FY 2013 enacted budget includes the \$100,000 awarded for this grant; however, the Department of Environmental Management inadvertently excluded the funding from its request. The Governor's budget amendment reflects that the Department plans to spend \$50,000 in FY 2013 and the remaining \$50,000 in FY 2014.

Coastal Resources Management Council

150. Indirect Cost Recovery. Most federal grants allow for recovery of overhead costs, in addition to direct administrative costs, through the application of a negotiated indirect cost rate. The Departments of Health, Elementary and Secondary Education and Environmental Management take advantage of this allowance to lower state general revenue costs. The House Finance Committee recommends all eligible agencies reduce general revenue expenditures through the use of a negotiated federal indirect rate. For the Coastal Resources Management Council, the Committee recommends reducing general revenues by \$124,982 assuming an indirect cost recovery rate of not less than 5.0 percent and shifts the grant funded expenditures from federal to restricted sources consistent with current practice for accounting for indirect cost recovery resources.

151. Legal Services Shift to Federal. The Governor's FY 2014 budget includes \$156,000 for outside legal services, the enacted level of \$126,000 from general revenues and an additional \$30,000 from federal funds. The Council had requested additional funding for legal work to address the National Oceanic and Atmospheric Administration's concerns about the outside legal counsel also serving as the hearing officer. However, this situation was resolved in July 2012, which appears to eliminate the need for additional legal expenditures. The House Finance Committee recommends

reducing general revenues by \$30,000 to reflect anticipated expenditures and the availability of federal funds.

152. River Ecosystem Restoration. The House Finance Committee concurs with the Governor's requested amendment to shift \$0.4 million of federal funds from FY 2014 to FY 2013 to reflect a revised project schedule for restoring access to spawning habitat in the Ten Mile and Pawcatuck River watersheds for numerous migratory species.

Department of Transportation

153. Capital - Highway Projects Match Plan. The Governor recommends \$20.0 million from Rhode Island Capital Plan funds for each year of the FY 2013 through FY 2018 period for the Department to use as a portion of the state's match for Federal Highway Administration funds. The Department is also utilizing new motor vehicle surcharges for a portion of the funding, which will total \$40.0 million annually to be used as a pay-go match in lieu of borrowing. The surcharge language in current law was altered by the Governor in his recommendations, which also included revised data and revenue projections, ultimately leading to a decrease in available funding for the match. The House Finance Committee recommends \$1.1 million more from Rhode Island Capital Plan funds for FY 2014 to ensure the Department maintains sufficient funding to fund on a pay-go basis.

154. Capital - Local Roads Plan. The Governor recommends \$10.0 million from Rhode Island Capital Plan funds for FY 2014 for distribution to municipalities to fund infrastructure improvements based on the mileage in each community, as well as other criteria. Because Rhode Island Capital Plan funds may not be used as local aid to municipalities, the House Finance Committee removes the funds.

155. Capital - Train Station Maintenance and Repairs. The Governor recommends \$0.3 million from Rhode Island Capital Plan funds in FY 2014 for maintenance and repairs at three train stations: Woonsocket, South Kingstown and Westerly. The South Kingstown and Westerly stations are currently active, while the Woonsocket station serves as a bus depot. Due to a lack of progress and planning for the facilities, the House Finance Committee removes \$0.2 million of funding from FY 2014 to reflect the revised schedule.

156. Gas Tax Estimate – DOT. The House Finance Committee increases available gasoline tax for the Department of Transportation by \$0.1 million to reflect an upward revision of the gasoline tax yield estimate. This will increase the debt service payment for the Department's GARVEE bonds and also increase available proceeds for operations in the Division of Maintenance.

157. Gas Tax Estimate – RIPTA. The House Finance Committee increases available gasoline tax in the Department of Transportation to reflect an increased transfer to the Rhode Island Public Transit Authority of \$50,144 which was due to an upward revision of the gasoline tax yield estimate.

Section III

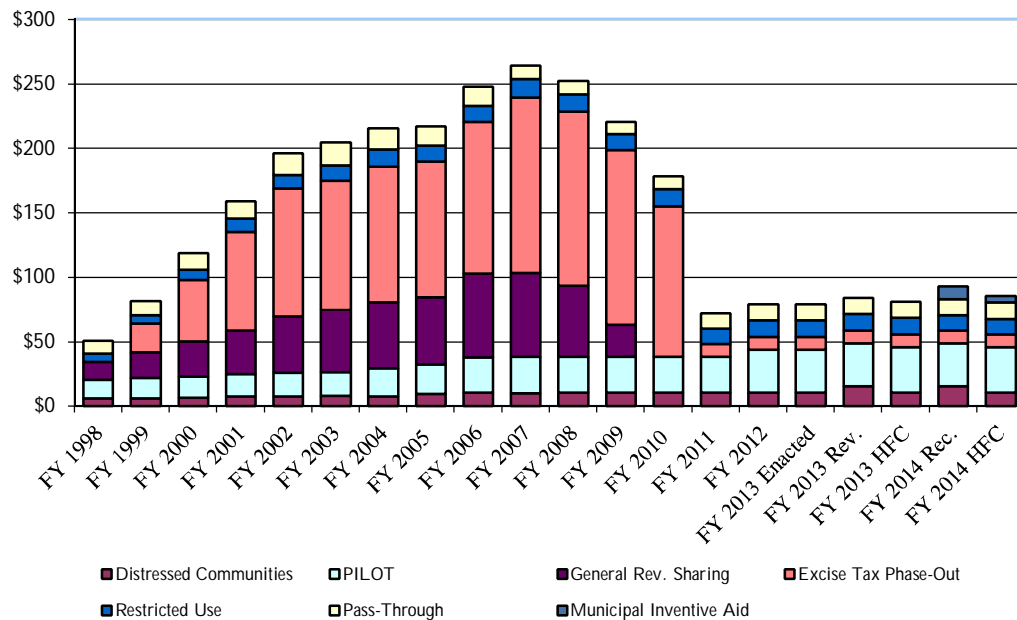
Special Reports

State Aid to Local Governments

Introduction

The House Finance Committee recommends state aid to cities and towns totaling \$68.3 million in FY 2013 and \$72.3 million in FY 2014. Funding for general aid programs in FY 2013 includes \$55.5 million, which is \$2.0 million more than the enacted level to reflect additional funding for the Payment in Lieu of Taxes program. For FY 2014, funding for general aid programs includes \$60.5 million, which is \$7.0 million more than the enacted level and is \$5.0 million more than the FY 2013 recommendation for the Municipal Incentive Aid program. The recommendation includes \$12.9 million in FY 2013 and \$11.8 million in FY 2014 for restricted use programs. Local communities will also receive \$12.7 million in FY 2013 and \$13.2 million in FY 2014 in public service corporation property taxes that the state collects and passes through to the communities.

The following graph shows historical funding data, in millions. The graph below also shows the allocation of funding for state aid programs from FY 1998 through the House Finance Committee's recommendation for FY 2014.



The major changes in the aid proposal are discussed on the following pages, followed by tables that show recommended distribution of general aid by community as well as each general aid program by community. There are also tables showing the distribution of library operating aid, which is considered restricted and not included in the general aid totals and public service corporations' tax collections, a local levy collected at the state level and returned to local governments for tax collection efficiency purposes.

General. The House Finance Committee recommends \$68.3 million in FY 2013 and \$72.3 million in FY 2014 for general state aid to local governments.

Fiscal Year	2013 Enacted	2013 Gov. Rev.	Rev. Diff.	2013 HFC	HFC to Enacted	2014 Gov. Rec.	Rec. Diff.	2014 HFC	HFC to Enacted
General Aid - State Sources									
Distressed Communities	\$ 10.4	\$ 15.4	\$ 5.0	\$ 10.4	\$ -	\$ 15.4	\$ 5.0	\$ 10.4	\$ -
PILOT	33.1	33.1	-	35.1	2.0	33.1	-	35.1	2.0
Excise Tax Phase-Out	10.0	10.0	-	10.0	-	10.0	-	10.0	-
Municipal Incentive Aid	-	-	-	-	-	10.0	10.0	5.0	5.0
Subtotal	\$ 53.5	\$ 58.5	\$ 5.0	\$ 55.5	\$ 2.0	\$ 68.5	\$ 15.0	\$ 60.5	\$ 7.0
Restricted Use Aid - State Sources									
State Aid for Libraries	\$ 8.8	\$ 8.8	-	8.8	-	\$ 8.8	\$ -	\$ 8.8	\$ -
Library Const. Aid	2.5	2.5	-	2.5	-	2.5	-	2.5	0.0
Prop. Reval. Reimb.	1.6	1.6	-	1.6	-	0.5	(1.1)	0.5	(1.1)
Actuarial Valuation	-	0.1	0.1	0.0	0.0	-	-	-	-
Subtotal	\$ 12.9	\$ 12.9	\$ 0.1	\$ 12.9	\$ 0.0	\$ 11.8	\$ (1.1)	\$ 11.8	\$ (1.1)
Total - State Sources	\$ 66.3	\$ 71.4	\$ 5.1	\$ 68.3	\$ 2.0	\$ 80.3	\$ 13.9	\$ 72.3	\$ 5.9
Other Aid - Pass-Through									
Public Service Corp.	\$ 12.7	\$ 12.7	\$ -	\$ 12.7	\$ 12.7	\$ 12.7	\$ -	\$ 13.2	\$ 0.5

- **Distressed Communities Relief Fund.** The House Finance Committee recommends funding the Distressed Communities Relief Fund Program at the enacted amount of \$10.4 million in both FY 2013 and FY 2014. FY 2014 communities' aid distribution is based on updated qualifying tax levies. In FY 2013, Cranston qualified for aid. Communities entering and exiting the program receive 50.0 percent of what would otherwise be full funding under the formula.

- **Payment in Lieu of Taxes Program.** The House Finance Committee recommends \$35.1 million in both FY 2013 and FY 2014 to fund the Payment in Lieu of Taxes program. This program reimburses cities and towns for property taxes that would have been due on real property owned by nonprofit educational institutions of higher learning, nonprofit hospitals, or any state-owned hospital, veterans' residential facility or correctional facility, which is exempt from taxation by state law. Reimbursement is 27.0 percent of the forgone tax, subject to appropriation. Distributions to communities reflect updated data and a ratable reduction to the appropriation. Funding in FY 2014 represents a reimbursement of 22.1 percent of the value. The Governor's budget reflects a reimbursement of 20.8 percent.

- **Motor Vehicle Excise Tax Phase-Out.** The House Finance Committee funds the Motor Vehicles Excise Tax program at the enacted amount of \$10.0 million. The 2010 Assembly enacted legislation mandating a \$500 exemption for which the state will reimburse municipalities an amount subject to appropriation. The legislation allows municipalities to provide an additional exemption; however, that additional exemption will not be subject to reimbursement.

- **Municipal Incentive Aid.** The House Finance Committee proposes \$5.0 million for a Municipal Incentive Aid program to encourage sustainable funding of retirement plans and to reduce unfunded liabilities. For FY 2014, a municipality may become eligible for funding three ways. First, if it has no locally administrated pension plan, secondly, if it has submitted an approved Funding Improvement Plan, if one is required, no later than June 1, 2013; or third if its locally administered plan is not required to submit a Funding Improvement Plan. For FY 2015 and FY 2016, a municipality that still has a local plan that did not require a Funding Improvement Plan must be funding 100 percent of its Annual Retirement Contribution. Those with no local plans or those implementing funding improvement plans would continue to be eligible. The Governor recommended \$10.0 million to fund this.

- **Library Resource Sharing Aid.** Consistent with the Governor's budgets, the House Finance Committee recommends \$8.8 million to fund library operating aid at the enacted level. The recommendation for FY 2014 is \$1.3 million or 13.3 percent less than allowed under current law, which requires 25.0 percent reimbursement of second prior year expenditures. Community distributions reflect updated data and a ratable reduction to the appropriation.
- **Library Construction Aid.** The House Finance Committee concurs with the Governor's recommendation to provide \$2.5 million to fully fund library construction aid requirements. The state reimburses libraries up to half of the total costs for eligible projects on an installment basis for a period of up to 20 years. The payments do not begin until the state fiscal year following the completion, acceptance, and audit of the project. The 2011 Assembly adopted legislation to set a three-year moratorium on the acceptance of applications for library construction aid projects. The Chief of Library Services will begin accepting applications for library projects beginning July 1, 2014.
- **Property Valuation Reimbursement.** The House Finance Committee provides full funding of \$1.6 million in FY 2013 and \$0.5 million in FY 2014 to reimburse communities conducting property valuation updates. This is consistent with the Governor's recommendations.
- **Public Service Corporation Tax.** The FY 2013 and FY 2014 budgets assume the state will collect \$12.7 million and \$13.2 million, respectively of property taxes from public service corporations on behalf of municipalities and pass that back to them. The 2009 Assembly adopted the Governor's recommendation to freeze the tax rate applied to the tangible personal property of public service corporations at the FY 2008 rate.

Distribution by Community

General Aid Total

Includes Distressed Communities, PILOT, Motor Vehicles Excise Tax and Municipal Incentive Aid

<i>Community</i>	<i>FY 2013 Enacted</i>	<i>FY 2013 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2013 HFC</i>	<i>FY 2013 HFC to Enacted</i>
Barrington	284,035	\$ 275,965	\$ (8,070)	\$ 278,312	\$ (5,723)
Bristol	790,052	788,378	(1,674)	829,057	39,005
Burrillville	323,658	319,501	(4,157)	326,088	2,430
Central Falls	397,023	497,804	100,781	406,671	9,648
Charlestown	41,218	40,195	(1,023)	40,195	(1,023)
Coventry	225,597	212,432	(13,165)	212,432	(13,165)
Cranston	6,707,482	7,286,224	578,742	6,994,173	286,691
Cumberland	216,609	210,915	(5,694)	210,921	(5,688)
East Greenwich	288,045	285,436	(2,609)	295,386	7,341
East Providence	608,246	611,596	3,350	621,461	13,215
Exeter	82,437	83,465	1,028	83,465	1,028
Foster	69,768	68,721	(1,047)	68,747	(1,021)
Glocester	94,919	93,156	(1,763)	93,156	(1,763)
Hopkinton	65,621	62,734	(2,887)	62,734	(2,887)
Jamestown	36,685	35,751	(934)	35,751	(934)
Johnston	382,377	373,565	(8,812)	373,565	(8,812)
Lincoln	236,662	232,641	(4,021)	232,641	(4,021)
Little Compton	23,548	23,665	117	23,665	117
Middletown	89,262	83,649	(5,613)	83,649	(5,613)
Narragansett	95,791	95,050	(741)	95,050	(741)
Newport	1,043,977	1,038,708	(5,269)	1,093,445	49,468
New Shoreham	8,132	7,945	(187)	7,945	(187)
North Kingstown	230,059	224,410	(5,649)	224,522	(5,537)
North Providence	1,904,515	2,377,890	473,375	1,933,981	29,466
North Smithfield	173,847	168,480	(5,367)	168,480	(5,367)
Pawtucket	2,480,195	3,174,731	694,536	2,519,310	39,115
Portsmouth	109,483	105,623	(3,860)	105,623	(3,860)
Providence	29,877,667	32,419,521	2,541,854	31,393,716	1,516,049
Richmond	60,200	57,421	(2,779)	57,421	(2,779)
Scituate	127,207	124,283	(2,924)	124,283	(2,924)
Smithfield	778,985	771,671	(7,314)	801,722	22,737
South Kingstown	323,401	319,012	(4,389)	328,156	4,755
Tiverton	108,700	107,432	(1,268)	107,432	(1,268)
Warren	82,773	80,778	(1,995)	80,778	(1,995)
Warwick	2,306,868	2,297,571	(9,297)	2,367,119	60,251
Westerly	349,077	342,667	(6,410)	349,824	747
West Greenwich	49,532	50,367	835	50,367	835
West Warwick	1,041,849	1,398,816	356,967	1,031,185	(10,664)
Woonsocket	1,349,366	1,716,699	367,332	1,352,440	3,074
Total	\$ 53,464,867	\$ 58,464,868	\$ 5,000,000	\$ 55,464,867	\$ 2,000,000

General Aid Total

Includes Distressed Communities, PILOT, Motor Vehicles Excise Tax and Municipal Incentive Aid

<i>Community</i>	<i>FY 2013 Enacted</i>	<i>FY 2014 Gov. Rec.</i>	<i>FY 2014 Rec. to Enacted</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	284,035	\$ 405,508	\$ 121,473	\$ 328,398	\$ 44,363
Bristol	790,052	988,205	198,153	918,043	127,991
Burrillville	323,658	467,703	144,045	398,460	74,802
Central Falls	397,023	552,284	155,261	379,693	(17,330)
Charlestown	41,218	114,714	73,496	77,455	36,237
Coventry	225,597	544,684	319,087	378,558	152,961
Cranston	6,707,482	10,102,427	3,394,945	8,901,839	2,194,357
Cumberland	216,609	527,359	310,750	369,142	152,533
East Greenwich	288,045	438,937	150,892	388,218	100,173
East Providence	608,246	1,063,220	454,974	849,050	240,804
Exeter	82,437	145,213	62,776	114,339	31,902
Foster	69,768	112,035	42,267	90,357	20,589
Glocester	94,919	185,911	90,992	139,534	44,615
Hopkinton	65,621	140,175	74,554	101,455	35,834
Jamestown	36,685	87,157	50,472	61,454	24,769
Johnston	382,377	646,441	264,064	510,003	127,626
Lincoln	236,662	432,933	196,271	332,787	96,125
Little Compton	23,548	56,892	33,344	40,279	16,731
Middletown	89,262	237,583	148,321	160,616	71,354
Narragansett	95,791	246,403	150,612	170,727	74,936
Newport	1,043,977	1,405,416	361,439	1,351,526	307,549
New Shoreham	8,132	16,987	8,855	12,466	4,334
North Kingstown	230,059	476,042	245,983	350,322	120,263
North Providence	1,904,515	2,420,111	515,596	1,890,947	(13,568)
North Smithfield	173,847	280,932	107,085	224,706	50,859
Pawtucket	2,480,195	3,657,563	1,177,368	2,743,041	262,846
Portsmouth	109,483	269,937	160,454	187,780	78,297
Providence	29,877,667	32,814,237	2,936,570	31,217,636	1,339,969
Richmond	60,200	130,384	70,184	93,903	33,703
Scituate	127,207	222,162	94,955	173,223	46,016
Smithfield	778,985	985,258	206,273	914,142	135,157
South Kingstown	323,401	602,452	279,051	466,884	143,483
Tiverton	108,700	256,451	147,751	181,942	73,242
Warren	82,773	182,613	99,840	131,696	48,923
Warwick	2,306,868	3,092,536	785,668	2,767,867	460,999
Westerly	349,077	556,051	206,974	454,558	105,481
West Greenwich	49,532	107,561	58,029	78,964	29,432
West Warwick	1,041,849	1,492,033	450,184	1,027,849	(14,000)
Woonsocket	1,349,366	2,000,359	650,993	1,485,012	135,646
Total	\$ 53,464,867	\$ 68,464,868	\$ 15,000,000	\$ 60,464,867	\$ 7,000,000

Distressed Communities Relief

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2013 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2013 HFC</i>	<i>FY 2013 HFC to Enacted</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	-	-	-	-	-
Central Falls	289,707	382,230	92,523	289,707	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	1,201,480	1,768,883	567,403	1,201,480	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	-	-	-	-	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	1,025,738	1,501,609	475,871	1,025,738	-
North Smithfield	-	-	-	-	-
Pawtucket	1,416,751	2,096,275	679,524	1,416,751	-
Portsmouth	-	-	-	-	-
Providence	4,804,334	7,248,224	2,443,890	4,804,334	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	817,916	1,185,547	367,631	817,916	-
Woonsocket	828,531	1,201,690	373,159	828,531	-
Total	\$ 10,384,458	\$ 15,384,458	\$ 5,000,000	\$ 10,384,458	\$ -

Distressed Communities Relief

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2014 Gov. Rec.</i>	<i>FY 2014 Rec. to Enacted</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	-	-	-	-	-
Central Falls	289,707	252,774	(36,933)	170,622	(119,085)
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	1,201,480	3,438,005	2,236,525	2,320,642	1,119,162
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	-	-	-	-	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	1,025,738	1,254,507	228,769	846,788	(178,950)
North Smithfield	-	-	-	-	-
Pawtucket	1,416,751	1,854,837	438,086	1,252,008	(164,743)
Portsmouth	-	-	-	-	-
Providence	4,804,334	6,562,344	1,758,010	4,429,560	(374,774)
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	817,916	1,001,154	183,237	675,775	(142,141)
Woonsocket	828,531	1,020,838	192,307	689,062	(139,469)
Total	\$ 10,384,458	15,384,458	5,000,000	\$ 10,384,458	\$ -

Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2013 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2013 HFC</i>	<i>FY 2013 HFC to Enacted</i>
Barrington	\$ 38,827	\$ 38,827	\$ -	\$ 41,174	\$ 2,347
Bristol	672,847	672,847	-	713,526	40,679
Burrillville	108,949	108,949	-	115,536	6,587
Central Falls	22,986	22,986	-	24,376	1,390
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	4,554,377	4,554,377	-	4,829,729	275,352
Cumberland	96	96	-	102	6
East Greenwich	164,567	164,567	-	174,517	9,950
East Providence	163,162	163,162	-	173,027	9,865
Exeter	-	-	-	-	-
Foster	435	435	-	461	26
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	905,365	905,365	-	960,102	54,737
New Shoreham	-	-	-	-	-
North Kingstown	1,859	1,859	-	1,971	112
North Providence	528,650	528,650	-	560,612	31,962
North Smithfield	-	-	-	-	-
Pawtucket	398,662	398,662	-	422,765	24,103
Portsmouth	-	-	-	-	-
Providence	23,455,411	23,455,411	-	24,873,496	1,418,085
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	497,049	497,049	-	527,100	30,051
South Kingstown	151,238	151,238	-	160,382	9,144
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,150,336	1,150,336	-	1,219,884	69,548
Westerly	118,381	118,381	-	125,538	7,157
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	147,213	147,213	-	156,113	8,900
Total	\$ 33,080,409	\$ 33,080,409	\$ -	\$ 35,080,409	\$ 2,000,000

Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2014 Gov. Rec.</i>	<i>FY 2014 Rec. to Enacted</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ 38,827	\$ 12,624	(26,203)	\$ 13,387	\$ (25,440)
Bristol	672,847	653,349	(19,498)	692,850	20,003
Burrillville	108,949	105,864	(3,085)	112,264	3,315
Central Falls	22,986	23,234	248	24,639	1,653
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	4,554,377	4,937,927	383,550	5,236,468	682,091
Cumberland	96	95	(1)	101	5
East Greenwich	164,567	193,262	28,695	204,946	40,379
East Providence	163,162	166,334	3,172	176,390	13,228
Exeter	-	-	-	-	-
Foster	435	351	(84)	372	(63)
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	905,365	1,038,696	133,331	1,101,494	196,129
New Shoreham	-	-	-	-	-
North Kingstown	1,859	1,830	(29)	1,941	82
North Providence	528,650	513,047	(15,603)	544,065	15,415
North Smithfield	-	-	-	-	-
Pawtucket	398,662	445,657	46,995	472,601	73,939
Portsmouth	-	-	-	-	-
Providence	23,455,411	22,845,903	(609,508)	24,227,138	771,727
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	497,049	507,089	10,040	537,747	40,698
South Kingstown	151,238	145,900	(5,338)	154,721	3,483
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,150,336	1,156,162	5,826	1,226,062	75,726
Westerly	118,381	114,887	(3,494)	121,833	3,452
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	147,213	218,199	70,987	231,391	84,179
Total	\$ 33,080,409	\$ 33,080,409	\$ -	\$ 35,080,409	\$ 2,000,000

Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2013 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2013 HFC</i>	<i>FY 2013 HFC to Enacted</i>
Barrington	\$ 245,208	\$ 237,138	\$ (8,070)	\$ 237,138	\$ (8,070)
Bristol	117,205	115,531	(1,674)	115,531	(1,674)
Burrillville	214,709	210,552	(4,157)	210,552	(4,157)
Central Falls	84,330	92,588	8,258	92,588	8,258
Charlestown	41,218	40,195	(1,023)	40,195	(1,023)
Coventry	225,597	212,432	(13,165)	212,432	(13,165)
Cranston	951,625	962,964	11,339	962,964	11,339
Cumberland	216,513	210,819	(5,694)	210,819	(5,694)
East Greenwich	123,478	120,869	(2,609)	120,869	(2,609)
East Providence	445,084	448,434	3,350	448,434	3,350
Exeter	82,437	83,465	1,028	83,465	1,028
Foster	69,333	68,286	(1,047)	68,286	(1,047)
Glocester	94,919	93,156	(1,763)	93,156	(1,763)
Hopkinton	65,621	62,734	(2,887)	62,734	(2,887)
Jamestown	36,685	35,751	(934)	35,751	(934)
Johnston	382,377	373,565	(8,812)	373,565	(8,812)
Lincoln	236,662	232,641	(4,021)	232,641	(4,021)
Little Compton	23,548	23,665	117	23,665	117
Middletown	89,262	83,649	(5,613)	83,649	(5,613)
Narragansett	95,791	95,050	(741)	95,050	(741)
Newport	138,612	133,343	(5,269)	133,343	(5,269)
New Shoreham	8,132	7,945	(187)	7,945	(187)
North Kingstown	228,200	222,551	(5,649)	222,551	(5,649)
North Providence	350,127	347,631	(2,496)	347,631	(2,496)
North Smithfield	173,847	168,480	(5,367)	168,480	(5,367)
Pawtucket	664,782	679,794	15,012	679,794	15,012
Portsmouth	109,483	105,623	(3,860)	105,623	(3,860)
Providence	1,617,922	1,715,886	97,964	1,715,886	97,964
Richmond	60,200	57,421	(2,779)	57,421	(2,779)
Scituate	127,207	124,283	(2,924)	124,283	(2,924)
Smithfield	281,936	274,622	(7,314)	274,622	(7,314)
South Kingstown	172,163	167,774	(4,389)	167,774	(4,389)
Tiverton	108,700	107,432	(1,268)	107,432	(1,268)
Warren	82,773	80,778	(1,995)	80,778	(1,995)
Warwick	1,156,532	1,147,235	(9,297)	1,147,235	(9,297)
Westerly	230,696	224,286	(6,410)	224,286	(6,410)
West Greenwich	49,532	50,367	835	50,367	835
West Warwick	223,933	213,269	(10,664)	213,269	(10,664)
Woonsocket	373,623	367,796	(5,827)	367,796	(5,827)
Total	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -

Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2014 Gov. Rec.</i>	<i>FY 2014 Rec. to Enacted</i>	<i>FY 2014 HFC*</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ 245,208	\$ 237,138	\$ (8,070)	\$ 237,138	\$ (8,070)
Bristol	117,205	115,531	(1,674)	115,531	(1,674)
Burrillville	214,709	210,552	(4,157)	210,552	(4,157)
Central Falls	84,330	92,588	8,258	92,588	8,258
Charlestown	41,218	40,195	(1,023)	40,195	(1,023)
Coventry	225,597	212,432	(13,165)	212,432	(13,165)
Cranston	951,625	962,964	11,339	962,964	11,339
Cumberland	216,513	210,819	(5,694)	210,819	(5,694)
East Greenwich	123,478	120,869	(2,609)	120,869	(2,609)
East Providence	445,084	448,434	3,350	448,434	3,350
Exeter	82,437	83,465	1,028	83,465	1,028
Foster	69,333	68,286	(1,047)	68,286	(1,047)
Glocester	94,919	93,156	(1,763)	93,156	(1,763)
Hopkinton	65,621	62,734	(2,887)	62,734	(2,887)
Jamestown	36,685	35,751	(934)	35,751	(934)
Johnston	382,377	373,565	(8,812)	373,565	(8,812)
Lincoln	236,662	232,641	(4,021)	232,641	(4,021)
Little Compton	23,548	23,665	117	23,665	117
Middletown	89,262	83,649	(5,613)	83,649	(5,613)
Narragansett	95,791	95,050	(741)	95,050	(741)
Newport	138,612	133,343	(5,269)	133,343	(5,269)
New Shoreham	8,132	7,945	(187)	7,945	(187)
North Kingstown	228,200	222,551	(5,649)	222,551	(5,649)
North Providence	350,127	347,631	(2,496)	347,631	(2,496)
North Smithfield	173,847	168,480	(5,367)	168,480	(5,367)
Pawtucket	664,782	679,794	15,012	679,794	15,012
Portsmouth	109,483	105,623	(3,860)	105,623	(3,860)
Providence	1,617,922	1,715,886	97,964	1,715,886	97,964
Richmond	60,200	57,421	(2,779)	57,421	(2,779)
Scituate	127,207	124,283	(2,924)	124,283	(2,924)
Smithfield	281,936	274,622	(7,314)	274,622	(7,314)
South Kingstown	172,163	167,774	(4,389)	167,774	(4,389)
Tiverton	108,700	107,432	(1,268)	107,432	(1,268)
Warren	82,773	80,778	(1,995)	80,778	(1,995)
Warwick	1,156,532	1,147,235	(9,297)	1,147,235	(9,297)
Westerly	230,696	224,286	(6,410)	224,286	(6,410)
West Greenwich	49,532	50,367	835	50,367	835
West Warwick	223,933	213,269	(10,664)	213,269	(10,664)
Woonsocket	373,623	367,796	(5,827)	367,796	(5,827)
Total	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -

* Reflects Governor's recommendation subject to change based on Division of Municipal Finance calculations.

Municipal Incentive Aid

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2013 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2013 HFC</i>	<i>FY 2013 HFC to Enacted</i>
Barrington					
Bristol					
Burrillville					
Central Falls					
Charlestown					
Coventry					
Cranston					
Cumberland					
East Greenwich					
East Providence					
Exeter					
Foster					
Glocester					
Hopkinton					
Jamestown					
Johnston					
Lincoln					
Little Compton					
Middletown					
Narragansett					
Newport					
New Shoreham					
North Kingstown					
North Providence					
North Smithfield					
Pawtucket					
Portsmouth					
Providence					
Richmond					
Scituate					
Smithfield					
South Kingstown					
Tiverton					
Warren					
Warwick					
Westerly					
West Greenwich					
West Warwick					
Woonsocket					
Total					

Municipal Incentive Aid

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2014 Gov. Rec.</i>	<i>FY 2014 Rec. to Enacted</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington		\$ 155,746	\$ 155,746	\$ 77,873	\$ 77,873.00
Bristol		219,325	219,325	109,663	109,663
Burrillville		151,287	151,287	75,644	75,644
Central Falls		183,688	183,688	91,844	91,844
Charlestown		74,519	74,519	37,260	37,260
Coventry		332,252	332,252	166,126	166,126
Cranston		763,531	763,531	381,766	381,766
Cumberland		316,445	316,445	158,223	158,223
East Greenwich		124,806	124,806	62,403	62,403
East Providence		448,452	448,452	224,226	224,226
Exeter		61,748	61,748	30,874	30,874
Foster		43,398	43,398	21,699	21,699
Glocester		92,755	92,755	46,378	46,378
Hopkinton		77,441	77,441	38,721	38,721
Jamestown		51,406	51,406	25,703	25,703
Johnston		272,876	272,876	136,438	136,438
Lincoln		200,292	200,292	100,146	100,146
Little Compton		33,227	33,227	16,614	16,614
Middletown		153,934	153,934	76,967	76,967
Narragansett		151,353	151,353	75,677	75,677
Newport		233,377	233,377	116,689	116,689
New Shoreham		9,042	9,042	4,521	4,521
North Kingstown		251,661	251,661	125,831	125,831
North Providence		304,926	304,926	152,463	152,463
North Smithfield		112,452	112,452	56,226	56,226
Pawtucket		677,275	677,275	338,638	338,638
Portsmouth		164,314	164,314	82,157	82,157
Providence		1,690,104	1,690,104	845,052	845,052
Richmond		72,963	72,963	36,482	36,482
Scituate		97,879	97,879	48,940	48,940
Smithfield		203,547	203,547	101,774	101,774
South Kingstown		288,778	288,778	144,389	144,389
Tiverton		149,019	149,019	74,510	74,510
Warren		101,835	101,835	50,918	50,918
Warwick		789,139	789,139	394,570	394,570
Westerly		216,878	216,878	108,439	108,439
West Greenwich		57,194	57,194	28,597	28,597
West Warwick		277,610	277,610	138,805	138,805
Woonsocket		393,526	393,526	196,763	196,763
Total		\$ 10,000,000	\$ 10,000,000	\$ 5,000,000	\$ 5,000,000

Library Aid

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2013 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2013 HFC</i>	<i>FY 2013 HFC to Enacted</i>
Barrington	\$ 334,107	\$ 334,107	\$ -	\$ 334,107	\$ -
Bristol	118,895	118,895	-	118,895	-
Burrillville	125,987	125,987	-	125,987	-
Central Falls	47,079	47,079	-	47,079	-
Charlestown	47,128	47,128	-	47,128	-
Coventry	207,369	207,369	-	207,369	-
Cranston	524,404	524,404	-	524,404	-
Cumberland	264,240	264,240	-	264,240	-
East Greenwich	114,121	114,121	-	114,121	-
East Providence	416,425	416,425	-	416,425	-
Exeter	40,082	40,082	-	40,082	-
Foster	29,625	29,625	-	29,625	-
Glocester	69,879	69,879	-	69,879	-
Hopkinton	29,999	29,999	-	29,999	-
Jamestown	79,139	79,139	-	79,139	-
Johnston	111,963	111,963	-	111,963	-
Lincoln	189,340	189,340	-	189,340	-
Little Compton	28,078	28,078	-	28,078	-
Middletown	128,935	128,935	-	128,935	-
Narragansett	121,555	121,555	-	121,555	-
Newport	374,002	374,002	-	374,002	-
New Shoreham	73,011	73,011	-	73,011	-
North Kingstown	257,842	257,842	-	257,842	-
North Providence	164,384	164,384	-	164,384	-
North Smithfield	62,569	62,569	-	62,569	-
Pawtucket	369,002	369,002	-	369,002	-
Portsmouth	102,367	102,367	-	102,367	-
Providence*	2,292,590	2,292,590	-	2,292,590	-
Richmond	24,829	24,829	-	24,829	-
Scituate	94,008	94,008	-	94,008	-
Smithfield	265,315	265,315	-	265,315	-
South Kingstown	196,594	196,594	-	196,594	-
Tiverton	91,928	91,928	-	91,928	-
Warren	51,832	51,832	-	51,832	-
Warwick	662,952	662,952	-	662,952	-
Westerly	270,491	270,491	-	270,491	-
West Greenwich	26,290	26,290	-	26,290	-
West Warwick	171,858	171,858	-	171,858	-
Woonsocket	193,184	193,184	-	193,184	-
Total	\$ 8,773,398	\$ 8,773,398	\$ -	\$ 8,773,398	\$ -

*Includes the Statewide Reference Library Resource Grant.

Library Aid

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2014 Gov. Rec.</i>	<i>FY 2014 Rec. to Enacted</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ 334,107	\$ 341,149	\$ 7,042	\$ 341,149	\$ 7,042
Bristol	118,895	129,784	10,889	129,784	10,889
Burrillville	125,987	129,564	3,577	129,564	3,577
Central Falls	47,079	14,022	(33,057)	14,022	(33,057)
Charlestown	47,128	47,837	709	47,837	709
Coventry	207,369	215,315	7,946	215,315	7,946
Cranston	524,404	541,181	16,777	541,181	16,777
Cumberland	264,240	268,332	4,092	268,332	4,092
East Greenwich	114,121	121,963	7,842	121,963	7,842
East Providence	416,425	403,334	(13,091)	403,334	(13,091)
Exeter	40,082	41,703	1,621	41,703	1,621
Foster	29,625	31,569	1,944	31,569	1,944
Glocester	69,879	71,674	1,795	71,674	1,795
Hopkinton	29,999	34,084	4,085	34,084	4,085
Jamestown	79,139	80,467	1,328	80,467	1,328
Johnston	111,963	120,380	8,417	120,380	8,417
Lincoln	189,340	191,841	2,501	191,841	2,501
Little Compton	28,078	29,670	1,592	29,670	1,592
Middletown	128,935	135,566	6,631	135,566	6,631
Narragansett	121,555	123,055	1,500	123,055	1,500
Newport	374,002	378,526	4,524	378,526	4,524
New Shoreham	73,011	78,316	5,305	78,316	5,305
North Kingstown	257,842	263,710	5,868	263,710	5,868
North Providence	164,384	171,750	7,366	171,750	7,366
North Smithfield	62,569	63,341	772	63,341	772
Pawtucket	369,002	315,245	(53,757)	315,245	(53,757)
Portsmouth	102,367	103,446	1,079	103,446	1,079
Providence*	2,292,590	2,257,761	(34,829)	2,257,761	(34,829)
Richmond	24,829	26,139	1,310	26,139	1,310
Scituate	94,008	95,169	1,161	95,169	1,161
Smithfield	265,315	269,659	4,344	269,659	4,344
South Kingstown	196,594	203,946	7,352	203,946	7,352
Tiverton	91,928	94,109	2,181	94,109	2,181
Warren	51,832	53,561	1,729	53,561	1,729
Warwick	662,952	688,368	25,416	688,368	25,416
Westerly	270,491	265,543	(4,948)	265,543	(4,948)
West Greenwich	26,290	27,126	836	27,126	836
West Warwick	171,858	147,770	(24,088)	147,770	(24,088)
Woonsocket	193,184	197,423	4,239	197,423	4,239
Total	\$ 8,773,398	\$ 8,773,398	\$ -	\$ 8,773,398	\$ -

*Includes the Statewide Reference Library Resource Grant.

Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2013 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2013 HFC</i>	<i>FY 2013 HFC to Enacted</i>
Barrington	\$ 196,291	\$ 196,291	\$ -	\$ 196,291	\$ -
Bristol	276,252	276,252	-	276,252	-
Burrillville	192,019	192,019	-	192,019	-
Central Falls	233,190	233,190	-	233,190	-
Charlestown	94,198	94,198	-	94,198	-
Coventry	421,394	421,394	-	421,394	-
Cranston	967,459	967,459	-	967,459	-
Cumberland	403,245	403,245	-	403,245	-
East Greenwich	158,212	158,212	-	158,212	-
East Providence	566,091	566,091	-	566,091	-
Exeter	77,325	77,325	-	77,325	-
Foster	55,433	55,433	-	55,433	-
Glocester	117,293	117,293	-	117,293	-
Hopkinton	98,543	98,543	-	98,543	-
Jamestown	65,049	65,049	-	65,049	-
Johnston	346,235	346,235	-	346,235	-
Lincoln	253,999	253,999	-	253,999	-
Little Compton	42,026	42,026	-	42,026	-
Middletown	194,366	194,366	-	194,366	-
Narragansett	190,972	190,972	-	190,972	-
Newport	296,928	296,928	-	296,928	-
New Shoreham	12,649	12,649	-	12,649	-
North Kingstown	318,759	318,759	-	318,759	-
North Providence	386,059	386,059	-	386,059	-
North Smithfield	144,023	144,023	-	144,023	-
Pawtucket	856,267	856,267	-	856,267	-
Portsmouth	209,277	209,277	-	209,277	-
Providence	2,142,738	2,142,738	-	2,142,738	-
Richmond	92,766	92,766	-	92,766	-
Scituate	124,310	124,310	-	124,310	-
Smithfield	257,910	257,910	-	257,910	-
South Kingstown	368,741	368,741	-	368,741	-
Tiverton	189,913	189,913	-	189,913	-
Warren	127,704	127,704	-	127,704	-
Warwick	994,959	994,959	-	994,959	-
Westerly	274,242	274,242	-	274,242	-
West Greenwich	73,835	73,835	-	73,835	-
West Warwick	351,314	351,314	-	351,314	-
Woonsocket	495,674	495,674	-	495,674	-
Total	\$ 12,667,660	\$ 12,667,660	\$ -	\$ 12,667,660	\$ -

Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2013 Enacted</i>	<i>FY 2014 Gov. Rec.</i>	<i>FY 2014 Rec. to Enacted</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ 196,291	\$ 196,291	\$ -	\$ 205,617	\$ 9,326
Bristol	276,252	276,252	-	289,555	13,303
Burrillville	192,019	192,019	-	199,730	7,711
Central Falls	233,190	233,190	-	242,507	9,317
Charlestown	94,198	94,198	-	98,381	4,183
Coventry	421,394	421,394	-	438,642	17,248
Cranston	967,459	967,459	-	1,008,020	40,561
Cumberland	403,245	403,245	-	417,774	14,529
East Greenwich	158,212	158,212	-	164,770	6,558
East Providence	566,091	566,091	-	592,051	25,960
Exeter	77,325	77,325	-	81,520	4,195
Foster	55,433	55,433	-	57,295	1,862
Glocester	117,293	117,293	-	122,456	5,163
Hopkinton	98,543	98,543	-	102,239	3,696
Jamestown	65,049	65,049	-	67,867	2,818
Johnston	346,235	346,235	-	360,253	14,018
Lincoln	253,999	253,999	-	264,428	10,429
Little Compton	42,026	42,026	-	43,867	1,841
Middletown	194,366	194,366	-	203,225	8,859
Narragansett	190,972	190,972	-	199,818	8,846
Newport	296,928	296,928	-	308,107	11,179
New Shoreham	12,649	12,649	-	11,937	(712)
North Kingstown	318,759	318,759	-	332,245	13,486
North Providence	386,059	386,059	-	402,567	16,508
North Smithfield	144,023	144,023	-	148,460	4,437
Pawtucket	856,267	856,267	-	894,145	37,878
Portsmouth	209,277	209,277	-	216,929	7,652
Providence	2,142,738	2,142,738	-	2,231,291	88,553
Richmond	92,766	92,766	-	96,326	3,560
Scituate	124,310	124,310	-	129,220	4,910
Smithfield	257,910	257,910	-	268,724	10,814
South Kingstown	368,741	368,741	-	381,247	12,506
Tiverton	189,913	189,913	-	196,736	6,823
Warren	127,704	127,704	-	134,444	6,740
Warwick	994,959	994,959	-	1,041,829	46,870
Westerly	274,242	274,242	-	286,324	12,082
West Greenwich	73,835	73,835	-	75,508	1,673
West Warwick	351,314	351,314	-	366,504	15,190
Woonsocket	495,674	495,674	-	519,536	23,862
Total	\$ 12,667,660	\$ 12,667,660	\$ -	\$ 13,202,094	\$ 534,434

Meals and Beverage Tax

<i>City or Town</i>	<i>FY 2009</i>	<i>FY 2010</i>	<i>FY 2011</i>	<i>FY 2012</i>
Barrington	\$ 119,179	\$ 135,553	\$ 135,625	\$ 135,686
Bristol	318,548	303,168	327,042	340,439
Burrillville	166,966	172,887	174,052	170,110
Central Falls	82,663	88,173	92,902	100,396
Charlestown	98,886	97,087	102,788	106,466
Coventry	332,829	333,263	331,317	359,173
Cranston	1,317,327	1,321,908	1,342,820	1,464,102
Cumberland	346,547	350,310	357,915	377,291
East Greenwich	389,810	428,133	447,265	467,401
East Providence	710,794	729,001	740,237	789,039
Exeter	63,081	71,128	72,117	73,550
Foster	17,846	17,376	15,627	14,081
Glocester	57,561	54,010	57,017	70,135
Hopkinton	39,880	43,754	43,541	47,474
Jamestown	65,241	80,395	79,350	81,039
Johnston	406,973	429,028	455,592	464,125
Lincoln	585,041	609,715	623,233	680,568
Little Compton	27,577	39,576	36,462	32,462
Middletown	566,748	561,285	565,079	609,116
Narragansett	473,967	460,758	460,945	534,213
Newport	1,552,832	1,526,834	1,627,651	1,833,841
New Shoreham	208,610	225,939	225,192	256,173
North Kingstown	430,806	419,321	424,631	463,093
North Providence	365,348	344,523	338,650	333,767
North Smithfield	155,376	160,440	156,161	181,683
Pawtucket	640,642	633,198	643,598	670,833
Portsmouth	159,493	166,628	168,433	172,717
Providence	3,912,275	3,961,890	4,047,090	4,443,753
Richmond	101,458	102,635	110,470	116,580
Scituate	55,036	52,460	53,285	60,262
Smithfield	480,155	513,546	524,556	558,121
South Kingstown	516,680	536,657	561,221	623,204
Tiverton	146,356	151,924	156,098	189,157
Warren	205,217	202,368	208,132	241,958
Warwick	2,199,207	2,151,135	2,130,242	2,319,661
Westerly	589,951	593,704	625,338	704,012
West Greenwich	79,531	95,914	101,165	97,853
West Warwick	330,731	322,737	324,975	311,829
Woonsocket	491,063	494,686	495,850	500,016
Total	\$ 18,808,231	\$ 18,983,046	\$ 19,383,665	\$ 20,995,381

Local Hotel Tax

<i>City or Town</i>	<i>FY 2009</i>	<i>FY 2010</i>	<i>FY 2011</i>	<i>FY 2012</i>
Barrington	\$ -	\$ -	\$ -	\$ -
Bristol	14,152	12,395	14,742	13,073
Burrillville	-	-	-	-
Central Falls	-	-	-	-
Charlestown	9,611	6,622	9,477	8,766
Coventry	29,751	29,063	33,396	30,491
Cranston	8,952	7,708	3,301	3,967
Cumberland	-	-	-	-
East Greenwich	162	133	189	158
East Providence	12,292	12,544	13,695	15,378
Exeter	-	-	-	-
Foster	214	136	74	57
Glocester	802	700	825	781
Hopkinton	-	6	-	-
Jamestown	3,696	3,635	3,818	4,409
Johnston	2,640	3,471	2,885	2,824
Lincoln	34,223	33,457	36,521	38,782
Little Compton	108	4,512	5,589	3,777
Middletown	228,601	233,101	232,431	263,989
Narragansett	30,975	30,542	37,474	34,552
Newport	-	-	-	-
New Shoreham	96,644	92,485	99,549	99,845
North Kingstown	6,661	5,751	9,739	28,071
North Providence	-	-	-	-
North Smithfield	2,665	844	956	1,108
Pawtucket	22,645	20,151	19,148	18,645
Portsmouth	3,963	2,769	2,967	3,627
Providence	677,432	644,561	707,255	753,159
Richmond	1,472	1,439	1,517	1,499
Scituate	1,744	1,621	1,622	1,717
Smithfield	37,773	39,029	52,094	56,265
South Kingstown	48,297	45,334	50,496	53,940
Tiverton	-	-	-	-
Warren	-	-	-	-
Warwick	364,010	352,362	353,993	386,408
Westerly	68,603	71,162	116,835	143,201
West Greenwich	25,996	31,174	35,515	36,480
West Warwick	42,626	40,852	42,026	38,451
Woonsocket	17,317	16,805	17,533	23,292
Total	\$ 1,794,024	\$ 1,744,364	\$ 1,905,664	\$ 2,066,715

FY 2014 Education Aid

The House Finance Committee funds the third year of the education funding formula adopted by the 2010 Assembly. The calculation for FY 2014 uses March 14, 2013 student enrollment data adjusted for FY 2014 anticipated charter school enrollments, a per pupil core instruction amount of \$8,897 and state share ratio variables updated with June 30, 2012 data. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less funding will have that loss phased in over ten years.

Total Funding to Districts

A. Column **A** is the amount that districts would receive in the third year of the formula's implementation pursuant to the ten-year phase in of the formula. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years.

B. Column **B** is the amount of group home aid districts will receive in FY 2014. Group home aid is paid pursuant to current law in addition to aid paid through the funding formula.

C. The formula allows for additional resources from the state for high-cost special education students, high-cost career and technical programs, early childhood education programs, transportation costs and a limited two-year bonus for regionalized districts. Column **C** shows the House Finance Committee recommendation for distribution from high-cost special education and transportation fund.

D. Column **D** shows the House Finance Committee's FY 2014 total education aid recommendation.

E. Column **E** is the FY 2013 enacted aid.

F. Column **F** is the difference between the House Finance Committee's FY 2014 recommendation shown in Column **D** and the FY 2013 enacted budget in Column **E**.

G. Column **G** is the Governor's FY 2014 recommended budget. It was based on June 30, 2012 student enrollment data.

H. Column **H** is the difference between the House Finance Committee's FY 2014 recommendation shown in Column **D** and the Governor's FY 2014 recommendation shown in Column **G**.

	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>
<i>District</i>	<i>FY 2014 Formula Aid</i>	<i>Group Home Aid</i>	<i>All Categoricals</i>	<i>Total FY 2014 HFC</i>
Barrington	\$ 3,918,965	\$ -	\$ 52,832	\$ 3,971,797
Burrillville	12,712,387	330,000	20,856	13,063,243
Charlestown	1,706,995	-	-	1,706,995
Coventry	20,180,158	120,000	48,284	20,348,442
Cranston	42,922,101	60,000	365,508	43,347,609
Cumberland	14,621,350	-	84,107	14,705,457
East Greenwich	2,266,168	-	57,400	2,323,568
East Providence	27,403,793	636,000	42,872	28,082,665
Foster	1,189,070	-	15,713	1,204,783
Glocester	2,683,922	-	21,522	2,705,444
Hopkinton	5,515,535	-	-	5,515,535
Jamestown	359,449	-	2,487	361,936
Johnston	11,636,085	120,000	241,508	11,997,593
Lincoln	8,822,047	135,000	33,559	8,990,606
Little Compton	365,270	-	-	365,270
Middletown	8,678,862	420,000	10,414	9,109,276
Narragansett	1,799,609	-	5,470	1,805,079
Newport	10,371,310	270,000	15,022	10,656,332
New Shoreham	75,366	-	6,396	81,762
North Kingstown	10,791,146	-	5,458	10,796,604
North Providence	14,744,604	240,000	109,782	15,094,386
North Smithfield	5,244,804	120,000	35,250	5,400,054
Pawtucket	70,719,232	735,000	5,460	71,459,692
Portsmouth	4,570,144	555,000	3,517	5,128,661
Providence	203,678,050	2,055,000	540,298	206,273,348
Richmond	5,335,436	-	-	5,335,436
Scituate	3,685,657	-	34,814	3,720,471
Smithfield	4,684,041	240,000	61,752	4,985,793
South Kingstown	7,785,494	315,000	53,992	8,154,486
Tiverton	5,769,004	-	6,386	5,775,390
Warwick	34,762,103	330,000	72,147	35,164,250
Westerly	7,122,961	-	41,258	7,164,219
West Warwick	20,265,989	-	43,068	20,309,057
Woonsocket	47,972,469	120,000	77,975	48,170,444
Bristol-Warren	16,455,588	120,000	514,281	17,089,869
Chariho	268,242	-	859,167	1,127,409
Exeter-West Greenwich	5,858,269	210,000	510,951	6,579,220
Foster-Glocester	5,001,611	-	211,747	5,213,358
Central Falls	38,399,591	-	52,267	38,451,858
Total	\$ 690,342,873	\$ 7,131,000	\$ 4,263,520	\$ 701,737,393
<i>Adjusted Chariho</i>	12,826,208	-	859,167	13,685,375

<i>District</i>	<i>E</i>	<i>F</i>	<i>G</i>	<i>H</i>
	<i>FY 2013 Enacted</i>	<i>Total FY 2014 Change to Enacted</i>	<i>FY 2014 Governor</i>	<i>FY 2014 Total Change to Governor</i>
Barrington	\$ 3,350,904	\$ 620,893	\$ 3,992,762	\$ (20,965)
Burrillville	12,965,501	97,742	13,066,259	(3,017)
Charlestown	1,694,669	12,326	1,716,895	(9,899)
Coventry	19,707,074	641,368	20,479,492	(131,050)
Cranston	39,603,294	3,744,315	43,247,399	100,209
Cumberland	13,834,760	870,697	14,569,681	135,775
East Greenwich	1,955,236	368,332	2,325,308	(1,740)
East Providence	26,993,305	1,089,360	28,241,893	(159,228)
Foster	1,214,327	(9,544)	1,200,243	4,540
Glocester	2,792,685	(87,241)	2,712,595	(7,151)
Hopkinton	5,615,973	(100,438)	5,521,254	(5,719)
Jamestown	363,461	(1,525)	363,326	(1,390)
Johnston	11,083,498	914,095	11,980,082	17,511
Lincoln	8,156,329	834,277	8,980,430	10,177
Little Compton	338,666	26,604	367,484	(2,214)
Middletown	9,288,241	(178,965)	9,097,122	12,154
Narragansett	1,663,260	141,819	1,801,230	3,849
Newport	10,661,062	(4,730)	10,647,363	8,969
New Shoreham	72,292	9,470	81,863	(101)
North Kingstown	10,758,204	38,400	10,869,601	(72,997)
North Providence	14,139,108	955,278	14,862,816	231,570
North Smithfield	5,133,980	266,074	5,401,904	(1,851)
Pawtucket	68,246,641	3,213,051	70,665,028	794,664
Portsmouth	5,380,832	(252,171)	5,137,647	(8,985)
Providence	197,968,379	8,304,969	205,359,173	914,175
Richmond	5,474,556	(139,120)	5,338,583	(3,147)
Scituate	3,514,829	205,642	3,745,608	(25,137)
Smithfield	4,982,755	3,038	4,989,366	(3,573)
South Kingstown	8,511,975	(357,489)	8,167,141	(12,655)
Tiverton	5,677,809	97,581	5,755,375	20,015
Warwick	34,449,461	714,789	35,279,134	(114,884)
Westerly	6,572,162	592,057	7,168,616	(4,397)
West Warwick	19,775,027	534,030	20,355,282	(46,225)
Woonsocket	46,744,955	1,425,489	48,211,600	(41,156)
Bristol-Warren	17,832,369	(742,500)	17,092,785	(2,915)
Chariho	898,450	228,959	1,127,409	-
Exeter-West Greenwich	6,705,948	(126,728)	6,583,675	(4,455)
Foster-Glocester	5,289,023	(75,665)	5,227,071	(13,714)
Central Falls	39,744,688	(1,292,830)	38,240,578	211,281
Total	\$ 679,155,688	\$ 22,581,705	\$ 699,971,071	\$ 1,766,322
<i>Adjusted Chariho</i>	13,683,648	1,727	13,704,140	(18,765)

Total Funding to Charter and State Schools

- A.** Column **A** is the FY 2013 enacted formula aid.
- B.** Column **B** includes mid-year revisions to FY 2013 based on current law requirements that any changes in enrollment as of October 1 that are greater than 10.0 percent get adjusted in that year.
- C.** Column **C** is the base formula aid calculation for FY 2014. It uses March 14, 2013 enrollment and lottery data.
- D.** Column **D** is the difference between FY 2014 base funding and FY 2013 revised formula aid.
- E.** Column **E** shows the transition calculation. Charter and state schools that will receive more state funding will have the additional funding phased in over seven years and those that are going to receive less state funding will have that loss phased in over ten years.
- F.** Column **F** is the House Finance Committee's FY 2014 recommended formula aid. It is the transition calculation in Column **E** added or subtracted from the FY 2013 revised formula aid shown in Column **B**. Growth due to adding grades is paid in the year of the growth.
- G.** Column **G** is the difference between the third year of funding under the formula and total state formula aid shown in Column **C**.
- H.** Column **H** shows the Governor's FY 2014 recommended formula aid.
- I.** Column **I** is the difference between the House Finance Committee's recommendation shown in Column **F** and the Governor's recommendation shown in Column **H**.

	A	B	C	D	E
School	FY 2013 Enacted Formula Aid	FY 2013 Revised Formula Aid	FY 2014 Base Formula Funding	Difference	Transition = 1/5th or 1/8th*
Achievement First	\$ -	\$ -	\$ 1,745,202	\$ 1,745,202	\$ 1,745,202
Beacon	1,694,107	1,694,107	1,597,883	(96,224)	(12,028)
Blackstone	1,588,944	1,588,944	1,739,533	150,589	30,118
Compass	585,087	579,647	393,951	(191,136)	(23,892)
Greene School	898,333	898,333	892,101	(6,232)	(6,232)
Highlander	2,733,717	2,733,717	3,331,257	597,540	597,540
International	2,876,846	2,876,846	2,803,033	(73,813)	(9,227)
Kingston Hill	689,636	689,636	403,185	(286,451)	(35,806)
Learning Community	6,095,627	6,095,627	6,122,147	26,520	26,520
New England Laborers**	1,610,314	1,255,888	1,053,114	(202,774)	(25,347)
Nowell	-	-	1,573,568	1,573,568	1,573,568
Nurses Institute	1,621,866	1,633,673	2,478,686	856,820	856,820
Paul Cuffee	7,588,913	7,588,913	7,962,677	373,764	373,764
RI Mayoral Academies Blackstone Prep.	6,076,368	6,076,368	7,818,591	1,742,223	1,742,223
Segue Institute	2,572,083	2,572,083	2,692,623	120,540	24,108
Textron	2,323,013	2,323,013	2,419,140	96,127	19,225
Times2 Academy	7,054,405	7,054,405	6,725,741	(328,664)	(41,083)
Trinity	1,073,542	1,073,542	1,448,044	374,503	374,503
Village Green	-	-	1,209,709	1,209,709	1,209,709
Charter Schools Subtotal	\$ 47,082,800	\$ 46,734,741	\$ 54,410,185	\$ 7,681,811	\$ 8,419,685
Davies Career and Tech**	13,381,539	13,381,539	7,906,326	(5,475,213)	(589,491)
Met School	11,648,256	11,648,256	7,142,600	(4,505,656)	(563,207)
Urban Collaborative	-	-	1,536,493	1,536,493	296,703
Total	\$ 72,112,596	\$ 71,764,536	\$ 70,995,604	\$ (762,566)	\$ 7,563,690

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

** Includes data adjustment based on current law

	<i>F</i>	<i>G</i>	<i>H</i>	<i>I</i>
<i>School</i>	<i>FY 2014 HFC Aid</i>	<i>Change to Base Calculation</i>	<i>FY 2014 Governor Recommended</i>	<i>Change to Governor</i>
Achievement First	\$ 1,745,202	\$ -	\$ 1,386,792	\$ 358,410
Beacon	1,682,079	84,196	1,671,727	10,352
Blackstone	1,619,062	(120,471)	1,623,719	(4,657)
Compass	561,195	167,244	564,618	(3,423)
Greene School	892,101	-	917,566	(25,465)
Highlander	3,331,257	-	2,769,093	562,164
International	2,867,619	64,586	2,869,033	(1,414)
Kingston Hill	653,830	250,645	654,274	(445)
Learning Community	6,122,147	-	6,120,939	1,208
New England Laborers**	1,230,541	177,427	1,233,644	(3,102)
Nowell	1,573,568	-	1,690,687	(117,119)
Nurses Institute	2,478,686	-	2,544,265	(65,579)
Paul Cuffee	7,962,677	-	7,846,958	115,719
RI Mayoral Academies Blackstone Prep.	7,818,591	-	7,992,467	(173,876)
Segue Institute	2,596,191	(96,432)	2,605,273	(9,082)
Textron	2,342,238	(76,902)	2,335,358	6,881
Times2 Academy	7,013,322	287,581	7,021,531	(8,210)
Trinity	1,448,044	-	1,463,681	(15,637)
Village Green	1,209,709	-	1,191,062	18,647
<i>Charter Schools Subtotal</i>	\$ 55,148,059	\$ 737,874	\$ 54,502,687	\$ 645,372
Davies Career and Tech**	12,792,048	4,885,722	12,716,908	75,140
Met School	11,085,049	3,942,449	11,088,244	(3,195)
Urban Collaborative	296,703	(1,239,790)	275,977	20,726
Total	\$ 79,321,860	\$ 8,326,256	\$ 78,583,817	\$ 738,043

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

** Includes data adjustment based on current law

Section IV

Adjustments to Governor's Revised Budget

FY 2013 Changes to Governor		Gen. Rev.	Federal	Restricted	Other	Total
Revenue Changes						
1	May Revenue Conference	(7,725,000)	-	-	-	(7,725,000)
2	Investment Earnings	300,000	-	-	-	300,000
	Total	(7,425,000)	-	-	-	(7,425,000)
Expenditures Changes						
Administration						
3	Airport Impact Aid Adjustment	(16,914)	-	-	-	(16,914)
4	Capital - Board of Elections New Building	-	-	-	(250,000)	(250,000)
5	Capital - Ladd Center Buildings Demolition	-	-	-	1,100,000	1,100,000
6	Capital - Old Colony House	-	-	-	(200,000)	(200,000)
7	Capital - Old State House	-	-	-	(175,000)	(175,000)
8	Capital - Pastore Center Buildings Demolition	-	-	-	(1,069,695)	(1,069,695)
9	Capital - Pastore Center Central Power Plant	-	-	-	(1,595,000)	(1,595,000)
10	Capital - Pastore Center Fire Code	-	-	-	550,000	550,000
11	Capital - Pastore Center Medical Center Rehab.	-	-	-	700,000	700,000
12	Capital - Pastore Center Parking	-	-	-	1,200,000	1,200,000
13	Capital - Pastore Center Utility Systems Water Tanks and Pipes	-	-	-	(500,000)	(500,000)
14	Capital - Pastore Cottages Rehabilitation	-	-	-	(30,000)	(30,000)
15	Capital - State House Renovations	-	-	-	(779,000)	(779,000)
16	Capital - State Office Building	-	-	-	(971,000)	(971,000)
17	Capital - Washington Cty Government Center	-	-	-	(302,000)	(302,000)
18	Capital - William Powers Building	-	-	-	(600,000)	(600,000)
19	Capital - Zambarano Utilities	-	-	-	(30,000)	(30,000)
20	Community Development Block Grant	-	2,500,000	-	-	2,500,000
21	Computer Refresh	(75,000)	-	-	-	(75,000)
22	DCYF Legal Costs	(500,000)	-	-	-	(500,000)
23	Electronic Local Permitting - Delay to FY 2014	(280,000)	-	-	-	(280,000)
24	Information Technology Restored Positions	(132,346)	-	-	-	(132,346)
25	Maintain DoIT Expenses in Corrections	(200,000)	-	-	-	(200,000)
26	Maintain Facilities Expenses in Corrections	(395,386)	-	-	-	(395,386)
27	New Executive Director of Human Resources	(47,576)	-	-	-	(47,576)
28	Personnel Classification Study	(500,000)	-	-	-	(500,000)
29	Personnel Reform Study Savings	(55,000)	-	-	-	(55,000)
30	Rhode Island Ready Project - Delay to FY 2014	(75,000)	-	-	-	(75,000)
31	RIFANS New Positions	(213,980)	-	-	-	(213,980)
32	RIFANS System Maintenance	(78,150)	-	-	-	(78,150)
33	State Employees Labor Contract Negotiations	(150,000)	-	-	-	(150,000)
34	State Police & DMV HR Coordinator Positions	(229,687)	-	-	-	(229,687)
35	State Police Labor Contract Negotiations	(48,000)	-	-	-	(48,000)
36	Stimulus - State Energy Plan	-	(4,900,000)	-	-	(4,900,000)
37	Technology Investment Fund Correction	-	-	(1,318,356)	-	(1,318,356)

	FY 2013 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
38	Tort Court Awards	114,293	-	-	-	114,293
39	Turnover Savings	(600,000)	-	-	-	(600,000)
40	Utility Savings	(338,187)	26,034	(56,070)	22,514	(345,709)
Business Regulation						
41	Affordable Care Act Grants	-	3,569,007	-	-	3,569,007
42	Turnover	(275,000)	-	-	-	(275,000)
Labor and Training						
43	Capital - Asset Protection	-	-	-	(475,000)	(475,000)
44	Disaster Unemployment Insurance	-	41,515	-	-	41,515
45	Federal UI Benefit Extension	-	66,445,000	-	7,998,500	74,443,500
46	Hurricane Sandy Clean Up Grant	-	1,384,656	-	-	1,384,656
47	Police and Fire Relief Program	(100,000)	-	-	-	(100,000)
48	Self-Employment Assistance Program	-	-	-	38,933	38,933
49	Short-Time Unemployment Compensation	-	1,941,000	-	-	1,941,000
50	Temporary Disability Insurance Benefits	-	-	-	4,000,000	4,000,000
51	Trade Readjustment Assistance Program	-	300,000	-	-	300,000
52	UI Administration & Information Technology	-	1,450,000	-	-	1,450,000
53	Work Immersion & Non-Trade Apprenticeships	(1,000,000)	-	-	-	(1,000,000)
Revenue						
54	Central Falls Receivership	110,502	-	-	-	110,502
55	Distressed Community Aid	(5,000,000)	-	-	-	(5,000,000)
56	Municipal Pension Revaluation	(42,901)	-	-	-	(42,901)
57	PILOT	2,000,000	-	-	-	2,000,000
58	Taxation Hospital Bankruptcy Legal Costs	21,000	-	-	-	21,000
59	Turnover and Operating 3rd Quarter Adjustments	(614,802)	-	-	-	(614,802)
60	Woonsocket Municipal Oversight	67,641	-	-	-	67,641
Office of the Lieutenant Governor						
61	State Innovation Model Grant Adjustment	-	661,666	-	-	661,666
62	Turnover and Operating	(13,000)	-	-	-	(13,000)
Secretary of State						
63	Turnover Savings	(60,000)	-	-	-	(60,000)
Office of the General Treasurer						
64	Bank Fees	300,000	-	-	-	300,000
65	Research Fellowship Foundation Grant	-	-	30,000	-	30,000
66	Turnover Savings	(56,300)	-	-	-	(56,300)
67	Unclaimed Property	-	-	293,688	-	293,688
Board of Elections						
68	Operations	(35,000)	-	-	-	(35,000)

	FY 2013 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
	Ethics Commission					
69	Turnover	(20,000)	-	-	-	(20,000)
	Governor's Office					
70	Turnover and Operations	(75,897)	-	-	-	(75,897)
	Office of Health and Human Services					
71	Adult Medicaid Quality Grant	-	100,000	-	-	100,000
72	current <i>care</i> - Medicaid Match Rate	(360,000)	360,000	-	-	-
73	HIV Drug Costs to ADAP Rebate Funds	(1,944,384)	1,944,384	-	-	-
74	May Caseload Adjustments	(19,328,528)	(21,232,881)	-	-	(40,561,409)
75	Turnover	(816,572)	(729,190)	-	-	(1,545,762)
	Children, Youth and Families					
76	Capital - Fire Code Upgrades	-	-	-	(492,000)	(492,000)
77	Capital - Fire Towers	-	-	-	(275,000)	(275,000)
78	System of Care	500,000	1,900,000	-	-	2,400,000
79	Turnover	(626,000)	-	-	-	(626,000)
	Health					
80	Federal Highway Safety Grant	-	165,000	-	-	165,000
81	Public Health Information Grants	-	90,834	-	-	90,834
82	State Medical Examiner Carry Forward	-	10,000	-	-	10,000
83	Turnover and Operations	(275,000)	-	-	-	(275,000)
	Human Services					
84	Capital - Blind Vending Facilities	-	-	-	(15,000)	(15,000)
85	Community Service Grants - Closed	(27,847)	-	-	-	(27,847)
86	Community Service Grants - Community Action Agencies	120,000	-	-	-	120,000
87	May Caseload Adjustments	(626,239)	(2,422,214)	-	-	(3,048,453)
88	New Positions	(154,263)	(445,467)	(226,469)	-	(826,199)
89	Turnover and Operations	(152,338)	(133,000)	71,000	-	(214,338)
90	Work Support Strategies Grant	(336,460)	-	-	-	(336,460)
	BHDDH					
91	Capital - Hospital Consolidation	-	-	-	(695,000)	(695,000)
92	Capital - Administrative Buildings	-	-	-	(900,000)	(900,000)
93	Capital - Community Facilities - Fire Code Upgrades	-	-	-	(502,939)	(502,939)
94	Capital - DD Private Community Facilities Fire Code Upgrades	-	(603,650)	-	-	(603,650)
95	Capital - Medical Center Rehabilitation	-	-	-	(700,000)	(700,000)
96	Capital - Mental Health Residences Furniture	-	-	-	(29,000)	(29,000)
97	Capital - Zambarano Buildings	-	-	-	(100,000)	(100,000)
98	ESH Overtime Adjustment	-	950,000	-	-	950,000
	Commission on Disabilities					
99	Capital - Handicapped Accessibility	-	-	-	(235,465)	(235,465)

	FY 2013 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
100	Shift to Federal Funds	(33,077)	33,077	-	-	-
	Office of the Mental Health Advocate					
101	Operations	(36,900)	-	-	-	(36,900)
	Elementary and Secondary Education					
102	Capital - Warwick Career and Tech Center	-	-	-	(652,996)	(652,996)
103	Capital - Woonsocket Career and Tech Center	-	-	-	(888,088)	(888,088)
104	Davies Restore Medical Benefit Savings	53,246	-	-	-	53,246
105	Education Telecommunications Access Fund	(400,000)	-	-	-	(400,000)
106	Federal Funds Adjustment	-	113,952	-	-	113,952
107	School for the Deaf Temporary Services	-	-	50,000	-	50,000
108	School Housing Aid	(24,246)	-	-	-	(24,246)
109	Teacher Retirement	(836,703)	-	-	-	(836,703)
110	Turnover Savings	(89,000)	-	-	-	(89,000)
	Public Higher Education					
111	Capital - URI Fire Safety Admin & Academic	-	-	-	(1,100,000)	(1,100,000)
112	RIC - RI Hospital Grant	-	-	-	137,621	137,621
	Atomic Energy					
113	Turnover Savings	(25,000)	-	-	-	(25,000)
	Higher Education Assistance Authority					
114	Waytogo Web Portal Grant	-	1,180,000	-	-	1,180,000
	Historical Preservation & Heritage Commission					
115	Capital - Eisenhower House Asset Protection	-	-	-	(75,000)	(75,000)
	Public Telecommunications Authority					
116	Restoration of Medical Benefit Savings	3,591	-	-	-	3,591
	Attorney General					
117	Personnel and Operating	(350,000)	-	-	-	(350,000)
118	Victims of Crime Assistance Grant	-	30,000	-	-	30,000
	Corrections					
119	Capital - Maximum General Renovations	-	-	-	(598,906)	(598,906)
120	Federal Grant Adjustments	-	93,680	-	-	93,680
121	Maintain DoIT Expenses in Corrections	200,000	-	-	-	200,000
122	Maintain Facilities Expenses in Corrections	395,386	-	-	-	395,386
123	Storm Costs	400,000	-	-	-	400,000
	Judicial					
124	Expanded Access to Civil Justice Grant	-	-	5,000	-	5,000
	Military Staff					
125	Capital - AMC Roof Replacement	-	-	-	375,260	375,260
126	Capital - Asset Protection	-	-	-	(839,141)	(839,141)

	FY 2013 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
127	Capital - Command Readiness Center	-	-	-	185,400	185,400
128	Capital - Hurricane Sandy	-	-	-	(1,500,000)	(1,500,000)
129	Capital - Logistic/Maintenance Facilities Fire Code Compliance	-	-	-	(9,159)	(9,159)
130	Capital - State Armories Fire Code Compliance	-	-	-	115,738	115,738
131	Counterdrug Program	-	-	220,000	-	220,000
132	Federal Funds Adjustment	-	1,500,983	-	-	1,500,983
133	Federal Funds Carry Forward	-	3,198,138	-	-	3,198,138
134	Federal Reimbursement - 2010 Flood	-	3,054,394	-	-	3,054,394
135	New Grant Awards	-	100,666	-	-	100,666
136	Overtime & Storm Costs	107,625	-	-	-	107,625
Public Safety						
137	Capital - Barracks and Training Academy Repairs	-	-	-	(1,500,000)	(1,500,000)
138	Capital - Fire Academy Building	-	-	-	(700,000)	(700,000)
139	Capital - Headquarters Repairs/Rehabilitation	-	-	-	(300,000)	(300,000)
140	Capital - HQ Expansion	-	-	-	(200,000)	(200,000)
141	Capital - Parking Area Improvements	-	-	-	(437,000)	(437,000)
142	Capital - State Police Headquarters	-	-	-	(82,000)	(82,000)
143	Federal Funds Adjustments	-	382,015	-	-	382,015
144	Forfeited Property - Retained	-	-	40,000	-	40,000
145	Former ARRA Positions	(214,747)	-	-	-	(214,747)
146	Stimulus - Byrne Grant Interest	-	-	38,000	-	38,000
Public Defender						
147	Turnover Savings	(300,000)	-	-	-	(300,000)
Environmental Management						
148	Artificial Reef Research	-	53,126	-	-	53,126
149	Boating Infrastructure Grant	-	40,000	-	-	40,000
150	Brownfields Grants	-	50,000	-	-	50,000
151	Capital - Blackstone Valley Bike Path	-	-	-	(350,000)	(350,000)
152	Capital - Fort Adams Sailing Improvements	-	-	-	(983,558)	(983,558)
153	Capital - Galilee Piers	-	-	-	(1,146,307)	(1,146,307)
154	Capital - Natural Resources Offices/Visitor's Center	-	-	-	(125,000)	(125,000)
155	Capital - Recreational Facilities Improvements	-	-	-	140,000	140,000
156	Community Service Grants - Eastern RI Cooperative Extension	(2,267)	-	-	-	(2,267)
157	DEM Renewable Energy Projects	-	5,000	-	-	5,000
158	DOT Recreational Projects	-	-	-	331,360	331,360
159	Village Planning Challenge Grant	-	50,000	-	-	50,000
Coastal Resources Management Council						
160	Legal Services Shift to Federal	(30,000)	-	-	-	(30,000)
161	River Ecosystem Restoration	-	352,240	-	-	352,240

	FY 2013 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
162	Turnover Savings	(25,000)	-	-	-	(25,000)
	Transportation					
163	Capital - Cash Room Security	-	-	-	(216,700)	(216,700)
164	Capital - Fixed Route and Paratransit Camera	-	-	-	(168,500)	(168,500)
165	Capital - High Speed Fueling & Fluid Monitoring	-	-	-	(226,000)	(226,000)
166	Capital - Newport Heating Units/Roof Replacement	-	-	-	(102,800)	(102,800)
167	Capital - Portsmouth Facility	-	-	-	(500,000)	(500,000)
168	Capital - Salt Storage Facilities	-	-	-	(700,000)	(700,000)
169	Gas Tax Estimate - DOT	-	-	-	(60,574)	(60,574)
170	Gas Tax Estimate - RIPTA	-	-	-	(27,154)	(27,154)
171	Stimulus Funds Commuter Rail	-	455,402	-	-	455,402
172	Stimulus Funds On the Job Training	-	53,265	-	-	53,265
	Total	(33,849,413)	64,118,632	(853,207)	(7,514,656)	21,901,356

FY 2013 Revised Changes to Governor

Revenue

- 1. May Revenue Conference.** The Revenue Estimating Conference concluded May 10 and revised the FY 2013 estimate to \$3,323.5 million, which is \$4.9 million less than the revenues included in the November estimate and \$7.7 million less than the Governor's revised FY 2013 budget.
- 2. Investment Earnings.** Based on a request from the Office of the General Treasurer, the Governor requested an amendment to add \$425,000 from general revenues to the Office's budget for the payment of bank fees offsetting that with a like amount of general revenues. Currently, bank fees are deducted from investment earnings on short term investments, and only the net amount is recorded as revenue. An audit finding stated that bank fees should be shown as an expenditure for more transparency. The House Finance Committee concurs and adds \$300,000 to both expenditures and revenues to reflect this change based on updated estimates from the Office of the General Treasurer.

Expenditures Changes

Department of Administration

- 3. Airport Impact Aid Adjustment.** The Department's third quarter report projected general revenue savings of \$16,914 from airport impact aid payments. The community payments are made proportionally based on the number of total landings and takeoffs. The House Finance Committee includes the savings.
- 4. Capital - Board of Elections New Building.** The revised budget includes \$250,000 to renovate the Board of Elections' current facility, located on Branch Avenue in Providence. Subsequently, the Department indicated that it would not begin the project in FY 2013. The Governor requested an amendment to shift \$250,000 from FY 2013 to FY 2014 to reflect a project delay. The House Finance Committee concurs.
- 5. Capital - Ladd Center Buildings Demolition.** Subsequent to his budget submission, the Governor requested an amendment to advance \$1.1 million in spending planned from FY 2015 to FY 2013 to demolish four of the nine buildings at the former Ladd school properties in Exeter. The goal of the project is to demolish structures and backfill all foundations, landscape and provide for additional open space. These buildings were constructed in the mid-1900's and have been vacant for many years. The House Finance Committee concurs.
- 6. Capital - Old Colony House.** The FY 2013 revised budget includes \$0.4 million from Rhode Island Capital Plan funds for exterior renovation of the Old Colony House. The Department has indicated that the masonry work has been delayed. The House Finance Committee shifts \$0.2 million from the current year to FY 2014 and future years to reflect the delay.
- 7. Capital - Old State House.** The revised budget includes \$250,000 from Rhode Island Capital Plan funds for various renovations at the Old State House including repaving the parking lot, replacing carpets, brick repairs and installing a new boiler. The Department plans to obtain architectural and engineering services to provide a comprehensive long term plan to renovate the building. The House Finance Committee reduces FY 2013 funding by \$175,000 and adds \$100,000 in FY 2014 based on projected expenditures.

8. Capital - Pastore Center Buildings Demolition. The revised budget includes \$3.0 million from Rhode Island Capital Plan funds to remove asbestos and demolish buildings A and D in the Pastore Center, which have been vacant for more than 15 years. The project is completed, and the Department indicates expenditures were \$1.1 million lower than budgeted. The House Finance Committee includes the savings.

9. Capital - Pastore Center Central Power Plant. The Governor's Capital Budget includes a total of \$2.6 million from Rhode Island Capital Plan funds and approved Certificates of Participation in FY 2013 and FY 2014 to purchase and install a diesel Blackstart generator. He subsequently requested an amendment to shift \$1.6 million from FY 2013 to FY 2014 to reflect a project delay. The House Finance Committee concurs.

10. Capital - Pastore Center Fire Code. The FY 2013 revised budget includes \$1.1 million from Rhode Island Capital Plan funds to install and upgrade existing fire alarm and sprinkler systems at the Pastore Center and the Zambarano Campus of Eleanor Slater Hospital. Subsequently, the Governor requested an amendment to provide an additional \$550,000 in FY 2013 to reflect revised costs for the completion of the Adolph Meyer and Louis Pasteur buildings. The House Finance Committee concurs.

11. Capital - Pastore Center Medical Center Rehab. The Governor's Capital Budget includes Rhode Island Capital Plan Fund expenditures of \$6.5 million to be used through FY 2018 to fund major maintenance and capital repairs for seven of 14 buildings at the Pastore Center, now under the responsibility of the Division of Facilities Management. He subsequently requested an amendment to shift \$0.9 million from FY 2013 to FY 2014 to reflect a project delay, and to add a total of \$1.2 million in FY 2016 and FY 2017. Based on further information, the House Finance Committee shifts \$0.7 million from FY 2014 to FY 2013 to reflect anticipated expenditures to complete roof and exterior renovations at the Benjamin Rush and Louis Pasteur buildings.

12. Capital - Pastore Center Parking. The Governor requested an amendment to add \$1.2 million in the current year by advancing \$0.7 million from FY 2017 to accelerate the completion of the Pastore Center parking repairs. The project calls for exterior improvements, including paving new walkways and extending existing walkways to allow better access for snow plowing. The House Finance Committee concurs.

13. Capital - Pastore Center Utility Systems Water Tanks and Pipes. The Department projects FY 2013 capital expenditures of \$31,367 for which the revised budget includes \$0.5 million to identify and address deficiencies at the Pastore Center with respect to water supply and distribution. The House Finance Committee assumes \$0.5 million in savings.

14. Capital - Pastore Cottages Rehabilitation. The approved plan includes \$0.6 million from Rhode Island Capital Plan funds to renovate three four-bedroom cottages at the Pastore Center for office space. Subsequently, the Governor requested an amendment that increases the overall project costs by \$0.9 million, including \$0.5 million more in FY 2014 and \$0.4 million in FY 2015 and includes a shift of \$30,000 from FY 2013 to FY 2015. The scope of the project has increased to include interior renovations. The House Finance Committee concurs.

15. Capital - State House Renovations. The Governor's Capital Budget includes a total project cost of \$15.3 million from Rhode Island Capital Plan funds for renovations at the State House. The largest single component is \$14.5 million for a new central HVAC system for the building. The

House Finance Committee shifts a total of \$3.4 million from FY 2013 and FY 2014 to FY 2016 through FY 2018 to reflect a project delay.

16. Capital - State Office Building. The Capital Plan includes \$10.0 million from Rhode Island Capital Plan funds in the five-year period for renovations at the State Office Building. Subsequently, the Governor requested an amendment to shift a total of \$3.8 million, including \$1.0 million from FY 2013 to later years to reflect a revised construction schedule. The project includes roof repairs, fixing water damaged areas and other repairs. The House Finance Committee concurs.

17. Capital - Washington Cty Government Center. The revised budget includes \$0.7 million from Rhode Island Capital Plan funds for ongoing renovations at the Washington County Government Center. Subsequently, the Governor requested an amendment to reduce the overall project costs by \$140,000. This reflects a reduction of \$302,000 in the current year and an increase of \$162,000 in FY 2014 to reflect a revised construction schedule. The House Finance Committee concurs with the amendment.

18. Capital - William Powers Building. The revised budget includes \$1.1 million for exterior improvements, including paving new walkways and extending existing walkways to allow better access for snow plowing, including expenditures of \$0.5 million for FY 2013. Subsequently, the Governor requested amendments to shift \$0.6 million from FY 2013 to FY 2014 to reflect a project delay and adds \$1.5 million in FY 2014 to repair the garage, including reinforcing the joints, sealing, and surface coating. The House Finance Committee concurs.

19. Capital - Zambarano Utilities. The Governor's Capital Budget assumes use of \$6.5 million from Rhode Island Capital Plan funds through FY 2016, of which \$3.3 million would be used in FY 2014 for capital repairs to various buildings and the wastewater treatment plant in order to meet new discharge limits set by the Department of Environmental Management. Subsequently, the Department indicated that it revised the scope of the project, and the Department of Environmental Management is reviewing the revised plan, which would result in savings of \$30,000 for FY 2013 and \$1.8 million for FY 2014 from not connecting to the municipal sewer line. The House Finance Committee recommends the reported savings.

20. Community Development Block Grant. The Governor requested several amendments to add a total of \$6.5 million in FY 2013 and FY 2014 to reflect new federal awards for the Disaster Recovery Assistance program and community development block grant awards. *The Office of Housing and Community Development administers the program, which reimburses municipalities for infrastructure projects related to the 2010 flood. The House Finance Committee recommends \$2.5 million in FY 2013 and \$4.0 million in FY 2014.*

21. Computer Refresh. The House Finance Committee does not concur with the Governor's recommendations to add \$75,000 from general revenues in both FY 2013 and FY 2014 to purchase new computers for staff in the Division of Information Technology.

22. DCYF Legal Costs. The revised budget includes \$0.5 million from general revenues to fund expert witness costs relating to a lawsuit against the Department of Children, Youth and Families on behalf of several children alleging violations in the child welfare system. It is likely that the expenses will occur over multiple fiscal years as the case proceeds through the courts. The House Finance Committee does not recommend the funding for FY 2013.

- 23. Electronic Local Permitting - Delay to FY 2014.** The revised budget includes the enacted amount of \$300,000 from general revenues for the purchase or lease and operation of a web-accessible plan review management and inspection software system. This would create a standardized system available to the State Building Code Commission and all municipalities. The House Finance Committee shifts \$280,000 to FY 2014 to reflect the Department's projected expenditures.
- 24. Information Technology Restored Positions.** The Governor recommends \$0.1 million for FY 2013 and \$0.3 million for FY 2014 from general revenues to fund the restoration of 5.6 positions in the Division of Information Technology. The Assembly adopted the Governor's recommendation in the FY 2013 enacted budget to eliminate the positions. The House Finance Committee does not concur with the Governor's recommendation to restore the positions.
- 25. Maintain DoIT Expenses in Corrections.** The Governor's revised budget includes a transfer of \$0.2 million previously budgeted in the Department of Corrections to upgrade various technologies including Microsoft Operating systems and licensing costs to the Department of Administration. He does not include such a transfer in his FY 2014 budget. The House Finance Committee recommends that the expenditures remain in the Department of Corrections.
- 26. Maintain Facilities Expenses in Corrections.** The Governor's revised budget reflects a general revenue transfer of \$0.4 million previously budgeted in the Department of Corrections, for sewer and groundskeeping services provided by Correctional Industries to the Department of Administration. He does not include such a transfer in his FY 2014 budget. The House Finance Committee recommends the expenditures remain in the Department of Corrections.
- 27. New Executive Director of Human Resources.** The Governor recommends \$47,576 in FY 2013 and \$0.2 million in FY 2014 to fund a new executive director of human resources position, which will be dedicated to establishing strategic direction and developing policies. Funding assumes that the position would be filled in April 2013. The House Finance Committee does not concur with the Governor's recommendation and adjusts expenditures accordingly.
- 28. Personnel Classification Study.** The Governor's budgets include \$0.5 million in both FY 2013 and FY 2014 to obtain outside services to review the state's classification system and to make recommendations to streamline the system. The system currently has over 1,000 position classifications. The House Finance Committee does not recommend the funding.
- 29. Personnel Reform Study Savings.** The House Finance Committee includes general revenue savings of \$55,000 to reflect anticipated expenditures for the personnel reform study, for which the enacted budget includes \$250,000.
- 30. Rhode Island Ready Project - Delay to FY 2014.** The Governor includes \$75,000 in FY 2013 from general revenues for an initiative intended to enhance collaborative efforts between the Economic Development Corporation, state agencies, such as the Department of Environmental Management, and cities and towns to encourage business attraction, expansion and growth. The project is also intended to reduce waiting time and increase the predictability of getting land developed, buildings constructed and operations up and running. The House Finance Committee shifts the funding to FY 2014 to reflect a project delay.
- 31. RIFANS New Positions.** The Governor's budgets include \$0.2 million in FY 2013 and \$0.5 million in FY 2014 from general revenues to fund three positions in the Division of Information Technology, consisting of an Oracle database administrator, an Oracle programmer and a

programmer/analyst. The revised budget assumes that the positions would be filled in February. The House Finance Committee does not concur and removes the additional positions and the funding.

32. RIFANS System Maintenance. The Governor's budget adds \$78,150 from general revenues for state employees in both FY 2013 and FY 2014 for software maintenance costs associated with the Rhode Island Financial Accounting Network System for which the enacted budget includes \$0.9 million. The FY 2013 revised budget is \$41,044 more than FY 2012 reported expenses. The House Finance Committee does not recommend the additional funding.

33. State Employees Labor Contract Negotiations. Most current labor contracts for state employees will expire on June 30, 2013. The Governor recommends a total of \$0.3 million from general revenues, including \$150,000 in both FY 2013 and FY 2014 for labor contract negotiations. The House Finance Committee does not recommend the funding.

34. State Police & DMV HR Coordinator Positions. The revised budget includes \$0.2 million from general revenues for 2.0 human resources coordinators, one of which will be assigned to the Public Safety Service Center for personnel issues concerning the Department of Public Safety and the other to the Division of Motor Vehicles. The Department of Administration indicates this is a new arrangement, as the Public Safety Service Center has not previously included the Department of Public Safety. The Department of Administration assumed that the Department of Public Safety would have a corresponding reduction in its budget; however, that did not occur. The House Finance Committee does not recommend funding for the new positions.

35. State Police Labor Contract Negotiations. The FY 2013 revised budget includes \$48,000 from general revenues to obtain outside legal counsel to negotiate unresolved State Police union contract issues with an arbitrator. The current contract for the State Troopers Association covers the period of May 1, 2010 through April 30, 2013 and is subject to a wage re-opener for the last contract year. The State Troopers Association re-opened the contract for wage negotiations, and the parties could not reach an agreement. The House Finance Committee does not recommend the funding.

36. Stimulus - State Energy Plan. The revised budget includes expenditures of \$7.2 million from federal stimulus funds for the State Energy Plan. Subsequently, the Governor requested an amendment to shift \$4.9 million from the current year to FY 2014. The grant is set to expire on September 30, 2013, and the Office of Energy Resources has obtained approval from the Department of Energy to use the remaining funds for several new initiatives including a revolving loan program to fund small commercial energy efficiency projects, and installing electric stations. The House Finance Committee concurs.

37. Technology Investment Fund Correction. The Department's revised request projected a general revenue savings of \$1.3 million due to lower than anticipated utility costs and turnover savings. The Department proposed to transfer this surplus to the Technology Investment Fund and adjusted expenditures accordingly. The Governor did not concur with the proposal; however, the budget inadvertently included increased expenditures from the fund. Subsequently, the Governor requested an amendment to correct this. The House Finance Committee concurs.

38. Tort Court Awards. The Department of Administration receives an annual appropriation to pay for any liability claims against any state department or any state worker. Historical spending for this varies depending on court awarded settlements. The Governor's FY 2013 revised budget includes the enacted amount of \$0.4 million from general revenues for tort payments. The Department projected

an additional \$0.1 million of expenditures to reflect additional pending litigations that will result in settlements in FY 2013. The House Finance Committee concurs.

39. Turnover Savings. The FY 2013 revised budget includes \$71.5 million from all funds to fund 723.7 full-time positions and assumes \$3.7 million in turnover savings. The FY 2013 revised budget assumes filling several new positions in the Division of Information Technology, the Office of Digital Excellence and a new executive director of Human Resources. The Department projected an additional \$0.6 million in turnover savings due to delay in filling the positions as well as other vacancies. The House Finance Committee includes \$0.6 million in savings.

40. Utility Savings. The House Finance Committee includes \$18.4 million from all funds, of which \$15.7 million is from general revenues for utilities at state buildings under its jurisdiction, including the Pastore Campus. This is \$0.3 million less than recommended to reflect the Department's projected expenditures.

Department of Business Regulation

41. Affordable Care Act Grants. The Governor requested an amendment to add \$3.6 million from federal funds in FY 2013 for grants associated with the Affordable Care Act. These funds will be used to support the creation of an operation and staffing plan; coordination of eligibility and enrollment with Medicaid; development of a product design and contracting plan; creation of a data and evaluation plan; the installation of information systems support structures; and for contracted services from community partners. The House Finance Committee concurs.

42. Turnover. Based on the Department's third quarter report, the House Finance Committee recommends an additional \$275,000 in general revenue turnover savings. These savings are mostly associated with vacancies in the Department's Banking and Securities Regulation divisions.

Department of Labor and Training

43. Capital - Asset Protection. The Governor's Capital Budget includes a total project cost of \$2.0 million from Rhode Island Capital Plan funds for asset protection projects at the Center General complex. This includes \$700,390 in FY 2013 to begin numerous projects. The House Finance Committee shifts \$475,000 from FY 2013 to FY 2015 to better reflect anticipated expenditures, based upon the delayed schedule for repairing the roof.

44. Disaster Unemployment Insurance. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding by \$41,515 in FY 2013 for Disaster Unemployment Insurance benefits as a result of Hurricane Sandy. The Department of Labor and Training received a grant to provide full federal unemployment insurance benefits to eligible workers displaced as a result of the hurricane.

45. Federal UI Benefit Extension. The House Finance Committee concurs with the Governor's requested amendment to increase funding for unemployment insurance benefits in both FY 2013 and FY 2014. The Committee adds \$74.4 million in FY 2013, including \$66.4 million from federal funds and \$8.0 million from Employment Security Funds and \$61.4 million in FY 2014, including \$54.8 million from federal funds and \$6.6 million from Employment Security Funds. On January 2, 2013, Congress extended the Emergency Unemployment Compensation program, which had expired on December 29, 2012. This allows for full federal funding of the four federal benefit tiers, extending the prior program through December 28, 2013.

46. Hurricane Sandy Clean Up Grant. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding by \$1.4 million in FY 2013 and \$0.6 million in FY 2014 for the National Emergency Grant received by the Department of Labor and Training. The grant allows the Department to hire unemployed individuals to aid in the Hurricane Sandy clean-up at the state's parks and beaches. The Department is giving preference to unemployed veterans and will employ approximately 80 individuals through the end of September 2013.

47. Police and Fire Relief Program. The House Finance Committee includes general revenue savings of \$100,000 for tuition and annuity benefits through the Police and Fire Relief Program in FY 2013. The Department of Labor and Training has experienced lower than anticipated participation in the current year.

48. Self-Employment Assistance Program. The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million to the Employment Security Trust Fund for the purpose of allowing the Department to provide training and information to unemployed individuals interested in becoming self-employed and opening their own business. The federal government provided the state with the grant, which it deposited directly into the Employment Security Fund solely for this purpose. The House Finance Committee includes expenditures of \$38,933 in FY 2013 and \$120,801 in FY 2014 for the program.

49. Short-Time Unemployment Compensation. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding by \$1.9 million for the short-time unemployment compensation program, which provides a portion of a weekly unemployment insurance payment to eligible individuals whose work hours have been reduced. The program helps employers avoid layoffs by reducing work hours for an entire group of employees rather than layoff some while others continue working full-time.

50. Temporary Disability Insurance Benefits. The House Finance Committee concurs with the Governor's requested amendment to increase funding for temporary disability insurance benefit payments by \$4.0 million to \$164.0 million because the Department has experienced higher than anticipated benefit payments in recent months.

51. Trade Readjustment Assistance Program. The House Finance Committee concurs with the Governor's requested amendment for changes related to federal Trade Readjustment Assistance Act funds to support initiatives that help workers from Rhode Island companies who lost their jobs due to the adverse impact of foreign trade. This includes \$0.3 million more for FY 2013 and \$0.1 million less for FY 2014. Although the program has seen reductions in applications and eligibility over the past several years, the Department has experienced an increase in interest and approved applications since January 2013, but does not expect it to continue through FY 2014. Someone eligible for these benefits must first exhaust all of their unemployment insurance benefits before becoming eligible for this program.

52. UI Administration & Information Technology. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding for unemployment insurance administration and information technology expenses in FY 2013 by \$1.5 million. This includes \$1.4 million for staffing costs and \$0.1 million for information technology projects, reflecting updated federal awards. On January 2, 2013, Congress extended the Emergency Unemployment Compensation program, which had expired on December 29, 2012. This extended federal benefits through December 28, 2013 with full federal funding and provides for additional administrative funding for the continuation of the federal tiers within the program.

53. Work Immersion and Non-Trade Apprenticeships. The Governor's recommendation includes Article 15 and general revenue funding of \$1.0 million in FY 2013 and \$2.0 million in FY 2014 for a new work immersion and non-trade apprenticeship program to be administered by the Governor's Workforce Board. The House Finance Committee does not include the funding in FY 2013 and includes \$1.3 million in FY 2014, concurring with the use of the funds for this program, and adding other programs to the Governor's article.

Revenue

54. Central Falls Receivership. The Department projects general revenue expenditures of \$0.4 million for legal costs pertaining to the Central Falls receivership, \$0.1 million more than included in the revised budget. The House Finance Committee recommends the additional expenditures.

55. Distressed Community Aid. The Governor provides \$15.4 million for both FY 2013 and FY 2014 for the Distressed Communities Relief Fund, which is \$5.0 million more than enacted for each year. The House Finance Committee recommends funding the Distressed Communities Relief Fund at the enacted level.

56. Municipal Pension Revaluation. The Department projects expenditures of \$18,516 from general revenues for which the revised budget included \$61,417 to reimburse municipalities for 50.0 percent of the cost of actuarial pension studies. The House Finance Committee includes \$42,901 in savings.

57. PILOT. The House Finance Committee recommends an additional \$2.0 million in FY 2013 for the Payment in Lieu of Taxes Program, which reimburses cities and towns for property taxes that would have been due on real property owned by nonprofit educational institutions of higher learning, nonprofit hospitals, or any state-owned hospital, veterans' residential facility or correctional facility, which is exempt from taxation by state law. Reimbursement is 27.0 percent of the forgone tax, subject to appropriation. The additional \$2.0 million would increase the reimbursement from 21.4 percent to 22.7 percent.

58. Taxation Hospital Bankruptcy Legal Costs. The Department projects expenditures of \$51,000 for which the revised budget included \$30,000 from general revenues for the Division of Taxation's portion of outside legal services pertaining to the bankruptcies of the Landmark and Westerly hospitals.

59. Turnover and Operating 3rd Quarter Adjustments. The Department's third quarter report projects a general revenue surplus of \$0.6 million, primarily from additional turnover savings, in the Divisions of Taxation, Motor Vehicles and Municipal Finance. The Department has averaged 418.0 filled positions as of the pay period ending April 20, 2013. This is 40.0 positions less than the authorized level. The House Finance Committee reduces expenditures to include the savings.

60. Woonsocket Municipal Oversight. The Department's third quarter report projects expenditures of \$160,774 for the salary and benefit costs of 2.4 full-time positions associated with the Woonsocket municipal oversight commission. The revised budget included general revenue expenditures of \$93,133. The House Finance Committee adds \$67,641 based on projected expenditures.

Office of the Lieutenant Governor

61. State Innovation Model Grant Adjustment. The Governor requested an amendment to add federal fund expenditures of \$1.6 million, including \$0.7 million in FY 2013 and \$1.0 million in FY 2014 to reflect a new award from the Center for Medicare and Medicaid Services for the State Innovation Model Grant, which will be administered by the Office of the Lieutenant Governor. The funds will be used to support the development and testing of state-based models for multi-payer medical claim payments.

62. Turnover and Operating. The Budget Office's third quarter report projected a general revenue surplus of \$13,000, primarily from turnover savings. The House Finance Committee reduces expenditures to reflect the projected savings.

Secretary of State

63. Turnover Savings. The House Finance Committee recommends general revenue savings of \$60,000 for the Secretary of State for FY 2013 based on anticipated staffing levels and expenditures.

Office of the General Treasurer

64. Bank Fees. Based on a request from the Office of the General Treasurer, the Governor requested an amendment to add \$425,000 from general revenues to the Office's budget for the payment of bank fees offsetting that with a like amount of general revenues. Currently, bank fees are deducted from investment earnings on short term investments, and only the net amount is recorded as revenue. An audit finding stated that bank fees should be shown as an expenditure for more transparency. The House Finance Committee concurs and adds \$300,000 to both expenditures and revenues to reflect this change based on updated estimates from the Office of the General Treasurer.

65. Research Fellowship Foundation Grant. Based on a request from the Office of the General Treasurer, the Governor requested an amendment to add \$70,000 over FY 2013 and FY 2014 to reflect a private foundation grant that it received to support economic policy research within the Office. The Governor recommends \$30,000 for FY 2013 and \$40,000 for FY 2014 to fund a part-time position in the policy division. The House Finance Committee concurs.

66. Turnover Savings. The House Finance Committee recommends general revenue savings of \$56,300 for the Office of the General Treasurer based on its third quarter report which reflects additional turnover savings.

67. Unclaimed Property. The House Finance Committee recommends an additional \$0.3 million for FY 2013 to reflect the estimate of the May Revenue Estimating Conference. This includes an additional \$0.7 million in transfer to the state General Fund for an FY 2013 transfer of \$7.0 million.

Board of Elections

68. Operations. The House Finance Committee recommends general revenue savings of \$35,000 based on the Board of Elections' third quarter report.

Ethics Commission

69. Turnover. Based on the Commission's third quarter report, the House Finance Committee recommends additional general revenue turnover savings of \$20,000. This is consistent with reported vacancies for FY 2013.

Governor's Office

70. Turnover and Operations. The Governor's revised budget includes \$4.4 million from general revenues to fund salaries and benefits, and operating expenses. The Budget Office's third quarter report projected a \$75,897 surplus, primarily from turnover savings. The House Finance Committee reduces expenditures to reflect the projected savings.

Office of Health and Human Services

71. Adult Medicaid Quality Grant. The Governor requested an amendment to add \$100,000 for a federally funded Medicaid quality grant that was awarded to the Office of Health and Human Services prior to his recommendation. The House Finance Committee concurs and includes funding for a new two-year grant to develop staff capacity to collect, report, and analyze data for adults enrolled in Medicaid.

72. Currentcare - Medicaid Match Rate. The Governor's revised budget includes \$2.4 million from all sources, including \$0.6 million from general revenues, to make the state's payment for Medicaid enrollees in the Statewide Health Information Exchange, known as *currentcare*. The Medicaid match rate of 75 percent included in the enacted budget has been updated to 90 percent and the House Finance Committee adjusts the state match and reduces general revenues by \$360,000.

73. HIV Drug Costs to ADAP Rebate Funds. The House Finance Committee includes savings of \$1.9 million from general revenues from shifting HIV drug expenses to available rebate funds in FY 2013.

74. May Caseload Adjustments. The House Finance Committee recommends a reduction of \$43.6 million, which includes \$20.0 million less from general revenues to adjust the FY 2013 budget for the May Caseload Conference estimates for cash assistance caseloads and medical assistance expenditures. This includes \$40.6 million less for medical assistance expenses in the Office of Health and Human Services' budget including \$19.3 million less from general revenues.

75. Turnover. The House Finance Committee recommends savings of \$1.5 million, including \$0.8 million from general revenues, based on staffing expenditures through the third quarter report.

Children, Youth and Families

76. Capital - Fire Code Upgrades. The Governor's Capital Budget includes \$0.8 million in FY 2013 and \$0.5 million in FY 2014 from Rhode Island Capital Plan funds for fire code upgrades to private group homes and residential facilities. The House Finance Committee recommends shifting \$0.5 million from FY 2013 to FY 2016 based on projected expenditures.

77. Capital - Fire Towers. The Governor's Capital Budget includes \$275,000 from Rhode Island Capital Plan funds for FY 2013 for fire towers and building repairs to the Groden Center facility. The House Finance Committee recommends shifting funding for this project to FY 2015. This project was linked to a Commission on Disabilities capital project that was not recommended and the Department has to develop new engineering and architectural plans.

78. System of Care. The House Finance Committee recommends \$2.4 million, including \$0.5 million from general revenues and \$1.9 million from available Title XX federal funds to offset additional expenses incurred by the lead networks. This would increase the System of Care funding to \$73.7 million in FY 2013.

79. Turnover. The House Finance Committee includes general revenue turnover savings of \$626,000 to reflect updated staffing costs.

Health

80. Federal Highway Safety Grant. The House Finance Committee concurs with the Governor's requested amendment to add \$165,000 from federal funds for a Highway Safety Grant that the Department was awarded after the Governor's budget was submitted. The Department will utilize these funds to purchase two pieces of equipment for the Heath Laboratory related to determining the presence of alcohol and drugs in impaired drivers.

81. Public Health Information Grants. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding in the Department's vital records division by \$90,834 to be used for information systems improvements related to newborn screening and electronic verification of vital events. This reflects the confirmation of an anticipated grant award and carry forward funding that was inadvertently excluded from the Department's budget request. The newborn screening funds must be spent by August 2013 and there is no expiration for the electronic verification funding, but the Department anticipates spending the funds in FY 2013.

82. State Medical Examiner Carry Forward. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding in the Department's State Medical Examiner's Office by \$10,000 to be used for the Coverdell Forensic Science Improvement Program. This reflects the approval of carry forward funding which must be used by the end of FY 2013.

83. Turnover and Operations. The House Finance Committee recommends general revenue savings of \$275,000 for the Department of Health for FY 2013. This is based on the Department's projected expenditures and actual expenditures through the third quarter.

Human Services

84. Capital - Blind Vending Facilities. The Governor's Capital Budget includes a total project cost of \$1.0 million from Rhode Island Capital Plan funds for the 15 blind vending facilities that operate under the name COFFEE PLUS. This includes \$165,000 each year, including FY 2013. Consistent with the Governor's requested budget amendment, the House Finance Committee reduces the FY 2013 amount by \$15,000 to better reflect anticipated expenditures, based upon lower than anticipated renovation costs during the year.

85. Community Service Grants - Closed. The House Finance Committee recommends eliminating three community service grant awards and reducing both the FY 2013 and FY 2014 budgets by \$27,847 because the grantees have closed. This includes the Central Falls YMCA Community Center, Westminster Senior Center and Community Resource Center-Westminster.

86. Community Service Grants - Community Action Agencies. The House Finance Committee restores \$120,000 from general revenues for both FY 2013 and FY 2014 for the community service grant to the community action agencies, which restores funding to the FY 2012 level. The 2012

Assembly consolidated 11 grants for community action agencies into one grant, and inadvertently reduced the grant amount.

87. May Caseload Adjustments. The House Finance Committee recommends a reduction of \$3.0 million, which includes \$0.6 million less from general revenues to adjust the FY 2013 budget for the May Caseload Conference estimates for cash assistance caseloads, including the Rhode Island Works, subsidized child care, supplemental security income and general public assistance bridge programs.

88. New Positions. The Governor's revised budget includes authorization and funding for 11.5 new full-time equivalent positions and provides \$0.8 million from all sources, including \$0.2 million from general revenues, excluding the 2.0 new positions for the Work Support Strategies grant through the Urban Institute. Because the Department has maintained over 100 vacant positions during the fiscal year and experienced delays in filling numerous positions, the House Finance Committee eliminates authorization and funding for these positions, instead requiring the Department to utilize existing vacancies and funding for these positions.

89. Turnover and Operations. The House Finance Committee assumes savings of \$214,338, including \$152,338 from general revenues for the Department of Human Services, primarily related to staffing and operations for RI Works, Child Care, Medicaid eligibility and supplemental nutrition assistance programs. This is based on expenditures through the third quarter.

90. Work Support Strategies Grant. The House Finance Committee assumes savings of \$336,460 from general revenues from delays in starting the new Work Support Strategies program, funded through a grant from the Urban Institute. The Department received a \$1.3 million grant award for a three-year period, beginning March 2012, and the reductions are based on expenditures through the third quarter.

Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

91. Capital - Hospital Consolidation. The Governor's Capital Budget includes \$36.0 million to build a new hospital at the Pastore Center, including \$1.0 million in FY 2013. The House Finance Committee reduces FY 2013 funding by \$0.7 million and shifts it to FY 2017 based on projected expenditures.

92. Capital - Administrative Buildings. The Governor's FY 2014 through FY 2018 Capital Budget includes \$5.7 million from Rhode Island Capital Plan funds for projects at Barry and Simpson Halls. He also includes \$1.0 million in FY 2013, of which the House Finance Committee shifts \$0.9 million to FY 2016.

93. Capital - Community Facilities - Fire Code Upgrades. The Governor's FY 2014 through FY 2018 Capital Budget includes \$1.9 million from Rhode Island Capital Plan funds to install new and upgrade existing fire alarm and sprinkler systems throughout the community developmental disability and mental health facilities. This includes \$1.0 million in FY 2013. The House Finance Committee reduces FY 2013 funding by \$0.5 million to reflect current spending for fire code upgrades.

94. Capital - DD Private Community Facilities Fire Code Upgrades. The Governor's FY 2014 through FY 2018 Capital Budget includes \$4.8 million to install and upgrade fire alarm and sprinkler systems in the private developmental disabilities residences. This includes \$2.1 million from Rhode Island Capital Plan funds and \$2.7 million from matching Medicaid funds. The House Finance Committee recommends reducing FY 2013 Medicaid funding by \$0.6 million to adjust an incorrect match rate.

95. Capital – Medical Center Rehabilitation. The Governor’s FY 2014 through FY 2018 Capital Budget includes \$3.3 million from Rhode Island Capital Plan funds for ongoing maintenance at Eleanor Slater Hospital in Cranston. He also includes \$1.0 million in FY 2013 which the House Finance Committee reduces by \$0.7 million to reflect updated spending projections.

96. Capital – Mental Health Residences Furniture. The Governor’s FY 2014 through FY 2018 Capital Budget includes \$252,000 from Rhode Island Capital Plan funds to provide furniture to behavioral health clients who move into a new residence. He also includes \$32,000 in FY 2013 which the House Finance Committee reduces by \$29,000 to reflect current expenditures. The Committee also eliminates \$40,000 for FY 2014 and \$212,000 for the remaining four years of the capital plan.

97. Capital - Zambarano Buildings. The Governor’s FY 2014 through FY 2018 Capital Budget includes \$750,000 from Rhode Island Capital Plan funds for the ongoing maintenance at the Zambarano unit of Eleanor Slater Hospital located in Burrillville in addition to \$150,000 in FY 2013. The House Finance Committee reduces FY 2013 funding by \$100,000 to reflect revised spending projections.

98. ESH Overtime Adjustment. The Governor adds \$950,000 from general revenues for overtime at both 24-hour state-run facilities, Eleanor Slater Hospital and Rhode Island Community Living and Supports (RICLAS) program, including \$400,000 for costs incurred during Hurricane Sandy in his revised recommendation. He did not include the matching Medicaid funds and requests an amendment to correct for this. The House Finance Committee concurs and adds the federal funds.

Commission on Disabilities

99. Capital - Handicapped Accessibility. The Governor recommends \$9.5 million from Rhode Island Capital Plan funds for FY 2013 through FY 2018 for accessibility and safety projects throughout the state. This includes the removal of structural barriers, fire safety renovations, paving of pathways, signage, parking and elevator installations. The Governor includes these as five separate projects. The House Finance Committee recommends \$0.2 million less than recommended to reflect the cancellation of an elevator project at the Groden Center and combines the remaining four projects.

100. Shift to Federal Funds. The House Finance Committee recommends general revenue savings of \$33,077 for the Governor’s Commission on Disabilities for FY 2013 based on its third quarter report, which shifts general revenue expenses for personnel and operating expenses to federal sources. This is based on available Help America Vote Act funds.

Office of the Mental Health Advocate

101. Operations. The House Finance Committee recommends general revenue savings of \$36,900 to reflect updated costs resulting from vacancies and additional contracted legal services.

Department of Elementary and Secondary Education

102. Capital - Warwick Career and Tech Center. The Governor recommends \$1.7 million from Rhode Island Capital Plan funds to replace the roof at the Warwick Career and Technical School. The House Finance Committee recommends shifting \$0.7 million from FY 2013 to FY 2016 to reflect projected spending. Total funding is as recommended.

103. Capital - Woonsocket Career and Tech Center. The Governor recommends \$3.2 million from Rhode Island Capital Plan funds for FY 2013 through FY 2015 to replace the HVAC system and roof at the Woonsocket Career and Technical School. The House Finance Committee recommends shifting \$1.2 million from FY 2013 and FY 2014 to FY 2015 to reflect anticipated expenditures. Total funding is as recommended.

104. Davies Restore Medical Benefit Savings. The House Finance Committee concurs with the Governor's requested amendment to restore \$53,246 that he eliminated to reflect statewide medical benefit savings for the Davies Career and Technical School. Its budget should not be reduced by the value of the statewide savings because it gets a single state allocation for the year pursuant to the education funding formula.

105. Education Telecommunications Access Fund. The Governor recommends adding \$0.7 million, including \$0.4 million from general revenues and \$0.3 million from restricted receipts for the Education Telecommunications Access Fund for total FY 2013 funding of \$1.9 million. This fund is designed to provide financial assistance to qualified libraries and schools to acquire, install, and use telecommunications technologies to access the Internet and is supported by a \$0.26 monthly surcharge levied upon each residence and business telephone access line. This restores general revenue funding that the FY 2013 enacted budget excluded because of incorrect information that the principal payment on a \$20.0 million information technology bond could be used as state match; it cannot. The Department had indicated that it would be able to sustain the program in the current year without additional state resources. Because of this, the House Finance Committee recommends removing the \$400,000.

106. Federal Funds Adjustment. The House Finance Committee concurs with the Governor's requested amendments to increase federal funds by \$0.1 million to reflect available carry forward funds and actual grant awards. This includes carry forward funding for a Head Start grant and funding for a workforce investment fund grant and the WayToGo portal in the Higher Education Assistance Authority's budget.

107. School for the Deaf Temporary Services. The House Finance Committee concurs with the Governor's requested amendments to increase restricted receipt expenditures by \$50,000 for temporary services such as speech pathologists and behavioral specialists. This reflects projected expenditures for FY 2013.

108. School Housing Aid. The House Finance Committee recommends general revenue savings of \$24,246 based on final projected expenditures. Reimbursement cannot begin until a project is completed and districts must complete new projects by June 30, 2012 in order to be eligible for reimbursement to begin in FY 2013.

109. Teacher Retirement. The Governor recommends \$75.4 million for FY 2013 to fund the state's share of the employer contribution for teacher retirement, a decrease of \$2.9 million to the FY 2013 enacted budget. Employers contribute the difference between the teachers' share and the amount needed to support the system, as determined annually by the State Employees' Retirement System. The state pays 40.0 percent of the employer's share. Based on updated teacher payroll projections, the House Finance Committee recommends reducing the state's share by \$0.8 million.

110. Turnover Savings. Based on the Department's third quarter report, the House Finance Committee recommends an additional \$89,000 in general revenue turnover savings. This is mostly

associated with a delay in hiring the chief of fiscal integrity and efficiencies, which has been vacant since December.

Public Higher Education

111. Capital - URI Fire Safety Admin & Academic. The Governor recommends \$13.3 million from Rhode Island Capital Plan funds for a project to upgrade existing fire alarm systems and install fire-suppressing sprinkler systems in all of the University of Rhode Island's academic and administrative buildings that are not presently equipped with sprinkler and alarm systems. The Governor programs the Rhode Island Capital Plan funding as \$1.1 million for FY 2013, \$10.1 million for FY 2014 and \$2.2 million for FY 2015. The House Finance Committee recommends shifting \$1.1 million from FY 2013 to FY 2015 based on anticipated expenditures.

112. RIC - RI Hospital Grant. The House Finance Committee concurs with the Governor's requested budget amendment to add \$137,621 for FY 2013 and \$142,849 for FY 2014 to reflect a grant for Rhode Island College's School of Nursing from Rhode Island Hospital. Funding will be used to fund a position.

Atomic Energy

113. Turnover Savings. Based on the Department's third quarter report, the House Finance Committee recommends an additional \$25,000 in general revenue turnover savings. This is associated with a delay in hiring a new Director.

Higher Education Assistance Authority

114. WayToGo Web Portal Grant. The House Finance Committee concurs with the Governor's requested amendment to add \$1,180,000 from federal funds for the WayToGoRI webportal to upgrade its electronic transcript system and to complete a database portal grading system. The funding is projected to be spent by June 30, 2013, and must be expended by September 30, 2013.

Historical Preservation & Heritage Commission

115. Capital - Eisenhower House Asset Protection. The Governor includes \$1.6 million from Rhode Island Capital Plan funds to rehabilitate the Eisenhower House in Newport. This includes \$175,000 in the current year. The House Finance Committee recommends shifting \$75,000 from FY 2013 to FY 2015 to reflect the Commission's expenditures to date and project timetable.

Public Telecommunications Authority

116. Restoration of Medical Benefit Savings. The Governor requests an amendment to add \$3,591 from general revenues for statewide benefit savings inadvertently included in his revised budget. The FY 2013 enacted budget included \$795,786 from general revenues for the Authority, which was intended to fund the Authority as it transitioned its management and license to the private Rhode Island PBS Foundation. As of November 2012, the Authority had already expended the full enacted amount. The House Finance Committee concurs.

Attorney General

117. Personnel and Operating. The House Finance Committee assumes general revenue savings of \$0.4 million from personnel and operating expenses based on the Office's third quarter report.

118. Victims of Crime Assistance Grant. The Governor's revised budget includes \$223 from federal funds for the victims of crime program within the Criminal Division of the Office of the Attorney General. He subsequently requested an amendment to add \$30,000 from federal funds to reflect a new grant awarded for FY 2013 and FY 2014 to maintain expansion of services to felony crime victims. The House Finance Committee concurs.

Corrections

119. Capital - Maximum General Renovations. The Governor's capital budget includes a total of \$2.7 million from Rhode Island Capital Plan funds, of which \$0.8 million is for FY 2013 for heating, ventilation, air conditioning and plumbing upgrades for the basement of the Maximum Security facility. The Department notes that a revision of the project scope generated a new bid that totals \$2.2 million. The House Finance Committee reprograms this project to be completed in FY 2015 and reduces total funding by \$0.5 million to reflect the revised project scope and updated schedule. This includes \$0.6 million less for FY 2013 and \$0.4 million less for FY 2016 offset by increases of \$0.3 million for FY 2014 and \$0.2 million for FY 2015.

120. Federal Grant Adjustments. The Governor requested an amendment to add \$93,680 from federal funds to reflect several new grants awarded to support training programs for the Correctional Emergency Response Team, as well as database services to enable interdepartmental information sharing and improve the probation and parole portion of the Inmate Facility Tracking System. This also includes an additional \$11,301 for the Family Reunification program, which helps reunite offenders with their family. The House Finance Committee concurs.

121. Maintain DoIT Expenses in Corrections. The Governor's revised budget includes a transfer of \$0.2 million previously budgeted in the Department of Corrections to upgrade various technologies including Microsoft Operating systems and licensing costs to the Department of Administration. He does not include such a transfer in his FY 2014 budget. The House Finance Committee recommends that the expenditures remain in the Department of Corrections.

122. Maintain Facilities Expenses in Corrections. The Governor's revised budget reflects a general revenue transfer of \$0.4 million previously budgeted in the Department of Corrections, for sewer and groundskeeping services provided by Correctional Industries to the Department of Administration. He does not include such a transfer in his FY 2014 budget. The House Finance Committee recommends the expenditures remain in the Department of Corrections.

123. Storm Costs. The Governor requested an amendment to add \$0.5 million from general revenues to support increased overtime expenses from a storm that occurred in February that resulted in a two-day government shutdown of non-essential services. The Department is contractually obligated to pay its working staff two and a half times the regular hourly rate for those two days. The House Finance Committee reduces the additional requested funds by \$0.1 million based on updated information provided by the Department.

Judicial

124. Expanded Access to Civil Justice Grant. Consistent with the Governor's requested budget amendment, the House Finance Committee adds \$18,000 from restricted receipts, including \$5,000 for

FY 2013 and \$13,000 for FY 2014 to reflect a donation from the American Bar Association. Funding will be used to promote expanded access to civil justice for low-income and disadvantaged persons.

Military Staff

125. Capital - AMC Roof Replacement. The Governor recommends \$1.8 million from Rhode Island Capital Plan funds for FY 2013 for the rehabilitation of the Armory of Mounted Commands building, including multiple upgrades to existing infrastructure as well as the replacement of the roof. The House Finance Committee adds \$0.4 million in the current year and removes \$0.1 million of funding in FY 2014 to reflect an accelerated project schedule.

126. Capital - Asset Protection. The Governor includes \$1.1 million from Rhode Island Capital Plan funds for FY 2013 for 11 individual asset protection projects, including repairs and upgrades to roofs, windows, and HVAC systems. The House Finance Committee removes \$0.8 million of funding in FY 2013 to reflect actual expenditures.

127. Capital - Command Readiness Center. The Governor recommends \$0.9 million from Rhode Island Capital Plan funds for FY 2013 for the Military Staff to construct an addition to the existing command readiness center, which was not designed to handle the existing population. The House Finance Committee adds \$0.2 million to fully fund the completion of the project in FY 2013.

128. Capital - Hurricane Sandy. The Governor recommends \$3.0 million from Rhode Island Capital Plan funds for FY 2013 for the Military Staff to match \$9.0 million of federal funds for reimbursements to state agencies, as well as other entities such as quasi-state agencies and municipalities, for the repair of damages caused by the hurricane. Based on slower than anticipated reimbursements, the House Finance Committee shifts \$1.5 million from FY 2013 to FY 2014.

129. Capital - Logistic/Maintenance Facilities Fire Code Compliance. In order to upgrade logistic and maintenance facilities, the Governor recommends \$12,500 in FY 2013 for the design and installation of automatic fire alarm and suppression systems capable of meeting or exceeding the requirements of state fire laws and regulations. The House Finance Committee removes \$9,159 of funding to reflect actual expenses.

130. Capital - State Armories Fire Code Compliance. The Governor recommends \$20,250 from Rhode Island Capital Plan funds for FY 2013 for the Military Staff to design and install a standardized fire alarm detection and suppression system in the state armories that meet the requirements of the state fire laws and regulations. The House Finance Committee provides an additional \$0.1 million to reflect actual expenditures incurred during the year.

131. Counterdrug Program. The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.2 million from restricted receipts for FY 2013 to reflect personnel costs incurred during counterdrug work performed by National Guard members. The restricted receipts are available from Google settlement funds; however, the funding and expenditures were excluded from both the Agency's request and the Governor's recommendation.

132. Federal Funds Adjustment. The House Finance Committee concurs with the Governor's requested budget amendment to add \$1.5 million from federal funds for FY 2013 to reflect revised awards and expenditures from federal grants, including Urban Areas Security Initiatives and Metropolitan Medical Response Assistance.

133. Federal Funds Carry Forward. The House Finance Committee concurs with the Governor's requested budget amendment to add \$3.2 million for FY 2013 to reflect carry forward federal funds from FY 2012 for multiple grants, including emergency operations, transit security and emergency management. Funding was inadvertently excluded from the Agency's revised request and the Governor's recommendation.

134. Federal Reimbursement - 2010 Flood. The House Finance Committee concurs with the Governor's requested budget amendment to add \$3.1 million from federal funds for FY 2013 to reflect a reimbursement from the Federal Emergency Management Agency for costs incurred by the City of Warwick for repairs to its wastewater treatment facility for damage caused by the 2010 flood.

135. New Grant Awards. The House Finance Committee concurs with the Governor's requested budget amendment to add \$0.1 million from federal funds for FY 2013 to reflect the Agency's receipt of two additional federal grants that were inadvertently excluded from its revised request and the Governor's recommendation. Funding will be used for hazardous materials preparedness and flood zone mapping.

136. Overtime & Storm Costs. The House Finance Committee concurs with the Governor's requested budget amendment to add \$107,625 for FY 2013 for expenditures incurred by the Military Staff during Hurricane Sandy and winter storm Nemo. Expenditures include \$82,625 for overtime and \$25,000 to reflect the state's match for federal reimbursements for costs associated with the storms.

Department of Public Safety

137. Capital – Barracks and Training Academy Repairs. The Governor recommends \$3,409,743 from Rhode Island Capital Plan funds to renovate State Police Barracks, including \$1.5 million for FY 2013. The House Finance Committee recommends shifting these FY 2013 funds to FY 2015 and FY 2016 to reflect altered Departmental priorities.

138. Capital - Fire Academy Building. The Governor includes \$2.8 million from Rhode Island Capital Plan funds for FY 2013 and FY 2014 to complete the second phase of construction for the new Fire Training Academy in Exeter. This includes \$0.7 million in the current year. The House Finance Committee recommends shifting \$0.7 million from FY 2013 and \$1.3 million from FY 2014 to FY 2015 to reflect the Department's revised timetable for this project.

139. Capital - Headquarters Repairs/Rehabilitation. The Governor includes \$871,500 from Rhode Island Capital Plan funds to repair and renovate buildings located at the Department of Public Safety Headquarters facility in North Scituate. This includes \$371,500 for FY 2013. The House Finance Committee recommends shifting \$0.3 million from the current year to FY 2015 to reflect the Department's adjusted timetable for this project.

140. Capital – HQ Expansion. The Governor includes \$460,000 from Rhode Island Capital Plan funds for FY 2013 through FY 2014 to expand the Department of Public Safety Headquarters facility in North Scituate through the rehabilitation of two former National Guard buildings. This includes \$250,000 for FY 2013 and \$210,000 for FY 2014. The House Finance Committee recommends shifting \$200,000 from the current year to FY 2015 to reflect the Department's adjusted timetable for this project.

141. Capital - Parking Area Improvements. The Governor includes a total of \$0.9 million from Rhode Island Capital Plan funds to repair and expand parking lots at Department of Public Safety

facilities, including \$450,000 in the current year. The Governor requested an amendment shifting \$437,000 from FY 2013 to FY 2014. The House Finance Committee recommends total funding as recommended, but shifts \$225,000 to FY 2014 and \$212,000 to FY 2015 to reflect the Department's actual and anticipated expenditures.

142. Capital – State Police Headquarters. The Governor reappropriated \$198,362 from Rhode Island Capital Plan funds for FY 2013 to complete final construction and building tasks associated with the construction of the new State Police and E-911 Headquarters building in North Scituate. He subsequently submitted a request for \$115,591 for this project. The House Finance Committee recommends \$116,362, which is \$771 more than requested from Rhode Island Capital Plan funds and \$82,000 less than the Governor reappropriated for this project from FY 2012 to reflect the Department's actual and anticipated expenditures.

143. Federal Funds Adjustments. The Governor requested an amendment to add \$382,015 from federal funds in FY 2013 for eleven different grants. These grants will be used to support training programs and to purchase public safety supplies and equipment for the Division of State Police, the Office of the State Fire Marshal, and the Central Management division. The House Finance Committee concurs.

144. Forfeited Property - Retained. The Governor requested an amendment to add \$40,000 from restricted receipts for FY 2013 for the Division of State Police. These are funds forfeited to the Division as a result of closed cases. The Division intends to share these funds with ten municipal police departments and the Rhode Island National Guard, in correlation with support given to the Division in the solving of the closed cases. The House Finance Committee concurs.

145. Former ARRA Positions. The Governor included \$214,747 from general revenues and 2.0 new full-time equivalent positions, a data processing systems manager and a computer programmer, within the Division of State Police for FY 2013. These positions are intended to replace two contract positions previously funded by federal Internet Crimes Against Children funds, granted to the Department as part of the American Recovery and Reinvestment Act. It should be noted that programs and positions funded by the American Recovery and Reinvestment Act were not intended to be permanent additions to agencies. The House Finance Committee recommends eliminating these funds and positions.

146. Stimulus - Byrne Grant Interest. The Governor requested an amendment to add \$38,000 from restricted receipts for FY 2013 for the Municipal Police Training Academy. The Department is able to retain interest earned on deposited federal Edward Byrne Memorial Justice Assistance Grant funds for public safety use, including continuing education programs operated by the Municipal Police Training Academy. A review of spending to date and projected spending indicates that the majority of these funds have been expended. The House Finance Committee concurs.

Public Defender

147. Turnover Savings. The Governor's revised budget includes \$9.6 million from general revenues to fund 93.0 full-time positions in the Office of the Public Defender. The Office's third quarter report includes payroll expenses totaling \$6.9 million for the current fiscal year. As of the pay period ending May 4, 91.0 of the authorized positions were filled. The House Finance Committee reduces general revenues by \$0.3 million to reflect turnover savings based on average and actual filled positions, current expenditures, and the Office's third quarter report assumptions.

Environmental Management

148. Artificial Reef Research. The House Finance Committee concurs with the Governor's requested amendment to increase funding for artificial reef research by \$0.1 million for FY 2013. The Department of Environmental Management indicates that this project involves deploying reef balls to construct three artificial reefs at locations to be determined around Narragansett Bay and conducting baseline and post-installation surveys, which will include three types of fish monitoring analyses (video, diver and mark-recapture).

149. Boating Infrastructure Grant. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding by \$40,000 in FY 2013 for a boating infrastructure grant. The additional funding requested relates to remaining payments for the City of Newport Visitor Center.

150. Brownfields Grants. The House Finance Committee concurs with the Governor's requested amendment to increase funding for Brownfields assessment by \$0.1 million for FY 2013. This program is funded by the Environmental Protection Agency and allows public agencies to identify, inventory, characterize, assess, and conduct planning and community involvement related to Brownfield sites.

151. Capital - Blackstone Valley Bike Path. The Governor's revised budget includes \$0.6 million from Rhode Island Capital Plan funds for construction of the Blackstone Valley Bike Path and related work in the Blackstone Valley Corridor. The House Finance Committee recommends shifting \$350,000 from FY 2013 to FY 2015 to better reflect the revised project schedule.

152. Capital - Fort Adams Sailing Improvements. The House Finance Committee concurs with the Governor's requested amendment to shift \$1.0 million from FY 2013 to FY 2014 to reflect the revised project schedule for improvements to Fort Adams State Park which will allow the state to host large-scale sailing events. In addition to the Governor's budget amendment, the House Finance Committee also adds \$1.4 million in FY 2014 for a community sailing center.

153. Capital - Galilee Piers. The House Finance Committee concurs with the Governor's requested amendment to shift \$1.1 million from FY 2013 to FY 2014 to reflect the revised project schedule for facilities and infrastructure improvements at the Port of Galilee.

154. Capital - Natural Resources Offices/Visitor's Center. The House Finance Committee concurs with the Governor's requested amendment to reduce funding by \$125,000 for the design and construction of a new office facility for the natural resources division in the Arcadia Management Area at Browning Mill Pond. The reduction better reflects FY 2013 spending and a revised estimate of total project expenditures.

155. Capital - Recreational Facilities Improvements. The House Finance Committee recommends \$140,000 more for FY 2013 and \$750,000 more for FY 2014 from Rhode Island Capital Plan funds for improvements at Rhode Island parks and management areas. The additional funding will be used for improvements at Brenton Point State Park.

156. Community Service Grants - Eastern RI Cooperative Extension. The Governor's revised budget includes \$6,222 from general revenues for a community service grant to support the

Cooperative Extension Districts 4-H associations. The grant is split among three recipients: Eastern Rhode Island Cooperative Extension, Rhode Island Agricultural Council and Southern Rhode Island Cooperative Extension. The House Finance Committee recommends a reduction of \$2,267 in order to eliminate funding to the Eastern Rhode Island Cooperative Extension, which the Department of Environmental Management indicates has not responded to its requests for required information.

157. DEM Renewable Energy Projects. The House Finance Committee concurs with the Governor's requested amendment to increase funding for the Department of Environmental Management's Renewable Energy Projects by \$5,000. The Governor's revised budget includes \$305,000 for these projects, which are funded from a transfer of American Recovery and Reinvestment Act funds from the Department of Administration's Office of Energy Resources and involve the installation of solar panels at Department of Environmental Management facilities throughout the state.

158. DOT Recreational Projects. The House Finance Committee concurs with the Governor's requested amendment to increase funding for Department of Transportation Recreational Projects by \$0.3 million in FY 2013. The projects, which are funded by a transfer of federal funds from the Department of Transportation, include maintenance of state trails, purchases of equipment and materials, and funding for materials for local communities to maintain state trails. The amendment reflects an agreement between the Department of Environmental Management and the Department of Transportation for additional work on the recreational trails.

159. Village Planning Challenge Grant. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding by \$50,000 in FY 2013 for a Planning Challenge Grant to assess the status of village development and provide training and guidance to local officials in order to encourage village growth. The FY 2013 enacted budget includes the \$100,000 awarded for this grant, however the Department of Environmental Management inadvertently excluded the funding from its request. The Governor's budget amendment reflects the Department's plans to spend \$50,000 in FY 2013 and the remaining \$50,000 in FY 2014.

Coastal Resources Management Council

160. Legal Services Shift to Federal. The Governor's FY 2013 revised budget includes \$156,000 for outside legal services, the enacted level of \$126,000 from general revenues and an additional \$30,000 from federal funds. The Council had requested additional funding for legal work to address the National Oceanic and Atmospheric Administration's concerns about the outside legal counsel also serving as the hearing officer. However, this situation was resolved in July 2012, which appears to eliminate the need for additional legal expenditures. The House Finance Committee recommends reducing general revenues by \$30,000 to reflect anticipated expenditures and the availability of federal funds.

161. River Ecosystem Restoration. The House Finance Committee concurs with the Governor's requested amendment to shift \$0.4 million from federal funds from FY 2014 to FY 2013 to reflect a revised project schedule for restoring access to spawning habitat in the Ten Mile and Pawcatuck River watersheds for numerous migratory species.

162. Turnover Savings. The House Finance Committee recommends general revenue savings of \$25,000 for the Coastal Resources Management Council for FY 2013 based on its third quarter report which reflects additional turnover savings.

Transportation

163. Capital - Cash Room Security. The Governor's recommendations include \$216,700 from Rhode Island Capital Plan funds for FY 2013 for security improvements to the current cash room at the Rhode Island Public Transit Authority. The House Finance Committee removes this funding as Rhode Island Capital Plan funding is not historically used for these purposes.

164. Capital - Fixed Route and Paratransit Cameras. The Governor recommends \$0.2 million for a complete digital security camera system on the Rhode Island Public Transit Authority's 223 fixed route and 130 paratransit vehicles. The House Finance Committee removes this funding as Rhode Island Capital Plan funding is not historically used for these expenses.

165. Capital - High Speed Fueling and Fluid Monitoring. The Governor's recommendation includes \$0.2 million from Rhode Island Capital Plan funds in FY 2013 for a new project for Rhode Island Public Transit Authority to retrofit all fixed route buses with fast fuel necks that will allow the new dispenser nozzles to lock onto the bus during fueling, as well as converting to an electronic fueling system. The House Finance Committee removes this funding as Rhode Island Capital Plan funding is not historically used for these expenditures.

166. Capital - Newport Heating Units/Roof Replacement. The Governor recommends \$0.1 million from Rhode Island Capital Plan funds for FY 2013 to complete upgrades at Rhode Island Public Transit Authority's Newport location. The House Finance Committee removes this funding as Rhode Island Capital Plan funding is not historically used for these expenditures.

167. Capital - Portsmouth Facility. The Governor recommends \$0.5 million from Rhode Island Capital Plan funds for FY 2013 to construct a new maintenance facility in Portsmouth. The House Finance Committee recommends shifting the funds from FY 2013 to FY 2015 to reflect a revised project schedule.

168. Capital - Salt Storage Facilities. The Governor recommends \$2.1 million from Rhode Island Capital Plan funds for FY 2013 to be used for the construction of salt storage facilities at various locations statewide where salt is currently stored uncovered. The House Finance Committee removes \$0.7 million from FY 2013 to reflect an updated project schedule.

169. Gas Tax Estimate – DOT. The House Finance Committee reduces available gasoline tax for the Department of Transportation by \$0.1 million to reflect a downward revision of the gasoline tax yield estimate. The decrease will lower the debt service payment for the Department's GARVEE bonds and also reduces available proceeds for operations in the Division of Maintenance.

170. Gas Tax Estimate – RIPTA. The House Finance Committee reduces available gasoline tax in the Department of Transportation to reflect a reduced transfer to the Rhode Island Public Transit Authority of \$27,154 to reflect a downward revision of the gasoline tax yield estimate.

171. Stimulus Funds Commuter Rail. The Governor requests an amendment to add \$0.5 million from federal funds for FY 2013 to reflect FY 2012 carry forward funds originally made available through the American Recovery and Reinvestment Act of 2009. Funding will be used to make a payment to the Massachusetts Bay Transit Authority as part of the ongoing agreement with the

Department for commuter rail service in the state. The amendment reflects a payment due in the previous fiscal year that was not made until FY 2013.

172. Stimulus Funds On the Job Training. The Governor requests an amendment to add \$0.1 million from federal funds for FY 2013 to reflect carry forward funding originally made available through the American Recovery and Reinvestment Act of 2009. Funding is used for apprenticeships and training centers for underrepresented or disadvantaged people seeking careers in transportation, engineering or construction. The amendment reflects a payment due in the previous fiscal year that was not made until FY 2013.

Section V

Summary Tables

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Expenditures from All Funds

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
General Government				
Administration	\$ 389,897,691	\$ 412,981,480	\$ 425,792,843	\$ 428,647,821
Business Regulation	13,977,309	17,887,800	13,189,880	12,989,880
Labor and Training	661,604,139	723,610,771	530,600,966	592,506,112
Revenue	333,502,288	340,617,136	361,409,239	353,689,739
Legislature	38,844,218	41,913,816	38,591,548	38,591,548
Lieutenant Governor	1,092,692	1,738,416	1,125,998	2,095,378
Secretary of State	7,418,107	7,317,488	7,047,764	7,052,764
General Treasurer	37,571,560	45,718,506	35,060,485	35,407,461
Board of Elections	1,952,116	1,886,823	1,739,361	1,739,361
Rhode Island Ethics Commission	1,557,881	1,530,853	1,577,204	1,577,204
Governor's Office	26,581,535	4,325,010	4,493,513	4,493,513
Human Rights	1,463,760	1,439,817	1,459,423	1,459,423
Public Utilities Commission	8,246,708	8,489,940	8,569,383	8,420,293
Subtotal - General Government	\$ 1,523,710,004	\$ 1,609,457,856	\$ 1,430,657,607	\$ 1,488,670,497
Human Services				
Health and Human Services	\$ 1,752,372,084	\$ 1,680,440,795	\$ 1,860,362,098	\$ 1,868,185,132
Children, Youth and Families	216,622,996	214,110,548	211,323,566	214,373,566
Health	119,522,083	126,742,680	121,073,049	121,230,759
Human Services	650,256,012	662,291,578	676,354,681	662,490,161
BHDDH	445,671,144	429,040,289	444,536,354	439,249,565
Child Advocate	657,572	636,732	655,148	648,648
Deaf and Hard of Hearing	390,251	381,701	471,609	471,609
Commission on Disabilities	751,439	599,003	1,455,336	1,455,336
Mental Health Advocate	447,119	323,307	486,144	486,144
Subtotal - Human Services	\$ 3,186,690,700	\$ 3,114,566,633	\$ 3,316,717,985	\$ 3,308,590,920
Education				
Elementary and Secondary	\$ 1,198,219,358	\$ 1,205,460,794	\$ 1,225,960,539	\$ 1,225,748,266
Higher Education	1,031,676,319	1,036,013,963	1,058,235,101	1,057,498,950
Arts Council	3,408,107	3,907,496	2,765,495	2,765,495
Atomic Energy	1,476,951	1,402,436	1,436,731	1,436,731
HEAA	27,722,149	28,223,979	26,963,735	26,763,735
Historical Preservation	2,728,977	2,450,493	3,481,949	3,506,949
Public Telecommunications	1,500,972	799,077	-	-
Subtotal - Education	\$ 2,266,732,833	\$ 2,278,258,238	\$ 2,318,843,550	\$ 2,317,720,126

Expenditures from All Funds

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
Public Safety				
Attorney General	\$ 30,009,938	\$ 29,151,427	\$ 30,389,101	\$ 30,400,101
Corrections	196,749,862	197,868,409	204,902,527	205,202,527
Judicial	104,248,298	106,251,433	107,811,121	108,424,121
Military Staff	42,450,127	66,012,642	44,831,893	43,157,514
Public Safety	122,500,068	120,142,885	125,349,971	123,577,749
Public Defender	11,213,124	10,749,410	11,326,682	11,326,682
Subtotal-Public Safety	\$ 507,171,417	\$ 530,176,206	\$ 524,611,295	\$ 522,088,694
Natural Resources				
Environmental Management	\$ 98,837,511	\$ 97,596,949	\$ 106,554,385	\$ 114,029,523
CRMC	5,092,818	5,694,945	5,187,128	4,679,906
Subtotal-Natural Resources	\$ 103,930,329	\$ 103,291,894	\$ 111,741,513	\$ 118,709,429
Transportation				
Transportation	\$ 511,621,101	\$ 465,845,728	\$ 469,902,993	\$ 460,999,997
Subtotal-Transportation	\$ 511,621,101	\$ 465,845,728	\$ 469,902,993	\$ 460,999,997
Total	\$ 8,099,856,384	\$ 8,101,596,555	\$ 8,172,474,943	\$ 8,216,779,663

Expenditures from General Revenues

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
General Government				
Administration	\$ 272,514,956	\$ 265,410,090	\$ 271,455,828	\$ 265,497,695
Business Regulation	9,362,048	8,925,512	9,445,878	9,245,878
Labor and Training	7,859,170	7,728,901	9,839,061	9,089,061
Revenue	95,342,244	96,482,436	109,976,995	102,257,495
Legislature	37,217,044	40,388,233	36,986,933	36,986,933
Lieutenant Governor	962,955	945,311	986,890	986,890
Secretary of State	6,913,038	6,833,325	6,597,833	6,597,833
General Treasurer	2,542,115	2,826,501	2,354,692	2,654,692
Board of Elections	1,952,116	1,886,823	1,739,361	1,739,361
Rhode Island Ethics Commission	1,557,881	1,530,853	1,577,204	1,577,204
Governor's Office	4,418,290	4,325,010	4,493,513	4,493,513
Human Rights	1,137,768	1,133,129	1,150,785	1,150,785
Public Utilities Commission	-	-	-	-
Commission on Women	-	-	-	-
Subtotal - General Government	\$ 441,779,625	\$ 438,416,124	\$ 456,604,973	\$ 442,277,340
Human Services				
Health and Human Services	\$ 825,065,703	\$ 778,931,286	\$ 851,008,592	\$ 843,477,650
Children, Youth and Families	152,586,452	151,871,086	152,926,991	154,976,991
Health	24,821,836	24,446,722	24,900,291	25,058,001
Developmental Disabilities *				
Human Services	97,023,967	95,668,119	99,520,764	93,879,195
BHDDH	193,137,995	193,234,700	206,649,055	203,351,048
Child Advocate	611,469	590,664	615,151	608,651
Deaf and Hard of Hearing	390,251	381,701	391,609	391,609
Commission on Disabilities	371,096	324,421	357,711	357,711
Mental Health Advocate	447,119	323,307	486,144	486,144
Subtotal - Human Services	\$ 1,294,455,888	\$ 1,245,772,006	\$ 1,336,856,308	\$ 1,322,587,000
Education				
Elementary and Secondary	\$ 935,364,061	\$ 928,916,698	\$ 964,639,970	\$ 964,481,909
Higher Education	172,456,170	172,696,230	180,892,795	180,013,795
Arts Council	1,565,813	1,565,813	1,335,630	1,335,630
Atomic Energy	876,213	841,750	861,710	861,710
HEAA	5,617,064	5,693,667	5,231,726	5,031,726
Historical Preservation	1,361,801	1,265,417	1,332,510	1,357,510
Public Telecommunications	799,077	799,077	-	-
Subtotal - Education	\$ 1,118,040,199	\$ 1,111,778,652	\$ 1,154,294,341	\$ 1,153,082,280

Expenditures from General Revenues

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
Public Safety				
Attorney General	\$ 23,076,324	\$ 22,637,371	\$ 23,656,979	\$ 23,656,979
Corrections	183,293,277	185,542,143	185,879,198	185,879,198
Judicial	89,249,996	87,871,436	91,881,359	92,481,359
Military Staff	3,548,775	3,648,700	4,636,684	3,869,983
Public Safety	94,790,039	91,240,794	97,134,021	96,461,799
Public Defender	10,791,226	10,457,414	11,034,686	11,034,686
Subtotal-Public Safety	\$ 404,749,637	\$ 401,397,858	\$ 414,222,927	\$ 413,384,004
Natural Resources				
Environmental Management	\$ 34,546,300	\$ 34,261,357	\$ 34,876,447	\$ 34,806,318
CRMC	2,264,841	2,185,261	2,299,313	2,144,331
Subtotal-Natural Resources	\$ 36,811,141	\$ 36,446,618	\$ 37,175,760	\$ 36,950,649
Transportation				
Transportation	\$ -	\$ -	\$ -	\$ -
Subtotal-Transportation	\$ -	\$ -	\$ -	\$ -
Total	\$ 3,295,836,490	\$ 3,233,811,258	\$ 3,399,154,309	\$ 3,368,281,273

Expenditures from Federal Grants

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
General Government				
Administration	\$ 25,578,747	\$ 63,667,321	\$ 53,606,544	\$ 62,189,669
Business Regulation	2,719,081	7,002,215	1,747,589	1,747,589
Labor and Training	111,743,981	166,276,062	39,784,891	95,710,236
Revenue	2,450,709	2,897,330	3,048,651	3,048,651
Legislature	-	-	-	-
Lieutenant Governor	129,737	793,105	139,108	1,108,488
Secretary of State	-	2,566	-	-
General Treasurer	1,159,712	1,099,497	1,130,422	1,130,422
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	22,163,245	-	-	-
Human Rights	325,992	306,688	308,638	308,638
Public Utilities Commission	321,795	348,421	166,818	166,818
Commission on Women	-	-	-	-
Subtotal - General Government	\$ 166,592,999	\$ 242,393,205	\$ 99,932,661	\$ 165,410,511
Human Services				
Health and Human Services	\$ 914,833,795	\$ 888,267,679	\$ 999,356,222	\$ 1,014,710,198
Children, Youth and Families	58,440,291	57,005,897	54,192,405	55,192,405
Health	65,015,651	70,657,028	62,004,542	62,004,542
Developmental Disabilities *				
Human Services	539,731,758	550,001,881	562,754,777	554,368,102
BHDDH	234,125,964	223,826,063	220,109,814	217,901,214
Child Advocate	46,103	46,068	39,997	39,997
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	120,649	215,368	129,989	129,989
Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 1,812,314,211	\$ 1,790,019,984	\$ 1,898,587,746	\$ 1,904,346,447
Education				
Elementary and Secondary	\$ 230,760,206	\$ 238,106,081	\$ 225,746,654	\$ 225,746,654
Higher Education	4,852,615	5,226,649	6,190,306	6,190,306
Arts Council	998,794	754,191	797,329	797,329
Atomic Energy	267,616	267,044	267,044	267,044
HEAA	13,346,283	13,994,483	13,274,020	13,274,020
Historical Preservation	836,139	589,279	609,949	609,949
Public Telecommunications	-	-	-	-
Subtotal - Education	\$ 251,061,653	\$ 258,937,727	\$ 246,885,302	\$ 246,885,302

Expenditures from Federal Grants

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
Public Safety				
Attorney General	\$ 1,483,604	\$ 2,674,447	\$ 1,608,532	\$ 1,619,532
Corrections	1,995,588	3,128,620	1,788,688	1,788,688
Judicial	2,682,107	2,760,203	2,624,248	2,624,248
Military Staff	33,842,074	55,878,959	37,653,834	34,878,752
Public Safety	6,940,151	10,741,797	6,155,535	6,155,535
Public Defender	421,898	291,996	291,996	291,996
Subtotal-Public Safety	\$ 47,365,422	\$ 75,476,022	\$ 50,122,833	\$ 47,358,751
Natural Resources				
Environmental Management	\$ 34,997,551	\$ 36,876,754	\$ 35,126,329	\$ 38,391,731
CRMC	1,677,977	2,537,403	2,637,815	2,160,593
Subtotal-Natural Resources	\$ 36,675,528	\$ 39,414,157	\$ 37,764,144	\$ 40,552,324
Transportation				
Transportation	\$ 362,340,586	\$ 316,969,784	\$ 311,761,586	\$ 311,761,586
Subtotal-Transportation	\$ 362,340,586	\$ 316,969,784	\$ 311,761,586	\$ 311,761,586
Total	\$ 2,676,350,399	\$ 2,723,210,879	\$ 2,645,054,272	\$ 2,716,314,921

Expenditures from Restricted Receipts

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
General Government				
Administration	\$ 16,286,426	\$ 13,968,691	\$ 17,277,332	\$ 15,912,808
Business Regulation	1,896,180	1,960,073	1,996,413	1,996,413
Labor and Training	36,292,695	60,844,618	43,125,719	43,125,719
Revenue	1,845,255	1,821,849	1,821,886	1,821,886
Legislature	1,627,174	1,525,583	1,604,615	1,604,615
Lieutenant Governor	-	-	-	-
Secretary of State	505,069	481,597	449,931	454,931
General Treasurer	33,618,221	41,575,920	31,346,448	31,393,424
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	7,924,913	8,141,519	8,402,565	8,253,475
Commission on Women	-	-	-	-
Subtotal - General Government	\$ 99,995,933	\$ 130,319,850	\$ 106,024,909	\$ 104,563,271
Human Services				
Health and Human Services	\$ 12,472,586	\$ 13,241,830	\$ 9,997,284	\$ 9,997,284
Children, Youth and Families	2,825,253	2,538,664	2,614,170	2,614,170
Health	29,512,596	31,512,619	34,132,906	34,132,906
Developmental Disabilities *				
Human Services	9,111,103	12,057,553	9,598,776	9,762,500
BHDDH	7,188,834	7,177,366	7,137,054	7,396,872
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	80,000	80,000
Commission on Disabilities	9,694	9,214	10,365	10,365
Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 61,120,066	\$ 66,537,246	\$ 63,570,555	\$ 63,994,097
Education				
Elementary and Secondary	\$ 25,643,868	\$ 26,634,021	\$ 27,658,516	\$ 27,658,516
Higher Education	702,583	702,583	702,583	702,583
Arts Council	-	-	-	-
Atomic Energy	-	-	-	-
HEAA	-	-	-	-
Historical Preservation	456,037	454,191	454,491	454,491
Public Telecommunications	-	-	-	-
Subtotal - Education	\$ 26,802,488	\$ 27,790,795	\$ 28,815,590	\$ 28,815,590

Expenditures from Restricted Receipts

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
Public Safety				
Attorney General	\$ 5,162,510	\$ 3,239,609	\$ 5,073,590	\$ 5,073,590
Corrections	61,397	73,362	64,890	64,890
Judicial	10,641,195	11,245,237	11,790,514	11,803,514
Military Staff	481,278	736,890	523,375	1,000,779
Public Safety	12,687,548	12,752,856	12,753,188	12,753,188
Public Defender	-	-	-	-
Subtotal-Public Safety	\$ 29,033,928	\$ 28,047,954	\$ 30,205,557	\$ 30,695,961
Natural Resources				
Environmental Management	\$ 14,309,942	\$ 15,360,459	\$ 15,881,515	\$ 15,881,515
CRMC	250,000	250,000	250,000	374,982
Subtotal-Natural Resources	\$ 14,559,942	\$ 15,610,459	\$ 16,131,515	\$ 16,256,497
Transportation				
Transportation	\$ 998,758	\$ 1,010,255	\$ 8,010,496	\$ 8,010,496
Subtotal-Transportation	\$ 998,758	\$ 1,010,255	\$ 8,010,496	\$ 8,010,496
Total	\$ 232,511,115	\$ 269,316,559	\$ 252,758,622	\$ 252,335,912

Expenditures from Other Funds

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
General Government				
Administration	\$ 75,517,562	\$ 69,935,378	\$ 83,453,139	\$ 85,047,649
Business Regulation	-	-	-	-
Labor and Training	505,708,293	488,761,190	437,851,295	444,581,096
Revenue	233,864,080	239,415,521	246,561,707	246,561,707
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	-	-	-	-
General Treasurer	251,512	216,588	228,923	228,923
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	-	-	-	-
Commission on Women	-	-	-	-
Subtotal - General Government	\$ 815,341,447	\$ 798,328,677	\$ 768,095,064	\$ 776,419,375
Human Services				
Health and Human Services	\$ -	\$ -	\$ -	\$ -
Children, Youth and Families	2,771,000	2,694,901	1,590,000	1,590,000
Health	172,000	126,311	35,310	35,310
Developmental Disabilities *				
Human Services	4,389,184	4,564,025	4,480,364	4,480,364
BHDDH	11,218,351	4,802,160	10,640,431	10,600,431
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	250,000	50,000	957,271	957,271
Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 18,800,535	\$ 12,237,397	\$ 17,703,376	\$ 17,663,376
Education				
Elementary and Secondary	\$ 6,451,223	\$ 11,803,994	\$ 7,915,399	\$ 7,861,187
Higher Education	853,664,951	857,388,501	870,449,417	870,592,266
Arts Council	843,500	1,587,492	632,536	632,536
Atomic Energy	333,122	293,642	307,977	307,977
HEAA	8,758,802	8,535,829	8,457,989	8,457,989
Historical Preservation	75,000	141,606	1,084,999	1,084,999
Public Telecommunications	701,895	-	-	-
Subtotal - Education	\$ 870,828,493	\$ 879,751,064	\$ 888,848,317	\$ 888,936,954

Expenditures from Other Funds

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
Public Safety				
Attorney General	\$ 287,500	\$ 600,000	\$ 50,000	\$ 50,000
Corrections	11,399,600	9,124,284	17,169,751	17,469,751
Judicial	1,675,000	4,374,557	1,515,000	1,515,000
Military Staff	4,578,000	5,748,093	2,018,000	3,408,000
Public Safety	8,082,330	5,407,438	9,307,227	8,207,227
Public Defender	-	-	-	-
Subtotal-Public Safety	\$ 26,022,430	\$ 25,254,372	\$ 30,059,978	\$ 30,649,978
Natural Resources				
Environmental Management	\$ 14,983,718	\$ 11,098,379	\$ 20,670,094	\$ 24,949,959
CRMC	900,000	722,281	-	-
Subtotal-Natural Resources	\$ 15,883,718	\$ 11,820,660	\$ 20,670,094	\$ 24,949,959
Transportation				
Transportation	\$ 148,281,757	\$ 147,865,689	\$ 150,130,911	\$ 141,227,915
Subtotal-Transportation	\$ 148,281,757	\$ 147,865,689	\$ 150,130,911	\$ 141,227,915
Total	\$ 1,895,158,380	\$ 1,875,257,859	\$ 1,875,507,740	\$ 1,879,847,557

Full-Time Equivalent Positions

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
General Government				
Administration	687.2	712.1	727.7	718.7
Business Regulation	94.0	94.0	94.0	94.0
Labor and Training	462.5	423.0	392.0	392.0
Revenue	458.0	489.0	492.0	492.0
Legislature	298.5	298.5	298.5	298.5
Lieutenant Governor	8.0	8.0	8.0	8.0
Secretary of State	57.0	57.0	57.0	57.0
General Treasurer	82.0	82.0	83.0	83.0
Board of Elections	11.0	11.0	11.0	11.0
Rhode Island Ethics Commission	12.0	12.0	12.0	12.0
Governor's Office	45.0	45.0	45.0	45.0
Human Rights	14.5	14.5	14.5	14.5
Public Utilities Commission	47.0	48.0	49.0	47.0
Subtotal - General Government	2,276.7	2,294.1	2,283.7	2,272.7
Human Services				
Health and Human Services	168.0	169.0	194.0	184.0
Children, Youth and Families	665.5	671.5	670.5	670.5
Health	497.3	498.0	494.1	494.1
Human Services	940.7	933.1	974.6	959.1
BHDDH	1,383.2	1,424.4	1,423.4	1,423.4
Child Advocate	5.8	5.8	5.8	6.0
Deaf and Hard of Hearing	3.0	3.0	3.0	3.0
Commission on Disabilities	4.0	4.0	4.0	4.0
Mental Health Advocate	3.7	3.7	3.7	3.7
Subtotal - Human Services	3,671.2	3,712.5	3,773.1	3,747.8
Education				
Elementary and Secondary	355.4	357.4	357.4	357.4
Higher Education	4,241.0	4,241.0	4,252.0	4,247.0
Arts Council	6.0	6.0	6.0	6.0
Atomic Energy	8.6	8.6	8.6	8.6
Higher Education Assistance Authorit	38.6	36.0	36.0	23.0
Historical Preservation	16.6	16.6	16.6	16.6
Public Telecommunications	14.0	14.0	-	-
Subtotal - Education	4,680.2	4,679.6	4,676.6	4,658.6

Full-Time Equivalent Positions

	FY 2013 Enacted	FY 2013 Committee	FY 2014 Recommended	FY 2014 Committee
Public Safety				
Attorney General	233.1	233.1	233.1	233.1
Corrections	1,419.0	1,419.0	1,419.0	1,419.0
Judicial	723.3	723.3	723.3	723.3
Military Staff	112.0	112.0	117.0	112.0
Public Safety	609.2	609.2	651.2	647.2
Public Defender	93.0	93.0	93.0	93.0
Subtotal-Public Safety	3,189.6	3,189.6	3,236.6	3,227.6
Natural Resources				
Environmental Management	407.0	399.0	400.0	399.0
CRMC	29.0	29.0	29.0	29.0
Subtotal-Natural Resources	436.0	428.0	429.0	428.0
Transportation				
Transportation	772.6	772.6	772.6	772.6
Subtotal-Transportation	772.6	772.6	772.6	772.6
Statewide retirements effective Oct. 1				
Total Positions	15,026.3	15,076.4	15,171.6	15,107.3

Section VI

Article Explanations

Explanations of Budget Articles

2013-H 5127, Substitute A

Article 1

Section 1. Appropriations. This section of Article 1 contains the appropriations for FY 2014.

Section 2. Line Item Appropriations. This section establishes that each line in Section 1 of Article 1 constitutes an appropriation.

Section 3. Transfer of Functions. Section 3 of Article 1 authorizes the Governor to transfer appropriations and full-time equivalent position authorizations associated with transfers of functions.

Section 4. Contingency Fund. This section allows for expenditures from the contingency account located within the Office of the Governor's budget for unexpected and unbudgeted statewide expenditures. The Governor must approve all expenditures and transfers from this account.

Section 5. Internal Service Funds. Section 5 of Article 1 authorizes the establishment of limited and specific internal service accounts to implement the cases in which state agencies provide services to other state agencies, institutions and other governmental units on a cost reimbursement basis.

Section 6. Legislative Intent. This section of Article 1 authorizes the chairpersons of the finance committees of the two chambers to provide a "statement of legislative intent" for specifying the purpose of the appropriations contained in Section 1 of this article.

Section 7. Temporary Disability Insurance Funds. Section 7 of Article 1 appropriates all funds required for benefit payments from the Temporary Disability Insurance Fund and the Temporary Disability Insurance Reserve Fund for FY 2014. This section appears annually.

Section 8. Employment Security Funds. Section 8 of Article 1 appropriates all funds required for benefit payments to the unemployed from the Employment Security Fund for FY 2014. This section appears annually.

Section 9. Lottery. This section appropriates to the Lottery Division any funds required for the payment of prizes and commissions. Prizes are not included as expenditures in the budget.

Section 10. Full-Time Equivalent Positions. This section of Article 1 limits the maximum number of full-time equivalent positions authorized for the departments and agencies during any payroll period in FY 2014. It also provides that state employees whose funding is from non-state funds that are time limited shall receive appointments limited to the availability of the non-state funding source. In addition, this section provides that the Governor or designee, Speaker of the House or designee, and President of the Senate or designee may jointly adjust the authorization.

It also provides that no contracted employee could be hired nor may any agency contract for services replacing work done by state employees without public hearings and recommendations by the Budget Officer and the State Director of Personnel and determination of need by the Director of Administration. The Governor's budget recommendation excluded this language, which has been included in prior years; however, the budget restores it.

Explanations of Budget Articles

Total staffing is 15,107.3 full-time equivalent positions, which is 81.0 more than the FY 2013 enacted budget.

Section 11. Multi Year Appropriations. Section 11 of Article 1 makes multi-year appropriations for a number of capital projects included in the FY 2014 through FY 2018 period that are funded from Rhode Island Capital Plan funds. The FY 2014 and multi-year appropriations supersede appropriations made for capital projects in Section 11 of Article 1 of the FY 2013 Appropriations Act.

Section 12. Reappropriations. This section of Article 1 provides for automatic appropriation of unexpended balances from FY 2013 Rhode Island Capital Plan fund projects over \$500. However, any such reappropriations are subject to final approval by the General Assembly as part of the supplemental appropriations act. Balances of less than \$500 can be reappropriated at the discretion of the State Budget Officer.

Section 13. Rhode Island Housing and Mortgage Finance Corporation. This section requires that the Rhode Island Housing and Mortgage Finance Corporation provide from its resources an appropriate amount to support the Neighborhood Opportunities Program. The Corporation is also required to provide to the director of the Department of Administration, the chair of the Housing Resources Commission and both chairs of the House and Senate Finance Committees a report detailing the amount of funding and information such as the number of housing units created.

This is the same legislation contained in the FY 2013 Appropriations Act. For FY 2012, the Corporation provided \$1.5 million to support the Neighborhood Opportunities Program.

Section 14. Bond Premiums. This section of Article 1 transfers \$10.0 million of bond premium proceeds that were deposited into the Rhode Island Capital Plan Fund in FY 2013 to the Municipal Road and Bridge Revolving Fund to reflect the initial capitalization of the new revolving fund.

Section 15. Accelerated Depreciation Transfer. This section establishes a transfer of \$10.0 million from the general fund to the Accelerated Depreciation Fund to forward fund the impact of business tax changes included in Article 9.

Section 16. Effective Date. This section of Article 1 establishes July 1, 2013 as the effective date of the article.

Article 2. Retired Employees Medicare Exchange

Article 2 requires the state to establish a Medicare exchange for the purpose of offering a wider array of retiree health benefit choices to post-65 retirees that are expected to cost less. The state's contributions shall be equal to the lowest cost plan that is filed with the Office of the Health Insurance Commissioner, available through this new state sponsored program, that provides hospital care, surgical/medical services, rights and benefits which, when taken together with the federal Medicare program benefits, shall be comparable to those provided for retirees prior to the attainment of Medicare eligibility. There would be no change to retiree health benefits for those retirees that are not yet eligible for Medicare. The actuaries have indicated that the changes proposed would result in a rate of 7.07 percent, which is lower than the 7.38 percent needed under current law. Based on the

Explanations of Budget Articles

actuarial savings, the House Finance Committee recommends total savings of \$2.0 million, \$1.1 million of which is from general revenues.

Article 3. Health Insurance Benefits

Article 3 would terminate state sponsored health insurance coverage provided to divorced spouses of state employees, effective for judgments entered into as of January 1, 2014, prospectively. This would impact only new judgment decrees. Currently, the state employee benefit plan allows coverage to former spouses of employees until the employee or the former spouse remarries.

Article 4. FICA Alternative Plan

This article would allow the state to establish an alternative retirement plan for certain seasonal and part-time employees of the State of Rhode Island. Current seasonal and part-time employees who select to participate in this plan will no longer pay their contributions to Social Security and instead contribute 7.5 percent of their pre-tax income to a 401(a) account. New part-time and seasonal employees will have to participate in the alternative plan. The Budget assumes savings of \$0.4 million, including \$0.3 million from general revenues from the state's contribution of the 6.2 percent to Social Security, assuming an implementation date of September 1, 2013.

Article 5. State Funds

Article 5 removes the requirement that any surplus revenues be transferred to the Retirement System to pay down the unfunded liability. The FY 2013 revised budget recognizes \$13.0 million in additional revenue from repealing that requirement because this is the amount that would be transferred based on the FY 2012 audited closing.

Article 6. Division of Motor Vehicles

Section 1. License Plate Reissuance. Section 1 of Article 6 amends current law to delay the mandatory reissuance of fully reflective license plates from September 1, 2013 to September 1, 2015. The section would allow the new plates to be issued at the time of initial registration and upon the renewal of the registration. The Department of Revenue estimates the cost of plate replacement with current systems in place at \$5.5 million from general revenues.

Section 2. DMV Fees. This section makes technical corrections to current law regarding motor vehicle surcharges collected by the Division of Motor Vehicles, which were established by the 2011 Assembly for use by the Department of Transportation in lieu of borrowing. The corrections are included to ensure that surcharges placed on specific transactions reflect the intent of current law. The changes assume updated registration data which results in decreased funding of \$1.1 million in FY 2014. The section also renames the account receiving the surcharges to the Rhode Island Highway Maintenance Account, and establishes it under the Intermodal Surface Transportation Fund instead of the General Fund.

Article 7. Rhode Island Public Telecommunications Authority

This article eliminates the Rhode Island Public Telecommunications Authority from statute and abolishes it as a public agency as the Authority has been transferred to the Rhode Island PBS

Explanations of Budget Articles

Foundation. The article also abolishes the Rhode Island Advisory Commission on Public Telecommunications and replaces the "Rhode Island Public Telecommunications Authority" with the "Rhode Island PBS Foundation" when applicable in remaining statutes.

Article 8. Lease Agreement

In compliance with the statutory requirement for Assembly approval of all leases that exceed \$500,000 or have a term of five years or longer, this article includes joint resolutions seeking approval for several long-term lease agreements. They include two leases for the University of Rhode Island, and one lease each for the Department of Labor and Training, the Department of Human Services, the Department of Corrections, and the Judiciary.

Article 9. Taxation and Revenues

Section 1. Depreciation of Assets. This section amends current law to eliminate the existing \$25,000 expense cap for depreciation of assets from business income subject to Rhode Island business corporate tax, bank tax, or personal income tax. The section amends state law to conform to federal law regarding expensing limits and depreciation rules for assets. This section has no fiscal impact for FY 2014; however, the Department of Revenue estimates a revenue loss of \$30.6 million for FY 2015. As businesses will not be carrying depreciation of assets forward, the revenue loss is expected to decrease to \$23.0 million for FY 2016, \$15.3 million for FY 2017, and \$7.7 million for FY 2018, and none in FY 2019.

Section 2. Domestic Production Deduction. This section requires corporations to add back to Rhode Island taxable income any amount deducted under the federal domestic production activities deduction. Currently, Rhode Island businesses are able to deduct a percentage of qualified domestic production activities for the purpose of computing Rhode Island tax liabilities due, at which time the fiscal impact is \$3.1 million of additional revenue.

Section 3. Sales Tax. This section amends current statute in preparation for the passage of federal legislation empowering states to require the collection and remittance of sales and use taxes by remote sellers. Effective the date permitted by federal legislation, Rhode Island state sales tax and use tax will be reduced from 7.0 percent to 6.5 percent. Also effective on that date is an increase in the local meals and beverage tax, from 1.0 percent to 1.5 percent. Sales tax currently imposed on the sale of clothing or footwear items with a cost of over \$250 per item will be exempted from sales tax, prior to October 1, 2012. This section additionally exempts retail sales of wine and spirits from sales and use tax from December 1, 2013 through March 31, 2015.

Section 4. Hospital Licensing Fee. This article extends the hospital licensing fee in FY 2014 at a rate of 5.35 percent on net patient services revenue for the hospital fiscal year ending on or after September 30, 2011 for all community hospitals except South County and Westerly which, subject to federal approval, will be assessed a 3.37 percent license fee. It includes the due date for filing returns and making the payment.

Revenue from the two-tiered fee will be \$141.3 million, including \$136.0 million from community hospital payments and \$5.3 million from state payments for Eleanor Slater Hospital. This article appears annually in the Appropriations Act.

Explanations of Budget Articles

Section 5. Outside Collection Agencies. This section amends current law to allow the Tax Administrator the authority to assign non-resident individual and business cases to outside collection agencies. The Department of Revenue estimates that there are 11,554 non-residents owing \$28.9 million in outstanding debt to the state. The Budget assumes \$750,000 in additional revenue in FY 2014 based on passage of this section.

Section 6. Tax Return Preparers. This section establishes minimum standards that tax return preparers must comply with when filing returns and/or claims for refunds. It establishes civil and criminal penalties for preparers who fail to exercise due diligence in determining taxpayers' eligibility for earned income or property tax relief credits, or who attempt to reduce or evade a tax obligation intentionally.

Section 7. Hazardous Substances Fee. Section 7 of the article eliminates the \$42 annual hazardous substances right-to-know fee charged to businesses that expose employees to toxic or hazardous substances. Employers would still be required to maintain lists of all hazardous substances and place posters in conspicuous locations, providing employees with readily available information about the hazardous substances in the workplace. The budget assumes a revenue loss of \$0.4 million from eliminating this fee, beginning in FY 2014.

Sections 8 and 9. Alcohol Tax Restructuring. These sections of the article increase the excise tax on beer from \$3.00 per barrel to \$3.30, spirits from \$3.75 per gallon to \$5.40 and wine from \$0.60 to \$1.40 per gallon from July 1, 2013 through April 1, 2015. Legislation adopted by the 2012 Assembly required licensees of alcoholic beverages at wholesale or retail establishments to file an annual report on or before February 1 with the Division of Taxation to include data such as total sales of alcoholic beverages, and sales tax and excise tax collections for the preceding calendar year. This section amends it to apply this requirement to only class A licenses.

Section 10. Newport Grand Share Increase. This section amends current law to increase the amount of video lottery terminal income payable to Newport Grand, by 2.25 percent, from 27.8 percent to 30.05 percent, for a period of two years. The increase sunsets on June 30, 2015, at which time the current income share rate will be reinstated. This results in a revenue loss to the state of \$1.0 million for FY 2014 and FY 2015, respectively.

Section 11. Estate Valuation of Farmland. This section amends current law to allow farmland to be appraised at its current use value, rather than its full and fair cash value, when included as part of an estate and utilized by an estate executor, administrator, heir-at-law, beneficiary, or trustee as no fiscal impact is assumed in the budget.

Sections 12 and 13. Red Light Cameras. Sections 12 and 13 of the article mandate that all cities and towns issue a universal summons for all violations recorded by red light cameras. Under current law municipalities do not issue universal citations for violations, and this section of the article would increase the ability to register and track all violations throughout the state. The Budget includes \$0.1 million in FY 2014 to reflect a projected increase in Traffic Tribunal receipts as a result of this legislation.

Explanations of Budget Articles

Section 14. Scholarship Tax Credit. This section doubles the cap on the tax credit allowed for business entities making contributions to scholarship organizations from \$1.0 million to \$1.5 million. Currently, the funds are awarded on a first-come-first-serve basis. The maximum credit per tax year is \$100,000 and must be used in the year it is awarded. The fiscal impact is a revenue loss of \$0.5 million for FY 2014.

Section 15. Artists Sales Tax Exemption. This section expands the scope of sales tax exemptions for sale of qualified original art works, created by qualified artists, to include the whole state from December 1, 2013 through March 31, 2015. This exemption is currently limited to specific districts. Upon the sunset of this expansion, only qualified sales in current arts districts will be exempt from sales tax. Qualified artists in those specific districts will continue to be the only artists eligible for income tax exemptions. This expansion of sales tax exemptions is estimated to result in a revenue loss of \$825,000 for FY 2014.

Section 16. Effective Date. This section of Article 9 establishes an effective date upon passage of the article.

Article 10. Revised Budget

Section 1. Revisions to Appropriations. This section contains the revised appropriations for FY 2013.

Section 2. Line Item Appropriations. This section establishes that each line of Section 1 in Article 10 constitutes an appropriation.

Section 3. Internal Service Funds. Section 3 of Article 10 authorizes the establishment of limited and specific internal service accounts to implement the cases in which state agencies provide services to other state agencies, institutions and other governmental units on a cost reimbursement basis.

Section 4. Full-Time Equivalent Positions. This section limits the maximum number of full-time equivalent positions authorized for the departments and agencies during any payroll period in FY 2013. It also provides that state employees whose funding is from non-state funds that are time limited shall receive appointments limited to the availability of the non-state funding source. In addition, this section provides that the Governor or designee, Speaker of the House or designee, and President of the Senate or designee may jointly adjust the authorization. It also includes language that no contracted employee could be hired nor any agency contract for services replacing work done by state employees without public hearings and recommendations by the Budget Officer and the State Director of Personnel and determination of need by the Director of Administration. The Governor's revised budget removed this language; however, the final budget restores it.

Total staffing is 15,076.4 full-time equivalent positions, 50.1 positions more than enacted.

Section 5. Effective Date. This section of Article 10 establishes an effective date upon passage of the article.

Article 11. Municipal Incentive Aid

Explanations of Budget Articles

Article 11 appropriates \$5.0 million for a new Municipal Incentive Aid program to encourage sustainable funding of retirement plans and to reduce unfunded liabilities. Municipalities who fall into different categories of locally administered pension plans would be eligible. For FY 2014, a municipality may receive funds under three conditions. First, if it has no locally administered pension plan; secondly, if it has submitted an approved Funding Improvement Plan, if required, no later than June 1, 2013; or thirdly, if its locally administered plan is not required to submit a Funding Improvement Plan. Aid will also be given to those communities that are required to submit a Funding Improvement Plans but the due date for plan submission is after the March payment of municipal incentive aid. For FY 2015 and FY 2016, a municipality that still has a local plan that did not require a Funding Improvement Plan must be funding 100 percent of its Annual Required Contribution. Those with no local plans or those implementing Funding Improvement Plans would continue to be eligible. Municipalities required to implement a Funding Improvement Plan must do so within 18 months after certification that the plan is in critical status.

Article 12. Hospital Uncompensated Care

Article 12 extends the uncompensated care payments to the community hospitals with the state making a payment for FY 2015 that does not exceed \$128.3 million.

Article 13. Education Aid

Article 13 would distribute 80 percent of the total savings from the local refunding of school housing bonds to the community and the state would receive 20 percent of the total savings. This provision would apply to any refunding between July 1, 2013 and December 31, 2015. Current law requires refunding when there are savings of at least \$100,000 and 3.0 percent and any savings resulting from the refunding of bonds is allocated between the community and the state by applying the applicable school housing aid ratio at the time of issuance of the refunding bonds.

Article 13 also makes a technical correction to local maintenance of effort requirements to clarify that beginning in FY 2013 and for each fiscal year thereafter, the budget adopted and presented to any school committee shall not propose the appropriation of municipal funds in excess of 104 percent of the total municipal funds appropriated by the city or town for school purposes for the previous fiscal year.

Article 14. Employment Security

Article 14 makes several changes related to employment security. It sunsets the 0.3 percent assessment levied on employers to repay the state's federal unemployment insurance loans in tax year 2015, since the loans will be paid off in that tax year. It ends the assessment the quarter after the loans are repaid in full. After paying off the federal loans, any funds remaining in this account will be used for benefit payments. It also allows for temporary transfers from the general fund, which must be repaid in the same fiscal year, to pay off the state's federal loans in order that employers will avoid over \$30.0 million in additional federal unemployment tax assessments in January 2015 that would be owed if the state maintained a loan balance past November 10, 2014.

The article restricts the payment of legal fees to the employee's attorney in an unemployment insurance appeal to when the employee filed and is successful in the appeal or when the employer filed the

Explanations of Budget Articles

appeal. It also reduces the maximum reimbursement for legal expenses to an attorney representing an employee from 15 percent to 10 percent of the benefits at issue, maintaining the \$50 minimum. The individual receives the full award and the fee is paid by the Department from a restricted receipt account.

Article 15. Workforce Development

Article 15 creates a new work immersion and non-trade apprenticeship program to connect individuals with a job placement for an average of 20 hours per week for 10 weeks. The Human Resource Investment Council shall reimburse the employer for up to 50 percent of the costs of up to 200 hours of work and may provide up to 75 percent if the individual is hired at the end of the ten-week period. The Council shall create a non-trade apprenticeship program and annually award funding on a competitive basis.

It also creates the Rhode Island Back to Work Program where individuals collecting unemployment can continue collecting benefits while in on-the-job training for up to 24 hours per week for up to 6 weeks. It also allows families with income below 180 percent of the federal poverty level to gain access to subsidized child care while attending short-term training, internship, on-the-job training or other job readiness programs sponsored or funded by state agencies in the workforce development network, if child care is required for the parent to be able to participate in the training program. These two programs will operate from October 1, 2013 through December 31, 2014.

The article also creates a jobs matching program which requires the Department of Labor and Training to enhance its web-based systems, match potential employees with jobs, identify skills gaps and suggest remedies. This program is to be operational by July 2, 2014.

Article 16. Restricted Receipt Accounts

Article 16 creates a restricted receipt account in the Department of the Judiciary and exempts eight accounts from the 10.0 percent indirect cost recovery charge, including Demand Side Management Grants, Providence Water Lead Grant, Commission on the Deaf and Hard of Hearing, Emergency and Public Communications Access Account, Forfeited Property – Gambling for the Office of the Attorney General, Violent Crimes Compensation Refunds and the Rhode Island Highway Maintenance Account. It also deletes various accounts from the list that are no longer required.

Article 17. Emergency and Public Communication Access Fund

Article 17 creates the “Emergency and Public Communication Access Fund” within the Commission on the Deaf and Hard of Hearing and transfers \$80,000 annually from the restricted receipts collected by the Public Utilities Commission Dual Party Phone Relay escrow account to the Commission beginning in FY 2014. This service is funded through a \$0.09 surcharge on all landlines as enacted in 1998.

Article 18. Child Care Assistance Program

This article requires the Department of Human Services to establish a pilot program to support new ways of service delivery for the Rhode Island Works and child care programs. The Department must

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draft an innovative proposal to test new approaches and shall award contracts on a competitive basis to improve work participation rates for Rhode Island Works clients. It also creates a pilot program, which will function from October 1, 2013 through September 30, 2014 to allow families eligible for subsidized child care because their income is at or below 180 percent of poverty to remain eligible for subsidized child care until the family income exceeds 225 percent of poverty or September 30, 2014, whichever occurs first. Families must continue to pay a portion of the cost of child care, established through departmental rules and regulations. The Department shall report the findings of the pilot program to the Governor and General Assembly no later than April 1, 2014. The budget includes \$3.0 million from federal temporary assistance for needy families block grant funds for the pilot program in FY 2014.

Article 19. Medical Assistance

Article 19 makes several changes to the state's Medicaid program that affect eligibility, monthly cost sharing requirements and payments to providers. It also includes the necessary resolutions to notify the Assembly and seek approval to make changes to the Medicaid global waiver for programs under the Office of Health and Human Services.

Section 1. Reimbursement Rates/Waiver Extension. Section 1 freezes the rates paid to hospitals in both the managed care and fee-for-service systems at the FY 2013 enacted level and also eliminates the scheduled October 1, 2013 nursing home rate increase. It also allows the Office of Health and Human Services to apply for an extension to the global waiver.

Section 2. Expanded Medicaid Coverage. This section extends Medicaid funded benefits to non-disabled, adults without dependent children, ages 19 through 64 with incomes at or below 138 percent of poverty. It creates a premium assistance program for RIte Care parents transitioning to the health benefits exchange with the state paying 50 percent of their increased cost compared to what the parents are currently paying for RIte Care coverage. It also establishes a state funded health care assistance program for individuals transitioning to the exchange from optional state programs to minimize any interruption in benefits.

Section 3. Medicaid Waiver Extension. This section also contains language for the Office to apply for an extension or renewal of the global waiver or apply for any new waiver or waivers that at a minimum provide for continuation of any waiver authority that the state had before the global waiver.

Section 4. RIte Care Parents. This section lowers the threshold for RIte Care eligibility for parents from 175 percent to 133 percent of poverty and eliminates the RIte Care cost sharing requirement.

Section 5. RIte Share. This section increases the eligibility threshold in the RIte Share program from 175 percent to 250 percent of poverty.

Sections 6 and 7. OHHS/BHDDH. These sections require the secretary of the Office of Health and Human Services to approve all policy guidance, including any change to rules and regulations issued by the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals in draft, proposal or final form.

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Section 8. Medicaid Resolution. This section includes the Medicaid global resolution for changes under the waiver. This includes changes to nursing home rates and hospital rates, the RIte Care program, continues the implementation phase-in of the integrated care initiative, and implementation of an employment first initiative in the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. It also allows the Medicaid agency to pursue waiver extension and any requirements or opportunities under the Affordable Care Act that do not have an adverse impact on beneficiaries or appropriated funds in state fiscal year 2014 and the authority to extend the Medicaid global waiver.

Article 20. Municipal Road and Bridge Revolving Fund

This article establishes a revolving fund to be administered by the Clean Water Finance Agency for municipalities to borrow from to complete large scale road and bridge projects at a lower borrowing cost than could be achieved by the municipalities on the open market. The fund would be initially capitalized using \$10.0 million of bond premium proceeds transferred from the Rhode Island Capital Plan fund with the intent of dedicating future premiums and other resources that may be appropriated to the fund. Annual disbursements from the fund cannot exceed \$20.0 million, and no more than 50 percent of available funding in any calendar year shall be dedicated to any one city or town, unless there are no remaining eligible projects.

Article 21. Rhode Island Public Transit Authority

The article makes a technical correction to current law to specify that the Rhode Island Public Transit Authority is not obligated to repay funds dedicated to it in the FY 2013 budget from the State Fleet Replacement Revolving Loan Fund.

Article 22. Historic Structures Tax Credit

Section 1. Historic Preservation Tax Credit Trust Fund. This section is a resolution that reiterates the Rhode Island Economic Development Corporation's authorization to issue a maximum of \$356.2 million in bonds to satisfy tax credit obligations incurred under the Historic Structures – Tax Credit Program. The Corporation is additionally authorized to use bond proceeds to pay processing fee reimbursements on projects approved for historic tax credits. The maximum amount of bonds authorized to be issued for deposit in the project fund to pay processing fee reimbursements on projects declared abandoned, on or before May 15, 2013, or declared idle, as defined in newly proposed legislation, and to reimburse the state for tax credits issued on original projects or projects approved on or after July 1, 2013 remains at \$299.9 million.

Section 2. Historic Structures Tax Credits. This section creates a new Historic Preservation Tax Credits program. Credits available per project are capped at \$5.0 million and the aggregate amount of credits to be issued per year is capped at \$12.0 million. Idle projects, scattered site development, and substantial construction are defined and deadlines for project construction and completion are added. Any projects approved after July 1, 2013 with hard construction costs of \$10.0 million must utilize contractors that participate in registered apprenticeship programs. The program adds reporting requirements and will sunset on June 30, 2017, after which date no new credits will be approved.

Article 23. Innovate Rhode Island Small Business Program

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This article establishes the Innovate Rhode Island Small Business Program, which will be administered by the Rhode Island Science and Technology Advisory Council. It also establishes a bioscience and engineering internship program. The legislation allows the Council to provide eligible businesses with grants to offset costs associated with applying to the U.S. Small Business Administration for Small Business Innovation Research grants or the Small Business Technology Transfer Research grants.

Article 24. Capital Expansion Manufacturing Job Credits

This article establishes a performance-based tax credit tied to capital investment, which is intended to support the manufacturing industry in the state over a long-term period, encouraging high-paying job growth. Rhode Island manufacturing companies that invest at least \$10.0 million in capital expenditures will receive up to 25.0 percent of the total investment via a credit of \$500 per new full-time equivalent position created each calendar year subject to specific earnings thresholds. Credits will be granted against estimated withholding tax paid to the Division of Taxation, pursuant to current law. This article is estimated to have no adverse fiscal impact.

Article 25. Job Creation Guaranty Program

This article repeals the Job Creation Guaranty Program, which was established by the 2010 Assembly. The program allowed the Economic Development Corporation to guarantee loans in an amount not to exceed \$125.0 million for certain projects tied to job creation. It required that jobs created meet the 30 hours per week standard and pay at least 250.0 percent of the state's minimum wage. As of February 2013, \$80.5 million has been issued for three projects.

Article 26. Effective Date

Article 26 provides that the act shall take effect on July 1, 2013, except where a provision within an article specifies a retroactive or prospective effective date.

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