

House Fiscal Advisory Staff

2014-H 7133 Substitute A As Recommended by the House Finance Committee



Submitted to the 2014 House of Representatives

House Committee on Finance

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Introduction

Introduction

This document provides information concerning the FY 2015 budget contained in 2014-H 7133, Substitute A as passed out of House Finance Committee on June 5. 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 9, presents the changes to the Governor's recommendations for FY 2015 introduced and referred to House Finance on January 16. 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 2014.

Section IV, beginning on page 63, contains the changes to the Governor's revised budget which was included as Article 10 of 2014-H 7133. 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 86, 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 2014 enacted budget, the final FY 2014 budget as reported by the House Finance Committee, the Governor's FY 2015 recommendations and the House Finance Committee's recommendations.

Section VI, beginning on page 99, contains brief descriptions of the articles contained in 2014-H 7133, 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	Chantale Sarrasin (2485)
Department of Labor and Training	Stephanie Loven (3876)
Department of Revenue	Abby E. McQuade (1303)
Legislature.....	Liza Pinto (2059)
Office of the Lieutenant Governor	John H. Hart (1386)
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	Chantale Sarrasin (2485)
Office of the Governor	Chantale Sarrasin (2485)
Rhode Island Commission for Human Rights	Nobel Judy (3877)
Public Utilities Commission	Abby E. McQuade (1303)
Commerce 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	Jarrold M. Pimentel (1304)
Rhode Island Higher Education Assistance Authority	Liza Pinto (2059)
Historical Preservation and Heritage Commission	Abby E. McQuade (1303)

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)
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 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
Expenditures by Function*				
General Government	\$ 1,487.5	\$ 1,600.3	\$ 1,509.5	\$ 1,513.3
Human Services	3,305.8	3,422.3	3,527.3	3,742.8
Education	2,317.9	2,321.4	2,356.5	2,361.7
Public Safety	520.7	532.5	531.4	528.7
Natural Resources	120.9	107.6	100.1	108.8
Transportation	460.2	484.6	519.2	522.1
Total	\$ 8,213.1	\$ 8,468.7	\$ 8,544.0	\$ 8,777.5
Expenditures by Category*				
Salaries and Benefits	\$ 1,548.3	\$ 1,553.4	\$ 1,589.8	\$ 1,581.2
Contracted Services	277.0	342.6	281.0	280.9
Subtotal	\$ 1,825.3	\$ 1,896.0	\$ 1,870.8	\$ 1,862.1
Other State Operations	711.1	815.4	807.0	795.8
Aid to Local Units of Government	1,169.8	1,165.3	1,203.5	1,206.0
Assistance, Grants, and Benefits	3,710.0	3,809.1	3,844.1	4,068.8
Capital	382.1	376.9	396.2	408.1
Capital Debt Service	268.1	247.6	279.4	279.0
Operating Transfers	146.8	158.4	143.0	157.7
Total	\$ 8,213.1	\$ 8,468.7	\$ 8,544.0	\$ 8,777.5
Sources of Funds*				
General Revenue	\$ 3,359.8	\$ 3,352.4	\$ 3,456.1	\$ 3,446.0
Federal Aid	2,717.7	2,928.5	2,878.4	3,086.8
Restricted Receipts	255.0	278.7	258.9	282.3
Other	1,880.6	1,909.1	1,950.6	1,962.4
Total	\$ 8,213.1	\$ 8,468.7	\$ 8,544.0	\$ 8,777.5
FTE Authorization	15,118.3	15,100.3	15,097.0	15,082.0

**Data in millions*

Summary

The Governor's budget recommendations for FY 2015, along with his revisions to the FY 2014 enacted budget, are contained in 2014-H 7133, introduced on January 16, 2014. The Governor released his budget documents on January 15, 2014 following his State of the State address.

The Governor recommends a total FY 2015 budget of \$8,544.0 million. Total expenditures increase \$330.9 million from the FY 2014 budget enacted by the 2013 Assembly, or 4.0 percent. His FY 2014 revised budget totals \$8,379.4 million; FY 2013 expenditures were \$7,709.3 million.

The Governor's budget includes \$3,456.1 million of expenditures funded from general revenues, \$96.3 million, or 2.9 percent more than the enacted general revenue funded budget. They are also \$104.3 million more than his revised recommendations.

The House Finance Committee recommends total expenditures of \$8,777.5 million, which is \$233.5 million more than the Governor recommended. It contains \$3,446.0 million from general revenues, which is \$10.1 million less than the Governor recommended.

FY 2015	General				
	Revenue	Federal	Restricted	Other	All Funds
FY 2014 Enacted	\$ 3,359.8	\$ 2,717.7	\$ 255.0	\$ 1,880.6	\$ 8,213.1
Governor	3,456.1	2,878.4	258.9	1,950.6	8,544.0
Change to Enacted	\$ 96.3	\$ 160.7	\$ 3.9	\$ 70.0	\$ 330.9
Percent Change	2.9%	5.9%	1.5%	3.7%	4.0%
House Finance Committee	\$ 3,446.0	\$ 3,086.8	\$ 282.3	\$ 1,962.4	\$ 8,777.5
Change to Enacted	86.2	369.1	27.3	81.8	564.4
Percent Change	2.6%	13.6%	10.7%	4.4%	6.9%
Change to Governor	\$ (10.1)	\$ 208.4	\$ 23.4	\$ 11.8	\$ 233.5
HFC Change to FY 2014	\$ 93.6	\$ 158.3	\$ 3.6	\$ 53.3	\$ 308.8
Percent Change to FY 2014	2.8%	5.4%	1.3%	2.8%	3.6%

General revenue expenditures recommended by the Committee are \$86.2 million, or 2.6 percent more than general revenues appropriated for FY 2014 by the 2013 Assembly. General revenue expenditures are \$93.6 million more than the FY 2014 revised budget also contained in 2014-H 7133, 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.

House Fiscal Staff estimates that in preparing the FY 2015 budget, the Governor faced a projected revenue-expenditure gap of \$140 million as of July. By November that had dropped to roughly \$100 million, because of increased resources from the FY 2013 closing, increased consensus revenue estimate for FY 2014 offset by a projected overspending issue. 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 non-recurring items. Reductions to spending in human service agencies also account for a large share of the deficit resolution.

Three post-budget events impacted the Governor's two year budget solution by about \$67 million. His administration reached agreements with most of major state employee unions that were expected to add about \$27.7 million to FY 2014 and FY 2015 expenses. May Caseload estimates showed the need for \$33.4 million in additional general revenue spending and that was only partially offset by an uptick in revenues of \$5.9 million.

House Finance Committee closed this new budget gap by accepting most of the Governor's budget reduction and rejecting some of his new spending initiatives. The recommendation maximizes use of all other available funding sources such as federal and restricted funds and makes a number of changes to tax programs. It also assumes that departments and agencies will absorb the cost of the employee contracts without added appropriations. Additionally some of the caseload increases are expected to be reduced as the state restarts a recertification process that had been suspended during the rollout of the Affordable Care Act.

The Governor's budget projects out-years to be significantly unbalanced. The forecast included with the Budget estimates a \$151.1 million gap for FY 2016, equating to 4.4 percent of useable revenues, that grows to \$419.3 million in FY 2019, 11.5 percent of useable revenues. The FY 2016 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 not reflected in FY 2015. The estimate also reflects a loss of almost \$37 million from the potential impact of casino gaming in Massachusetts. Those losses account for nearly \$140 million or one-third of the FY 2019 gap.

The House Finance Committee's budget does not resolve the out-year budget gaps. It does move a number of projects for which the Governor had proposed be financed, to pay as you go sources, thereby limiting expenses in the out years. The proposed increases to transportation funding do incrementally decrease available general revenues for other purposes, adding to the out year deficit projections.

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.

- ***Estate Tax.*** The House Finance Committee includes a plan to eliminate the current estate tax threshold. It converts the current estate tax threshold of \$921,655, indexed to inflation, to a credit equivalent to taxes owed for estates valued up to \$1.5 million, effective January 1, 2015. The Budget assumes an associated revenue loss of \$9.4 million for FY 2015 and \$18.0 million for FY 2016.
- ***Business Tax Restructuring.*** The House Finance Committee includes multiple changes to business taxes, including the implementation of combined reporting for business corporation tax filers and the elimination of the franchise tax, effective January 1, 2015. These sections additionally modify the apportionment calculation used by filers to determine net income and tax liability from the current method, which weighs property, sales, and payroll equally, to the "single sales" method, which uses only sales, determined by market-based sourcing. The Budget assumes \$2.7 million in additional revenue offset by \$0.5 million for implementation expenses.
- ***Enhanced Compliance and Collections.*** The House Finance Committee concurs with the Governor's proposed enhanced tax collection initiatives, including the filling of new revenue officer positions, income tax compliance for state employees, the establishment of use tax safe harbor, and the criminalization of automatic sales suppression device technology. The House Finance Committee additionally expands income tax compliance requirements to all public employees, including municipal employees and elected officials. The Budget assumes \$11.5 million in associated revenues.
- ***Education Aid.*** The House Finance Committee fully funds the fourth year of the education funding formula adopted by the 2010 Assembly. Total funding to public schools increases \$34.2 million over the FY 2014 enacted level. This includes an additional \$3.1 million for categorical funding for high cost special education, career and technical education, early childhood and out-of-district transportation costs.
- ***Transportation Funding.*** The House Finance Committee includes legislation for a long term allocation of multiple sources of funds for use by the Department of Transportation for maintenance and improvements to the state's highways, roads and bridges. It also includes a share of the proceeds annually for the Public Transit Authority for operational support. The Committee also allocates 3.5 cents of gasoline tax to the Turnpike and Bridge Authority for operations and debt service in lieu of

tolls on the Sakonnet River Bridge. When fully phased in, the plan will provide over \$50 million of new funding for statewide transportation needs.

- **38 Studios Debt Service.** The Budget includes a \$12.3 million debt service payment relating to 38 Studios as part of the Job Creation Guaranty program.
- **Nursing Facilities Payments.** The House Finance Committee adds \$2.6 million, including \$1.3 million from general revenues to provide a cost-of-living adjustment to nursing homes effective April 1, 2015.
- **Hospital Payments.** The House Finance Committee includes \$22.6 million of which \$11.3 million is from general revenues to include upper payment limit reimbursements paid to community hospitals for both inpatient and outpatient services.
- **Redetermination Acceleration.** The House Finance Committee recognizes general revenue savings of \$14.7 million from restarting the process that re-determines eligibility for current Medicaid recipients on August 1, 2014 instead of January 1, 2015 as originally projected by the Office of Health and Human Services. The May Caseload Conference estimates showed \$62.4 million in unexpected increases, \$33.3 million from general revenues, to the RIte Care expenses in FY 2015, some of which was attributed to a suspension of the redetermination process.
- **Katie Beckett.** The House Finance Committee does not concur with the Governor's proposal to implement a monthly cost sharing payment for a family with a child receiving services under the Katie Beckett option and restores \$2.9 million, including \$1.5 million from general revenues. It does include legislation to direct the Office of Health and Human Services to collect family income information.
- **General Obligation Bonds.** The House Finance Committee recommends placing \$248.0 million of new general obligation bond authorizations on the November 2014 ballot for voter approval. The first referendum would provide \$125.0 million for the first phase of a project to renovate and build additions to the College of Engineering complex at the University of Rhode Island. The second question is for \$35.0 million for renovations to public and nonprofit theaters and performance spaces with \$5.0 million of that reserved for qualifying projects in historic sites. The third question would provide \$35.0 million to make renovations and enhancements to the infrastructure of the state's mass transit hubs. The final question is \$53.0 million for clean water, open space and healthy communities.
- **Nursing Education Center.** The House Finance Committee authorizes the Board of Education and the Department of Administration to enter into a 15-year lease with the developer of the South Street Landing property in Providence for use as a joint nursing education center by the University of Rhode Island and Rhode Island College. Occupancy is anticipated for July 2016 and no lease payments will be made until possession occurs, which is would be FY 2017.
- **Public Higher Education.** The House Finance Committee concurs with the Governor's proposal to ensure that no public higher education institution raises tuition for FY 2015.
- **State Employee Contracts.** The House Finance Committee recommends that agencies fund the cost-of-living adjustments provided for in the new state employee contract through turnover and vacancies during FY 2015. Among the main provisions of the new contract are increased co-pays for office visits and prescription drugs, deductibles of \$250/\$500 for individuals/families effective January 1, 2015 and a 6.0 percent cost-of-living increase over the next 18 months.

General Revenue Surplus Statement

The following table shows the general revenue balances as recommended by the House Finance Committee. The Committee recommends an FY 2015 surplus of \$0.9 million, and has an operating deficit of \$58.3 million reflecting use of the FY 2014 surplus. The FY 2015 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 \$172.0 million in FY 2013, \$176.0 million in FY 2014, and \$177.7 million in FY 2015. The account receives 3.0 percent of general revenues plus free surplus.

	FY 2013	FY 2014	FY 2015
Opening Surplus			
Free Surplus	\$ 115,187,511	\$ 104,119,715	\$ 59,210,130
Reappropriated Surplus	7,726,521	7,052,524	-
Subtotal	\$ 122,914,032	\$ 111,172,239	\$ 59,210,130
Revenues			
Enacted/Actual/Estimated	3,323,825,000	3,381,008,418	3,338,475,000
Governor	-	44,307,956	156,037,002
Assembly	-	(9,275,093)	(224,364)
Closing	173,820	-	-
Revenues	3,323,998,820	3,416,041,281	3,494,287,638
Cash Stabilization Fund	(103,175,590)	(105,604,830)	(106,604,933)
Total Available Resources	\$ 3,343,737,262	\$ 3,421,608,690	\$ 3,446,892,835
Expenditures			
Enacted/Actual/Estimated	3,216,046,418	3,359,755,123	3,512,539,921
Reappropriations	-	7,052,524	-
Governor	-	(15,064,838)	(56,451,951)
Assembly	-	655,751	(10,137,134)
Total Expenditures	\$ 3,216,046,418	\$ 3,352,398,560	\$ 3,445,950,836
Total Surplus	\$ 127,690,844	\$ 69,210,130	\$ 941,999
Transfers: Retirement, IT & Fleet,			
Accelerated Depreciation	(16,518,605)	(10,000,000)	-
Reappropriations	(7,052,524)	-	-
Free Surplus	\$ 104,119,715	\$ 59,210,130	\$ 941,999
<i>Operating Surplus/(Deficit)</i>	<i>12,503,333</i>	<i>(34,909,585)</i>	<i>(58,268,131)</i>
Budget Stabilization and Cash Reserve	\$ 171,959,317	\$ 176,008,050	\$ 177,674,888
Percent of Revenues	5.2%	5.2%	5.1%

Section II

Adjustments to Governor's FY 2015 Budget

FY 2015 Changes to Governor		Gen. Rev.	Federal	Restricted	Other	Total
Revenue Changes						
1	Alcohol Tax Pilot Extension	(1,585,762)	-	-	-	(1,585,762)
2	B&B and Timeshares	(507,500)	-	-	-	(507,500)
3	Business Tax Restructure	2,700,000	-	-	-	2,700,000
4	Circuit Breaker Eligibility/EITC	3,944,828	-	-	-	3,944,828
5	DOA - Parking Garage Fee Increase	200,802	-	-	-	200,802
6	E-Cigarettes	(750,000)	-	-	-	(750,000)
7	Estate tax - Credit on First \$1.5 million	(9,390,151)	-	-	-	(9,390,151)
8	Gaming Legislation	(1,100,000)	-	-	-	(1,100,000)
9	Hospital License Fee at 5.703%	14,814,020	-	-	-	14,814,020
10	Indirect Cost Recovery on JDF	(1,290,000)	-	-	-	(1,290,000)
11	May Revenue Conference	4,730,935	-	-	-	4,730,935
12	PIT Compliance for Local Employees and Officials	691,782	-	-	-	691,782
13	Recertification Impact to Premium Tax	(389,486)	-	-	-	(389,486)
14	Room Resellers	(892,000)	-	-	-	(892,000)
15	Tobacco Bond Proceeds for PILOT	5,000,000	-	-	-	5,000,000
16	Transportation Related Fees	(16,401,832)	-	-	-	(16,401,832)
	Total	(224,364)	-	-	-	(224,364)
Expenditures Changes						
Statewide						
17	Revised Medical Benefit Rates	(3,420,118)	(1,859,816)	(402,343)	(2,603,414)	(8,285,691)
18	State Employee Contracts	[24,300,000]	[8,700,000]	[2,000,000]	[12,400,000]	[47,400,000]
Administration						
19	Capital - Cranston Street Armory	-	-	-	1,000,000	1,000,000
20	Capital - McCoy Stadium Repairs	-	-	-	100,000	100,000
21	Capital - Pastore Center Buildings Demolition	-	-	-	(500,000)	(500,000)
22	Capital - Veterans Auditorium Repairs	-	-	-	1,370,099	1,370,099
23	Capital - Virks Building Renovations	-	-	-	400,000	400,000
24	Community Service Grants	111,292	-	-	-	111,292
25	Creative and Cultural Economy Coordinator	(75,000)	-	-	-	(75,000)
26	Debt Service Savings	(318,862)	-	-	-	(318,862)
27	Facilities & Capital Student Internship Program	(50,758)	-	-	-	(50,758)
28	Housing, Lead Fund	(2,520,000)	-	2,800,000	-	280,000
29	Lead Paint Program from AG Settlement	-	-	600,000	-	600,000
30	Office of Diversity, Equity & Opportunity	(323,973)	-	-	-	(323,973)
31	Payroll System	(60,000)	-	-	-	(60,000)
32	Planning Grant Correction	-	(100,688)	-	-	(100,688)
33	Purchasing - Website Expansion	(65,000)	-	-	-	(65,000)
34	Slater Centers for Excellence	(350,000)	-	-	-	(350,000)
35	State Energy Plan Funding Correction	-	-	(50,000)	-	(50,000)
36	Transportation Debt Service	(18,500,000)	-	18,500,000	-	-
37	Turnover	(541,475)	-	-	-	(541,475)
Labor and Training						
38	Jobs Programs	(412,500)	-	1,290,000	-	877,500
39	Summer Youth Program	-	-	-	-	-

	FY 2015 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
40	Turnover	(100,000)	-	-	-	(100,000)
Revenue						
41	Combined Reporting Implementation	500,000	-	-	-	500,000
42	DMV Chief of Information (1.0 new FTE)	(99,969)	-	-	-	(99,969)
43	Fire Districts in Fiscal Stability Act	260,000	-	-	-	260,000
44	RIMS	-	2,164,559	2,185,833	-	4,350,392
45	PILOT from Tobacco Bonds	5,000,000	-	-	-	5,000,000
46	Turnover Savings - DMV	(350,000)	-	-	-	(350,000)
Secretary of State						
47	Capital - Charter Encasement	-	-	-	500,000	500,000
Office of the General Treasurer						
48	Turnover	(100,000)	-	-	-	(100,000)
49	Unclaimed Property	-	-	187,966	-	187,966
Governor's Office						
50	Federal Liaison	(25,000)	-	-	-	(25,000)
51	Turnover	(100,000)	-	-	-	(100,000)
Public Utilities Commission						
52	Former ARRA Positions	-	-	(159,585)	-	(159,585)
Office of Health and Human Services						
53	Assisted Living Payments - Medicaid	233,464	233,744	-	-	467,208
54	Behavioral Health Medicaid Programs from BHDDH	35,001,846	35,657,956	-	-	70,659,802
55	Behavioral Health Spending Trend	(4,948,660)	(4,944,778)	-	-	(9,893,438)
56	Electronic Visit Verification	(500,000)	(500,600)	-	-	(1,000,600)
57	Extended Family Planning	(200,000)	(200,240)	-	-	(400,240)
58	HIV Costs to Other Sources	(704,831)	-	-	-	(704,831)
59	Hospitals - Graduate Medical Education	1,000,000	-	-	-	1,000,000
60	Hospitals - Uncompensated Care Payment	3,570,469	3,592,517	-	-	7,162,986
61	Hospitals - Upper Payment Limit Reimbursements	11,308,885	11,322,464	-	-	22,631,349
62	Katie Beckett Family Cost Sharing	1,459,163	1,460,916	-	-	2,920,079
63	May Caseload Adjustments	24,704,406	206,510,407	2,100,000	-	233,314,813
64	Nursing Homes - April 1 COLA	1,318,284	1,319,867	-	-	2,638,151
65	Redetermination Acceleration	(14,744,398)	(14,762,102)	-	-	(29,506,500)
66	Turnover	(250,000)	-	-	-	(250,000)
Children, Youth and Families						
67	19 to 21 year olds to BHDDH	601,285	927,189	-	-	1,528,474
68	Capital - Groden Center Fire Towers	-	-	-	137,500	137,500
69	Capital - Training School Generators	-	-	-	213,837	213,837
70	Capital - Training School Maintenance Building	-	-	-	335,000	335,000
71	RIC Social Worker Training	(309,776)	(485,873)	-	-	(795,649)

	FY 2015 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
Health						
72	Available Restricted Receipts	(500,000)	-	500,000	-	-
73	Community Service Grants	(60,116)	-	-	-	(60,116)
74	Del Prete Family Foundation Grant	-	-	100,000	-	100,000
75	New Vaccines Grant	4,906	-	-	-	4,906
Human Services						
76	Cash Assistance Caseload	(107,713)	(2,317,490)	-	-	(2,425,203)
77	Child Care Eligibility Pilot - Extension	-	1,125,000	-	-	1,125,000
78	Community Service Grants	(198,396)	-	-	-	(198,396)
79	RIPAE Rebates in Lieu of General Revenues	(150,000)	-	150,000	-	-
80	SNAP Bonus Funding Shift	-	-	-	(150,000)	(150,000)
81	SSI Assisted Living Payment	(381,924)	-	-	-	(381,924)
82	TANF Block Grant for UHIP Expenses	(849,386)	849,386	-	-	-
83	Weatherization Grant Adjustment	-	-	(4,387,565)	-	(4,387,565)
BHDDH						
84	19 to 21 year olds from DCYF	(601,440)	(211,488)	-	-	(812,928)
85	Behavioral Health Medicaid Programs to OHHS	(35,001,846)	(35,657,956)	-	-	(70,659,802)
86	Capital - Hospital Consolidation/New Hospital	-	-	-	(9,950,000)	(9,950,000)
87	Capital - Hospital Equipment	-	-	-	(275,000)	(275,000)
88	Day and Supported Employment CNOM Match Rate Correction	-	(379,526)	-	-	(379,526)
89	Eleanor Slater Hospital License Fee	668,086	516,461	-	-	1,184,547
90	Medicaid Match Rate Correction	(195,220)	195,220	-	-	-
91	Municipal Task Force Funding to Federal Sources	(500,000)	-	-	-	(500,000)
92	Other Behavioral Health Programs to Federal Sources	(174,075)	-	-	-	(174,075)
93	Turnover Reduction	1,500,000	1,500,000	-	-	3,000,000
Elementary & Secondary Education						
94	Community Service Grants	450,000	-	-	-	450,000
95	Education Aid Update	(2,664,308)	-	-	-	(2,664,308)
96	HRIC Adult Education Grants	-	-	(300,000)	-	(300,000)
97	School Breakfast	270,000	-	-	-	270,000
98	Teacher Retirement	(300,000)	-	-	-	(300,000)
99	Textbook Reimbursement	240,000	-	-	-	240,000
Higher Education						
100	Capital - RIC Infrastructure Modernization	-	-	-	1,871,317	1,871,317
101	Capital - URI New Chemistry Building	-	-	-	(21,300)	(21,300)
102	Capital - URI Substation	-	-	-	7,000,000	7,000,000
103	Community Service Grants	(238,225)	-	-	-	(238,225)
104	Debt Service Refunding Savings	(45,827)	-	-	-	(45,827)
105	Office Post Secondary Education	(500,000)	-	-	-	(500,000)
Arts Council						
106	Community Service Grants	142,917	-	-	-	142,917

FY 2015 Changes to Governor		Gen. Rev.	Federal	Restricted	Other	Total
Health						
107	Creative and Cultural Economy Grants	(1,000,000)	-	-	-	(1,000,000)
Higher Education Assistance Authority						
108	Need Based Scholarships and Grants	(4,134,726)	2,634,726	-	1,500,000	-
109	Turnover	-	(500,000)	-	-	(500,000)
Historical Preservation & Heritage Commission						
110	Capital - Eisenhower House	-	-	-	767,149	767,149
111	Community Service Grants	40,000	-	-	-	40,000
Attorney General						
112	Medicaid Fraud Unit Positions (3.0 FTE)	20,000	268,322	-	-	288,322
Corrections						
113	Capital - Bernadette Guay Bldg. Roof, Plumbing and HVAC Repair	-	-	-	306,556	306,556
114	Capital - Dix Building Plumbing & Bathroom Renovations	-	-	-	80,821	80,821
115	Medicaid Savings under the new ACA	(834,512)	-	-	-	(834,512)
116	Parole Board positions (2.0 New FTE)	(145,303)	-	-	-	(145,303)
117	WINFACTS Project Google Funds	-	-	344,240	-	344,240
Judicial						
118	District Court - Turnover	(275,000)	-	-	-	(275,000)
119	Electronic Filing Fee Restricted Account	(180,000)	-	180,000	-	-
120	Vacant Judges and Magistrates	(430,000)	-	(220,000)	-	(650,000)
Military Staff						
121	Capital - Asset Protection	-	-	-	(560,000)	(560,000)
Public Safety						
122	Capital - Barracks and Training	-	-	-	(500,000)	(500,000)
123	Capital - Headquarters Complex Expansion	-	-	-	(200,000)	(200,000)
124	Capital - Headquarters Repairs/Renovations	-	-	-	357,032	357,032
125	Capital - Parking Area Improvements	-	-	-	(250,000)	(250,000)
126	New Equipment and Supplies	(538,198)	-	-	-	(538,198)
127	Paralegal (1.0 new FTE)	(72,602)	-	-	-	(72,602)
128	Pay-go Pensions	(63,000)	-	-	-	(63,000)
Environmental Management						
129	Capital - Blackstone Valley Bike Path	-	-	-	309,170	309,170
130	Capital - Dams Repair	-	-	-	950,000	950,000
131	Capital - Fort Adams Sailing Improvements	-	-	-	550,000	550,000
132	Capital - Galilee Piers	-	-	-	1,500,000	1,500,000
133	Capital - Natural Resources Offices/Visitor's	-	-	-	(2,250,100)	(2,250,100)
134	Capital - Newport Piers	-	-	-	(150,000)	(150,000)
135	Capital - Rocky Point	-	-	-	3,400,000	3,400,000
136	Capital - State Recreational Facilities Improvements	-	-	-	3,100,000	3,100,000
137	Capital - Telephone Replacement	-	-	-	(175,000)	(175,000)

FY 2015 Changes to Governor		Gen. Rev.	Federal	Restricted	Other	Total
138	Community Service Grants	500,000			-	500,000
139	Environmental Protection Federal Funds	-	80,000	-	-	80,000
140	Seasonal Minimum Wage	(80,000)	-	-	-	(80,000)
141	World War II State Park 5-Year Transition to Woonsocket	250,000	-	-	-	250,000
Coastal Resources Management Council						
142	Capital - Shoreline Change Beach SAMP	-	-	-	300,000	300,000
143	Capital - South Coast Restoration Project	-	-	-	450,000	450,000
144	Ecosystem Restoration Funds	-	(28,470)	-	-	(28,470)
Transportation						
145	Capital - Cooperative Maintenance Facility	-	-	-	(3,000,000)	(3,000,000)
146	Capital - Highway Projects Match Plan	-	-	-	6,000,000	6,000,000
147	Capital - Maintenance Facilities Asset Protection	-	-	-	100,000	100,000
148	Capital - Portsmouth Facility	-	-	-	(700,000)	(700,000)
149	Capital - Salt Storage Facilities	-	-	-	(500,000)	(500,000)
150	Gas Tax Estimate - DOT	-	-	-	685,756	685,756
151	Gas Tax Estimate - RIPTA	-	-	-	307,408	307,408
Total		(10,137,134)	208,409,707	23,418,546	11,806,831	233,497,950

FY 2015 Changes to Governor

Revenue Changes

- 1. Alcohol Tax Pilot Extension.** The House Finance Committee recommends extending the pilot restructuring of alcohol excise taxes and the exemption of retail sales of wine and spirits from sales and use taxes included in the enacted budget. The pilot program has a current sunset date of March 31; the House Finance Committee recommends a new sunset date of June 30, 2015 for an estimated revenue loss of \$1.6 million.
- 2. B&B and Timeshares.** The Governor's recommended budget amends current law to define travel packages as room rentals bundled for sale with other items and require that the total package cost be used for calculation of taxes owed, and amend current statute to include bed and breakfasts and timeshares offering a minimum of one room for temporary rental as hotels and to subject the rental of either to sales and hotel taxes. The Governor's budget assumes \$0.5 million in associated new revenues. The House Finance Committee does not concur and adjusts revenues accordingly.
- 3. Business Tax Restructure.** The House Finance Committee recommends multiple changes to business taxes, including the implementation of combined reporting for business corporations tax filers and the elimination of the franchise tax, effective January 1, 2015. Also recommended is modification of the apportionment calculation used by filers to determine net income and tax liability from the current method, which weighs property, sales, and payroll equally, to the "single sales" method, which uses only sales, determined by market-based sourcing. The budget includes \$2.7 million in associated new revenues for FY 2015.
- 4. Circuit Breaker Eligibility/EITC.** The House Finance Committee includes savings of \$3.9 million from the modification of two tax assistance programs. These changes include limiting property tax relief credit funding exclusively for the elderly and disabled populations. Additionally, the House Finance Committee recommends modification of the Earned Income Tax Credit for low and moderate wage earners to equal 10.0 percent of the federal credit, of which 100.0 percent would be refundable to the filer.
- 5. DOA - Parking Garage Fee Increase.** The House Finance Committee recommends increasing the Department of Administration's parking garage fee from \$16 per pay period to \$32 per pay period and assumes \$200,802 in additional revenues for 11 months based on the average revenue of \$219,057 for the last five fiscal years. Revenues were \$232,524 in FY 2013 and \$230,598 in FY 2012. The fee has been \$16 since 1992.
- 6. E-Cigarettes.** The Governor's budget includes subjecting electronic devices that deliver nicotine through a vaporization process, e-cigarettes, to the 80.0 percent of the wholesale cost tax applied to other tobacco products and assumes \$750,000 in associated revenues. The House Finance Committee does not concur and adjusts revenues accordingly.
- 7. Estate Tax - Credit on First \$1.5 Million.** The House Finance Committee recommends converting the current estate tax threshold of \$921,655, indexed to inflation, to a credit equivalent to taxes owed for estates valued up to \$1.5 million, effective January 1, 2015. The fiscal impact for this conversion would be a revenue loss of \$9.4 million for FY 2015 and \$18.0 million for FY 2016.

8. Gaming Legislation. The House Finance Committee recommends amending the master contract for Twin River Casino to increase the state's share of marketing expenditures. Under current law, reimbursement is capped at a maximum of the state share of slots revenue multiplied by actual costs between \$4.0 million and \$10.0 million. The state reimburses Twin River a maximum of \$3.6 million. The recommended contract amendment requires the state to reimburse for marketing costs between \$14.0 million and \$17.0 million at the existing rate of the state share multiplied by actual costs. The budget assumes an associated revenue loss of \$1.1 million.

9. Hospital License Fee at 5.703%. The House Finance Committee includes \$14.8 million in additional revenues from increasing the licensing fee from 5.246 percent to 5.703 percent in FY 2015.

10. Indirect Cost Recovery on JDF. The House Finance Committee recommends exempting all employer tax contributions to the Job Development Fund from the 10 percent indirect cost recovery charge, for a revenue loss of \$1.3 million beginning in FY 2015. Currently, the 0.30 percent assessment that is used to repay the principal and interest on the state's unemployment insurance loans is exempt, but the 0.21 percent portion, which funds the Human Resource Investment Council and Governor's Workforce Board and is used for core unemployment insurance and job services administration, is assessed the 10 percent charge.

11. May Revenue Conference. The Revenue Estimating Conference increased the FY 2015 forecast to \$3,343.3 million based on its FY 2014 revisions and the new economic forecast. The estimate is \$4.7 million more than the November estimate and the Governor's proposed budget which includes changes that could not be included in the estimate.

12. PIT Compliance for Local Employees and Officials. The House Finance Committee recommends expanding the requirement included in Article 12, Section 7 of the Governor's FY 2015 Budget that establishes income tax compliance as a requirement for state employment to elected officials, teachers and administrators, and municipal employees for additional revenue of \$691,782, assuming 1.3 percent of these employees owe taxes. The Division of Taxation shall notify any public employee who is out of compliance of the amount of any tax, interest, and penalties due and provide procedures to come into compliance. The wages of any public employee who is unresponsive or remains noncompliant following contact from the Division will be garnished.

13. Recertification Impact to Premium Tax. The House Finance Committee includes savings of \$29.9 million from accelerating the redetermination process for RIte Care eligibility. This will lower revenues collected from the 2 percent assessment on managed care premiums by \$0.4 million.

14. Room Resellers. The Governor's recommended budget amends current law to subject the resale cost of hotel rooms to the 7.0 percent state sales tax, 5.0 percent state hotel tax, and the 1.0 percent local hotel tax. Hotel resellers would register with the Division of Taxation for the collection and remittance of sales and hotel taxes, calculated using a room's rental cost and other fees paid by the occupant to the reseller less any rental costs or other fees paid by the reseller to the hotel. The room's wholesale cost remains subject to sales and hotel taxes. The Budget assumes \$0.9 million in new sales and hotel tax revenues from room resale. The House Finance Committee does not concur and adjusts revenues accordingly.

15. Tobacco Bond Proceeds for PILOT. The House Finance Committee recommends a total of \$40.1 million from general revenues to fund the Payment in Lieu of Taxes program for FY 2015. This includes \$5.0 million of new revenues that will be available from refunding bonds through the Tobacco Settlement Financing Corporation.

16. Transportation Related Fees. The House Finance Committee reduces available general revenues by \$16.4 million to reflect the transfer of motor vehicle fees to the Rhode Island Highway Maintenance account. The fees are currently deposited as general revenues, but will be transferred to the account for use by the Department of Transportation for highway, road and bridge maintenance.

Expenditure Changes

Statewide

17. Revised Medical Benefit Rates. The Department of Administration has indicated that because of better trends and the provisions in the new state employee contracts that will go into effect in January 2015, medical rates for FY 2015 are projected to be lower than those used in the Governor's recommended budget. The savings are estimated to be \$9.8 million from all funds, \$4.9 million from general revenues. Excluding the \$1.5 million relating to the state employee contracts, \$3.4 million is from better trends. The House Finance Committee recommends recognizing the \$3.4 million in savings.

18. State Employee Contracts. Most state employee contracts expired on June 30, 2013. The Governor's budget did not include a cost-of-living increase for state employees. In April 2014, Council 94 agreed to a new four-year contract effective July 1, 2013 through June 30, 2017. Among the main provisions of the new contract are increased co-pays for office visits and prescription drugs, deductibles of \$250/\$500 for individuals/families effective January 1, 2015, and a 6.0 percent cost-of-living increase over the next 18 months. Assuming that the terms of this contract apply to all state employees, the cost for FY 2015 will be \$47.4 million of which \$24.3 million is from general revenues. Some unions are still negotiating. The House Finance Committee recommends that agencies achieve the savings through turnover and vacancies to accommodate the increased costs.

Administration

19. Capital - Cranston Street Armory. The Capital Plan includes \$4.9 million from Rhode Island Capital Plan funds through FY 2019 for ongoing renovations at the Cranston Street Armory building, including replacement of the heating, ventilation and air conditioning system and windows. Subsequently, the Administration indicated that it is in the process of obtaining services to determine a use plan for the facility. The Governor requested an amendment to shift \$0.8 million from FY 2014 to FY 2015, as well as provide an additional \$0.2 million to address masonry and window repairs. The House Finance Committee concurs and removes funding budgeted in FY 2016 through FY 2019, awaiting the use plan study.

20. Capital - McCoy Stadium Repairs. The Governor requested an amendment to add \$0.1 million from Rhode Island Capital Plan funds for which the FY 2015 recommended budget includes \$50,000. The additional funds will be used to make improvements to the concourse area at the stadium. The House Finance Committee concurs.

21. Capital - Pastore Center Buildings Demolition. Based on the Department's revised construction costs, the House Finance Committee recommends \$0.5 million less in FY 2015 for which the recommended budget includes \$1.5 million from Rhode Island Capital Plan funds to demolish several buildings on the Pastore Center.

22. Capital - Veterans Auditorium Repairs. The revised budget includes \$5.5 million from Rhode Island Capital Plan funds to repair the Veterans Memorial Auditorium and office building. This is the

final phase of the project and will focus on renovating floors four through six, painting and carpeting the entire auditorium, installing a new concession stand, and upgrading the heating, ventilation, and air condition system. Subsequently, the Governor requested an amendment to add \$1.4 million in FY 2015 for additional work, including roof repair. The House Finance Committee concurs.

23. Capital - Virks Building Renovations. The Governor's Capital Budget includes a total of \$13.3 million, including \$13.0 million from new Certificates of Participation to renovate the Virks building in the Pastore Center and \$0.3 million from Rhode Island Capital Plan funds for architectural and engineering services. He requested an amendment to provide an additional \$0.4 million from Rhode Island Capital Plan funds for FY 2015 to reflect actual costs of the architectural and engineering services. The House Finance Committee recommends that the total project be funded with pay-go sources; it did not concur with the issuance of debt. It further assumes the state will recovery a portion of the cost through Medicaid.

24. Community Service Grants. The House Finance Committee adds \$0.1 million for three community service grants passed through the Commerce Corporation. This includes \$50,000 for a new grant to the Ocean State Higher Education Economic Development and Administrative Network and an additional \$61,292 to increase funding for the Export Assistance Center to \$105,000 and Urban Economic Development Strategies to \$100,000.

25. Creative and Cultural Economy Coordinator. The House Finance Committee does not concur with the Governor's proposal to add \$75,000 from general revenues to support a Creative and Cultural Economy Coordinator position in the Commerce Corporation and removes the funding.

26. Debt Service Savings. Subsequent to his budget submission, the Governor requested an amendment to decrease general revenue debt service payments by \$0.3 million in FY 2015 to reflect savings from a general obligation bond refunding. The House Finance Committee concurs.

27. Facilities & Capital Student Internship Program. The House Finance Committee does not concur with the Governor's recommendation to provide \$50,758 from general revenues to support a new internship program for students in the field of architecture, construction management and facilities management. The Department used some of its operating surplus in FY 2013 to pay five interns.

28. Housing, Lead Fund. The House Finance Committee recommends increasing the real estate conveyance tax from \$2.00 to \$2.30 per \$500 or fractional part is paid for the purchase of property conveyed for more than \$100. This is estimated to generate an additional \$2.8 million. These funds will be used for the lead hazard reduction abatement program, shelter operations and rental housing subsidies, which are administered by the Housing Resources Commission. The recommended budget includes \$2.5 million from general revenues for these expenses. The House Finance Committee includes \$2.8 million from new receipts, to offset the loss of general revenues. This provides an overall increase of \$0.3 million.

29. Lead Paint Program from AG Settlement. The House Finance Committee includes \$0.6 million from restricted receipts for the Lead Hazard Reduction Program, which provides loans and grants to income eligible property owners for lead abatement. Annually, the program provides loans and grants to assist 35 to 55 households to reduce lead. The funds are receipts from a settlement that the Attorney General received.

30. Office of Diversity, Equity & Opportunity. In May 2013, Governor Chafee issued an Executive Order that requires the Department of Administration to review all of its divisions and

offices that are charged with facilitating equal opportunity employment and to make recommendations to improve collaboration between these offices. The Governor's FY 2015 recommended budget creates the Office of Diversity, Equity and Opportunity. Existing staff of 7.0 full-time positions and funding of \$0.9 million will be transferred from the Division of Purchasing's Minority Business Enterprise Office and the Division of Human Resources' Outreach and Diversity Office in addition to \$0.3 million from general revenues to fund three new positions. The House Finance Committee recommends funding and staffing at the enacted level.

31. Payroll System. The House Finance Committee does not concur with the Governor's proposal to add \$60,000 from general revenues for FY 2015 to implement a new payroll viewing system, which would allow state employees to obtain their payroll stubs online. It recommends that the Department of Administration funds this with available resources from the Information Technology Investment Fund.

32. Planning Grant Correction. The Department of Administration received a new award for \$16.0 million to assist the state in recovering from Hurricane Sandy. The Governor recommended expenditures of \$2.5 million for FY 2015. Subsequently, the Budget Office indicated that grant expenditures should have been lowered by \$0.1 million. The Governor requested an amendment to reflect this and the House Finance Committee concurs.

33. Purchasing - Website Expansion. The Governor recommends new general revenue expenditures of \$65,000 for FY 2015, including \$30,000 to enhance the website for the Division of Purchasing to allow that all public works bid result projects be posted on the Purchasing website and \$10,000 for legal services to examine the Division of Purchasing's procedures and regulations. The remaining \$25,000 will be used to conduct a Lean Process Improvement program. The House Finance Committee recommends that the Department of Administration uses available resources from the Information Technology Investment Fund to enhance the website.

34. Slater Centers for Excellence. The House Finance Committee recommends \$150,000 from general revenues for the Slater Technology Fund, which is a state-backed venture capital fund that invests in new ventures. This is \$350,000 less than the Governor included. The state was awarded a total of \$13.2 million as part of the federal State Small Business Credit Initiative, \$9.0 million of which was allocated to the Slater Technology Fund. Provided that returns on investments are received, the fund would eventually be self-sustaining.

35. State Energy Plan Funding Correction. The revised budget includes expenditures of \$0.3 million from restricted receipts used for various energy programs. Subsequently, the Governor requested an amendment to shift \$50,000 budgeted for FY 2015 to FY 2014 to pay for prior year expenditures that were inadvertently charged to another account. The House Finance Committee concurs.

36. Transportation Debt Service. The House Finance Committee recommends multiple changes to transportation funding beginning in FY 2015, including the allocation of transportation related fees and other sources to the Highway Maintenance account to be used primarily by the Department of Transportation for infrastructure maintenance and improvements. The state has been on a schedule of incrementally increasing amounts of general revenues dedicated to debt service, with payments budgeted in the Department of Administration. The revised transportation plan includes shifting these payments to the Highway Maintenance restricted receipts account which is receiving increased resources.

37. Turnover. The FY 2015 recommended budget includes \$75.5 million from all funds to support 723.7 full-time positions and assumes \$2.3 million in turnover savings. The House Finance Committee recommends an additional \$541,475 in turnover savings.

Labor and Training

38. Jobs Programs. The House Finance Committee adds \$0.9 million to support jobs programs through the Governor's Workforce Board and the Human Resource Investment Council. This reflects adding \$1.3 million from restricted receipts made available from removing the indirect cost recovery fee on the Job Development Fund offset by removing the \$0.4 million from general revenues added in the Governor's recommendation.

39. Summer Youth Program. The House Finance Committee recommends using \$0.6 million from federal Workforce Investment Act funding for youth programs in lieu of \$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, 2014, the Department of Labor and Training anticipates operating a program similar to the ones run during the prior two summers. There are sufficient resources within the Workforce Investment Act program to fund the Summer Youth Program and allow for the utilization of the federal block grant funds for other purposes.

40. Turnover. The House Finance Committee recommends an additional \$100,000 in general revenue turnover savings for Labor and Training for FY 2015, equivalent to maintaining 1.1 positions vacant for the fiscal year. The Governor's FY 2015 recommendation includes \$3.3 million from general revenues for salaries and benefits which reflects 2.5 full-time equivalent positions vacant for the entirety of FY 2015.

Revenue

41. Combined Reporting Implementation. The House Finance Committee recommends \$500,000 from general revenues for the Division of Taxation to implement combined reporting for business corporations tax filers for tax year 2015. This includes \$0.4 million to fill 7.0 full-time equivalent positions as of January 1, 2015. Also included is \$50,000 for staff training, and \$50,000 for contracted legal services.

42. DMV Chief of Information (1.0 new FTE). The Governor recommends \$0.1 million from general revenues and 1.0 new full-time equivalent position for the Division of Motor Vehicles for FY 2015 to create a new chief of information and public relations position. This position is intended to respond to public inquiries, customer issues and complaints and to maintain communication between the Registry and the Department. It should be noted that a member of the Governor's resource team currently performs these roles for the Division. The House Finance Committee recommends eliminating the funding and the position.

43. Fire Districts in Fiscal Stability Act. On April 17, 2014, the House passed 2014-H 7944, which includes Fire Districts within the provisions of the Providing Financial Stability Act. The House Finance Committee recommends \$260,000 from general revenues for FY 2015 for salary and benefit costs associated with the implementation of the Act by the Division of Municipal Finance.

44. RIMS. The Governor requested an amendment shifting \$4.4 million from all funds including \$2.2 million from federal funds and \$2.2 million from restricted receipts for the Rhode Island

Modernization System from FY 2014 to FY 2015. This reflects delays in the state's contract with Hewlett Packard for system design and development. The anticipated completion date for the new Division computer system was May 4, 2014 but the system is not yet operational; design and development work continues. The House Finance Committee concurs.

45. PILOT from Tobacco Bonds. The House Finance Committee recommends \$40.1 million from general revenues to fund the Payment in Lieu of Taxes program for FY 2015, which is \$5.0 million more than recommended by the Governor to be funded through proceeds available from the refunding of bonds through the Tobacco Settlement Financing Corporation. Reimbursement is statutorily based on 27.0 percent of the tax that would have been collected if the property had been taxable, subject to appropriation. If the appropriation is less than the necessary amount, the reimbursements are ratably reduced. The recommendation represents a reimbursement of 25.4 percent of the value.

46. Turnover Savings - DMV. The Governor recommends \$0.4 million more than enacted from general revenues for the Division of Motor Vehicles customer service staffing for FY 2015. The funding reflects staffing needs associated with the completion of the Rhode Island Modernization System and a previously contracted go-live date of May 4, 2014. The Division and the Department of Administration report that the Modernization System project has stalled and will not be completed by the scheduled date. The House Finance Committee removes the additional \$0.4 million based on the delays.

Secretary of State

47. Capital - Charter Encasement. The House Finance Committee concurs with the Governor's requested amendment to add \$500,000 for restoration and other work associated with the encasement of the Rhode Island Charter. The Charter will be placed on display in the State House in a space renovated to serve as the Charter Museum. The funds would be used for replacing the encasement and HVAC and cooling systems that protects the charter.

Office of the General Treasurer

48. Turnover. The House Finance Committee recommends general revenue savings of \$0.1 million for the Office of the General Treasurer for FY 2015 to reflect a new administration taking office in January. The Governor's recommended FY 2015 budget includes turnover savings from all sources equivalent to 5.0 vacant positions.

49. Unclaimed Property. The House Finance Committee recommends an additional \$0.2 million for FY 2015 to reflect the unclaimed property estimate of the May Revenue Estimating Conference. This includes a \$0.4 million increase in the transfer to the state General Fund estimated to be \$10.5 million.

Governor's Office

50. Federal Liaison. The House Finance Committee does not concur with the Governor's recommendation to include \$35,000 for FY 2014 and \$25,000 for FY 2015 from general revenues for contractual service expenditures for Hope and Reid LLC to serve as the Governor's federal liaison.

51. Turnover. The Governor recommended \$4.0 million from general revenues for FY 2015 to fund 39.0 full-time positions in the Office of the Governor which assumes \$0.4 million in turnover savings. The House Finance Committee recommends reducing expenditures by \$0.1 million for FY 2015 to reflect a new administration taking office in January.

Public Utilities Commission

52. Former ARRA Positions. The Governor recommends \$159,585 from restricted receipts to support two full-time equivalent positions currently funded by a grant associated with the American Recovery and Reinvestment Act, which expired in December 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 for FY 2015.

Office of Health and Human Services

53. Assisted Living Payments – Medicaid. The House Finance Committee adds \$0.5 million from all sources, including \$0.2 million from general revenues, to increase assisted living Medicaid waiver expenses as a result of lowering the state supplemental security income payment for those in assisted living and shifting the cost to Medicaid beginning October 1, 2014. The resident will receive \$801 to allow for the \$100 personal needs allowance and \$700 room and board payment and the state pays the direct care assisted living expenses.

54. Behavioral Health Medicaid Programs from BHDDH. The House Finance Committee shifts \$70.7 million, including \$35.0 million from general revenues, in fee-for-service mental health and substance abuse Medicaid funded benefits provided to Medicaid-eligible disabled individuals by the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals to the Office of Health and Human Services so that funding for Medicaid programs for adults with behavioral health issues will be appropriated to one department.

55. Behavioral Health Spending Trend. The House Finance Committee shifts fee-for-service mental health and substance abuse Medicaid funded benefits provided to Medicaid-eligible disabled individuals to the Office of Health and Human and based on current program trends assumes savings of \$9.9 million, including \$4.9 million from general revenues. Total funding of \$60.8 million is consistent with projected FY 2014 behavioral health care spending.

56. Electronic Visit Verification. The House Finance Committee includes savings of \$1.0 million from implementing an electronic visit verification system, including \$0.5 million from general revenues, to monitor the delivery of home care services, including personal care and homemaker activities, to record the arrival and departure times of direct care workers providing the services.

57. Extended Family Planning. The House Finance Committee does not concur with the Governor's recommendation to offer extended family planning services to individuals at or below 250 percent of poverty and reduces funding by \$0.4 million, including \$0.2 million from general revenues. As of January 1, 2014 individuals with income at or below 138 percent of poverty are eligible for Medicaid and those above that threshold have access to coverage through the exchange; family planning is a benefit.

58. HIV Costs to Other Sources. The House Finance Committee recommends shifting the remaining \$0.7 million in general revenue operating support for the HIV treatment program that provides benefits to HIV positive individuals with incomes at or below 400 percent of poverty to other program funds. With the implementation of the Affordable Care Act, individuals will either be eligible for Medicaid or be able to obtain coverage through HealthSource RI allowing resources to be used for administrative costs.

59. Hospitals - Graduate Medical Education. The House Finance Committee provides \$1.0 million from general revenues for graduate medical education funding for academic medical centers that meet certain criteria, including designation as a with Level 1 trauma centers.

60. Hospitals - Uncompensated Care Payment. The House Finance Committee adds \$7.2 million, including \$3.6 million from general revenues to increase the reimbursement made to the community hospitals for uncompensated care payments for total funding of \$138.3 million in FY 2015.

61. Hospitals - Upper Payment Limit Reimbursements. The House Finance Committee adds \$22.6 million, including \$11.3 million from general revenues for inpatient and outpatient upper payment limit reimbursements paid to the community hospitals.

62. Katie Beckett Family Cost Sharing. The House Finance Committee does not concur with the Governor's proposal to implement a monthly cost sharing payment for a family with a child receiving services under the Katie Beckett option and restores \$2.9 million, including \$1.5 million from general revenues, in FY 2015. The Committee does include legislation to direct the Office of Health and Human Services to collect income information on a family receiving services.

63. May Caseload Adjustments. The House Finance Committee adds \$233.3 million from all sources, of which \$185.3 million is for the federally funded Medicaid expansion program, and \$24.7 million from general revenues for updated medical assistance expenses estimated at the May caseload conference.

64. Nursing Homes - April 1 COLA. The House Finance Committee adds \$2.6 million, including \$1.3 million from general revenues to provide a cost-of-living adjustment to nursing homes effective April 1, 2015. The Governor's recommended budget eliminated the annual October increase.

65. Redetermination Acceleration. The May Caseload Conference added \$62.4 million to the RIte Care program for FY 2015 funding to partially reflect suspending the process that re-determines eligibility for the current program recipients on January 1, 2014 and restarting the process January 1, 2015. The Office of Health and Human Services has reported that the re-determination process will begin August 1, 2014 and the House Finance Committee recommends savings of \$29.5 million, including \$14.7 million from general revenues from that process.

66. Turnover. The House Finance Committee includes general revenues savings of \$250,000 from keeping six additional positions vacant in FY 2015. The Governor's recommendation assumes 10.0 of the 184.0 authorized positions will remain unfilled.

Children, Youth and Families

67. 19 to 21 Year Olds to BHDDH. The Governor's FY 2015 recommendation includes \$0.5 million from net general revenue savings from transferring up to 12 developmentally disabled youth to the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals. The Governor requested an amendment restoring \$1.5 million including \$0.6 million from general revenues assuming this transfer would not be made and that the Department of Children, Youth and Families could find alternative savings in wrap around services for this population. The House Finance Committee concurs with the amendment and restores the funding.

68. Capital - Groden Center Fire Towers. The Governor's Capital Budget includes \$137,500 from Rhode Island Capital Plan funds for FY 2014 for fire towers and building repairs to the Groden Center

facility on Mount Hope Avenue in Providence. The Governor requested a budget amendment that shifted funding from FY 2014 to FY 2015 based on project delays. The House Finance Committee concurs.

69. Capital - Training School Generators. The Governor's Capital Budget includes \$0.2 million from Rhode Island Capital Plan funds for FY 2014 for two generators at the Rhode Island Training School to power emergency and life, air conditioning and heating systems in the event of a power failure. The Governor requested an amendment that shifts funding from FY 2014 to FY 2015 based on project delays. The House Finance Committee concurs.

70. Capital - Training School Maintenance Building. The Governor's Capital Budget includes \$0.3 million for FY 2014 to construct a maintenance building on the campus of the Thomas C. Slater training school to house tools, vehicles, chemicals, and other equipment. The Department has delayed construction primarily because it had to receive a waiver based on the building's proposed proximity to Route 37. The Governor requested an amendment to shift funding from FY 2014 to FY 2015 based on these delays. The House Finance Committee concurs with the amendment.

71. RIC Social Worker Training. The Governor recommends \$1.6 million including \$0.6 million from general revenues for a contract with Rhode Island College for two social worker training classes. The Department of Children, Youth and Families' contracts with Rhode Island College to provide training to social workers through the Child Welfare Institute before being assigned cases. The House Finance Committee recommends funding a single social worker class for \$0.8 million in savings, including \$0.3 million from general revenues.

Health

72. Available Restricted Receipts. The House Finance Committee recommends shifting \$500,000 from general revenues for the Medical Examiner's Office to available restricted receipts in both FY 2014 and FY 2015. The Department appears to have \$1.6 million available and already shifts staffing expenses for at least 2.0 full-time equivalent positions for the Office to the restricted receipt account.

73. Community Service Grants. The Governor recommends the enacted level of \$391,585 for 10 community service grants administered by the Department of Health. The Rhode Island Cancer Council was awarded a grant for \$60,116, but has not responded to notifications or submitted the required paperwork to receive the grant in FY 2014. Since the grantee has not responded or inquired about the award, the House Finance Committee recommends eliminating the funding.

74. Del Prete Family Foundation Grant. The House Finance Committee concurs with the Governor's requested amendment to add \$100,000 from restricted receipts for a new grant the Department recently received. The new grant from the Del Prete Family Foundation will be used to support a public awareness campaign about the risks of addiction and accidental overdose.

75. New Vaccines Grant. The House Finance Committee concurs with the Governor's requested amendment to add \$4,906 from general revenues for FY 2015 from a new grant the Department recently received. The award totals \$29,465 and the Department anticipates spending \$24,559 in FY 2014 and \$4,906 in FY 2015. The new grant from the American College of Obstetricians and Gynecologists will be used for planning and outreach to improve vaccine coverage and utilization of vaccines in pregnant women.

Human Services

76. Cash Assistance Caseload. The House Finance Committee recommends a reduction of \$2.4 million, which includes \$0.1 million less from general revenues to adjust the FY 2015 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.

77. Child Care Eligibility Pilot - Extension. The 2013 Assembly created the Child Care Subsidy Transition Program, which is a pilot program to allow families eligible for subsidized child care because their income is at or below 180 percent of poverty to remain eligible until the family income exceeds 225 percent of poverty, from October 1, 2013 through September 30, 2014. The House Finance Committee recommends extending the sunset provision for two years and includes \$1.1 million from federal Temporary Assistance to Needy Families block grant funds for the remainder of FY 2015.

78. Community Service Grants. The enacted budget includes \$3.2 million in general revenue funding for community service grants that support over 100 social service agencies and community organizations throughout the state. The House Finance Committee recommends reducing grant expenditures by \$198,396 to reflect increases of \$140,617 for the Boys and Girls Club of Rhode Island and \$10,987 for Operation Stand Down, a reduction of \$50,000 for Day One and eliminating the \$300,000 John Hope Settlement House grant.

79. RIPAE Rebates in Lieu of General Revenues. The Rhode Island Pharmaceutical Assistance to the Elderly (RIPAE) program provides financial assistance for prescription drugs to Rhode Islanders over 65 who have limited incomes. It receives rebate payments from pharmaceutical companies, as restricted receipts, and general revenues are often needed to supplement the operating expenses of the program. Since FY 2012, the Department has used surplus restricted receipt rebate funds in lieu of general revenues. The Division has sufficient restricted receipts for all FY 2014 expenses and more than half of FY 2015 expenses that the Governor recommended from general revenues. The House Finance Committee recommends utilizing all available restricted receipt funding in lieu of general revenues, for general revenue savings of \$150,000 for FY 2015.

80. SNAP Bonus Funding Shift. Consistent with the Governor's requested budget amendment, the House Finance Committee recommends shifting \$150,000 from the Supplemental Nutrition Assistance Program bonus funding from FY 2015 to FY 2014 to make payments on federal penalties that are due.

81. SSI Assisted Living Payment. The House Finance Committee lowers the state supplemental security income payment for an individual residing in an assisted living facility from \$332 to \$80 and increases from \$206 to \$458 the additional payment made to an individual who resides in non-Medicaid funded assisted living facility and also provides this payment to an individual who resides in either St. Elizabeth's Court, Franklin Court or Forest Farms assisted living facility beginning October 1, 2014. The Committee reduced funding in the Department of Human Services by \$0.4 million from the reduction and also increased funding in the Office of Health and Human Services' budget to correspond with the increased cost in the Medicaid assisted living waiver program from this change.

82. TANF Block Grant for UHIP Expenses. The May caseload conference reduced caseloads and expenditures made from the federal temporary assistance to needy families block grant for Rhode Island Works and child care benefits, freeing up grant funds for other purposes. The House Finance Committee recommends utilizing \$0.8 million from federal temporary assistance to needy families block grant funding to offset general revenue Unified Health Infrastructure Project expenses related to

the Rhode Island Works program. The state is able to leverage an 80 percent federal match for these expenditures.

83. Weatherization Grant Adjustment. Consistent with the Governor's requested amendment, the House Finance Committee recommends reducing the demand side grants related to the weatherization assistance program by \$4.4 million in both FY 2014 and FY 2015 to reflect that National Grid has contracted with another entity to administer these grants.

BHDDH

84. 19 to 21 Year Olds from DCYF. The House Finance Committee concurs with the Governor's requested amendment to reverse the transfer of certain developmentally disabled adolescents receiving services through the Department of Children, Youth and Families into the adult system that he included in Article 26 of his recommended budget and reduces expenses by \$0.8 million, including \$0.6 million from general revenues, in the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals' budget.

85. Behavioral Health Medicaid Programs to OHHS. The House Finance Committee shifts \$70.7 million, including \$35.0 million from general revenues, in fee-for-service mental health and substance abuse Medicaid funded benefits provided to Medicaid-eligible disabled individuals by the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals to the Office of Health and Human Services so that all funding for Medicaid funded programs for adults with behavioral health issues will be appropriated to one department.

86. Capital - Hospital Consolidation/New Hospital. The Governor's Capital Budget includes \$41.2 million from Rhode Island Capital Plan funds for a new psychiatric hospital; however, updated projections increase the cost by \$17.3 million to \$58.5 million. The House Finance Committee shifts funding from FY 2015 through FY 2017 to FY 2018 and FY 2019 and recommends \$8.3 million less than recommended in total.

87. Capital - Hospital Equipment. The House Finance Committee does not concur with the \$1.4 million included in the Governor's FY 2015 through FY 2019 Capital Budget for the ongoing replacement of hospital equipment at Eleanor Slater Hospital. This does not meet the definition of a capital project.

88. Day and Supported Employment CNOM Match Rate Correction. The House Finance Committee corrects the Medicaid funding required to match the general revenues included in the recommendation for day and employment services for adults with developmental disability and reduces federal funds by \$0.4 million to reflect this adjustment.

89. Eleanor Slater Hospital License Fee. The House Finance Committee includes \$6.5 million for the FY 2015 hospital license fee for Eleanor Slater Hospital and increases the Department's budget by \$1.2 million to make the payment. The fee, paid by both the community hospitals and the state, is increasing from 5.418 percent to 5.703 percent with an updated base year. There is also a corresponding revenue adjustment.

90. Medicaid Match Rate Correction. The House Finance Committee realizes general revenue savings of \$0.2 million from correcting the Medicaid match rate for community based waiver services for adults with developmental disabilities and shifts expenses to Medicaid for total funding of \$179.2 million from all sources consistent with the Governor's recommendation.

91. Municipal Task Force Funding to Federal Sources. The House Finance Committee shifts \$0.5 million from general revenues supporting the municipal task force to other federal sources and concurs with the Governor's recommendation to provide \$0.9 million in FY 2015.

92. Other Behavioral Health Programs to Federal Sources. The House Finance Committee shifts \$0.2 million in discretionary general revenue spending for behavioral health care programs included in the Governor's recommended budget to federal sources in FY 2015. With the implementation of the Affordable Care Act, federal block grant funds awarded to the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals, previously used to support services now covered under health care reform, will be available for other purposes and the Committee adjusts funding accordingly.

93. Turnover Reduction. The House Finance Committee restores \$3.0 million from all sources, including \$1.5 million from general revenues, to fill 29 of the 129 positions assumed in the Governor's FY 2015 recommendation.

Elementary & Secondary Education

94. Community Service Grants. The House Finance Committee recommends adding \$450,000 for community service grants distributed by the Department of Elementary and Secondary Education. This removes \$50,000 for a one-time grant to the East Providence High School for capital improvements to its gymnasium and shifts \$500,000 for the JASON Project from the University of Rhode Island's budget to the Department's budget. JASON's real-time, multimedia Expeditions offer an opportunity to participate in multidisciplinary research directed by leading scientists. JASON curricula are geared to students in grades 4 through 9.

95. Education Aid Update. The House Finance Committee recommends removing \$2.7 million from general revenues for the fourth year of the education funding formula aid based on updated data. The reduction primarily reflects charter school lottery results. The update includes redistribution among districts with some receiving more and some receiving less than the Governor's budget assumed. The Governor's budget uses June 30, 2013 student enrollment data adjusted for FY 2015 projected charter school enrollments. The Department of Elementary and Secondary Education provided updated student enrollment and free and reduced lunch eligibility data in April.

96. HRIC Adult Education Grants. The Assembly concurs with the Governor's requested amendment to decrease adult education grants through the Department of Elementary and Secondary Education by \$300,000 from Human Resource Investment Council funds. The decrease reflects a one-time increase of \$300,000 for FY 2014 that was mistakenly repeated in the FY 2015 recommendation. The Department of Elementary and Secondary Education administers adult education grants that are used to fund local adult education programs and literacy services, including workplace literacy services, family literacy services, and English literacy and civics education programs.

97. School Breakfast. The Governor recommended legislation in Article 28 to remove the state appropriation requirement for reimbursing districts for the administrative costs of the school breakfast program for savings of \$270,000. However, the requirement to provide the breakfast program would not change. Federal funds provide the meals. The House Finance Committee does not concur with this recommendation and restores the funding.

98. Teacher Retirement. The Governor recommends \$89.9 million for FY 2015 to fund the state's share of the employer contribution for teacher retirement. 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 for FY 2014, the state's share was lowered by \$0.3 million. The House Finance Committee recommends a similar adjustment for FY 2015.

99. Textbook Reimbursement. The Governor recommended legislation in Article 28 to eliminate the state requirement to reimburse districts for the cost of providing textbooks to non-public students in the areas of English/Language Arts and history/social studies in kindergarten through 12th grade for savings of \$240,000. The requirement to provide the textbooks would not change. The House Finance Committee does not concur with the recommendation and restores the \$240,000.

Higher Education

100. Capital - RIC Infrastructure Modernization. Consistent with the approved capital plan, the Governor recommended \$18.7 million to modernize and replace steam lines, steam condensate lines, voice and data systems and the electrical distribution system. The project includes \$18.5 million from Rhode Island Capital Plan funds and \$0.2 million from College funds. The Governor requested an amendment to shift \$1.9 million from FY 2014 to FY 2015 to reflect an updated project schedule. The House Finance Committee concurs.

101. Capital - URI New Chemistry Building. The approved capital plan includes a \$66.8 million project to construct a new chemistry building at the University of Rhode Island. The House Finance Committee shifts \$21,300 from FY 2015 to FY 2014 based on anticipated expenses.

102. Capital - URI Substation. The Governor requested an amendment to add a new section of Article 4 to authorize \$7.2 million from revenue bonds for renovations to the University's electric substation. These substations and associated switchgear, transformers and control equipment are well beyond their service life, which is generally set at 20 to 25 years. These substations have supplied power to the main academic/research part of the campus and a majority of the housing and residential life sector. Annual debt service would be \$0.6 million supported by general revenues and tuition and fees assuming 20 years and 5.0 percent interest. The total cost would be \$11.5 million. The House Finance Committee recommends providing \$7.0 million from Rhode Island Capital Plan funds for FY 2015 instead of issuing debt which will save \$4.5 million in interest costs.

103. Community Service Grants. The House Finance Committee recommends shifting the \$0.5 million community service grant for the JASON Project from the University of Rhode Island's budget to the Department of Elementary and Secondary Education's budget. JASON's real-time, multimedia Expeditions offer an opportunity to participate in multidisciplinary research directed by leading scientists and is geared to students in grades 4 through 9. It also adds \$11,775 for the grant to Best Buddies and \$250,000 for the small business development center at the University of Rhode Island.

104. Debt Service Refunding Savings. The House Finance Committee concurs with the Governor's requested budget amendment to recognize \$45,827 in general revenue savings associated with the refunding of general obligation bonds for higher education. Debt service on general obligation bonds are funded from general revenues.

105. Office Post Secondary Education. The Governor's budget includes \$1.1 million and 11.8 full-time equivalent positions to support a new Office of Postsecondary Commissioner. The House Finance Committee recommends funding of \$0.6 million to allow the new Commissioner to determine

his or her staffing and operating needs. The Board is currently interviewing candidates for that position.

Arts Council

106. Community Service Grants. The House Finance Committee includes \$142,917 more from general revenues to reflect additional funding for a Waterfire grant and the removal of two other community service grants. Bright Night Providence and the Rhode Island Dance Alliance are not eligible to receive these grants because Bright Night Providence did not hold an event this year and the Rhode Island Dance Alliance lost its nonprofit status. The House Finance Committee includes \$150,000 to provide additional funding for educational programming and staging of Waterfire.

107. Creative and Cultural Economy Grants. The House Finance Committee does not concur with the Governor's proposal for a new Creative and Cultural Economy grants program and removes the recommended \$1.0 million to support the new program. These grants are intended to be used for welcome signs and artistic enhancements to transportation corridors throughout the state.

Higher Education Assistance Authority

108. Need-Based Scholarships and Grants. The House Finance Committee recommends funding need based scholarships and grants distributed by the Higher Education Assistance Authority at the enacted and recommended level of \$12.1 million. It removes \$4.1 million from general revenues and provides a total of \$4.1 million from guaranty agency reserve funds and \$8.0 million from Tuition Savings fees. For FY 2014, the Authority granted scholarships to 53.2 percent of all eligible applicants with an average award of \$637.

109. Turnover. The federal budget reduces the Authority's income received from default aversion fees, by approximately 40 percent beginning July 1, 2014. Because of the significant reduction in the Authority's primary source of funding, the House Finance Committee recommends adding turnover savings of \$0.5 million from federal funds and removing authorization for 3.0 full-time equivalent positions. This would provide authorization for 22.0 positions, its current filled level.

Historical Preservation & Heritage Commission

110. Capital - Eisenhower House. The Governor recommends total funding of \$1.6 million from Rhode Island Capital Plan funds for renovations to the Eisenhower House, including \$0.5 million for FY 2014 and \$1.1 million for FY 2015. He subsequently requested an amendment to shift \$0.3 million from the current year to FY 2015 to reflect construction delays resulting from severe winter storms. He includes an additional \$447,149 associated with unanticipated engineering and design costs. The project is scheduled to be completed in May 2015. The House Finance Committee concurs.

111. Community Service Grants. The House Finance Committee recommends adding \$40,000 from general revenues for two community service grants in the Historical Preservation and Heritage Commission's budget. This includes \$35,000 for the Rhode Island Black Heritage Society and \$5,000 to support Emancipation Day.

Attorney General

112. Medicaid Fraud Unit Positions (3.0 FTE). The House Finance Committee recommends adding \$288,322 from all funds, including \$20,000 from general revenues to support 2.0 new investigator

positions and a new attorney position for the Office for FY 2015. The Office is expecting to receive federal funds to fully support the 2.0 investigator positions and partially fund the attorney position which requires a 25.0 percent general revenue match.

Corrections

113. Capital - Bernadette Guay Bldg. Roof, Plumbing and HVAC Repair. The Governor's capital budget includes a total of \$1.7 million from Rhode Island Capital Plan funds, of which \$0.6 million is for FY 2014 for renovations to the basement and the heating, ventilation and air conditioning system. The House Finance Committee reprograms the funds for these projects by shifting \$0.5 million from the current year to FY 2015 and FY 2016 to reflect project delays.

114. Capital - Dix Building Plumbing & Bathroom Renovations. The Governor's capital budget includes a total of \$1.5 million from Rhode Island Capital Plan funds, of which \$0.4 million is for FY 2014 for renovations to the bath and shower facilities at the Dix building and renovation of the disciplinary wing to include electrical and plumbing repairs. The House Finance Committee reduces FY 2014 funding by \$248,525 to reflect a shift of \$80,821 from the current year to FY 2015 and removes \$167,704 based on cost estimates.

115. Medicaid Savings Under the New ACA. The House Finance Committee assumes general revenue savings of \$0.8 million to reflect lower costs for inmate health care based on expanded health coverage available under the new Affordable Care Act. As allowed under the Act, the state expanded Medicaid to non-disabled adults without dependent children between ages 19 through 64. This expansion allows for medical savings at the Department since Medicaid is expected to cover a larger portion of the inmate population. Inmates on probation and parole can have health coverage upon release, including medical care, medicine, substance abuse or behavioral health treatment services.

116. Parole Board Positions (2.0 New FTE). The House Finance Committee includes general revenue savings of \$145,303 from eliminating funding for 2.0 new full-time equivalent positions for the Parole Board, including 1.0 Field Investigator and 1.0 Senior Word Processing Typist, which are expected to assist in implementing functions related to recent legislation on Good Conduct Certificate.

117. WINFACTS Project Google Funds. The House Finance Committee recommends an increase of \$344,240 from restricted receipts for the Department of Corrections for FY 2015. This increase reflects Google settlement funds shifted from the State Police to the Department to establish connections between municipal law enforcement agencies and the WINFACTS project. This project grants local police departments and the State Police access to an internet version of the inmate tracking system managed by the Department.

Judicial

118. District Court - Turnover. The House Finance Committee includes an additional \$0.3 million of turnover savings for the District Court of the Judiciary in FY 2015 to reflect vacant positions.

119. Electronic Filing Fee Restricted Account. The House Finance Committee recommends establishing a restricted receipt account in the Judiciary's budget to reflect the collection of an electronic filing fee that will be assessed on all new court case filings, consistent with its new case management system. Tyler Technologies will be hosting the e-filing system for a fee of \$17.50 per case filed, which it will retain, along with a \$3.25 technology surcharge which will be deposited into a restricted receipt account. The funds in the account will be used to offset maintenance costs of the new

system. The House Finance Committee shifts \$180,000 from general revenues to restricted receipts to reflect the additional restricted receipt funding.

120. Vacant Judges and Magistrates. The House Finance Committee includes an additional \$0.7 million of turnover savings for the Judiciary for FY 2015 to reflect vacant judge and magistrate positions. Of this amount, \$0.4 million is from general revenues with the remainder from restricted receipts for a vacant judge position in the Workers' Compensation Court.

Military Staff

121. Capital - Asset Protection. The Governor includes \$1.3 million from Rhode Island Capital Plan funds for FY 2015 asset protection projects, including repairs and upgrades to roofs, windows, and HVAC systems. The House Finance Committee removes \$0.6 million of funding from FY 2015 and shifts it to the out-years to better reflect historical expenditures.

Public Safety

122. Capital - Barracks and Training. The Governor recommends \$8.0 million from Rhode Island Capital Plan funds to renovate or rebuild State Police barracks buildings in Lincoln and Hope Valley. The House Finance Committee recommends the elimination of \$0.5 million for FY 2015 to reflect an updated project schedule and scope of work. To date, the Department has not determined whether the Hope Valley barracks will be renovated or if a new barracks must be constructed. The current Lincoln barracks will undergo renovations in FY 2015.

123. Capital - Headquarters Complex Expansion. The Governor includes total funding of \$437,000 from Rhode Island Capital Plan funds for FY 2014 and FY 2015 to expand the Department of Public Safety Headquarters facility in North Scituate through the rehabilitation of two former National Guard buildings. This includes \$237,044 for the current year and \$200,000 for FY 2015. He subsequently requested an amendment, shifting all funding from FY 2015 to FY 2014 to reflect actual project costs. The House Finance Committee concurs.

124. Capital - Headquarters Repairs/Renovations. The Governor includes a total of \$0.9 million 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 \$0.6 million for FY 2014. He requested an amendment shifting \$0.4 million from the current year to FY 2015 and adding \$0.5 million for FY 2015. The House Finance Committee recommends shifting \$0.4 million from the current year to FY 2015 to reflect the Department's adjusted timetable for this project; however, it does not recommend the additional funds as construction plans and timelines have not been finalized.

125. Capital - Parking Area Improvements. The Governor includes a total of \$1.6 million from Rhode Island Capital Plan funds to repair and expand parking lots at Department of Public Safety facilities, including \$0.4 million in the current year. The House Finance Committee recommends funding as recommended for FY 2014; however, eliminates \$0.3 million for FY 2015 and all subsequent funding to reflect the inclusion of these repairs in other departmental projects.

126. New Equipment and Supplies. The House Finance Committee recommends eliminating \$0.5 million from general revenues for unspecified new State Police and Sheriffs equipment and supply purchases. It appears Google forfeiture funds may be able to be used for these purchases.

127. Paralegal (1.0 New FTE). The Governor recommends \$72,602 from general revenues and the creation of 1.0 new full-time equivalent paralegal position for the Department of Public Safety for FY 2015. This position is recommended in addition to the Department's current staff attorney, general counsel, and paralegal. It should be noted that the Governor recommended the creation of the position for FY 2014. The Assembly did not concur. The House Finance Committee recommends eliminating the funding and position for FY 2015.

128. Pay-Go Pensions. The House Finance Committee recommends eliminating \$63,000 from general revenues for State Police Pay-Go Pensions paid on a pay-as-you-go basis for FY 2015, based on an updated census of retired sworn members. Sworn members hired prior to July 1, 1987 were not required to contribute to their pensions, which are funded through an appropriation.

Environmental Management

129. Capital - Blackstone Valley Bike Path. The Governor's revised budget includes \$0.4 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 shifts \$0.3 million from FY 2014 to FY 2015 to reflect a revised project schedule and anticipated expenditures.

130. Capital - Dams Repair. The Governor recommends \$1.3 million for FY 2014 and \$0.6 million for FY 2015 from Rhode Island Capital Plan funds to repair state owned dams at various recreational management areas. The House Finance Committee concurs with the Governor's requested amendment to add \$950,000 to FY 2015 to better reflect anticipated work at the John L. Curran Dams in Cranston. The House Finance Committee also removes \$500,000 from FY 2018 and \$450,000 from FY 2019 to better reflect anticipated expenditures.

131. Capital - Fort Adams Sailing Improvements. The Governor recommends \$3.9 million for FY 2014 and \$2.5 million for FY 2015 from Rhode Island Capital Plan funds for improvements to Fort Adams State Park to allow the state to host large-scale sailing events. The House Finance Committee concurs with the Governor's requested amendment to shift a total of \$2.0 million from FY 2014, including \$0.6 million to FY 2015 and \$1.4 million to FY 2016, based on the revised project schedule.

132. Capital - Galilee Piers. The Governor recommends \$2.7 million for FY 2014 and \$0.5 million for FY 2015 from Rhode Island Capital Plan funds for facilities and infrastructure improvements at the Port of Galilee. The House Finance Committee concurs with the Governor's requested amendment to shift \$0.9 million from FY 2014 to FY 2015, add an additional \$0.6 million to FY 2015, and remove \$0.3 million from FY 2016 and \$0.1 million from FY 2017 based on the revised project schedule and anticipated expenditures.

133. Capital - Natural Resources Offices/Visitor's Center. The Governor recommends \$0.4 million for FY 2014 and \$2.3 million for FY 2015 from Rhode Island Capital Plan funds for the construction of a new office facility for the natural resources division in the Arcadia Management Area at Browning Mill Pond. The House Finance Committee concurs with the Governor's requested amendment to remove \$0.2 million from FY 2014 to reflect anticipated expenditures and to remove the \$2.3 million from FY 2015 to reflect that this project is not currently moving forward.

134. Capital - Newport Piers. The Governor recommends \$0.1 million for FY 2014 and \$0.3 million for FY 2015 for ongoing infrastructure improvements at the Newport Piers. The House Finance Committee recommends shifting \$0.3 million from FY 2014 and FY 2015 to FY 2016 and FY

2017 to reflect the revised project schedule and anticipated expenditures, including design and construction of a building for lobster sales. Construction is scheduled to begin in FY 2016.

135. Capital - Rocky Point. The Governor recommends \$2.5 million from Rhode Island Capital Plan funds for FY 2014 for maintenance and renovations at the approximately 85 acre property formerly known as Rocky Point Park. The House Finance Committee concurs with the Governor's requested amendment to shift \$2.4 million from FY 2014 to FY 2015 and adds \$1.0 million to FY 2015 for a total of \$3.4 million to better reflect anticipated work and the revised project schedule.

136. Capital - State Recreational Facilities Improvements. The House Finance Committee concurs with the Governor's requested amendment to add \$3.1 million for FY 2015 for improvements at Rhode Island parks and management areas. The House Finance Committee also adds \$2.4 million for FY 2016, \$1.8 million for FY 2017, and \$1.0 million for FY 2018 to restore the Governor's proposed reductions to the program. This is instead of his proposal for new general obligation bond debt.

137. Capital - Telephone Replacement. The Governor recommends \$175,000 from Rhode Island Capital Plan funds for FY 2015 for a project to upgrade the Department of Environmental Management's telephone system. The House Finance Committee removes the \$175,000 since this project does not appear to meet the definition of a capital expense and Rhode Island Capital Plan funds may not be an appropriate use. The House Finance Committee recommends that the Department pursues the option of using available resources from the Information Technology Investment Fund.

138. Community Service Grants. The House Finance Committee includes \$0.6 million for community service grants which is \$0.5 million more than enacted. The Committee adds \$250,000 for Johnston Dams and \$250,000 for the City of Woonsocket athletic field improvements.

139. Environmental Protection Federal Funds Adjustment. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding for the Bureau of Environmental Protection by \$80,000 for FY 2015 to reflect a new grant for a wastewater study.

140. Seasonal Minimum Wage. The Governor's FY 2015 recommendation includes an increase of \$169,444 for the seasonal recreation program to reflect the change in the state minimum wage paid to seasonal employees at the Department. However, it appears the increase is overfunded by \$80,000, and the House Finance Committee reduces funding accordingly.

141. World War II State Park 5-Year Transition to Woonsocket. The House Finance Committee recommends providing the City of Woonsocket with \$250,000 from general revenues for FY 2015 as the first year of a five-year initiative to transfer maintenance and operation of the World War II State Park from the state to Woonsocket following the completion of a project to revitalize the park using Rhode Island Capital Plan funds.

Coastal Resources Management Council

142. Capital - Shoreline Change Beach SAMP. The House Finance Committee concurs with the Governor's requested amendment to add \$0.3 million from Rhode Island Capital Plan funds in FY 2015 for a new project to address erosion issues along the Rhode Island shoreline.

143. Capital - South Coast Restoration Project. The House Finance Committee concurs with the Governor's requested amendment to add \$0.5 million from Rhode Island Capital Plan funds in FY 2015 to complete habitat restorations along the southern coast of Rhode Island and to maintain breachways.

144. Ecosystem Restoration Funds. The House Finance Committee concurs with the Governor's requested amendment to decrease federal funding for the Coastal Resources Management Council by \$28,470 in FY 2015. This reduction reflects a shift of \$28,470 from FY 2015 to FY 2014 for the Aquatic Invasive Species grant to reflect that the funds will not be available after June 30, 2014.

Transportation

145. Capital - Cooperative Maintenance Facility. The Governor recommends \$0.3 million from Rhode Island Capital Plan funds for FY 2014 to convert the former Rhode Island Public Transit Authority's maintenance facility on Elmwood Avenue to a cooperative maintenance facility for the Department's heavy fleet and the Authority's buses. The project has not begun and the future plans are in question. Accordingly, the House Finance Committee removes \$0.3 million from FY 2014 and \$3.0 million from FY 2015.

146. Capital - Highway Projects Match Plan. The Governor recommends \$21.7 million from Rhode Island Capital Plan funds for FY 2015 and \$23.2 million each year of the FY 2016 through FY 2019 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 House Finance Committee recommends \$6.0 million more from Rhode Island Capital Plan funds for FY 2015, \$5.0 million more in FY 2016 and \$4.0 million more for fiscal years 2017 through 2019 to ensure the Department maintains sufficient funding to fund on a pay-go basis as part of its overall plan to increase funding for statewide infrastructure projects.

147. Capital - Maintenance Facilities Asset Protection. The Governor recommends \$0.8 million from Rhode Island Capital Plan funds for FY 2014 to be used to make repairs at its seven district maintenance facilities throughout the state, and its headquarters facility located in Warwick. Improvements would include pavement repair at select facilities, replacement and repairs of the HVAC systems and roof repairs to several limited-use facilities. The House Finance Committee removes \$0.3 million from FY 2014 and shifts \$0.1 million to FY 2015 to reflect an updated construction schedule.

148. Capital - Portsmouth Facility. The Governor recommends \$0.9 million from Rhode Island Capital Plan funds for FY 2014 and \$1.2 million for FY 2015 to construct a new maintenance facility in Portsmouth. The House Finance Committee shifts \$0.4 million from FY 2014 and \$0.7 million from FY 2015 to FY 2017 to reflect a revised project schedule. It should be noted that the Department has \$2.1 million of available general obligation bond proceeds available from a 2004 bond referendum to replace the Portsmouth facility.

149. Capital - Salt Storage Facilities. The Governor recommends \$1.7 million from Rhode Island Capital Plan funds for FY 2014 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 \$1.0 million from FY 2014 and \$0.5 million from each subsequent year to reflect historical expenditures as well as a revised project schedule.

150. Gas Tax Estimate - DOT. The House Finance Committee increases available gasoline tax for the Department of Transportation by \$0.7 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.

151. 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 \$0.3 million, which was due to an upward revision of the gasoline tax yield estimate.

Section III

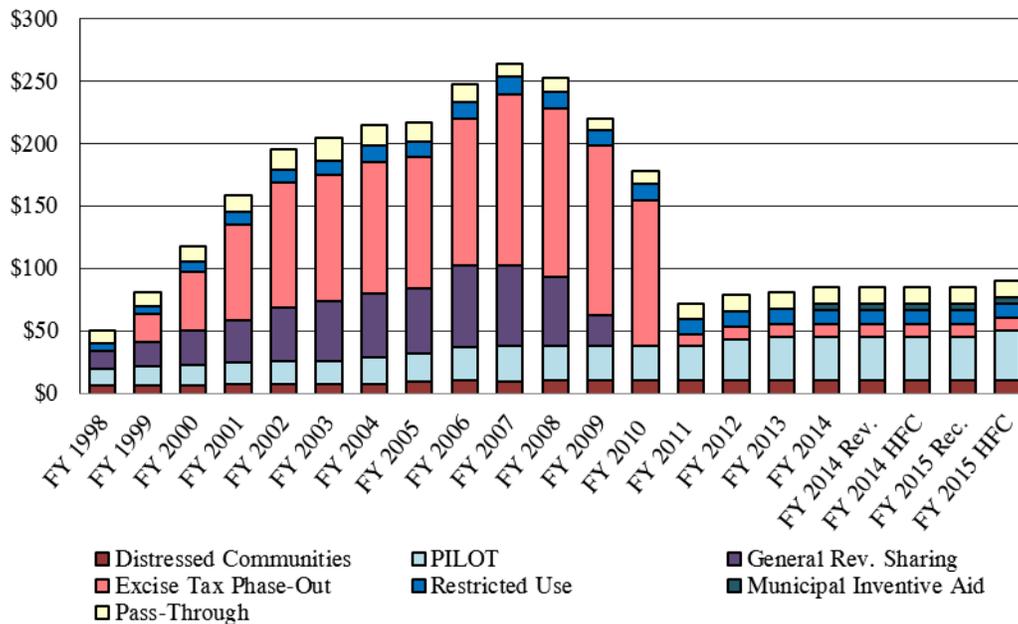
Special Reports

State Aid to Local Governments

Introduction

The House Finance Committee recommends state aid to cities and towns totaling \$72.1 million in FY 2014 and \$77.3 million in FY 2015. Funding for general aid programs includes the enacted level of \$60.5 million for FY 2014 and \$65.5 million for FY 2015. The recommendation for restricted use programs includes \$11.6 million, which is \$0.1 million less than enacted for FY 2014 and \$11.8 million, which is \$0.1 million more than enacted for FY 2015. Local communities will also receive \$13.2 million each year 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 2015.



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 \$60.5 million in FY 2014 and \$65.5 million in FY 2015 for general state aid to local governments.

Fiscal Year	2014 Enacted	2014 Gov. Rev.	2014 HFC	2014 HFC to Gov. Rev.	2015 Gov. Rec.	2015 HFC	2015 HFC to Gov Rec.
General Aid - State Sources							
Distressed Communities	\$ 10.4	\$ 10.4	\$ 10.4	\$ -	\$ 10.4	\$ 10.4	\$ -
PILOT	35.1	35.1	35.1	-	35.1	40.1	5.0
Excise Tax Phase-Out	10.0	10.0	10.0	-	10.0	10.0	-
Municipal Incentive Aid	5.0	5.0	5.0	-	5.0	5.0	-
General Rev. Sharing	-	-	-	-	-	-	-
Subtotal	\$ 60.5	\$ 60.5	\$ 60.5	\$ -	\$ 60.5	\$ 65.5	\$ 5.0
Restricted Use Aid - State Sources							
Library Resource Aid	\$ 8.8	\$ 8.8	\$ 8.8	\$ -	\$ 8.8	\$ 8.8	\$ -
Library Const. Aid	2.5	2.3	2.3	-	2.3	2.3	-
Police & Fire Incentive	-	-	-	-	-	-	-
Prop. Reval. Reimb.	0.5	0.5	0.5	-	0.6	0.6	-
Actuarial Valuation	-	-	-	-	-	-	-
Oversight Reimbursement	-	0.1	0.1	-	0.1	0.1	-
Subtotal	\$ 11.7	\$ 11.6	\$ 11.6	\$ -	\$ 11.8	\$ 11.8	\$ -
Total - State Sources	\$ 72.2	\$ 72.1	\$ 72.1	\$ -	\$ 72.3	\$ 77.3	\$ 5.0
Other Aid - Pass-Through							
Public Service Corp.	\$ 13.2	\$ 13.2	\$ 13.2	\$ 13.2	\$ 13.2	\$ 13.2	\$ -

in millions

- Distressed Communities Relief Fund.** Consistent with the Governor's budget, the House Finance Committee recommends the enacted level of \$10.4 million for the Distressed Communities Relief Fund for FY 2015. 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. Cranston does not qualify as distressed for FY 2015. The House Finance Committee recommends the redistribution of 50.0 percent of Cranston's FY 2014 allocation to the other six communities for FY 2015.
- Payment in Lieu of Taxes Program.** The House Finance Committee recommends \$40.1 million to fund the Payment in Lieu of Taxes program for FY 2015. This is \$5.0 million more than recommended and provided in FY 2014. This program reimburses cities and towns for property taxes which would have been due on real property owned by nonprofit educational institutions, nonprofit hospitals, or any state-owned hospital, veterans' residential facility or correctional facility exempt from taxation by state law. Reimbursement is statutorily based on 27.0 percent of the tax that would have been collected if the property had been taxable, subject to appropriation. The state makes one payment to communities in July of each year. If the appropriation is less than the necessary amount, the reimbursements are ratably reduced. The FY 2014 payment represented a reimbursement of 22.0 percent of the value. The FY 2015 recommendation represents a reimbursement of 24.2 percent of the value.
- Motor Vehicle Excise Tax Phase-Out.** Consistent with the Governor's budget House Finance Committee funds the Motor Vehicles Excise Tax program at the enacted amount of \$10.0 million for FY 2015. 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.*** Consistent with the Governor’s recommendation, the House Finance Committee includes the enacted amount of \$5.0 million for the Municipal Incentive Aid program, which encourages sustainable funding of retirement plans and reduction of unfunded liabilities. For FY 2014, a municipality may receive funding if it has no locally administered pension plan; if it submitted an approved Funding Improvement Plan no later than June 1, 2013, or if it is not required to submit a Funding Improvement Plan. For FY 2015 and FY 2016, a municipality must be funding 100 percent of its annual required contribution; if there is no local plan or a Funding Improvement Plan has been implemented, the municipality remains eligible. Coventry did not submit its funding improvement plan by the deadline for FY 2014 funding. The House Finance Committee recommends a revision to the statute to allow a non-compliant municipality’s allocation to be reappropriated to the following fiscal year, to provide an opportunity to come into compliance.
- ***Library Resource Sharing Aid.*** Consistent with the Governor’s budget, the House Finance Committee recommends \$8.8 million for FY 2015, which is the enacted amount but \$1.0 million or 11.4 percent less than current law requirements. Current law allows 25.0 percent reimbursement of second prior year expenditures.
- ***Library Construction Aid.*** The House Finance Committee concurs with the Governor’s recommendation to provide \$2.3 million to fund library construction aid requirements, 6.8 percent less than the enacted level. The state reimburses libraries up to half 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 on July 1, 2014.
- ***Property Valuation Reimbursement.*** The House Finance Committee provides full funding of \$0.5 million for FY 2014 and \$0.6 million for FY 2015 to reimburse communities conducting property valuation updates. This is consistent with the Governor’s recommendations.
- ***Public Service Corporation Tax.*** The revised FY 2014 and FY 2015 budgets assume the state will collect \$13.2 million 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 2014 Enacted</i>	<i>FY 2014 Gov. Rev. *</i>	<i>Revised Difference</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ 328,398	\$ 344,716	\$ 16,318	\$ 328,236	\$ (162)
Bristol	918,043	904,091	(13,953)	918,712	668
Burrillville	398,460	380,657	(17,803)	397,225	(1,235)
Central Falls	379,693	374,460	(5,233)	375,365	(4,328)
Charlestown	77,455	79,956	2,501	77,457	2
Coventry*	378,558	235,735	(142,823)	385,693	7,135
Cranston	8,901,839	8,905,659	3,820	8,841,551	(60,289)
Cumberland	369,142	394,284	25,142	381,198	12,056
East Greenwich	388,218	357,790	(30,428)	389,325	1,107
East Providence	849,050	885,140	36,090	976,901	127,851
Exeter	114,339	120,355	6,016	113,152	(1,187)
Foster	90,357	77,735	(12,622)	89,293	(1,064)
Glocester	139,534	146,081	6,547	139,418	(116)
Hopkinton	101,455	105,212	3,757	100,594	(861)
Jamestown	61,454	49,386	(12,068)	61,414	(40)
Johnston	510,003	540,531	30,528	512,983	2,980
Lincoln	332,787	309,516	(23,271)	337,754	4,967
Little Compton	40,279	31,274	(9,005)	40,750	471
Middletown	160,616	150,165	(10,451)	161,697	1,081
Narragansett	170,727	141,395	(29,332)	172,003	1,276
Newport	1,351,526	1,302,357	(49,169)	1,352,122	596
New Shoreham	12,466	8,610	(3,856)	11,645	(821)
North Kingstown	350,322	325,229	(25,093)	353,988	3,666
North Providence	1,890,947	1,919,247	28,300	1,892,235	1,288
North Smithfield	224,706	238,191	13,485	233,182	8,476
Pawtucket	2,743,041	2,784,134	41,093	2,734,629	(8,412)
Portsmouth	187,780	167,029	(20,751)	186,830	(950)
Providence	31,217,636	31,239,340	21,704	31,214,071	(3,565)
Richmond	93,903	97,725	3,822	94,496	593
Scituate	173,223	123,883	(49,340)	173,293	70
Smithfield	914,142	915,256	1,114	918,664	4,522
South Kingstown	466,884	445,896	(20,988)	470,055	3,171
Tiverton	181,942	138,183	(43,759)	181,839	(103)
Warren	131,696	137,781	6,085	132,685	989
Warwick	2,767,867	2,890,753	122,886	2,670,238	(97,629)
Westerly	454,558	432,001	(22,557)	451,645	(2,913)
West Greenwich	78,964	81,858	2,894	87,623	8,659
West Warwick	1,027,849	1,011,601	(16,249)	1,033,229	5,380
Woonsocket	1,485,012	1,505,535	20,523	1,471,682	(13,330)
Total	\$ 60,464,867	\$ 60,298,741	\$ (166,126)	\$ 60,464,867	\$ -

**Under current law, Coventry's \$0.2 million allocation would be redistributed to the rest of the communities. HFC revision extends deadline and assumes Coventry will meet it.*

General Aid Total

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

<i>Community</i>	<i>FY 2014 Enacted</i>	<i>FY 2015 Gov. Rec.</i>	<i>FY 2015 Rec. to Enacted</i>	<i>FY 2015 HFC**</i>	<i>FY 2015 HFC to Enacted</i>
Barrington	\$ 328,398	\$ 344,716	\$ 16,318	\$ 330,474	\$ 2,076
Bristol	918,043	904,091	(13,953)	1,050,964	132,921
Burrillville	398,460	380,657	(17,803)	419,599	21,139
Central Falls	379,693	401,768	22,075	399,607	19,914
Charlestown	77,455	79,956	2,501	77,457	2
Coventry*	378,558	401,861	23,303	385,693	7,135
Cranston	8,901,839	7,745,340	(1,156,500)	8,488,692	(413,147)
Cumberland	369,142	394,284	25,142	381,216	12,073
East Greenwich	388,218	357,790	(30,428)	544,659	156,441
East Providence	849,050	885,140	36,090	1,023,506	174,456
Exeter	114,339	120,355	6,016	113,152	(1,187)
Foster	90,357	77,735	(12,622)	89,352	(1,005)
Glocester	139,534	146,081	6,547	139,418	(116)
Hopkinton	101,455	105,212	3,757	100,594	(861)
Jamestown	61,454	49,386	(12,068)	61,414	(40)
Johnston	510,003	540,531	30,528	512,983	2,980
Lincoln	332,787	309,516	(23,271)	337,754	4,967
Little Compton	40,279	31,274	(9,005)	40,750	471
Middletown	160,616	150,165	(10,451)	161,697	1,081
Narragansett	170,727	141,395	(29,332)	172,003	1,276
Newport	1,351,526	1,302,357	(49,169)	1,565,948	214,422
New Shoreham	12,466	8,610	(3,856)	11,645	(821)
North Kingstown	350,322	325,229	(25,093)	353,642	3,319
North Providence	1,890,947	2,021,131	130,184	2,081,761	190,814
North Smithfield	224,706	238,191	13,485	233,182	8,476
Pawtucket	2,743,041	2,919,534	176,494	2,942,994	199,953
Portsmouth	187,780	167,029	(20,751)	186,830	(950)
Providence	31,217,636	31,881,531	663,895	34,738,635	3,520,999
Richmond	93,903	97,725	3,822	94,496	593
Scituate	173,223	123,883	(49,340)	173,293	70
Smithfield	914,142	915,256	1,114	1,027,810	113,667
South Kingstown	466,884	445,896	(20,988)	501,503	34,619
Tiverton	181,942	138,183	(43,759)	181,839	(103)
Warren	131,696	137,781	6,085	132,685	989
Warwick	2,767,867	2,890,753	122,886	3,039,830	271,963
Westerly	454,558	432,001	(22,557)	475,907	21,350
West Greenwich	78,964	81,858	2,894	87,623	8,659
West Warwick	1,027,849	1,118,921	91,071	1,140,549	112,700
Woonsocket	1,485,012	1,651,752	166,739	1,663,717	178,705
Total	\$ 60,464,867	\$ 60,464,867	\$ -	\$ 65,464,867	\$ 5,000,000

*Under current law, Coventry's \$0.2 million allocation would be be redistributed to the rest of the communities. HFC revision extends deadline and assumes Coventry will meet it.

**Corrected from document distributed on June 6, based on certified data from the Division of Municipal Finance.

Distressed Communities Relief

<i>City or Town</i>	<i>FY 2014 Enacted</i>	<i>FY 2014 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	-	-	-	-	-
Central Falls	170,622	170,622	-	170,622	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	2,320,642	2,320,642	-	2,320,642	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	-	-	-	-	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	846,788	846,788	-	846,788	-
North Smithfield	-	-	-	-	-
Pawtucket	1,252,008	1,252,008	-	1,252,008	-
Portsmouth	-	-	-	-	-
Providence	4,429,560	4,429,560	-	4,429,560	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	675,775	675,775	-	675,775	-
Woonsocket	689,062	689,062	-	689,062	-
Total	\$ 10,384,458	\$ 10,384,458	\$ -	\$ 10,384,458	\$ -

Distressed Communities Relief

<i>City or Town</i>	<i>FY 2014 Enacted</i>	<i>FY 2015 Gov. Rec.</i>	<i>FY 2015 Rec. to Enacted</i>	<i>FY 2015 HFC</i>	<i>FY 2015 HFC to Enacted</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	-	-	-	-	-
Central Falls	170,622	197,930	27,308	197,930	27,308
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	2,320,642	1,160,322	(1,160,320)	1,160,322	(1,160,320)
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	-	-	-	-	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	846,788	948,672	101,884	948,672	101,884
North Smithfield	-	-	-	-	-
Pawtucket	1,252,008	1,387,409	135,401	1,387,409	135,401
Portsmouth	-	-	-	-	-
Providence	4,429,560	5,071,751	642,191	5,071,751	642,191
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	675,775	783,095	107,320	783,095	107,320
Woonsocket	689,062	835,279	146,217	835,279	146,217
Total	\$ 10,384,458	\$ 10,384,458	\$ -	\$ 10,384,458	\$ -

Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2014 Enacted</i>	<i>FY 2014 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ 13,387	\$ 13,387	\$ -	\$ 13,387	\$ -
Bristol	692,850	692,849	(1)	692,849	(1)
Burrillville	112,264	112,265	1	112,265	1
Central Falls	24,639	24,638	(1)	24,638	(1)
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	5,236,468	5,236,467	(1)	5,236,467	(1)
Cumberland	101	101	-	101	-
East Greenwich	204,946	204,947	1	204,947	1
East Providence	176,390	176,390	-	176,390	-
Exeter	-	-	-	-	-
Foster	372	372	-	372	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	1,101,494	1,101,495	1	1,101,495	1
New Shoreham	-	-	-	-	-
North Kingstown	1,941	1,941	-	1,941	-
North Providence	544,065	544,065	-	544,065	-
North Smithfield	-	-	-	-	-
Pawtucket	472,601	472,601	-	472,601	-
Portsmouth	-	-	-	-	-
Providence	24,227,138	24,227,138	-	24,227,138	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	537,747	537,747	-	537,747	-
South Kingstown	154,721	154,721	-	154,721	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,226,062	1,226,062	-	1,226,062	-
Westerly	121,833	121,833	-	121,833	-
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	231,391	231,391	-	231,391	-
Total	\$ 35,080,409	\$ 35,080,409	\$ -	\$ 35,080,409	\$ -

Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2015 Gov. Rec.</i>	<i>FY 2015 Adj. Gov. Rec.</i>	<i>Adj. Gov. Rec. to Gov. Rec.</i>	<i>FY 2015 HFC*</i>	<i>HFC to Adj. Gov. Rec.</i>
Barrington	\$ 13,387	\$ 13,676	\$ 289	\$ 15,625	\$ 1,949
Bristol	692,849	722,171	29,321	825,101	102,930
Burrillville	112,265	117,843	5,579	134,639	16,796
Central Falls	24,638	18,881	(5,758)	21,572	2,691
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	5,236,467	5,289,953	53,485	6,043,928	753,975
Cumberland	101	103	2	118	15
East Greenwich	204,947	315,336	110,390	360,281	44,945
East Providence	176,390	195,176	18,786	222,995	27,819
Exeter	-	-	-	-	-
Foster	372	377	5	431	54
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	1,101,495	1,151,236	49,742	1,315,321	164,085
New Shoreham	-	-	-	-	-
North Kingstown	1,941	1,395	(546)	1,594	199
North Providence	544,065	552,902	8,837	631,707	78,805
North Smithfield	-	-	-	-	-
Pawtucket	472,601	477,506	4,905	545,565	68,059
Portsmouth	-	-	-	-	-
Providence	24,227,138	23,727,621	(499,517)	27,109,511	3,381,890
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	537,747	566,193	28,446	646,892	80,699
South Kingstown	154,721	162,945	8,224	186,169	23,224
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,226,062	1,396,598	170,536	1,595,654	199,056
Westerly	121,833	127,869	6,037	146,095	18,226
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	231,391	242,627	11,236	277,209	34,582
Total	\$ 35,080,409	\$ 35,080,409	-	\$ 40,080,409	\$ 5,000,000

**Corrected from document distributed on June 6, based on certified data from the Division of Municipal Finance.*

Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2014 Enacted</i>	<i>FY 2014 Gov. Rev. *</i>	<i>Revised Difference</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ 237,138	\$ 253,456	\$ 16,318	\$ 236,976	\$ (162)
Bristol	115,531	101,579	(13,952)	116,200	669
Burrillville	210,552	192,748	(17,804)	209,316	(1,236)
Central Falls	92,588	87,356	(5,232)	88,261	(4,327)
Charlestown	40,195	42,696	2,501	40,197	2
Coventry	212,432	235,735	23,303	219,567	7,135
Cranston	962,964	966,785	3,821	902,676	(60,288)
Cumberland	210,819	235,961	25,142	222,875	12,056
East Greenwich	120,869	90,440	(30,429)	121,975	1,106
East Providence	448,434	484,524	36,090	576,285	127,851
Exeter	83,465	89,481	6,016	82,278	(1,187)
Foster	68,286	55,664	(12,622)	67,222	(1,064)
Glocester	93,156	99,703	6,547	93,040	(116)
Hopkinton	62,734	66,491	3,757	61,873	(861)
Jamestown	35,751	23,683	(12,068)	35,711	(40)
Johnston	373,565	404,093	30,528	376,545	2,980
Lincoln	232,641	209,370	(23,271)	237,608	4,967
Little Compton	23,665	14,660	(9,005)	24,136	471
Middletown	83,649	73,198	(10,451)	84,730	1,081
Narragansett	95,050	65,718	(29,332)	96,326	1,276
Newport	133,343	84,173	(49,170)	133,938	595
New Shoreham	7,945	4,089	(3,856)	7,124	(821)
North Kingstown	222,551	197,458	(25,093)	226,217	3,666
North Providence	347,631	375,931	28,300	348,919	1,288
North Smithfield	168,480	181,965	13,485	176,956	8,476
Pawtucket	679,794	720,887	41,093	671,382	(8,412)
Portsmouth	105,623	84,872	(20,751)	104,673	(950)
Providence	1,715,886	1,737,590	21,704	1,712,321	(3,565)
Richmond	57,421	61,243	3,822	58,014	593
Scituate	124,283	74,943	(49,340)	124,353	70
Smithfield	274,622	275,736	1,114	279,144	4,522
South Kingstown	167,774	146,786	(20,988)	170,945	3,171
Tiverton	107,432	63,673	(43,759)	107,329	(103)
Warren	80,778	86,863	6,085	81,767	989
Warwick	1,147,235	1,270,121	122,886	1,049,606	(97,629)
Westerly	224,286	201,730	(22,557)	221,373	(2,913)
West Greenwich	50,367	53,261	2,894	59,026	8,659
West Warwick	213,269	197,021	(16,249)	218,649	5,380
Woonsocket	367,796	388,319	20,523	354,466	(13,330)
Total	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -

**Reflects Governor's recommendation subject to change based on Division of Municipal Finance data update; the House Finance Committee reflects updated data.*

Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2014 Enacted</i>	<i>FY 2015 Gov. Rec. *</i>	<i>FY 2015 Rec. to Enacted</i>	<i>FY 2015 HFC</i>	<i>FY 2015 HFC to Enacted</i>
Barrington	\$ 237,138	\$ 253,456	\$ 16,318	\$ 236,976	\$ (162)
Bristol	115,531	101,579	(13,952)	116,200	669
Burrillville	210,552	192,748	(17,804)	209,316	(1,236)
Central Falls	92,588	87,356	(5,232)	88,261	(4,327)
Charlestown	40,195	42,696	2,501	40,197	2
Coventry	212,432	235,735	23,303	219,567	7,135
Cranston	962,964	966,785	3,821	902,676	(60,288)
Cumberland	210,819	235,961	25,142	222,875	12,056
East Greenwich	120,869	90,440	(30,429)	121,975	1,106
East Providence	448,434	484,524	36,090	576,285	127,851
Exeter	83,465	89,481	6,016	82,278	(1,187)
Foster	68,286	55,664	(12,622)	67,222	(1,064)
Glocester	93,156	99,703	6,547	93,040	(116)
Hopkinton	62,734	66,491	3,757	61,873	(861)
Jamestown	35,751	23,683	(12,068)	35,711	(40)
Johnston	373,565	404,093	30,528	376,545	2,980
Lincoln	232,641	209,370	(23,271)	237,608	4,967
Little Compton	23,665	14,660	(9,005)	24,136	471
Middletown	83,649	73,198	(10,451)	84,730	1,081
Narragansett	95,050	65,718	(29,332)	96,326	1,276
Newport	133,343	84,173	(49,170)	133,938	595
New Shoreham	7,945	4,089	(3,856)	7,124	(821)
North Kingstown	222,551	197,458	(25,093)	226,217	3,666
North Providence	347,631	375,931	28,300	348,919	1,288
North Smithfield	168,480	181,965	13,485	176,956	8,476
Pawtucket	679,794	720,887	41,093	671,382	(8,412)
Portsmouth	105,623	84,872	(20,751)	104,673	(950)
Providence	1,715,886	1,737,590	21,704	1,712,321	(3,565)
Richmond	57,421	61,243	3,822	58,014	593
Scituate	124,283	74,943	(49,340)	124,353	70
Smithfield	274,622	275,736	1,114	279,144	4,522
South Kingstown	167,774	146,786	(20,988)	170,945	3,171
Tiverton	107,432	63,673	(43,759)	107,329	(103)
Warren	80,778	86,863	6,085	81,767	989
Warwick	1,147,235	1,270,121	122,886	1,049,606	(97,629)
Westerly	224,286	201,730	(22,557)	221,373	(2,913)
West Greenwich	50,367	53,261	2,894	59,026	8,659
West Warwick	213,269	197,021	(16,249)	218,649	5,380
Woonsocket	367,796	388,319	20,523	354,466	(13,330)
Total	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -

**Reflects Governor's recommendation subject to change based on Division of Municipal Finance data update; the House Finance Committee reflects updated data.*

Municipal Incentive Aid

<i>City or Town</i>	<i>FY 2014 Enacted</i>	<i>FY 2014 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Gov. Rev.</i>
Barrington	\$ 77,873	\$ 77,873	\$ -	\$ 77,873	\$ -
Bristol	109,663	109,663	-	109,663	-
Burrillville	75,644	75,644	-	75,644	-
Central Falls	91,844	91,844	-	91,844	-
Charlestown	37,260	37,260	-	37,260	-
Coventry*	166,126	-	(166,126)	166,126	166,126
Cranston	381,766	381,766	-	381,766	-
Cumberland	158,223	158,223	-	158,223	-
East Greenwich	62,403	62,403	-	62,403	-
East Providence	224,226	224,226	-	224,226	-
Exeter	30,874	30,874	-	30,874	-
Foster	21,699	21,699	-	21,699	-
Glocester	46,378	46,378	-	46,378	-
Hopkinton	38,721	38,721	-	38,721	-
Jamestown	25,703	25,703	-	25,703	-
Johnston	136,438	136,438	-	136,438	-
Lincoln	100,146	100,146	-	100,146	-
Little Compton	16,614	16,614	-	16,614	-
Middletown	76,967	76,967	-	76,967	-
Narragansett	75,677	75,677	-	75,677	-
Newport	116,689	116,689	-	116,689	-
New Shoreham	4,521	4,521	-	4,521	-
North Kingstown	125,831	125,831	-	125,831	-
North Providence	152,463	152,463	-	152,463	-
North Smithfield	56,226	56,226	-	56,226	-
Pawtucket	338,638	338,638	-	338,638	-
Portsmouth	82,157	82,157	-	82,157	-
Providence	845,052	845,052	-	845,052	-
Richmond	36,482	36,482	-	36,482	-
Scituate	48,940	48,940	-	48,940	-
Smithfield	101,774	101,774	-	101,774	-
South Kingstown	144,389	144,389	-	144,389	-
Tiverton	74,510	74,510	-	74,510	-
Warren	50,918	50,918	-	50,918	-
Warwick	394,570	394,570	-	394,570	-
Westerly	108,439	108,439	-	108,439	-
West Greenwich	28,597	28,597	-	28,597	-
West Warwick	138,805	138,805	-	138,805	-
Woonsocket	196,763	196,763	-	196,763	-
Total	\$ 5,000,000	\$ 4,833,874	\$ (166,126)	\$ 5,000,000	\$ 166,126

*HFC language allows FY 2014 distribution to be reappropriated to FY 2015, assuming criteria for aid are met

Municipal Incentive Aid

<i>City or Town</i>	<i>FY 2014 Enacted</i>	<i>FY 2015 Gov. Rec.</i>	<i>FY 2015 Rec. to Enacted</i>	<i>FY 2015** HFC</i>	<i>FY 2015 HFC to Enacted</i>
Barrington	\$ 77,873	\$ 77,873	\$ -	\$ 77,873	\$ -
Bristol	109,663	109,663	-	109,663	-
Burrillville	75,644	75,644	-	75,644	-
Central Falls	91,844	91,844	-	91,844	-
Charlestown	37,260	37,260	-	37,260	-
Coventry*	166,126	166,126	-	166,126	-
Cranston	381,766	381,766	-	381,766	-
Cumberland	158,223	158,223	-	158,223	-
East Greenwich	62,403	62,403	-	62,403	-
East Providence	224,226	224,226	-	224,226	-
Exeter	30,874	30,874	-	30,874	-
Foster	21,699	21,699	-	21,699	-
Glocester	46,378	46,378	-	46,378	-
Hopkinton	38,721	38,721	-	38,721	-
Jamestown	25,703	25,703	-	25,703	-
Johnston	136,438	136,438	-	136,438	-
Lincoln	100,146	100,146	-	100,146	-
Little Compton	16,614	16,614	-	16,614	-
Middletown	76,967	76,967	-	76,967	-
Narragansett	75,677	75,677	-	75,677	-
Newport	116,689	116,689	-	116,689	-
New Shoreham	4,521	4,521	-	4,521	-
North Kingstown	125,831	125,831	-	125,831	-
North Providence	152,463	152,463	-	152,463	-
North Smithfield	56,226	56,226	-	56,226	-
Pawtucket	338,638	338,638	-	338,638	-
Portsmouth	82,157	82,157	-	82,157	-
Providence	845,052	845,052	-	845,052	-
Richmond	36,482	36,482	-	36,482	-
Scituate	48,940	48,940	-	48,940	-
Smithfield	101,774	101,774	-	101,774	-
South Kingstown	144,389	144,389	-	144,389	-
Tiverton	74,510	74,510	-	74,510	-
Warren	50,918	50,918	-	50,918	-
Warwick	394,570	394,570	-	394,570	-
Westerly	108,439	108,439	-	108,439	-
West Greenwich	28,597	28,597	-	28,597	-
West Warwick	138,805	138,805	-	138,805	-
Woonsocket	196,763	196,763	-	196,763	-
Total	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 5,000,000	\$ -

*HFC language allows FY 2014 distribution to be reappropriated to FY 2015, assuming criteria for aid are met

**FY 2015 distribution subject to change based on updated population data

Library Aid

<i>City or Town</i>	<i>FY 2014 Enacted</i>	<i>FY 2014 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ 341,149	\$ 341,148	\$ (1)	\$ 341,149	\$ -
Bristol	129,784	129,784	-	129,784	-
Burrillville	129,564	129,564	-	129,564	-
Central Falls	14,022	14,022	-	14,022	-
Charlestown	47,837	47,837	-	47,837	-
Coventry	215,315	215,315	-	215,315	-
Cranston	541,181	541,181	-	541,181	-
Cumberland	268,332	268,332	-	268,332	-
East Greenwich	121,963	121,962	(1)	121,963	-
East Providence	403,334	403,334	-	403,334	-
Exeter	41,703	41,703	-	41,703	-
Foster	31,569	31,569	-	31,569	-
Glocester	71,674	71,674	-	71,674	-
Hopkinton	34,084	34,084	-	34,084	-
Jamestown	80,467	80,467	-	80,467	-
Johnston	120,380	120,380	-	120,380	-
Lincoln	191,841	191,841	-	191,841	-
Little Compton	29,670	29,670	-	29,670	-
Middletown	135,566	135,566	-	135,566	-
Narragansett	123,055	123,055	-	123,055	-
Newport	378,526	378,526	-	378,526	-
New Shoreham	78,316	78,316	-	78,316	-
North Kingstown	263,710	263,709	(1)	263,710	-
North Providence	171,750	171,750	-	171,750	-
North Smithfield	63,341	63,341	-	63,341	-
Pawtucket	315,245	315,245	-	315,245	-
Portsmouth	103,446	103,446	-	103,446	-
Providence*	2,257,761	2,257,766	5	2,257,761	-
Richmond	26,139	26,139	-	26,139	-
Scituate	95,169	95,169	-	95,169	-
Smithfield	269,659	269,659	-	269,659	-
South Kingstown	203,946	203,945	(1)	203,946	-
Tiverton	94,109	94,109	-	94,109	-
Warren	53,561	53,561	-	53,561	-
Warwick	688,368	688,368	-	688,368	-
Westerly	265,543	265,542	(1)	265,543	-
West Greenwich	27,126	27,126	-	27,126	-
West Warwick	147,770	147,770	-	147,770	-
Woonsocket	197,423	197,423	-	197,423	-
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 2014 Enacted</i>	<i>FY 2015 Gov. Rec.</i>	<i>FY 2015 Rec. to Enacted</i>	<i>FY 2015 HFC</i>	<i>FY 2015 HFC to Enacted</i>
Barrington	\$ 341,149	\$ 341,488	\$ 339	\$ 341,488	\$ 339
Bristol	129,784	139,595	9,811	139,595	9,811
Burrillville	129,564	141,022	11,458	141,022	11,458
Central Falls	14,022	17,569	3,547	17,569	3,547
Charlestown	47,837	47,766	(71)	47,766	(71)
Coventry	215,315	222,474	7,159	222,474	7,159
Cranston	541,181	539,079	(2,102)	539,079	(2,102)
Cumberland	268,332	273,112	4,780	273,112	4,780
East Greenwich	121,963	121,085	(878)	121,085	(878)
East Providence	403,334	363,025	(40,309)	363,025	(40,309)
Exeter	41,703	45,664	3,961	45,664	3,961
Foster	31,569	31,550	(19)	31,550	(19)
Glocester	71,674	71,631	(43)	71,631	(43)
Hopkinton	34,084	34,685	601	34,685	601
Jamestown	80,467	87,697	7,230	87,697	7,230
Johnston	120,380	124,729	4,349	124,729	4,349
Lincoln	191,841	191,018	(823)	191,018	(823)
Little Compton	29,670	30,298	628	30,298	628
Middletown	135,566	137,973	2,407	137,973	2,407
Narragansett	123,055	122,983	(72)	122,983	(72)
Newport	378,526	381,739	3,213	381,739	3,213
New Shoreham	78,316	78,270	(46)	78,270	(46)
North Kingstown	263,710	273,440	9,730	273,440	9,730
North Providence	171,750	176,242	4,492	176,242	4,492
North Smithfield	63,341	63,304	(37)	63,304	(37)
Pawtucket	315,245	329,493	14,248	329,493	14,248
Portsmouth	103,446	103,554	108	103,554	108
Providence*	2,257,761	2,207,807	(49,954)	2,207,807	(49,954)
Richmond	26,139	26,531	392	26,531	392
Scituate	95,169	95,113	(56)	95,113	(56)
Smithfield	269,659	269,275	(384)	269,275	(384)
South Kingstown	203,946	199,345	(4,601)	199,345	(4,601)
Tiverton	94,109	102,842	8,733	102,842	8,733
Warren	53,561	53,916	355	53,916	355
Warwick	688,368	691,943	3,575	691,943	3,575
Westerly	265,543	255,839	(9,704)	255,839	(9,704)
West Greenwich	27,126	28,154	1,028	28,154	1,028
West Warwick	147,770	155,644	7,874	155,644	7,874
Woonsocket	197,423	196,505	(919)	196,505	(919)
Total	\$ 8,773,398	\$ 8,773,398	\$ -	\$ 8,773,398	\$ -

Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2014 Enacted</i>	<i>FY 2014 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2014 HFC</i>	<i>FY 2014 HFC to Enacted</i>
Barrington	\$ 205,617	\$ 205,617	\$ -	\$ 205,617	\$ -
Bristol	289,555	289,555	-	289,555	-
Burrillville	199,730	199,730	-	199,730	-
Central Falls	242,507	242,507	-	242,507	-
Charlestown	98,381	98,381	-	98,381	-
Coventry	438,642	438,642	-	438,642	-
Cranston	1,008,020	1,008,020	-	1,008,020	-
Cumberland	417,774	417,774	-	417,774	-
East Greenwich	164,770	164,770	-	164,770	-
East Providence	592,051	592,051	-	592,051	-
Exeter	81,520	81,520	-	81,520	-
Foster	57,295	57,295	-	57,295	-
Glocester	122,456	122,456	-	122,456	-
Hopkinton	102,239	102,239	-	102,239	-
Jamestown	67,867	67,867	-	67,867	-
Johnston	360,253	360,253	-	360,253	-
Lincoln	264,428	264,428	-	264,428	-
Little Compton	43,867	43,867	-	43,867	-
Middletown	203,225	203,225	-	203,225	-
Narragansett	199,818	199,818	-	199,818	-
Newport	308,107	308,107	-	308,107	-
New Shoreham	11,937	11,937	-	11,937	-
North Kingstown	332,245	332,245	-	332,245	-
North Providence	402,567	402,567	-	402,567	-
North Smithfield	148,460	148,460	-	148,460	-
Pawtucket	894,145	894,145	-	894,145	-
Portsmouth	216,929	216,929	-	216,929	-
Providence	2,231,291	2,231,291	-	2,231,291	-
Richmond	96,326	96,326	-	96,326	-
Scituate	129,220	129,220	-	129,220	-
Smithfield	268,724	268,724	-	268,724	-
South Kingstown	381,247	381,247	-	381,247	-
Tiverton	196,736	196,736	-	196,736	-
Warren	134,444	134,444	-	134,444	-
Warwick	1,041,829	1,041,829	-	1,041,829	-
Westerly	286,324	286,324	-	286,324	-
West Greenwich	75,508	75,508	-	75,508	-
West Warwick	366,504	366,504	-	366,504	-
Woonsocket	519,536	519,536	-	519,536	-
Total	\$ 13,202,094	\$ 13,202,094	\$ -	\$ 13,202,094	\$ -

Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2014 Enacted</i>	<i>FY 2015 Gov. Rec.</i>	<i>FY 2015 Rec. to Enacted</i>	<i>FY 2015 HFC</i>	<i>FY 2015 HFC to Enacted</i>
Barrington	\$ 205,617	\$ 205,617	\$ -	\$ 205,617	\$ -
Bristol	289,555	289,555	-	289,555	-
Burrillville	199,730	199,730	-	199,730	-
Central Falls	242,507	242,507	-	242,507	-
Charlestown	98,381	98,381	-	98,381	-
Coventry	438,642	438,642	-	438,642	-
Cranston	1,008,020	1,008,020	-	1,008,020	-
Cumberland	417,774	417,774	-	417,774	-
East Greenwich	164,770	164,770	-	164,770	-
East Providence	592,051	592,051	-	592,051	-
Exeter	81,520	81,520	-	81,520	-
Foster	57,295	57,295	-	57,295	-
Glocester	122,456	122,456	-	122,456	-
Hopkinton	102,239	102,239	-	102,239	-
Jamestown	67,867	67,867	-	67,867	-
Johnston	360,253	360,253	-	360,253	-
Lincoln	264,428	264,428	-	264,428	-
Little Compton	43,867	43,867	-	43,867	-
Middletown	203,225	203,225	-	203,225	-
Narragansett	199,818	199,818	-	199,818	-
Newport	308,107	308,107	-	308,107	-
New Shoreham	11,937	11,937	-	11,937	-
North Kingstown	332,245	332,245	-	332,245	-
North Providence	402,567	402,567	-	402,567	-
North Smithfield	148,460	148,460	-	148,460	-
Pawtucket	894,145	894,145	-	894,145	-
Portsmouth	216,929	216,929	-	216,929	-
Providence	2,231,291	2,231,291	-	2,231,291	-
Richmond	96,326	96,326	-	96,326	-
Scituate	129,220	129,220	-	129,220	-
Smithfield	268,724	268,724	-	268,724	-
South Kingstown	381,247	381,247	-	381,247	-
Tiverton	196,736	196,736	-	196,736	-
Warren	134,444	134,444	-	134,444	-
Warwick	1,041,829	1,041,829	-	1,041,829	-
Westerly	286,324	286,324	-	286,324	-
West Greenwich	75,508	75,508	-	75,508	-
West Warwick	366,504	366,504	-	366,504	-
Woonsocket	519,536	519,536	-	519,536	-
Total	\$ 13,202,094	\$ 13,202,094	\$ -	\$ 13,202,094	\$ -

Meals and Beverage Tax

<i>City or Town</i>	<i>FY 2010</i>	<i>FY 2011</i>	<i>FY 2012</i>	<i>FY 2013</i>
Barrington	\$ 135,553	\$ 135,625	\$ 135,686	\$ 137,483
Bristol	303,168	327,042	340,439	333,801
Burrillville	172,887	174,052	170,110	194,053
Central Falls	88,173	92,902	100,396	95,042
Charlestown	97,087	102,788	106,466	109,250
Coventry	333,263	331,317	359,173	353,161
Cranston	1,321,908	1,342,820	1,464,102	1,496,186
Cumberland	350,310	357,915	377,291	387,440
East Greenwich	428,133	447,265	467,401	505,899
East Providence	729,001	740,237	789,039	815,946
Exeter	71,128	72,117	73,550	77,753
Foster	17,376	15,627	14,081	14,837
Glocester	54,010	57,017	70,135	72,985
Hopkinton	43,754	43,541	47,474	51,648
Jamestown	80,395	79,350	81,039	77,397
Johnston	429,028	455,592	464,125	464,676
Lincoln	609,715	623,233	680,568	680,872
Little Compton	39,576	36,462	32,462	38,168
Middletown	561,285	565,079	609,116	601,666
Narragansett	460,758	460,945	534,213	500,618
Newport	1,526,834	1,627,651	1,833,841	1,912,423
New Shoreham	225,939	225,192	256,173	257,729
North Kingstown	419,321	424,631	463,093	462,381
North Providence	344,523	338,650	333,767	348,156
North Smithfield	160,440	156,161	181,683	195,593
Pawtucket	633,198	643,598	670,833	649,192
Portsmouth	166,628	168,433	172,717	177,469
Providence	3,961,890	4,047,090	4,443,753	4,555,807
Richmond	102,635	110,470	116,580	118,985
Scituate	52,460	53,285	60,262	67,382
Smithfield	513,546	524,556	558,121	582,110
South Kingstown	536,657	561,221	623,204	642,828
Tiverton	151,924	156,098	189,157	188,622
Warren	202,368	208,132	241,958	230,369
Warwick	2,151,135	2,130,242	2,319,661	2,338,168
Westerly	593,704	625,338	704,012	713,100
West Greenwich	95,914	101,165	97,853	103,943
West Warwick	322,737	324,975	311,829	313,596
Woonsocket	494,686	495,850	500,016	488,443
Total	\$ 18,983,046	\$ 19,383,665	\$ 20,995,381	\$ 21,355,178

Local Hotel Tax

<i>City or Town</i>	<i>FY 2010</i>	<i>FY 2011</i>	<i>FY 2012</i>	<i>FY 2013</i>
Barrington	\$ -	\$ -	\$ -	\$ -
Bristol	12,395	14,742	13,073	14,631
Burrillville	-	-	-	-
Central Falls	-	-	-	-
Charlestown	6,622	9,477	8,766	8,232
Coventry	29,063	33,396	30,491	29,526
Cranston	7,708	3,301	3,967	3,929
Cumberland	-	-	-	-
East Greenwich	133	189	158	229
East Providence	12,544	13,695	15,378	15,256
Exeter	-	-	-	-
Foster	136	74	57	38
Glocester	700	825	781	816
Hopkinton	6	-	-	-
Jamestown	3,635	3,818	4,409	4,043
Johnston	3,471	2,885	2,824	3,020
Lincoln	33,457	36,521	38,782	41,808
Little Compton	4,512	5,589	3,777	4,474
Middletown	233,101	232,431	263,989	259,616
Narragansett	30,542	37,474	34,552	34,265
Newport	-	-	-	790,380
New Shoreham	92,485	99,549	99,845	112,692
North Kingstown	5,751	9,739	28,071	31,236
North Providence	-	-	-	-
North Smithfield	844	956	1,108	1,379
Pawtucket	20,151	19,148	18,645	20,463
Portsmouth	2,769	2,967	3,627	3,943
Providence	644,561	707,255	753,159	782,201
Richmond	1,439	1,517	1,499	1,596
Scituate	1,621	1,622	1,717	1,458
Smithfield	39,029	52,094	56,265	56,971
South Kingstown	45,334	50,496	53,940	56,764
Tiverton	-	-	-	-
Warren	-	-	-	-
Warwick	352,362	353,993	386,408	416,065
Westerly	71,162	116,835	143,201	163,639
West Greenwich	31,174	35,515	36,480	39,230
West Warwick	40,852	42,026	38,451	36,974
Woonsocket	16,805	17,533	23,292	27,010
Total	\$ 1,744,364	\$ 1,905,664	\$ 2,066,715	\$ 2,961,884

FY 2015 Education Aid

The House Finance Committee funds the fourth year of the education funding formula adopted by the 2010 Assembly. The calculation for FY 2015 uses March 14, 2014 student enrollment data adjusted for FY 2015 anticipated charter school enrollments, a per pupil core instruction amount of \$8,966 and state share ratio variables updated with June 30, 2013 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 fourth 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 2015. Group home aid is paid pursuant to current law in addition to aid paid through the funding formula. It includes the Governor's proposal to reduce each district's enrollment by the number of group home beds from the funding formula data and phasing the reduction in over the remaining years of the transition period.

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, and transportation costs. Column **C** shows the House Finance Committee recommendation for distribution from high-cost special education and transportation funds.

D. Column **D** shows the House Finance Committee's FY 2015 total education aid recommendation.

E. Column **E** is the FY 2014 enacted aid.

F. Column **F** is the difference between the House Finance Committee's FY 2015 recommendation shown in Column **D** and the FY 2014 enacted budget in Column **E**.

G. Column **G** is the Governor's FY 2015 recommended budget. It was based on June 30, 2013 student enrollment data.

H. Column **H** is the difference between the House Finance Committee's FY 2015 recommendation shown in Column **D** and the Governor's FY 2015 recommendation shown in Column **G**.

	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>
<i>District</i>	<i>FY 2015 Formula Aid</i>	<i>Group Home Aid</i>	<i>All Categoricals</i>	<i>Total FY 2015 HFC</i>
Barrington	\$ 4,605,698	\$ -	\$ 95,720	\$ 4,701,418
Burrillville	12,856,352	266,361	25,668	13,148,381
Charlestown	1,708,666	-	-	1,708,666
Coventry	20,875,838	107,883	56,103	21,039,824
Cranston	46,449,281	53,182	537,915	47,040,378
Cumberland	15,614,645	-	141,791	15,756,436
East Greenwich	2,393,843	-	75,712	2,469,555
East Providence	28,665,701	575,275	132,024	29,373,000
Foster	1,178,486	-	14,706	1,193,192
Glocester	2,616,917	-	23,566	2,640,483
Hopkinton	5,576,348	-	-	5,576,348
Jamestown	399,684	-	7,150	406,834
Johnston	12,903,198	-	289,611	13,192,809
Lincoln	9,663,768	123,826	68,268	9,855,862
Little Compton	401,928	-	-	401,928
Middletown	8,516,447	374,656	14,206	8,905,309
Narragansett	1,987,115	-	6,805	1,993,920
Newport	10,368,288	254,914	-	10,623,202
New Shoreham	82,308	-	8,795	91,103
North Kingstown	10,713,691	-	11,776	10,725,467
North Providence	16,205,220	211,819	190,821	16,607,860
North Smithfield	5,442,117	110,978	34,750	5,587,845
Pawtucket	74,103,107	606,854	132,974	74,842,935
Portsmouth	4,303,673	547,476	31,278	4,882,427
Providence	212,761,547	1,541,907	552,393	214,855,642
Richmond	5,205,437	-	-	5,205,437
Scituate	3,913,719	-	46,718	3,960,437
Smithfield	4,798,909	233,753	82,550	5,115,212
South Kingstown	7,533,978	308,034	135,145	7,977,157
Tiverton	5,800,664	-	27,501	5,828,165
Warwick	35,657,698	301,470	105,609	36,064,777
Westerly	7,620,088	-	84,105	7,704,193
West Warwick	20,973,995	-	53,608	21,027,603
Woonsocket	50,568,580	98,870	22,828	50,690,278
Bristol-Warren	15,946,147	114,733	689,065	16,749,945
Chariho	229,922	-	1,086,523	1,316,445
Exeter-West Greenwich	5,642,766	261,242	733,619	6,637,627
Foster-Glocester	4,947,130	-	257,331	5,204,461
Central Falls	39,036,248	-	74,421	39,110,669
Total	\$ 718,269,149	\$ 6,093,233	\$ 5,851,055	\$ 730,213,232
<i>Adjusted Chariho</i>	12,720,373	-	1,086,523	13,806,896

<i>District</i>	<i>E</i>	<i>F</i>	<i>G</i>	<i>H</i>
	<i>FY 2014 Enacted</i>	<i>Total FY 2015 Change to Enacted</i>	<i>FY 2015 Governor</i>	<i>FY 2015 Total Change to Governor</i>
Barrington	\$ 3,918,965	\$ 782,454	\$ 4,708,910	\$ (7,492)
Burrillville	12,712,387	435,995	13,149,618	(1,236)
Charlestown	1,706,995	1,671	1,711,607	(2,940)
Coventry	20,180,158	859,666	21,355,358	(315,534)
Cranston	42,922,101	4,118,277	47,191,324	(150,946)
Cumberland	14,621,350	1,135,087	15,760,030	(3,594)
East Greenwich	2,266,168	203,386	2,497,666	(28,111)
East Providence	27,403,793	1,969,207	29,448,070	(75,071)
Foster	1,189,070	4,123	1,192,364	829
Glocester	2,683,922	(43,439)	2,666,355	(25,872)
Hopkinton	5,515,535	60,813	5,614,461	(38,113)
Jamestown	359,449	47,385	408,613	(1,779)
Johnston	11,636,085	1,556,725	13,249,669	(56,859)
Lincoln	8,822,047	1,033,814	9,863,322	(7,460)
Little Compton	365,270	36,658	404,941	(3,013)
Middletown	8,678,862	226,446	8,965,266	(59,957)
Narragansett	1,799,609	194,311	2,017,703	(23,783)
Newport	10,371,310	251,892	10,682,365	(59,163)
New Shoreham	75,366	15,737	90,084	1,019
North Kingstown	10,791,146	(65,678)	10,726,167	(700)
North Providence	14,744,604	1,863,256	16,481,577	126,283
North Smithfield	5,244,804	343,042	5,600,098	(12,253)
Pawtucket	70,719,232	4,123,703	74,991,001	(148,066)
Portsmouth	4,570,144	312,282	4,887,635	(5,208)
Providence	203,678,050	11,177,592	213,809,167	1,046,475
Richmond	5,335,436	(129,999)	5,195,425	10,011
Scituate	3,685,657	274,781	3,960,292	146
Smithfield	4,684,041	431,171	5,036,541	78,671
South Kingstown	7,785,495	191,662	7,967,638	9,519
Tiverton	5,769,004	59,161	5,853,852	(25,687)
Warwick	34,762,103	1,302,675	36,301,192	(236,415)
Westerly	7,122,961	581,233	7,727,359	(23,166)
West Warwick	20,265,989	761,614	20,940,439	87,164
Woonsocket	47,972,469	2,717,809	50,546,603	143,675
Bristol-Warren	16,455,588	294,356	16,763,494	(13,549)
Chariho	268,242	1,048,203	1,316,445	-
Exeter-West Greenwich	5,858,269	779,358	6,614,425	23,202
Foster-Glocester	5,001,610	202,851	5,229,556	(25,094)
Central Falls	38,399,592	711,077	38,920,273	190,396
Total	\$ 690,342,875	\$ 39,870,358	\$ 729,846,904	\$ 366,328
<i>Adjusted Chariho</i>	12,826,208	980,688	13,837,938	(31,042)

Total Funding to Charter and State Schools

- A.** Column **A** is the FY 2014 enacted formula aid.
- B.** Column **B** includes mid-year revisions to FY 2014 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 2015. It uses March 14, 2014 enrollment and lottery data.
- D.** Column **D** is the difference between FY 2015 base funding and FY 2014 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 2015 recommended formula aid. It is the transition calculation in Column **E** added or subtracted from the FY 2014 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 fourth year of funding under the formula and total state formula aid shown in Column **C**.
- H.** Column **H** shows the Governor's FY 2015 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**.

<i>School</i>	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>
	<i>FY 2014 Enacted Formula Aid</i>	<i>FY 2014 Revised Formula Aid</i>	<i>FY 2015 Base Formula Funding</i>	<i>Difference</i>	<i>Transition = 1/4th or 1/7th*</i>
Achievement First	\$ 1,745,202	\$ 1,745,202	\$ 2,705,111	\$ 959,909	\$ 959,909
Beacon	1,682,079	1,682,079	1,663,348	(18,731)	(2,676)
Blackstone	1,619,062	1,619,062	1,754,350	135,288	33,822
Compass	561,195	561,195	377,410	(183,785)	(26,255)
Engineering Early College	-	-	1,067,169	1,067,169	1,067,169
Greene School	892,101	888,954	1,094,071	201,970	50,493
Highlander	3,331,257	3,331,257	3,754,605	423,348	423,348
Hope Academy	-	-	369,149	369,149	369,149
International	2,867,619	2,867,619	2,866,684	(935)	(134)
Kingston Hill	653,830	653,830	456,333	(197,497)	(28,214)
Learning Community	6,122,147	6,122,147	6,184,713	62,566	15,642
New England Laborers	1,230,541	1,230,541	977,469	(253,072)	(36,153)
Nowell	1,573,568	1,573,568	1,666,327	92,759	23,190
Nurses Institute	2,478,686	2,478,686	2,599,870	121,184	30,296
Paul Cuffee	7,962,677	7,962,677	7,962,724	47	12
RI Mayoral Academies Blackstone Prep.	7,818,591	7,818,591	9,068,092	1,249,501	1,249,501
Segue Institute	2,596,191	2,596,191	2,809,251	213,060	53,265
Southside Elementary	-	-	255,742	255,742	255,742
Textron	2,342,238	2,255,254	2,173,805	(168,433)	(24,062)
Times2 Academy	7,013,322	7,013,322	6,827,673	(185,649)	(26,521)
Trinity	1,448,044	1,448,044	1,755,462	307,418	307,418
Village Green	1,209,709	1,209,709	1,600,555	390,846	390,846
<i>Charter Schools Subtotal</i>	<i>\$ 55,148,059</i>	<i>\$ 55,057,928</i>	<i>\$ 59,989,913</i>	<i>\$ 4,841,854</i>	<i>\$ 5,085,786</i>
Davies Career and Tech**	12,792,048	12,792,048	8,133,283	(4,658,765)	(551,874)
Met School	11,085,049	11,085,049	6,999,226	(4,085,823)	(583,689)
Urban Collaborative	296,703	296,703	1,438,504	1,141,801	277,810
Total	\$ 79,321,859	\$ 79,231,728	\$ 76,560,926	\$(2,760,933)	\$ 4,228,033

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

** Includes data adjustment based on current law

<i>School</i>	<i>F</i>	<i>G</i>	<i>H</i>	<i>I</i>
	<i>FY 2015 HFC Aid</i>	<i>Change to Base Calculation</i>	<i>FY 2015 Governor Recommendation</i>	<i>Change to Governor</i>
Achievement First	\$ 2,705,111	\$ -	\$ 4,408,893	\$ (1,703,782)
Beacon	1,679,403	-	1,675,426	3,977
Blackstone	1,652,884	16,055	1,655,787	(2,903)
Compass	534,940	(101,466)	546,658	(11,718)
Engineering Early College	1,067,169	157,530	1,067,169	-
Greene School	942,594	-	924,518	18,075
Highlander	3,754,605	(151,478)	3,758,673	(4,068)
Hope Academy	369,149	-	808,669	(439,520)
International	2,867,485	-	2,864,354	3,132
Kingston Hill	625,616	801	618,614	7,002
Learning Community	6,137,789	169,283	6,145,261	(7,472)
New England Laborers	1,194,388	(46,925)	1,208,033	(13,646)
Nowell	1,596,758	216,919	1,579,358	17,400
Nurses Institute	2,508,982	(69,569)	2,487,652	21,330
Paul Cuffee	7,962,689	(90,888)	7,981,633	(18,944)
RI Mayoral Academies Blackstone Prep.	9,068,092	(35)	9,501,709	(433,617)
Segue Institute	2,649,456	-	2,631,920	17,537
Southside Elementary	255,742	(159,795)	255,742	-
Textron	2,318,176	-	2,367,223	(49,046)
Times2 Academy	6,986,801	144,371	6,981,388	5,413
Trinity	1,755,462	159,128	1,828,080	(72,618)
Village Green	1,600,555	-	1,848,404	(247,849)
<i>Charter Schools Subtotal</i>	\$ 60,233,845	\$ 243,932	\$ 63,145,163	\$ (2,911,318)
Davies Career and Tech**	12,240,174	4,106,891	12,227,793	12,381
Met School	10,501,360	3,502,134	10,536,607	(35,247)
Urban Collaborative	574,513	(863,991)	670,967	(96,454)
Total	\$ 83,549,892	\$ 6,988,966	\$ 86,580,530	\$ (3,030,638)

Section IV

Adjustments to Governor's Revised Budget

	FY 2014 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
	Revenue Changes					
1	May Revenue Conference	(10,614,976)	-	-	-	(10,614,976)
2	Bond premium proceeds to MRBRF	(3,320,978)	-	-	-	(3,320,978)
3	Hospital License Fee at 5.418%	4,631,396	-	-	-	4,631,396
4	New Health Department Grant	29,465	-	-	-	29,465
	Total	(9,275,093)	-	-	-	(9,275,093)
	Expenditures Changes					
	Statewide					
5	State Employee Contracts	2,700,000	1,200,000	260,000	1,700,000	5,860,000
	Administration					
6	Bureau of Audits Reimbursement	-	-	-	(25,000)	(25,000)
7	Capital - Cannon Building	-	-	-	(335,000)	(335,000)
8	Capital - Cranston Street Armory	-	-	-	(825,544)	(825,544)
9	Capital - Environmental Compliance	-	-	-	(46,000)	(46,000)
10	Capital - Health Lab Feasibility Study	-	-	-	12,501	12,501
11	Capital - Ladd Buildings Demolition	-	-	-	(720,000)	(720,000)
12	Capital - Ladd Rubble Pile	-	-	-	(45,000)	(45,000)
13	Capital - Pastore Fire Code Compliance	-	-	-	(76,455)	(76,455)
14	Capital - Pastore Power Plant	-	-	-	164,516	164,516
15	Capital - Big River Management Area	-	-	-	(70,000)	(70,000)
16	Capital - State House Renovations	-	-	-	197,468	197,468
17	Capital - State Office Building	-	-	-	(250,000)	(250,000)
18	Capital - Veterans Land Purchase	-	-	-	(188,000)	(188,000)
19	Debt Service Savings	(288,394)	-	-	-	(288,394)
20	Insurance Claim for Facilities Repairs	-	-	2,217,068	-	2,217,068
21	Local E-Permitting Foundation Grant	-	-	50,000	-	50,000
22	State Energy Plan Funding Correction	-	-	50,000	-	50,000
23	Turnover	(1,215,578)	-	-	-	(1,215,578)
	Business Regulation					
24	Travel Reimbursement	-	-	25,000	-	25,000
25	Turnover Savings	(125,000)	-	-	-	(125,000)
	Labor and Training					
26	Capital - Asset Protection	-	-	-	(290,000)	(290,000)
27	New Jobs Programs	(500,000)	-	-	-	(500,000)
	Revenue					
28	DMV - Legacy System Upgrades	(400,000)	-	-	-	(400,000)
29	DMV Chief of Information (1.0 new FTE)	(95,810)	-	-	-	(95,810)
30	Other Turnover and Operations	(375,000)	-	-	-	(375,000)
31	RIMS	-	(2,164,559)	(2,185,833)	-	(4,350,392)
32	Turnover Savings - DMV	(225,000)	-	-	-	(225,000)
	Secretary of State					
33	Turnover Savings	(60,000)	-	-	-	(60,000)

	FY 2014 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
	Office of the General Treasurer					
34	Crime Victim Compensation Grants	-	-	250,000	-	250,000
35	Turnover and Operating	(60,000)	-	-	-	(60,000)
36	Unclaimed Property	-	-	(733,803)	-	(733,803)
	Board of Elections					
37	Operations	(21,511)	-	-	-	(21,511)
	Governor's Office					
38	Contingency Fund	(196,428)	-	-	-	(196,428)
39	Federal Liaison	(35,000)	-	-	-	(35,000)
40	Turnover Savings	(250,000)	-	-	-	(250,000)
	Office of Health and Human Services					
41	Children's Health Account - Balance	(1,471,044)	-	1,471,044	-	-
42	HIV Costs to Other Sources	(703,773)	-	-	-	(703,773)
43	May Caseload Adjustments	8,991,410	94,978,277	1,100,000	-	105,069,687
44	Other Administrative Expenses	(204,712)	(927,630)	-	-	(1,132,342)
45	UHIP	(281,488)	3,386,019	-	-	3,104,531
	Children, Youth and Families					
46	Capital - Youth Group Homes - Firecode Upgrades	-	-	-	(225,000)	(225,000)
47	Capital - Training School Generators (GBA)	-	-	-	(213,837)	(213,837)
48	Capital - Groden Center Fire Towers	-	-	-	(137,500)	(137,500)
49	Capital - Training School Maintenance Building	-	-	-	(335,000)	(335,000)
50	Federal Foster Care and Adoption Fund Shift	(88,751)	88,751	-	-	-
51	Training School Education	(50,000)	50,000	-	-	-
	Health					
52	Available Restricted Receipts	(500,000)	-	500,000	-	-
53	Community Service Grants	(60,116)	-	-	-	(60,116)
54	Grant Received Related to Vaccines	24,559	-	-	-	24,559
55	HIV and Lab Federal Grants	-	500,000	-	-	500,000
56	Maternal and Child Health Programs	-	1,100,000	-	-	1,100,000
57	Race to the Top	-	650,000	-	-	650,000
58	Wise Woman Program	-	250,000	-	-	250,000
	Human Services					
59	Cash Assistance Caseload	(162,598)	(2,839,425)	-	-	(3,002,023)
60	Prior Year Grant Expenses	-	754,216	-	-	754,216
61	RI Works and SNAP Penalties	258,576	-	-	-	258,576
62	RIPAE Rebates in Lieu of General Revenues	(174,484)	-	64,484	-	(110,000)
63	SNAP Bonus Funding Shift	-	-	-	149,338	149,338
64	TANF Block Grant for UHIP Expenses	(1,781,952)	1,781,952	-	-	-
65	Turnover and Operations	(879,450)	(442,340)	-	-	(1,321,790)
66	Veterans' Affairs - Capital Expenditures (GBA)	-	(408,414)	-	-	(408,414)
67	Weatherization Grant Adjustment	-	-	(4,387,565)	-	(4,387,565)

	FY 2014 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
	BHDDH					
68	Capital - DD Residential Development	-	-	-	(218,874)	(218,874)
69	Capital - Medical Center Rehabilitation	-	-	-	(287,000)	(287,000)
70	Eleanor Slater Hospital License Fee	154,739	18,432	-	-	173,171
	Commission on Disabilities					
71	Capital - Handicapped Accessibility - Facilities Renovations	-	-	-	(407,000)	(407,000)
	Elementary and Secondary Education					
72	Community Service Grants	(500,000)	-	-	-	(500,000)
73	Group Home Aid	60,000	-	-	-	60,000
74	Statewide Transportation System	-	-	600,000	-	600,000
75	Teacher Retirement	(345,351)	-	-	-	(345,351)
76	Textbook Reimbursement	(44,948)	-	-	-	(44,948)
	Public Higher Education					
77	Capital - RIC Infrastructure Modernization	-	-	-	(1,871,317)	(1,871,317)
78	Capital - URI Biotechnology Center	-	-	-	270,220	270,220
79	Capital - URI New Chemistry Building	-	-	-	21,300	21,300
80	Debt Service Refunding Savings	(254,164)	-	-	-	(254,164)
	Arts Council					
81	Community Service Grants	(7,083)	-	-	-	(7,083)
	Historical Preservation & Heritage Commission					
82	Revolving Loan Fund Interest	-	-	37,500	-	37,500
83	Capital - Eisenhower House	-	-	-	(320,000)	(320,000)
	Attorney General					
84	DCYF Lawsuit Dismissal	(118,000)	-	-	-	(118,000)
85	Turnover and Operations	(100,000)	-	-	-	(100,000)
	Corrections					
86	Capital - Asset Protection	-	-	-	(2,000,000)	(2,000,000)
87	Capital - Bernadette Guay Bldg. Roof, Plumbing and HVAC Repair	-	-	-	(506,556)	(506,556)
88	Capital - Dix Building Plumbing & Bathroom Renovations	-	-	-	(248,525)	(248,525)
89	Capital - Dix Building Renovations	-	-	-	(330,000)	(330,000)
90	Capital - Intake Service Center Renovations	-	-	-	(1,916,000)	(1,916,000)
91	Capital - Maximum General Renovations	-	-	-	600,000	600,000
92	Capital - Medium Infrastructure	-	-	-	(861,421)	(861,421)
93	Capital - Minimum Kitchen Expansion	-	-	-	(449,992)	(449,992)
94	Medical Savings from ACA	(160,000)	-	-	-	(160,000)
95	Probation and Parole Database	-	43,079	-	-	43,079
96	Reversal of Overtime transfer to RICAP	750,000	-	-	(750,000)	-

	FY 2014 Changes to Governor	Gen. Rev.	Federal	Restricted	Other	Total
	Judicial					
97	New Family Court Grants	-	346,823	-	-	346,823
	Military Staff					
98	Turnover Savings	(75,000)	-	-	-	(75,000)
	Public Safety					
99	Capital - Communications Towers	-	-	-	(28,623)	(28,623)
100	Capital - Headquarters Complex Expansion	-	-	-	200,000	200,000
101	Capital - Headquarters Repairs/Renovations	-	-	-	(357,032)	(357,032)
102	Capital - State Police Headquarters	-	-	-	(150,000)	(150,000)
103	Federal Funds Adjustments	-	295,913	-	-	295,913
104	Paralegal (1.0 new FTE)	(17,816)	-	-	-	(17,816)
105	Pay-go Pensions	(33,000)	-	-	-	(33,000)
106	Sheriffs - Turnover and Operations	(330,000)	-	-	-	(330,000)
	Public Defender					
107	Turnover and Operating Savings	(25,000)	-	-	-	(25,000)
	Environmental Management					
108	Capital - Blackstone Valley Bike Path	-	-	-	(309,170)	(309,170)
109	Capital - Fort Adams State Park	-	-	-	(400,000)	(400,000)
110	Capital - Fort Adams Sailing Improvements	-	-	-	(2,000,000)	(2,000,000)
111	Capital - Galilee Piers	-	-	-	(900,000)	(900,000)
112	Capital - Natural Resources Offices/Visitor's Center	-	-	-	(171,013)	(171,013)
113	Capital - Newport Piers	-	-	-	(95,042)	(95,042)
114	Capital - Rocky Point	-	-	-	(2,400,000)	(2,400,000)
115	DOT Recreational Projects	-	-	-	521,077	521,077
116	Natural Resources Grant Adjustments	-	447,700	-	-	447,700
117	New Environmental Protection Grants	-	840,000	-	-	840,000
118	Turnover	(67,082)	-	-	-	(67,082)
	Coastal Resources Management Council					
119	Capital - Secure Facility Area	-	-	-	(50,000)	(50,000)
120	Federal Grant Adjustments	-	(119,077)	-	-	(119,077)
	Transportation					
121	Capital - Cooperative Maintenance Facility	-	-	-	(300,000)	(300,000)
122	Capital - Maintenance Facilities Asset Protection	-	-	-	(300,000)	(300,000)
123	Capital - Portsmouth Facility	-	-	-	(400,000)	(400,000)
124	Capital - Salt Storage Facilities	-	-	-	(1,000,000)	(1,000,000)
125	Gas Tax Estimate - DOT	-	-	-	2,275,425	2,275,425
126	Gas Tax Estimate - RIPTA	-	-	-	269,460	269,460
127	NHTSA Grant Awards	-	3,400,000	-	-	3,400,000
128	Transit Congestion Mitigation Air Quality Funding	-	2,500,000	-	-	2,500,000
	Total	655,751	105,729,717	(682,105)	(16,428,596)	89,274,767

FY 2014 Revised Changes to Governor

Revenue Changes

- 1. May Revenue Conference.** The Revenue Estimating Conference concluded May 9 and revised the FY 2014 estimate to \$3,410.5 million, which is \$16.2 million less than the revenues included in the November estimate and \$10.6 million less than the Governor's budget revised for his changes included in the estimate.
- 2. Bond Premium Proceeds to MRBRF.** The Governor's budget assumes revenues from the transfer of \$3.3 million of premiums paid on general obligation bonds in FY 2014 from the Rhode Island Capital Plan fund to the General Fund. The House Finance Committee does not concur with this use of funds and transfers them to the Municipal Road and Bridge Revolving Fund to further capitalize the fund, consistent with its action as part of the enacted budget.
- 3. Hospital License Fee at 5.418%.** The House Finance Committee includes \$4.6 million in additional revenues from increasing the licensing fee from 5.246 percent to 5.418 percent.
- 4. New Health Department Grant.** The House Finance Committee concurs with the Governor's requested budget amendment to increase revenues by revenues \$29,465 to recognize deposit of a new grant award from the American College of Obstetricians and Gynecologists related to improving vaccine coverage and utilization in pregnant women. The Committee also includes the appropriation of these funds for expenditure during FY 2014 and FY 2015.

Expenditure Changes

Statewide

- 5. State Employee Contracts.** Most state employee contracts expired on June 30, 2013. The Governor's budget did not include a cost-of-living increase for state employees. In April 2014, Council 94 agreed to a new four year contract effective July 1, 2013 through June 30, 2017. Among the main provisions of the new contract are increased co-pays for office visits and prescription drugs, deductibles of \$250/\$500 for individuals/families effective January 1, 2015, and a 6.0 percent cost-of-living increase over the next 18 months. Assuming that the terms of this contract apply to all state employees, the cost for FY 2014 will be \$6.6 million of which \$3.4 million is from general revenues. Some unions are still negotiating. The House Finance Committee recommends \$5.9 million from all funds, \$2.7 million from general revenues which excludes the State Police and Rhode Island Brotherhood of Correctional Officers as those two groups have yet to settle.

Administration

- 6. Bureau of Audits Reimbursement.** The Governor requested an amendment to remove a \$25,000 reimbursement expense from the Bureau of Audit's budget because the funding was also included in the Emergency Management Agency's budget. The House Finance Committee concurs.
- 7. Capital - Cannon Building.** The House Finance Committee recommends \$0.3 million less than the \$0.9 million the Governor recommended for FY 2014 for the Cannon Building to reflect anticipated expenditures. Funding in the five-year period includes \$1.3 million for ongoing repairs and renovations to the Cannon Building, including new carpet installation. The Department also plans

to renovate the restrooms and improve the exterior sidewalk and the delivery area to allow large trucks access to load and unload materials.

8. Capital - Cranston Street Armory. The Capital Plan includes \$4.9 million from Rhode Island Capital Plan funds through FY 2019 for ongoing renovations at the Cranston Street Armory building, including replacement of the heating, ventilation and air conditioning system and windows. Subsequently, the Administration indicated that it is in the process of obtaining services to determine a use plan for the facility. The Governor requested an amendment to shift \$0.8 million from FY 2014 to FY 2015, as well as provide an additional \$0.2 million to address masonry and window repairs. The House Finance Committee concurs and removes funding budgeted in FY 2016 through FY 2019, awaiting the use plan study.

9. Capital - Environmental Compliance. The FY 2014 revised budget includes \$0.2 million from Rhode Island Capital Plan funds for projects that assist state agencies in maintaining compliance with all state and federal environmental rules and regulations. The House Finance Committee recommends \$46,000 less than recommended to reflect historical expenditures. Average expenditures for the last five fiscal years totaled \$117,190.

10. Capital - Health Lab Feasibility Study. The revised budget includes \$111,892 from Rhode Island Capital Plan funds to conduct a feasibility study for a new facility to house the staff and programs currently located in the Chapin Building. Subsequently, the Department of Administration indicated that the scope of the study was increased and the Governor requested an amendment to include an additional \$12,501. The House Finance Committee concurs.

11. Capital - Ladd Buildings Demolition. The FY 2014 revised budget includes \$1.7 million from Rhode Island Capital Plan funds to demolish buildings at the former Ladd school properties in Exeter with the goal of backfilling all foundation, landscape and providing open space. Subsequently, the Governor requested an amendment to lower expenditures by \$0.7 million to reflect the Department's actual expenses. The House Finance Committee includes the savings.

12. Capital - Ladd Rubble Pile. The revised budget included \$45,000 from Rhode Island Capital Plan funds to install a security fence around the perimeter of the constructed rubble pile to conduct disaster exercises. Subsequently, the Governor requested an amendment to withdraw the funds as the Department used funding from the Ladd Demolition project for this expense. The House Finance Committee concurs.

13. Capital - Pastore Fire Code Compliance. The revised budget includes \$0.7 million from Rhode Island Capital Plan funds to install and upgrade existing fire alarm and sprinkler systems on the Pastore Center and the Zambarano campus of Eleanor Slater Hospital. The Governor requested an amendment to include \$0.1 million in savings, based on the Department's projected expenditures for FY 2014. The House Finance Committee concurs.

14. Capital - Pastore Power Plant. The revised budget includes \$1.6 million from Rhode Island Capital Plan funds to purchase and install a diesel Blackstart generator. The Governor subsequently requested an amendment to add \$0.2 million to reflect anticipated expenditures for FY 2014. The House Finance Committee concurs.

15. Capital - Big River Management Area. The FY 2014 revised budget includes \$0.4 million from Rhode Island Capital Plan funds for infrastructure repairs and improvements at the Big River Management Area. This project includes funding for security; litter/dumping enforcement and

demolition of vacant homes. Average expenditures for the last five fiscal years totaled \$80,136. The House Finance Committee recommends \$0.3 million for FY 2014, \$0.1 million less than recommended to reflect historical expenditures.

16. Capital - State House Renovations. The revised budget includes \$1.4 million from Rhode Island Capital Plan funds for the State House Renovations project for masonry work, architectural and engineering services for the air conditioning system and repairing the legislative parking lot. The Governor subsequently requested an amendment to add \$0.2 million to make improvements to the guard shack. The House Finance Committee concurs.

17. Capital - State Office Building. Based on the Department's anticipated expenditures, the House Finance Committee recommends \$250,000 less from Rhode Island Capital Plan funds for renovations at the State Office Building for FY 2014 for which the budget includes \$1.1 million. The project includes upgrading the heating, ventilation and air conditioning system, elevator repairs, bathroom renovations and general repairs.

18. Capital - Veterans Land Purchase. The approved plan includes \$4.2 million from Rhode Island Capital Plan funds to be used in FY 2014 to purchase and make improvements to the land adjacent to the Veterans Memorial Auditorium for use as a parking lot. Subsequently, the Administration indicated that expenditures for the parking lot would be \$0.2 million less than budgeted. The House Finance Committee includes the savings.

19. Debt Service Savings. Subsequent to his budget submission, the Governor requested an amendment to decrease general revenue debt service payments by \$0.3 million in FY 2014 to reflect savings from a general obligation bond refunding. The House Finance Committee concurs and includes the savings.

20. Insurance Claim for Facilities Repairs. Subsequent to his budget submission, the Governor requested an amendment to add \$2.2 million from restricted receipts to reflect insurance claim receipts received to repair the electrical system at Regan Hospital, replacing refrigeration units at the Department of Corrections and Hurricane Sandy related repairs at the Department of Environmental Management's facilities. The House Finance Committee concurs.

21. Local E-Permitting Foundation Grant. The revised budget includes the enacted amount of \$580,000 from general revenues for the purchase or lease and operation of a web-accessible plan review management and inspection software system that would be available to the State Building Code Commission and all municipalities and fire districts. Subsequent to his budget submission, the Governor requested an amendment to add \$50,000 from restricted receipts to reflect a grant received from the Rhode Island Foundation. The House Finance Committee concurs.

22. State Energy Plan Funding Correction. The revised budget includes expenditures of \$0.3 million from restricted receipts used to fund various energy programs. Subsequently, the Governor requested an amendment to shift \$50,000 budgeted in FY 2015 to FY 2014 to pay for prior year expenditures that were inadvertently charged to another account. The House Finance Committee concurs.

23. Turnover. The FY 2014 revised budget includes \$71.4 million from all funds to fund 720.7 full-time positions and assumes \$3.5 million in turnover savings. The revised budget assumes filling several positions. The House Finance Committee recommends an additional \$1.2 million in turnover savings, which is equivalent to 11.8 full-time positions.

Business Regulation

24. Travel Reimbursement. The revised budget includes \$50,000 from restricted receipts primarily for out-of-state travel related to regulation of the banking industry. The Governor subsequently requested an amendment to add \$25,000 to reflect anticipated receipts and expenditures. The House Finance Committee concurs.

25. Turnover Savings. The revised budget includes turnover savings of \$0.8 million, including \$0.5 million from general revenues, which is equivalent to 4.5 positions. Based on the Department's third quarter report, the House Finance Committee recommends an additional \$125,000 in general revenue turnover savings. The Department has averaged 82.0 filled full-time positions to date for FY 2014.

Labor and Training

26. Capital - Asset Protection. The Governor's Capital Budget includes \$5.8 million from Rhode Island Capital Plan funds, including \$615,069 for FY 2014 for asset protection projects at the Center General complex. The House Finance Committee removes \$290,000 from FY 2014 to better reflect anticipated expenditures, based upon the delayed schedule for repairing the roof.

27. New Jobs Programs. The Governor's revised recommendation includes \$1.2 million from general revenues for the new job development programs created in Article 15 of the 2014 Appropriations Act. This includes the Back to Work Rhode Island program, operated by the Department of Labor and Training and the work immersion and non-trade apprenticeship programs, operated by Governor's Workforce Board. It also extended child care for certain families and created a jobs match program. The House Finance Committee recommends reducing expenditures by \$0.5 million, based on the Department's third quarter report which indicated a funding surplus in these job development programs from implementation delays and lower than anticipated participation.

Revenue

28. DMV - Legacy System Upgrades. The House Finance Committee recommends \$0.4 million of general revenues savings because of delays to the Division of Motor Vehicles' implementation of upgrades to its existing legacy system. The Governor's revised FY 2014 budget includes \$0.6 million for the third revision of the state's contract with Hewlett Packard for the Rhode Island Modernization System. The anticipated completion date for the new Division computer system was May 4, 2014. The new Division system is not yet operational; design and development work continues. As of May 19, 2014, the Department had not expended any funds to upgrade the existing system.

29. DMV Chief of Information (1.0 New FTE). The Governor's revised budget includes \$0.1 million from general revenues and 1.0 new full-time equivalent position for the Division of Motor Vehicles for FY 2014 to create a new chief of information and public relations position. This position is intended to respond to public inquiries, customer issues and complaints and to maintain communication between the Registry and the Department. It should be noted that a member of the Governor's resource team had been performing these roles on behalf of the Division. The House Finance Committee recommends eliminating the funding as the position was not filled.

30. Other Turnover and Operations. The House Finance Committee recommends an additional \$375,000 in general revenue savings for Department of Revenue for FY 2014. This includes turnover savings of \$250,000, which is equivalent to 2.5 full-time equivalent positions to reflect a higher

vacancy level from the budget assumed. Also included is \$0.1 of operations savings from the Division of Taxation, consistent with actual and anticipated expenditures.

31. RIMS. The Governor requested an amendment shifting \$4.4 million from all funds for the Rhode Island Modernization System from FY 2014 to FY 2015. This includes a shift of \$2.2 million from federal funds and \$2.2 million from restricted receipts and is reflective of delays in the state's contract with Hewlett Packard for system design and development. The anticipated completion date for the new Division computer system was May 4, 2014. The new Division system is not yet operational; design and development work continues. The House Finance Committee concurs.

32. Turnover Savings – DMV. The Governor's revised budget recommends \$0.2 million from general revenues for the Division of Motor Vehicles for FY 2014. This was based on staffing needs associated with the completion of the Rhode Island Modernization System and a previously contracted go-live date of May 4, 2014. The Division and the Department of Administration report that the Modernization System project has stalled and will not be completed by the scheduled date. The House Finance Committee recommends removing the additional funds.

Secretary of State

33. Turnover Savings. The House Finance Committee recommends general revenue turnover savings of \$60,000 for the Secretary of State for FY 2014 based on anticipated staffing levels. The Office currently has 2.0 vacant positions, a Director of Elections and Civics and an Executive Administrative Assistant, also in the Elections and Civics Division. The Governor's revised budget assumes approximately 1.5 vacant positions for FY 2014.

Office of the General Treasurer

34. Crime Victim Compensation Grants. The House Finance Committee recommends adding \$250,000 from restricted receipts for crime victim compensation grants based on a higher volume of claims payments than anticipated in the recommended budget. Restricted monies come from fees collected by the state courts. Federal funds come from the Victims of Violent Crimes program administered by the United States Department of Justice.

35. Turnover and Operating. The House Finance Committee recommends general revenue savings of \$60,000 for the Office of the General Treasurer for FY 2014 based on its third quarter report. The majority of the savings reflect updated projections of bank fee expenditures.

36. Unclaimed Property. The House Finance Committee recommends \$0.7 million less for the unclaimed property program for FY 2014 to reflect the estimate of the May Revenue Estimating Conference. This includes an additional \$1.0 million in transfer to the state General Fund for a FY 2014 transfer of \$11.9 million.

Board of Elections

37. Operations. The House Finance Committee recommends general revenue savings of \$21,511 based on the Board of Elections' third quarter report and historical expenditures. This includes reductions of \$12,500 for printing expenses and \$9,011 for software maintenance agreements.

Governor's Office

38. Contingency Fund. The Governor reappropriated \$196,428 for expenditures pertaining to a lawsuit for pension changes adopted in 2011. It should be noted that all legal expenses that the Office incurred in FY 2013 were paid; they totaled \$53,572. The House Finance Committee does not concur with the reappropriation and includes the enacted level of \$250,000. Expenditures for the last year fiscal years averaged \$103,794.

39. Federal Liaison. The House Finance Committee does not concur with the Governor's recommendation to include \$35,000 in FY 2014 and \$25,000 in FY 2015 from general revenues for contractual service expenditures for Hope and Reid LLC to serve as the Governor's federal liaison.

40. Turnover Savings. The House Finance Committee recommends \$250,000 in additional turnover savings to reflect a higher vacancy than the budget assumed. The Governor's revised budget includes \$0.4 million in turnover savings.

Office of Health and Human Services

41. Children's Health Account – Balance. The House Finance Committee uses \$1.5 million in available restricted receipts from a balance in the children's health account and to offset a like amount of general revenue expenses in FY 2014.

42. HIV Costs to Other Sources. The House Finance Committee shifts the remaining \$0.7 million in general revenue funded operating support for the HIV treatment program that provides benefits to HIV positive individuals with incomes at or below 400 percent of poverty to other program funds in FY 2014. With the implementation of the Affordable Care Act, individuals will either be eligible for Medicaid or be able to obtain coverage through HealthSource RI allowing resources that support medical treatment to be used for administrative costs.

43. May Caseload Adjustments. The House Finance Committee adds \$102.1 million, including \$8.8 million from general revenues, to adjust the FY 2014 budget for the May Caseload Conference estimates for cash assistance caseloads and medical assistance expenditures. The medical assistance estimate adds \$105.1 million from all sources, of which \$90.6 million is for the federally funded Medicaid expansion program, and \$9.0 million from general revenues in the Office of Health and Human Services' budget.

44. Other Administrative Expenses. The House Finance Committee recommends \$1.1 million in savings for other administrative expenses, including \$0.2 million from general revenues, for updated staffing costs and a delay in issuing a contract to implement the predictive modeling initiative.

45. UHIP. The House Finance Committee adds \$3.1 million from all sources for the unified health infrastructure project, including savings of \$0.3 million from general revenues, for updated FY 2014 costs totaling \$33.1 million consistent with the Office of Health and Human Services third quarter report.

Children, Youth and Families

46. Capital - Youth Group Homes - Firecode Upgrades. The Governor's Capital Budget includes \$0.3 million in FY 2014 and \$0.9 million in FY 2015 from Rhode Island Capital Plan funds for fire

code upgrades to private group homes and residential facilities. The House Finance Committee recommends reducing FY 2014 funding by \$0.2 million based on projected expenditures.

47. Capital - Training School Generators. The Governor's Capital Budget includes \$0.2 million from Rhode Island Capital Plan funds for FY 2014 for two generators at the Rhode Island Training School to power emergency and life, air conditioning and heating systems in the event of a power failure. The Governor requested an amendment to shift funding from FY 2014 to FY 2015 based on project delays. The House Finance Committee concurs.

48. Capital - Groden Center Fire Towers. The Governor's Capital Budget includes \$137,500 from Rhode Island Capital Plan funds for FY 2013 for fire towers and building repairs to the Groden Center facility on Mount Hope Avenue in Providence. The Governor requested a budget amendment that shifted funding from FY 2014 to FY 2015 based on project delays. The House Finance Committee concurs.

49. Capital - Training School Maintenance Building. The Governor's Capital Budget includes \$0.3 million for FY 2014 to construct a maintenance building at on the campus of the Thomas C. Slater training school to house tools, vehicles, chemicals, and other equipment. The Department has delayed construction primarily because it had to receive a waiver based on the building's proposed proximity to Route 37. The Governor requested an amendment to shift funding from FY 2014 to FY 2015 based on these delays. The House Finance Committee concurs with the amendment.

50. Federal Foster Care and Adoption Fund Shift. The House Finance Committee recommends using \$88,751 from available federal foster care and adoption grant funds in lieu of a like amount of general revenues to partially fund the foster care and adoption programs. The Department's third quarter report indicates that it has available funds based on updated grant award information.

51. Training School Education. The House Finance Committee recommends shifting \$50,000 from general revenues to a like amount of available federal Individuals with Disabilities Education Act funds to partially fund the education contract with the North American Family Institute Adolescent Community Experience program. The Department's third quarter report indicates that it has unspent available federal grant funds.

Health

52. Available Restricted Receipts. The House Finance Committee recommends shifting general revenue staffing expenses of \$500,000 for the Medical Examiner's Office to available restricted receipts in both FY 2014 and FY 2015. The Department appears to have \$1.6 million available and it already funds staffing expenses for at least 2.0 full-time equivalent positions for the Office from these restricted receipts available from indirect cost recovery on federal grants.

53. Community Service Grants. The FY 2014 enacted budget includes \$391,585 for 10 community service grants administered by the Department of Health. The Rhode Island Cancer Council was awarded a grant for \$60,116, but has not responded to notifications or submitted the required paperwork to receive the grant in FY 2014. The House Finance Committee recommends eliminating this grant award.

54. Grant Received Related to Vaccines. The House Finance Committee concurs with the Governor's requested amendment to add general revenue expenditures of \$24,559 in FY 2014 from a new grant the Department recently received and deposited as general revenues. The award totals

\$29,465 and the Department anticipates spending \$24,559 in FY 2014 and \$4,906 in FY 2015. The new grant from the American College of Obstetricians and Gynecologists will be used for planning and messaging to improve vaccine coverage and utilization of vaccines in pregnant women.

55. HIV and Lab Federal Grants. The Governor requested an amendment restoring \$1.0 million from federal sources for certain laboratory testing and HIV/AIDS prevention programs that his recommendation reduced because the Department historically does not spend all of the awards it requests. Based on year-to-date expenditures and revised projections from the Department, the House Finance Committee recommends adding \$0.5 million.

56. Maternal and Child Health Programs. The Governor requested an amendment restoring \$3.0 million from federal sources for several programs that his recommendation reduced because the Department historically does not spend all of the awards it requests. Based on year-to-date expenditures and revised projections from the Department, the House Finance Committee recommends adding \$1.1 million. The restored expenditures are related to the child care support network and maternal and child health home visiting program.

57. Race to the Top. The Governor requested an amendment restoring federal sources for several programs that his recommendation reduced because the Department historically does not spend all of the awards it requests. Based on year-to-date expenditures and revised projections from the Department, the House Finance Committee recommends restoring \$0.7 million for the Race to the Top Program.

58. Wise Woman Program. The House Finance Committee concurs with the Governor's requested amendment restoring federal sources for the Wise Woman program which his recommendation reduced because the Department historically does not spend all of the awards it requests. Based on year-to-date expenditures and revised projections from the Department, the House Finance Committee recommends restoring \$0.3 million.

Human Services

59. Cash Assistance Caseload. The House Finance Committee recommends a reduction of \$3.0 million, including \$0.2 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.

60. Prior Year Grant Expenses. Consistent with the Governor's requested amendment, the House Finance Committee recommends adding federal funding of \$0.8 million for grant expenditures incurred in FY 2013, but not paid until FY 2014. This includes \$0.6 million from the Community Services Block Grant and \$0.2 million from the Supplemental Nutrition Assistance Program employment training grant.

61. RI Works and SNAP Penalties. Consistent with the Governor's requested budget amendment, the House Finance Committee recommends adding \$258,576 from general revenues for payments related to recent Rhode Island Works and Supplemental Nutrition Assistance Program penalties. This includes \$103,858 for the accrued interest on the Rhode Island Works penalty while the Department appealed the penalty. It also includes \$154,718 to complete the payments of the first and second Supplemental Nutrition Assistance Program penalties in anticipation of a third penalty; the Department exhausted its available resources for these.

62. RIPAE Rebates in Lieu of General Revenues. The Rhode Island Pharmaceutical Assistance to the Elderly (RIPAE) program provides financial assistance for prescription drugs to Rhode Islanders over 65 who have limited incomes. It receives rebate payments from pharmaceutical companies, as restricted receipts, and general revenues are often needed to supplement the operating expenses of the program. For FY 2012 and FY 2013, the Department used the surplus restricted receipt rebate funds in lieu of general revenues. The revised recommendation includes \$0.3 million for the program, including \$0.2 million from general revenues and the Department's third quarter report indicated \$0.2 million would be needed. Since the Division has sufficient restricted receipts for all FY 2014 expenses, the House Finance Committee recommends utilizing all available restricted receipt funding for general revenue savings of \$174,484 and reduced total funding to be consistent with the Department's report.

63. SNAP Bonus Funding Shift. Consistent with the Governor's requested budget amendment, the House Finance Committee recommends shifting Supplemental Nutrition Assistance Program bonus funding from FY 2015 to FY 2014 to make payments on federal penalties that are due. The Governor includes \$150,000 in FY 2015; however, the \$149,338 added in FY 2014 reflects the balance of the account after other budgeted penalty expenditures were made for a total of \$409,338 expended from bonus funds for penalties in FY 2014.

64. TANF Block Grant for UHIP Expenses. The May caseload conference reduced caseloads and expenditures made from the federal Temporary Assistance to Needy Families block grant for Rhode Island Works and Child Care benefits, freeing up grant funds for other purposes. The House Finance Committee recommends utilizing \$1.8 million from federal Temporary Assistance to Needy Families block grant funding to offset general revenue funded Unified Health Infrastructure Project expenses related to the Rhode Island Works and Child Care programs. The state is able to leverage an 80 percent federal match for these expenditures.

65. Turnover and Operations. The House Finance Committee assumes savings of \$1.3 million, including \$0.9 million from general revenues for the Department of Human Services, primarily related to staffing and operations at the Veterans Home, for Medicaid eligibility determinations, and the Supplemental Security Insurance and Supplemental Nutrition Assistance programs. This is based on the third quarter reports submitted by the Department and the Budget Office.

66. Veterans' Affairs - Capital Expenditures. Consistent with the Governor's requested amendment, the House Finance Committee recommends reducing federal funding for the Veterans Cemetery by \$0.4 million in FY 2014. The Governor's recommendation inadvertently double counted certain maintenance costs.

67. Weatherization Grant Adjustment. Consistent with the Governor's requested amendment, the House Finance Committee recommends reducing the demand side grants related to the weatherization assistance program by \$4.4 million in both FY 2014 and FY 2015 to reflect that National Grid has contracted with another entity to administer these grants.

BHDDH

68. Capital - DD Residential Development. The Governor's FY 2015 through FY 2019 Capital Budget includes \$2.5 million from Rhode Island Capital Plan funds for furniture and housing development in the privately operated system for adults with developmental disabilities. He also includes \$0.6 million in FY 2014 which the House Finance Committee reduces by \$0.2 million to reflect updated spending projections.

69. Capital - Medical Center Rehabilitation. The Governor's FY 2015 through FY 2019 Capital Budget includes \$6.0 million from Rhode Island Capital Plan funds for ongoing maintenance at Eleanor Slater Hospital in Cranston. He also includes \$0.9 million in FY 2014 which the House Finance Committee reduces by \$0.3 million to reflect updated spending projections.

70. Eleanor Slater Hospital License Fee. The House Finance Committee includes \$5.4 million for the FY 2014 hospital license fee for Eleanor Slater Hospital and increases the Department's budget by \$0.2 million to make the payment. The fee, paid by both the community hospitals and the state, is increasing from 5.246 percent to 5.418 percent. There is also a corresponding revenue adjustment.

Commission on Disabilities

71. Capital - Handicapped Accessibility - Facilities Renovations. The Governor recommends \$8.0 million from Rhode Island Capital Plan funds for FY 2014 through FY 2019 for accessibility and safety projects throughout the state. These include the removal of structural barriers, fire safety renovations, paving of pathways, signage, parking and elevator installations. As of June 2014, the Commission has not made any Rhode Island Capital Plan fund expenditures. The Governor requested a budget amendment shifting \$0.4 million to post FY 2019 to reflect project delays. The House Finance Committee concurs.

Elementary and Secondary Education

72. Community Service Grants. The House Finance Committee recommends shifting a one-time \$500,000 community service grant to Woonsocket from FY 2014 to FY 2015. This was intended to help the district establish full-day kindergarten, which will now begin in FY 2015.

73. Group Home Aid. The House Finance Committee concurs with the Governor's requested amendment to increase group home aid by \$60,000 for FY 2014 based on current law requirements that beds open as of December 31 receive aid. The FY 2014 revised recommendation mistakenly omitted \$60,000 for four additional beds in Exeter-West Greenwich. Final group home aid funding would be \$7.2 million for FY 2014.

74. Statewide Transportation System. The House Finance Committee concurs with the Governor's requested amendment to add \$600,000 from restricted receipts for the statewide student transportation system based on a newly renegotiated contract. The 2009 Assembly mandated use of a statewide transportation system for out of district transportation. Districts reimburse the state for their share of the cost, offsetting this expenditure. Those fees are deposited into a restricted receipt account and used to fund the expenses.

75. Teacher Retirement. The Governor recommends \$80.9 million for FY 2014 to fund the state's share of the employer contribution for teacher retirement, a decrease of \$0.8 million to the FY 2014 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 \$0.3 million consistent with the Governor's budget amendment.

76. Textbook Reimbursement. The state reimburses districts for the cost of providing textbooks to non-public school students in the areas of English/language arts and history/social studies in kindergarten through 12th grade. The Governor's revised budget includes the enacted level of

\$240,000 to fund this program. The Governor subsequently requested an amendment to include savings of \$44,948 based on actual expenditures. The House Finance Committee concurs.

Public Higher Education

77. Capital - RIC Infrastructure Modernization. Consistent with the approved capital plan, the Governor recommends \$18.7 million from Rhode Island Capital Plan funds to modernize and replace steam lines, steam condensate lines, voice and data systems and the electrical distribution system. The project includes \$18.5 million from Rhode Island Capital Plan funds and \$0.2 million from College funds. The Governor subsequently requested an amendment to shift \$1.9 million from FY 2014 to FY 2015 to reflect an updated project schedule. The House Finance Committee concurs.

78. Capital - URI Biotechnology Center. The Governor requested an amendment to restore \$0.3 million from Rhode Island Capital Plan funds for FY 2014 for the University's biotechnology center project that was mistakenly omitted from the Governor's recommendation. The new center opened in 2009. Completion of the fourth floor began in the fall of 2011 and was completed in the fall of 2012. The University has committed this funding under the expectation that carry forward funding from FY 2013 would be available for FY 2014. The House Finance Committee concurs.

79. Capital - URI New Chemistry Building. The approved capital plan includes a \$66.8 million project to construct a new chemistry building at the University of Rhode Island. The House Finance Committee shifts \$21,300 from FY 2015 to FY 2014 based on anticipated expenses.

80. Debt Service Refunding Savings. The House Finance Committee concurs with the Governor's requested budget amendment to recognize \$0.3 million in general revenue savings associated with the refunding of general obligation bonds. Debt service on general obligation bonds are funded from general revenues.

Arts Council

81. Community Service Grants. The House Finance Committee recommends removing \$7,083 from general revenues for community service grants to Bright Night Providence and the Rhode Island Dance Alliance. Bright Night Providence did not have an event in FY 2014 and the Rhode Island Dance Alliance lost its federal and state nonprofit status.

Historical Preservation & Heritage Commission

82. Revolving Loan Fund Interest. The Governor requested an amendment to add \$37,500 from restricted receipts for FY 2014. The funds are from interest earned by the Commission's Historical Preservation Loan Fund, resulting from fees associated with previously unanticipated loans. The funds will be used to offset personnel expenses, which were inadvertently under-funded in the Governor's revised FY 2014 budget recommendation. The House Finance Committee concurs.

83. Capital - Eisenhower House. The Governor recommends total funding of \$1.6 million from Rhode Island Capital Plan funds for renovations to the Eisenhower House, including \$0.5 million for FY 2014 and \$1.1 million for FY 2015. He subsequently requested an amendment to shift \$0.3 million from the current year to FY 2015 to reflect construction delays resulting from severe winter storms. He includes an additional \$447,149 associated with unanticipated engineering and design costs. The project is scheduled to be completed in May 2015. The House Finance Committee concurs.

Attorney General

84. DCYF Lawsuit Dismissal. The House Finance Committee assumes general revenue savings of \$0.1 million from the Office of the Attorney General for FY 2014 due to the recent dismissal of a pending litigation against the state. This lawsuit was brought by Children Rights and alleged the plaintiffs were harmed by systemic deficiencies while in foster care. On April 30, 2014, a federal judge ruled in favor of the state and granted a motion to dismiss the case. As of May 30, 2014, the Office has spent \$31,762 for expert witness depositions.

85. Turnover and Operations. The House Finance Committee assumes general revenue savings of \$0.1 million from turnover for the Office of the Attorney General for FY 2014. This is based on the Office's projected payroll expenditures from its third quarter report.

Corrections

86. Capital - Asset Protection. The Governor's capital budget includes a total of \$25.8 million from Rhode Island Capital Plan funds, of which \$7.0 million is for FY 2014 for several ongoing asset protection projects at the Department of Corrections. The Department notes that several projects were delayed because the engineering firm that performed architectural and engineering design filed for bankruptcy and a new firm was hired at a later date. The House Finance Committee reprogramming the funds for these projects by shifting \$2.0 million from the current year to FY 2017 and FY 2018 to reflect the delays.

87. Capital - Bernadette Guay Bldg. Roof, Plumbing and HVAC Repair. The Governor's capital budget includes a total of \$1.7 million from Rhode Island Capital Plan funds, of which \$0.6 million is for FY 2014 for renovations to the basement and the heating, ventilation and air conditioning system. The House Finance Committee reprograms the funds for these projects by shifting \$0.5 million from the current year to FY 2015 and FY 2016 to reflect project delays.

88. Capital - Dix Building Plumbing & Bathroom Renovations. The Governor's capital budget includes a total of \$1.5 million from Rhode Island Capital Plan funds, of which \$0.4 million is for FY 2014 for renovations to the bath and shower facilities at the Dix building and renovation of the disciplinary wing to include electrical and plumbing repairs. The House Finance Committee reduces FY 2014 funding by \$248,525 to reflect a shift of \$80,821 from the current year to FY 2015 and removes \$167,704 based on updated cost estimates.

89. Capital - Dix Building Renovations. The Governor's capital budget includes a total of \$3.6 million from Rhode Island Capital Plan funds, of which \$1.2 million is for FY 2014 for office space and basement renovations as well as upgrading the electrical system. The House Finance Committee shifts \$0.3 million from the current year to FY 2016 to reflect a delay in the next phase of the project.

90. Capital - Intake Service Center Renovations. The Governor's capital budget includes a total of \$6.3 million from Rhode Island Capital Plan funds, of which \$2.4 million is for FY 2014 for the replacement of cooling tower and chiller upgrades and controls as well as the exterior envelope of the Intake Service Center. The Department notes that the first phase of this three phase project has been completed and it is currently studying how to replace the dryvit on the exterior of the facility in a cost-effective manner. The House Finance Committee shifts \$1.9 million from the current year to FY 2016 to reflect the updated schedule.

91. Capital - Maximum General Renovations. The Governor's capital budget includes a total of \$3.2 million from Rhode Island Capital Plan funds, of which \$1.3 million is for FY 2014 for upgrades to the heating, ventilation and air conditioning system as well as the plumbing system for the basement at the Maximum Security facility. The Department notes that the project is currently ahead of schedule and requires additional funding for the current year. The House Finance Committee reprograms this project to be completed in FY 2017 and shifts \$0.6 million from FY 2017 and FY 2018 to FY 2014 to reflect the accelerated schedule.

92. Capital - Medium Infrastructure. The Governor's capital budget includes a total of \$16.2 million from Rhode Island Capital Plan funds, of which \$1.3 million is for FY 2014 for kitchen and laundry expansion, upgrades to the heating, ventilation and air conditioning system, additional equipment for housing and ancillary areas and perimeter road reconstruction. The Department notes this project is being delayed, pending a decision from its executive committee on staff placement. The House Finance Committee shifts \$0.9 million from the current year to FY 2018 to reflect the updated schedule.

93. Capital - Minimum Kitchen Expansion. The Governor's capital budget includes a total of \$10.2 million from Rhode Island Capital Plan funds, of which \$0.5 million is for FY 2014 for architectural and engineering services to renovate the Minimum Security facility. The Department notes that it is awaiting a bid for architectural and engineering services. The House Finance Committee shifts \$0.4 million from the current year to FY 2017 to reflect the updated schedule.

94. Medical Savings from ACA. The House Finance Committee assumes general revenue savings of \$0.2 million for FY 2014 to reflect lower support for inmate health care expenses based on expanded health coverage available under the new Affordable Care Act. As allowed under the Act, the state expanded Medicaid to non-disabled adults without dependent children between ages 19 through 64. This expansion allows for medical savings at the Department since Medicaid is expected to cover a larger portion of the inmate population. In addition, inmates on probation and parole can have health coverage upon release, including medical care, medicine, substance abuse or behavioral health treatment services.

95. Probation and Parole Database. The House Finance Committee recommends a \$43,079 increase in federal funding for the Department of Corrections for FY 2014. This reflects a remaining balance from federal funds available for continuous improvement to the Probation and Parole database system. This system helps the Department track inmates as well as making offender information available to other law enforcement agencies.

96. Reversal of Overtime Transfer to RICAP. The House Finance Committee does not concur with the Governor's proposal to shift \$750,000 from general revenues to Rhode Island Capital Plan funds in both FY 2014 and FY 2015 to support overtime costs associated with providing supervision during construction within secured facilities.

Judicial

97. New Family Court Grants. Consistent with the Governor's requested budget amendment, the House Finance Committee adds \$0.3 million from federal funds to reflect two new grants, including \$0.2 million for families affected by substance abuse, and \$0.1 million for juvenile mental health services. Funding will be used for a variety of programs, including those designed to promote integrated substance abuse treatment as well as those that promote public safety and health by providing appropriate services for juveniles with mental illnesses.

Military Staff

98. Turnover Savings. Based on the Military Staff's third quarter report, the House Finance Committee recommends an additional \$75,000 of turnover savings. This reflects an increased amount of general revenue funded payroll expenditures being shifted to federal funds, as well as additional turnover savings that were not included in the Governor's revised recommendation.

Public Safety

99. Capital - Communications Towers. The Governor recommends \$50,000 for FY 2014 for the purchase and installation of two communications towers and related equipment used by the State Police and other law enforcement and public safety agencies. The House Finance Committee recommends \$28,623 less than recommended to reflect actual expenses and the completion of the project in August 2013.

100. Capital - Headquarters Complex Expansion. The Governor includes total funding of \$437,000 from Rhode Island Capital Plan funds for FY 2014 and FY 2015 to expand the Department of Public Safety Headquarters facility in North Scituate through the rehabilitation of two former National Guard buildings. This includes \$237,044 for the current year and \$200,000 for FY 2015. He requested an amendment, shifting all funding from FY 2015 to FY 2014 to reflect actual project costs. The House Finance Committee concurs.

101. Capital - Headquarters Repairs/Renovations. The Governor includes a total of \$0.9 million 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 \$0.6 million for FY 2014. He requested an amendment shifting \$0.4 million from the current year to FY 2015 and adding \$0.5 million for FY 2015. The House Finance Committee recommends shifting \$0.4 million from the current year to FY 2015 to reflect the Department's adjusted timetable for this project; however, it does not recommend the additional funds as construction plans and timelines have not been finalized.

102. Capital - State Police Headquarters. The Governor recommends \$150,000 for FY 2014 for unspecified asset protection projects associated with the construction of the new State Police and E-911 Headquarters building in North Scituate. The Headquarters building has been in continuous use for three years; final construction close-out items were completed in FY 2013. The House Finance Committee recommends the elimination of funding to reflect the completion of the project.

103. Federal Funds Adjustments. The Governor requested an amendment to add \$295,913 from federal funds for FY 2014 for two 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 and the Office of the State Fire Marshal. The House Finance Committee concurs.

104. Paralegal (1.0 new FTE). The Governor recommends \$17,816 from general revenues and the creation of 1.0 new full-time equivalent paralegal position for the Department of Public Safety for FY 2014. This position is recommended in addition to the Department's current staff attorney, general counsel, and paralegal. It should be noted that the Governor recommended the creation of this position as part of his FY 2014 budget, but the Assembly did not concur. The House Finance Committee recommends eliminating the funding.

105. Pay-Go Pensions. The House Finance Committee recommends eliminating \$33,000 from general revenues for State Police pensions paid on a pay-as-you-go basis for FY 2014, based on an

updated census of retired sworn members. Sworn members hired prior to July 1, 1987 were not required to contribute to their pensions and those are funded through an appropriation.

106. Sheriffs - Turnover and Operations. The House Finance Committee recommends \$330,000 in general revenue savings for the Division of Sheriffs for FY 2014, including \$280,000 in turnover savings from hiring delays and \$50,000 of savings from reduced equipment purchases.

Public Defender

107. Turnover and Operating Savings. The House Finance Committee assumes general revenue savings of \$25,000 from turnover and operations for the Office of the Public Defender for FY 2014. This is based on the Office's projected expenditures from its third quarter report.

Environmental Management

108. Capital - Blackstone Valley Bike Path. The Governor's revised budget includes \$0.4 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 shifts \$0.3 million from FY 2014 to FY 2015 to reflect the revised project schedule and anticipated expenditures.

109. Capital - Fort Adams State Park. The Governor recommends \$0.5 million from Rhode Island Capital Plan funds for FY 2014 to restore and repair historic structures at the Fort Adams State Park in Newport. The House Finance Committee concurs with the Governor's requested amendment to remove \$0.4 million from FY 2014 based on the revised project schedule and anticipated expenditures.

110. Capital - Fort Adams Sailing Improvements. The Governor recommends \$3.9 million for FY 2014 and \$2.5 million for FY 2015 from Rhode Island Capital Plan funds for improvements to Fort Adams State Park, which will allow the state to host large-scale sailing events. The House Finance Committee concurs with the Governor's requested amendment to shift a total of \$2.0 million from FY 2014, including \$0.6 million to FY 2015 and \$1.4 million to FY 2016, based on the revised project schedule.

111. Capital - Galilee Piers. The Governor recommends \$2.7 million for FY 2014 and \$0.5 million for FY 2015 from Rhode Island Capital Plan funds for facilities and infrastructure improvements at the Port of Galilee. The House Finance Committee concurs with the Governor's requested amendment to shift \$0.9 million from FY 2014 to FY 2015, add \$0.6 million to FY 2015, and remove \$0.3 million from FY 2016 and \$0.1 million from FY 2017 based on the revised project schedule and anticipated expenditures.

112. Capital - Natural Resources Offices/Visitor's Center. The Governor recommends \$0.4 million for FY 2014 and \$2.3 million for FY 2015 from Rhode Island Capital Plan funds for the construction of a new office facility for the natural resources division in the Arcadia Management Area at Browning Mill Pond. The House Finance Committee concurs with the Governor's requested amendment to remove \$0.2 million from FY 2014 to reflect anticipated expenditures and to remove the \$2.3 million from FY 2015 to reflect that this project is not currently moving forward.

113. Capital - Newport Piers. The Governor recommends \$0.1 million for FY 2014 and \$0.3 million for FY 2015 for ongoing infrastructure improvements at the Newport Piers. The House Finance Committee recommends shifting \$0.3 million from FY 2014 and FY 2015 to FY 2016 and FY

2017 to reflect the revised project schedule and anticipated expenditures, including design and construction of a building for lobster sales. Construction is scheduled to begin in FY 2016.

114. Capital - Rocky Point. The Governor recommends \$2.5 million from Rhode Island Capital Plan funds for FY 2014 for maintenance and renovations at the approximately 85 acre property formerly known as Rocky Point Park. The House Finance Committee concurs with the Governor's requested amendment to shift \$2.4 million from FY 2014 to FY 2015 and add \$1.0 million to FY 2015 for a total of \$3.4 million to better reflect anticipated work and the revised project schedule.

115. DOT Recreational Projects. The House Finance Committee concurs with the Governor's requested amendment to increase funding for Department of Transportation recreational projects by \$0.5 million. 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 the planned work for FY 2014, which includes creating and maintaining recreation trails in the state, as well as replacing the Lewis City Bridge in Arcadia Management Area and Galilee Ferry Terminal Safety Improvements.

116. Natural Resources Grant Adjustments. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding for the Bureau of Natural Resources by \$447,700 in FY 2014. The funding includes \$320,000 in carry forward funds for Enforcement of Pesticide Regulations, as well as \$76,400 for a Planning Challenge Grant and \$51,300 for Forest Legacy Administration, all of which were inadvertently excluded from the Governor's recommendation.

117. New Environmental Protection Grants. The House Finance Committee concurs with the Governor's requested amendment to increase federal funding for the Bureau of Environmental Protection by \$840,000 in FY 2014. The increased funding reflects three new federal grants: \$600,000 for a Performance Partnership Grant award for non-point source pollution, \$220,000 for a Superfund National Priority List grant for interim remedial action at Centerdale Manor in North Providence, and \$20,000 for a Flood Disaster Recovery grant for a wastewater study.

118. Turnover. The House Finance Committee recommends general revenue savings of \$67,082 for the Department of Environmental Management for FY 2014 based on anticipated staffing levels and expenditures.

Coastal Resources Management Council

119. Capital - Secure Facility Area. The Governor's FY 2014 revised budget includes \$50,000 in the Coastal Resources Management Council's budget to construct a secure outdoor area that would house one of the Council's boats. As funding for this is also included in the Department of Administration's budget as part of the Washington County Government Center project, the House Finance Committee removes the \$50,000 from the Council's budget.

120. Federal Grant Adjustments. The House Finance Committee concurs with the Governor's requested amendment to decrease funding for the Coastal Resources Management Council by \$119,077 in FY 2014. This reflects a reduction of \$147,547 to reflect completion of the River Ecosystem Restoration project and a shift of \$28,470 from FY 2015 to FY 2014 for the Aquatic Invasive Species grant to reflect that the funds will not be available after June 30, 2014.

Transportation

121. Capital - Cooperative Maintenance Facility. The Governor recommends \$0.3 million from Rhode Island Capital Plan funds for FY 2014 to convert the former Rhode Island Public Transit Authority's maintenance facility on Elmwood Avenue to a cooperative maintenance facility for the Department's heavy fleet and the Authority's buses. The project has not begun and the future plans are in question. Accordingly, the House Finance Committee removes \$0.3 million from FY 2014 and \$3.0 million from FY 2015.

122. Capital - Maintenance Facilities Asset Protection. The Governor recommends \$0.8 million from Rhode Island Capital Plan funds for FY 2014 to be used to make repairs at its seven district maintenance facilities throughout the state, and its headquarters facility located in Warwick. Improvements would include pavement repair at select facilities, replacement and repairs of the HVAC systems and roof repairs to several limited-use facilities. The House Finance Committee removes \$0.3 million from FY 2014 and shifts \$0.1 million to FY 2015 to reflect an updated construction schedule.

123. Capital - Portsmouth Facility. The Governor recommends \$0.9 million from Rhode Island Capital Plan funds in FY 2014 and \$1.2 million in FY 2015 to construct a new maintenance facility in Portsmouth. The House Finance Committee shifts \$0.4 million from fiscal year 2014 and \$0.7 million from FY 2015 to FY 2017 to reflect a revised project schedule. It should be noted that the Department has \$2.1 million of available general obligation bond proceeds from a 2004 bond referendum to replace the Portsmouth facility.

124. Capital - Salt Storage Facilities. The Governor recommends \$1.7 million from Rhode Island Capital Plan funds for FY 2014 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 \$1.0 million from FY 2014 and \$0.5 million from each subsequent year to reflect historical expenditures as well as a revised project schedule.

125. Gas Tax Estimate - DOT. The House Finance Committee recommends increasing gasoline tax expenditures for the Department of Transportation by \$2.3 million to reflect an upward revision of the gasoline tax yield estimate, additional carry forward funding from FY 2013 and a \$1.2 million reimbursement from the Federal Emergency Management Agency for operations during the blizzard of 2013. The adjustment will increase the debt service payment for the Department's GARVEE bonds, which are paid for with the equivalent of two cents of the gasoline tax, and also increase available proceeds for operations in the Division of Maintenance.

126. 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 \$0.3 million to reflect an upward revision of the gasoline tax yield estimate.

127. NHTSA Grant Awards. The Governor requested an amendment to add \$3.4 million from federal funds for FY 2014 to reflect new and additional funding from the National Highway Traffic Safety Administration. Funding would be used for statewide initiatives to address child safety, motorcycle safety and alcohol impaired driving. The House Finance Committee concurs.

128. Transit Congestion Mitigation Air Quality Funding. The Governor requested an amendment to add \$2.5 million from federal funds for FY 2014 to reflect revised awards and expenditures from Congestion Mitigation and Air Quality improvement funds, which are used by the Department of Transportation for transit related operating expenditures. A change in federal requirements related to

the use of these funds was adopted subsequent to the Governor's submission, and more funding is being allowed from this source for transit operations. The House Finance Committee concurs.

Section V

Summary Tables

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Expenditures from All Funds

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
General Government				
Administration	\$ 428,701,337	\$ 452,490,678	\$ 432,514,812	\$ 425,654,756
Business Regulation	12,989,880	14,576,780	12,976,430	12,976,430
Labor and Training	592,481,112	587,153,283	510,802,490	511,579,990
Revenue	353,439,739	440,057,223	450,554,219	460,214,642
Legislature	37,791,548	40,222,217	38,016,750	38,016,750
Lieutenant Governor	2,095,378	2,675,825	1,089,434	1,089,434
Secretary of State	6,952,764	6,987,576	7,866,955	8,366,955
General Treasurer	35,407,461	38,716,303	35,153,927	35,241,893
Board of Elections	1,739,361	1,738,894	4,145,127	4,145,127
Rhode Island Ethics Commission	1,577,204	1,575,940	1,581,205	1,581,205
Governor's Office	4,443,513	4,132,646	4,652,562	4,527,562
Human Rights	1,459,423	1,463,433	1,480,179	1,480,179
Public Utilities Commission	8,420,293	8,518,927	8,619,471	8,459,886
Subtotal - General Government	\$ 1,487,499,013	\$ 1,600,309,725	\$ 1,509,453,561	\$ 1,513,334,809
Human Services				
Health and Human Services	\$ 1,867,935,132	\$ 1,980,740,775	\$ 2,092,840,275	\$ 2,391,879,054
Children, Youth and Families	213,873,566	215,201,193	209,217,229	210,636,391
Health	120,980,759	120,494,567	122,600,780	122,645,570
Human Services	662,090,161	663,600,229	655,462,770	649,044,682
BHDDH	437,848,408	439,564,694	444,026,610	365,459,826
Child Advocate	648,648	625,477	661,817	661,817
Deaf and Hard of Hearing	471,609	469,267	474,279	474,279
Commission on Disabilities	1,455,336	1,078,612	1,508,802	1,508,802
Mental Health Advocate	486,144	483,716	495,010	495,010
Subtotal - Human Services	\$ 3,305,789,763	\$ 3,422,258,530	\$ 3,527,287,572	\$ 3,742,805,431
Education				
Elementary and Secondary	\$ 1,225,973,266	\$ 1,227,299,213	\$ 1,249,201,477	\$ 1,246,897,169
Higher Education	1,057,498,950	1,060,911,684	1,072,723,227	1,080,789,192
Arts Council	2,765,495	2,739,724	3,772,042	2,914,959
Atomic Energy	1,436,731	1,225,471	1,271,174	1,271,174
HEAA	26,763,735	24,979,919	24,446,961	23,946,961
Historical Preservation	3,506,949	4,222,727	5,102,827	5,909,976
Subtotal - Education	\$ 2,317,945,126	\$ 2,321,378,738	\$ 2,356,517,708	\$ 2,361,729,431

Expenditures from All Funds

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
Public Safety				
Attorney General	\$ 30,400,101	\$ 42,823,364	\$ 36,503,363	\$ 36,791,685
Corrections	204,702,527	197,615,959	209,574,698	209,326,500
Judicial	107,624,121	107,839,454	106,494,516	105,569,516
Military Staff	43,157,514	49,146,675	19,014,074	18,454,074
Public Safety	123,477,749	123,988,434	127,821,614	126,554,846
Public Defender	11,326,682	11,117,497	11,379,680	11,379,680
Emergency Management	-	-	20,622,227	20,622,227
Subtotal-Public Safety	\$ 520,688,694	\$ 532,531,383	\$ 531,410,172	\$ 528,698,528
Natural Resources				
Environmental Management	\$ 116,179,523	\$ 102,959,065	\$ 95,827,457	\$ 103,811,527
CRMC	4,709,906	4,624,691	4,238,151	4,959,681
Subtotal-Natural Resources	\$ 120,889,429	\$ 107,583,756	\$ 100,065,608	\$ 108,771,208
Transportation				
Transportation	\$ 460,249,997	\$ 484,637,169	\$ 519,227,382	\$ 522,120,546
Subtotal-Transportation	\$ 460,249,997	\$ 484,637,169	\$ 519,227,382	\$ 522,120,546
Total	\$ 8,213,062,022	\$ 8,468,699,301	\$ 8,543,962,003	\$ 8,777,459,953

Expenditures from General Revenues

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
General Government				
Administration	\$ 264,801,211	\$ 263,297,699	\$ 295,595,931	\$ 269,482,037
Business Regulation	9,245,878	8,689,930	9,013,477	9,013,477
Labor and Training	9,064,061	8,548,019	9,181,603	8,669,103
Revenue	102,007,495	100,056,480	102,488,659	107,798,690
Legislature	36,186,933	38,654,217	36,429,671	36,429,671
Lieutenant Governor	986,890	946,501	1,015,084	1,015,084
Secretary of State	6,497,833	6,417,569	7,337,203	7,337,203
General Treasurer	2,654,692	2,557,317	2,532,105	2,432,105
Board of Elections	1,739,361	1,738,894	4,145,127	4,145,127
Rhode Island Ethics Commission	1,577,204	1,575,940	1,581,205	1,581,205
Governor's Office	4,443,513	4,132,646	4,652,562	4,527,562
Human Rights	1,150,785	1,146,066	1,193,083	1,193,083
Public Utilities Commission	-	-	-	-
Subtotal - General Government	\$ 440,355,856	\$ 437,761,278	\$ 475,165,710	\$ 453,624,347
Human Services				
Health and Human Services	\$ 843,227,650	\$ 848,374,650	\$ 847,618,499	\$ 904,867,127
Children, Youth and Families	152,976,991	152,201,575	148,415,637	148,707,146
Health	24,308,001	23,459,058	23,513,130	22,957,920
Human Services	93,479,195	93,870,288	97,273,992	95,586,573
BHDDH	202,091,382	201,089,816	201,791,368	167,486,873
Child Advocate	608,651	575,477	611,817	611,817
Deaf and Hard of Hearing	391,609	389,267	394,279	394,279
Commission on Disabilities	357,711	356,352	358,275	358,275
Mental Health Advocate	486,144	483,716	495,010	495,010
Subtotal - Human Services	\$ 1,317,927,334	\$ 1,320,800,199	\$ 1,320,472,007	\$ 1,341,465,020
Education				
Elementary and Secondary	\$ 964,706,909	\$ 960,297,587	\$ 1,007,205,243	\$ 1,005,200,935
Higher Education	180,013,795	178,880,679	191,738,963	190,954,911
Arts Council	1,335,630	1,310,508	2,340,158	1,483,075
Atomic Energy	861,710	856,770	913,197	913,197
HEAA	4,281,726	4,333,323	4,281,726	147,000
Historical Preservation	1,357,510	1,340,796	1,280,610	1,320,610
Subtotal - Education	\$ 1,152,557,280	\$ 1,147,019,663	\$ 1,207,759,897	\$ 1,200,019,728

Expenditures from General Revenues

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
Public Safety				
Attorney General	\$ 23,656,979	\$ 23,795,794	\$ 23,587,146	\$ 23,607,146
Corrections	185,379,198	186,632,042	188,725,295	187,745,480
Judicial	91,681,359	91,405,406	92,421,668	91,536,668
Military Staff	3,869,983	3,565,037	1,842,096	1,842,096
Public Safety	96,361,799	94,263,873	95,967,834	95,294,034
Public Defender	11,034,686	10,860,411	11,130,816	11,130,816
Emergency Management	-	-	1,959,858	1,959,858
Subtotal-Public Safety	\$ 411,984,004	\$ 410,522,563	\$ 415,634,713	\$ 413,116,098
Natural Resources				
Environmental Management	\$ 34,756,318	\$ 34,136,120	\$ 34,870,105	\$ 35,540,105
CRMC	2,174,331	2,158,736	2,185,538	2,185,538
Subtotal-Natural Resources	\$ 36,930,649	\$ 36,294,856	\$ 37,055,643	\$ 37,725,643
Transportation				
Transportation	\$ -	\$ -	\$ -	\$ -
Subtotal-Transportation	\$ -	\$ -	\$ -	\$ -
Total	\$ 3,359,755,123	\$ 3,352,398,559	\$ 3,456,087,970	\$ 3,445,950,836

Expenditures from Federal Grants

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
General Government				
Administration	\$ 62,189,669	\$ 91,718,624	\$ 53,453,959	\$ 51,493,455
Business Regulation	1,747,589	3,958,494	2,021,830	2,021,830
Labor and Training	95,710,236	99,066,609	42,183,672	42,183,672
Revenue	3,048,651	1,846,191	2,948,586	5,113,145
Legislature	-	-	-	-
Lieutenant Governor	1,108,488	1,594,324	74,350	74,350
Secretary of State	-	50,163	-	-
General Treasurer	1,130,422	851,029	870,338	870,338
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	308,638	317,367	287,096	287,096
Public Utilities Commission	166,818	205,056	87,733	87,733
Subtotal - General Government	\$ 165,410,511	\$ 199,607,857	\$ 101,927,564	\$ 102,131,619
Human Services				
Health and Human Services	\$ 1,014,710,198	\$ 1,119,813,012	\$ 1,231,413,896	\$ 1,471,104,047
Children, Youth and Families	56,692,405	59,485,292	56,127,348	56,568,664
Health	62,004,542	63,895,434	65,094,393	65,094,393
Human Services	554,368,102	561,593,830	547,675,923	547,332,819
BHDDH	217,759,723	219,901,053	215,194,293	181,157,004
Child Advocate	39,997	50,000	50,000	50,000
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	129,989	156,330	141,350	141,350
Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 1,905,704,956	\$ 2,024,894,951	\$ 2,115,697,203	\$ 2,321,448,277
Education				
Elementary and Secondary	\$ 225,746,654	\$ 228,824,552	\$ 208,495,934	\$ 208,495,934
Higher Education	6,190,306	5,032,194	5,092,287	5,092,287
Arts Council	797,329	796,680	799,348	799,348
Atomic Energy	267,044	60,724	-	-
HEAA	13,274,020	12,316,514	13,330,967	15,465,693
Historical Preservation	609,949	2,175,422	2,183,588	2,183,588
Subtotal - Education	\$ 246,885,302	\$ 249,206,086	\$ 229,902,124	\$ 232,036,850

Expenditures from Federal Grants

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
Public Safety				
Attorney General	\$ 1,619,532	\$ 2,829,090	\$ 1,366,309	\$ 1,634,631
Corrections	1,788,688	2,563,718	1,654,703	1,654,703
Judicial	2,624,248	2,410,583	1,909,247	1,909,247
Military Staff	34,878,752	41,330,122	14,779,178	14,779,178
Public Safety	6,155,535	10,744,356	6,894,275	6,894,275
Public Defender	291,996	257,086	248,864	248,864
Emergency Management	-	-	18,273,640	18,273,640
Subtotal-Public Safety	\$ 47,358,751	\$ 60,134,955	\$ 45,126,216	\$ 45,394,538
Natural Resources				
Environmental Management	\$ 38,391,731	\$ 37,400,336	\$ 31,779,611	\$ 31,859,611
CRMC	2,160,593	2,215,955	1,802,613	1,774,143
Subtotal-Natural Resources	\$ 40,552,324	\$ 39,616,291	\$ 33,582,224	\$ 33,633,754
Transportation				
Transportation	\$ 311,761,586	\$ 355,027,537	\$ 352,114,755	\$ 352,114,755
Subtotal-Transportation	\$ 311,761,586	\$ 355,027,537	\$ 352,114,755	\$ 352,114,755
Total	\$ 2,717,673,430	\$ 2,928,487,677	\$ 2,878,350,086	\$ 3,086,759,793

Expenditures from Restricted Receipts

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
General Government				
Administration	\$ 15,912,808	\$ 18,380,918	\$ 14,201,089	\$ 35,648,746
Business Regulation	1,996,413	1,928,356	1,941,123	1,941,123
Labor and Training	43,125,719	55,242,490	40,250,583	41,540,583
Revenue	1,821,886	1,795,805	1,814,986	4,000,819
Legislature	1,604,615	1,568,000	1,587,079	1,587,079
Lieutenant Governor	-	135,000	-	-
Secretary of State	454,931	519,844	529,752	529,752
General Treasurer	31,393,424	35,097,680	31,530,876	31,718,842
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	8,253,475	8,313,871	8,531,738	8,372,153
Subtotal - General Government	\$ 104,563,271	\$ 122,981,964	\$ 100,387,226	\$ 125,339,097
Human Services				
Health and Human Services	\$ 9,997,284	\$ 12,553,113	\$ 13,807,880	\$ 15,907,880
Children, Youth and Families	2,614,170	2,448,750	2,448,750	2,448,750
Health	34,632,906	33,011,013	33,993,257	34,593,257
Human Services	9,762,500	2,810,765	6,034,874	1,797,309
BHDDH	7,396,872	9,551,440	9,608,663	9,608,663
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	80,000	80,000	80,000	80,000
Commission on Disabilities	10,365	15,930	9,177	9,177
Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 64,494,097	\$ 60,471,011	\$ 65,982,601	\$ 64,445,036
Education				
Elementary and Secondary	\$ 27,658,516	\$ 26,593,892	\$ 27,253,972	\$ 26,953,972
Higher Education	702,583	702,583	644,000	644,000
Arts Council	-	-	-	-
Atomic Energy	-	-	-	-
HEAA	-	-	-	-
Historical Preservation	454,491	457,820	434,910	434,910
Subtotal - Education	\$ 28,815,590	\$ 27,754,295	\$ 28,332,882	\$ 28,032,882

Expenditures from Restricted Receipts

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
Public Safety				
Attorney General	\$ 5,073,590	\$ 15,956,675	\$ 11,249,908	\$ 11,249,908
Corrections	64,890	66,153	54,639	398,879
Judicial	11,803,514	11,838,182	10,813,601	10,773,601
Military Staff	1,000,779	771,058	442,800	442,800
Public Safety	12,753,188	12,853,755	12,863,854	12,863,854
Public Defender	-	-	-	-
Emergency Management	-	-	221,729	221,729
Subtotal-Public Safety	\$ 30,695,961	\$ 41,485,823	\$ 35,646,531	\$ 35,950,771
Natural Resources				
Environmental Management	\$ 18,081,515	\$ 18,901,450	\$ 15,934,989	\$ 15,934,989
CRMC	374,982	250,000	250,000	250,000
Subtotal-Natural Resources	\$ 18,456,497	\$ 19,151,450	\$ 16,184,989	\$ 16,184,989
Transportation				
Transportation	\$ 8,010,496	\$ 6,868,950	\$ 12,352,761	\$ 12,352,761
Subtotal-Transportation	\$ 8,010,496	\$ 6,868,950	\$ 12,352,761	\$ 12,352,761
Total	\$ 255,035,912	\$ 278,713,493	\$ 258,886,990	\$ 282,305,536

Expenditures from Other Funds

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
General Government				
Administration	\$ 85,797,649	\$ 79,093,437	\$ 69,263,833	\$ 69,030,518
Business Regulation	-	-	-	-
Labor and Training	444,581,096	424,296,165	419,186,632	419,186,632
Revenue	246,561,707	336,358,747	343,301,988	343,301,988
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	-	-	-	500,000
General Treasurer	228,923	210,277	220,608	220,608
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	-	-	-	-
Subtotal - General Government	\$ 777,169,375	\$ 839,958,626	\$ 831,973,061	\$ 832,239,746
Human Services				
Health and Human Services	\$ -	\$ -	\$ -	\$ -
Children, Youth and Families	1,590,000	1,065,576	2,225,494	2,911,831
Health	35,310	129,062	-	-
Human Services	4,480,364	5,325,346	4,477,981	4,327,981
BHDDH	10,600,431	9,022,385	17,432,286	7,207,286
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	957,271	550,000	1,000,000	1,000,000
Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 17,663,376	\$ 16,092,369	\$ 25,135,761	\$ 15,447,098
Education				
Elementary and Secondary	\$ 7,861,187	\$ 11,583,182	\$ 6,246,328	\$ 6,246,328
Higher Education	870,592,266	876,296,228	875,247,977	884,097,994
Arts Council	632,536	632,536	632,536	632,536
Atomic Energy	307,977	307,977	357,977	357,977
HEAA	9,207,989	8,330,082	6,834,268	8,334,268
Historical Preservation	1,084,999	248,689	1,203,719	1,970,868
Subtotal - Education	\$ 889,686,954	\$ 897,398,694	\$ 890,522,805	\$ 901,639,971

Expenditures from Other Funds

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
Public Safety				
Attorney General	\$ 50,000	\$ 241,805	\$ 300,000	\$ 300,000
Corrections	17,469,751	8,354,046	19,140,061	19,527,438
Judicial	1,515,000	2,185,283	1,350,000	1,350,000
Military Staff	3,408,000	3,480,458	1,950,000	1,390,000
Public Safety	8,207,227	6,126,450	12,095,651	11,502,683
Public Defender	-	-	-	-
Emergency Management	-	-	167,000	167,000
Subtotal-Public Safety	\$ 30,649,978	\$ 20,388,042	\$ 35,002,712	\$ 34,237,121
Natural Resources				
Environmental Management	\$ 24,949,959	\$ 12,521,159	\$ 13,242,752	\$ 20,476,822
CRMC	-	-	-	750,000
Subtotal-Natural Resources	\$ 24,949,959	\$ 12,521,159	\$ 13,242,752	\$ 21,226,822
Transportation				
Transportation	\$ 140,477,915	\$ 122,740,682	\$ 154,759,866	\$ 157,653,030
Subtotal-Transportation	\$ 140,477,915	\$ 122,740,682	\$ 154,759,866	\$ 157,653,030
Total	\$ 1,880,597,557	\$ 1,909,099,572	\$ 1,950,636,957	\$ 1,962,443,788

Full-Time Equivalent Positions

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
General Government				
Administration	720.7	720.7	723.7	710.7
Business Regulation	94.0	94.0	94.0	94.0
Labor and Training	392.0	410.0	410.0	410.0
Revenue	492.0	492.0	499.0	498.0
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	83.0	83.0	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	49.0	49.0	50.0	50.0
Subtotal - General Government	2,276.7	2,294.7	2,305.7	2,291.7
Human Services				
Health and Human Services	184.0	184.0	184.0	184.0
Children, Youth and Families	670.5	670.5	670.5	670.5
Health	494.1	491.1	491.3	491.3
Human Services	959.1	959.1	959.1	959.1
BHDDH	1,423.4	1,422.4	1,422.4	1,422.4
Child Advocate	6.0	6.0	6.0	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	3,747.8	3,743.8	3,744.0	3,744.0
Education				
Elementary and Secondary	357.4	357.4	340.9	340.9
Higher Education	4,248.0	4,247.0	4,247.0	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 Authority	23.0	23.0	25.0	22.0
Historical Preservation	16.6	16.6	16.6	16.6
Subtotal - Education	4,659.6	4,658.6	4,644.1	4,641.1

Full-Time Equivalent Positions

	FY 2014 Enacted	FY 2014 Committee	FY 2015 Recommended	FY 2015 Committee
Public Safety				
Attorney General	233.1	233.1	233.1	236.1
Corrections	1,419.0	1,419.0	1,419.0	1,419.0
Judicial	726.3	726.3	726.3	726.3
Military Staff	117.0	117.0	85.0	85.0
Public Safety	645.2	634.2	634.2	633.2
Public Defender	93.0	93.0	93.0	93.0
Emergency Management	-	-	32.0	32.0
Subtotal-Public Safety	3,233.6	3,222.6	3,222.6	3,224.6
Natural Resources				
Environmental Management	399.0	399.0	399.0	399.0
CRMC	29.0	29.0	29.0	29.0
Subtotal-Natural Resources	428.0	428.0	428.0	428.0
Transportation				
Transportation	772.6	752.6	752.6	752.6
Subtotal-Transportation	772.6	752.6	752.6	752.6
Total Positions	15,118.3	15,100.3	15,097.0	15,082.0

Section VI

Article Explanations

Explanations of Budget Articles

2014-H 7133, Substitute A

Article 1

Section 1. Appropriations. This section of Article 1 contains the appropriations for FY 2015.

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. This section 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. This section 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 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. This section appropriates all funds required for benefit payments from the Temporary Disability Insurance Fund and the Temporary Disability Insurance Reserve Fund for FY 2015.

Section 8. Employment Security Funds. This section appropriates all funds required for benefit payments to the unemployed from the Employment Security Fund for FY 2015.

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 2015. 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 15,082.0 full-time equivalent positions, which is 36.3 positions less than the FY 2014 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 2015 through FY 2019 Capital Budget that are funded from Rhode Island Capital Plan funds. The FY 2015 and multi-year appropriations supersede appropriations made for capital projects in Section 11 of Article 1 of the FY 2014 Appropriations Act.

Section 12. Reappropriations. This section of Article 1 provides for automatic reappropriation of unexpended balances from FY 2014 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.

Section 14. Attorney General Transfer. This section of the article requires that the Attorney General transfer \$0.6 million from a lead paint settlement into the Housing Resources Commission's restricted receipt account.

Section 15. Effective Date. This section of Article 1 establishes July 1, 2014 as the effective date of the article.

Article 2. State Aid

Article 2 amends current law to require appropriations of \$5.0 million from general revenues for FY 2015 and FY 2016, the second and third years of the Municipal Incentive Aid program to encourage sustainable funding of retirement plans and to reduce unfunded liabilities. Eligibility requirements remain unchanged. However, the article permits a non-compliant municipality's allocation to be reappropriated for payment with the following fiscal year's allocation; if a municipality does not satisfy eligibility requirements for both fiscal years, both its reappropriated allocation and the current fiscal year's allocation will be redistributed to the other cities and towns. The article also requires that municipalities must submit tax assessment data for the Payment In Lieu of Taxes program for the following fiscal year prior to receiving the current fiscal year's payment.

Article 3. Restricted Receipts

This article creates the Veterans' Home Construction and the HIV Care Grant Drug Rebates accounts as well as exempting them from the 10.0 percent indirect cost recovery charge. It also exempts the Job Development Fund and the Housing Resources Commission restricted account, which is established in Article 12 Section 6.

Article 4. Public Corporation Debt Management and Leases

Explanations of Budget Articles

The Public Corporation Debt Management Act requires that all new debt authorizations be approved by the Assembly except in certain circumstances. State law also requires Assembly approval for most long-term lease agreements. This article contains five authorizations applicable under those requirements as follows.

Section 2. Garrahy Courthouse Parking Project. This section authorizes \$45.0 million for construction of approximately 1,250 parking spaces and 13,800 square feet of retail spaces as part of the Garrahy Courthouse parking project. The legislation requires that at least three purchase and sale agreements are secured before the debt can be issued and the authorization for the debt issuance sunsets after five years.

Section 3. Airport. This section authorizes \$60.0 million for various improvements at T.F. Green Airport, to be supported by Airport Corporation revenues.

Section 4. DEPCO. This section authorizes the Rhode Island Refunding Bond Authority to issue new taxable bonds to refund a portion of outstanding bonds from the Depositors Economic Protection Corporation, which was created in 1991 to pay off depositors who lost their savings in the collapse of the Rhode Island Share and Deposit Indemnity Corporation. Savings generated will reduce state debt.

Section 5 through 7. Tobacco Settlement. These sections authorize the Tobacco Settlement Financing Corporation to raise additional funds in an amount of not less than \$20.0 million from the Tobacco Settlement Financing Corporation Act through the refunding of its bonds. Of this amount, \$5.0 million each will be deposited into the State General Fund and the Municipal Road and Bridge Revolving Fund, and the remaining proceeds will be deposited into the Information Technology Investment Fund.

Sections 8 through 10. Nursing Education Center. These sections authorize the Board of Education and the Department of Administration to enter into a 15-year lease with the developer of the South Street Landing property in Providence for use as a joint nursing education center by the University of Rhode Island and Rhode Island College. Occupancy is anticipated for July 2016 and no lease payments will be made until possession occurs which would be FY 2017. The annual lease payment would be \$6.0 million funded from a combination of general revenues, tuition and fees.

The sections also authorize issuance of \$15.0 million from Certificates of Participation to purchase equipment, fixtures and furnishings. Annual debt service assuming a ten-year term and 7.0 percent interest would be \$1.5 million.

Article 5. Capital Development Program

Article 5 places \$248.0 million of new general obligation bond authorizations on the November 2014 ballot for voter approval through four separate questions. The first referendum would provide \$125.0 million for the first phase of a project to renovate and build additions to the College of Engineering complex at the University of Rhode Island. The second question is for \$35.0 million for renovations to public and nonprofit theaters and performance spaces with \$5.0 million of that reserved for qualifying projects in historic sites.

Question three would provide \$35.0 million to make renovations and enhancements to the infrastructure of the state's mass transit hubs. The final referendum is \$53.0 million for clean water,

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open space and healthy communities. It is divided into seven distinct components with \$20.0 million for Clean Water Finance Agency infrastructure loans and the remaining six components total \$33.0 million for brownfields remediation, flood prevention, farmland acquisition, recreation and development grants, as well as improvements and renovations to the Roger Williams Park and Zoo.

Article 6. Resource Recovery Municipal Tipping Fees

This article extends the current municipal tipping fees charged by the Resource Recovery Corporation by one year, through FY 2015. The current fees range from \$29 to \$32 per ton and are based on the proportion of solid waste recycled by each municipality. The municipal tipping fees were last extended by the 2011 Assembly to sunset as of June 30, 2014, which would leave no statutory guidance for setting the fees. Absent the extension, the Corporation would be responsible for the determination of municipal tipping fees. The Article requires the Corporation to provide a rate plan with its budget submission to the state on or before October 1, 2014.

Article 7. Regional Greenhouse Gas Initiative

Current law allows the Department of Environmental Management and the Office of Energy Resources to use \$0.3 million or 5.0 percent, whichever is less, of the receipts from the Regional Greenhouse Gas auctions for administrative purposes. This article increases the administrative percentage to \$0.3 million or 10.0 percent, whichever is greater. Reported administrative expenditures were \$0.1 million each in FY 2013 and FY 2012, and \$0.2 million in FY 2011. The article takes effect on July 1, 2014.

Article 8. Task Force on the Underground Economy and Employee Misclassification

Article 8 creates an interdepartmental task force to combat the underground economy and prevent misclassification of employees by employers, such as categorizing workers as contracted staff instead of employees and paying wages lower than the minimum wage or not properly documenting payroll expenses. The task force will include representatives of the Department of Labor and Training, Division of Taxation, Commerce Corporation, Attorney General, State Police and Workers' Compensation Court. An annual report shall be submitted by March 15 to the Governor and chairpersons of the House and Senate Finance Committees, beginning in 2015. The Budget includes revenues of \$1.8 million from personal income taxes not currently collected from misclassified workers and the assessment of interest and penalties on employers.

Article 9. Relating to Government Reform

Section 1. Direct Deposit. This section requires the controller to implement a direct deposit payroll system for state employees and requires that all state employees hired after September 30, 2014 participate in the direct deposit system. Employees hired before September 30, 2014 who are not participating in the direct deposit system, must do so by June 30, 2016.

Section 2. FICA Alternative Retirement Plan. Section 2 makes a technical correction to clarify that an eligible participant of the alternative retirement plan would be an employee who works less than 20 hours per week. The plan was established by the 2013 Assembly for seasonal and part-time employees who are not members of the state's retirement system.

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Section 3. Privatization Contract. The 2006 Assembly adopted legislation requiring agencies to list all privatization contracts as part of the budget request when obtaining services that are substantially similar to work performed by regular employees of the department, commission, board, council or agency starting in FY 2009. The list must contain the name of the contractor, duration of the contract and costs of previous, current and upcoming years. Agencies must also include a summary of contracted private employees for each contract, reflected as full-time equivalent positions and their hourly wage rate. Section 3 alters the requirements so that agencies provide actual information for the prior fiscal year and projected costs for the current and upcoming fiscal years. The listings will be published annually online using the state's transparency portal or an equivalent website no later than December 1 of each year.

Section 4. Consultant Report. Current law requires that state agencies report a list of all contracted services in excess of \$100,000 to the Secretary of State on a quarterly basis. This section of the article increases the threshold to \$150,000 to mirror current legislation and requires that the reporting be annually submitted to the Budget Office electronically. It further requires that the Budget Office electronically post all contracts and reports online using the state's transparency portal or an equivalent website no later than December 1 of each year.

Sections 5 and 6. Information Technology Investment Fund. These sections dedicate 10.0 percent of the \$1.0 monthly surcharge on wireless and land lines to the Information Technology Investment Fund, effective July 1, 2015. This is estimated to direct \$1.5 million annually from general revenues to this fund beginning in FY 2016. The fund was created by the 2011 Assembly and is currently supported from land sales and other transfers.

Section 7. Effective Date. Sections one through four take effect upon passage and sections five and six take effect July 1, 2014.

Article 10. Revised Budget

Section 1. Revisions to Appropriations. This section of Article 10 contains the revised appropriations for FY 2014.

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. This section 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 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 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

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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 15,100.3 full-time equivalent positions, 18.0 positions less than enacted.

Section 5. Bond Premiums. This section of Article 10 transfers \$3.3 million of bond premium proceeds that were deposited into the Rhode Island Capital Plan Fund in FY 2014 to the Municipal Road and Bridge Revolving Fund on or before June 30, 2014.

Section 6. Insurance Recovery Fund. This section of the article transfers \$0.9 million from the Insurance Recovery Fund into the State General Fund. The Insurance Recovery Fund receives receipts from insurance companies for claim settlements and had a cash balance of \$2.3 million on June 30, 2013.

Section 7. Effective Date. This section of Article 10 establishes an effective date upon passage of the article.

Article 11. Employment

Sections 1 and 2. Job Development Assessment. These sections clarify existing language stating that the 0.3 percent job development assessment charged to employers to repay the state's unemployment insurance loans will end in tax year 2014 and the assessment will return to 0.21 percent beginning the quarter after the loan payment occurs, and for tax years FY 2015 and subsequent years, the assessment will be 0.21 percent. Also, the sections make a technical correction regarding the portion of the assessment used to supplement departmental expenses.

Section 3. Temporary Borrowing. This section allows the Department to borrow from the state General Fund to pay unemployment insurance benefits to avoid borrowing from the federal government for cash flow purposes; current law only allows borrowing from the General Fund to repay outstanding federal loans. This ensures that employers will not be subject to an increased federal tax because of cash flow borrowing.

Section 4. Minimum Wage. No municipality can establish, mandate, or otherwise require employers to pay a minimum wage other than the state or federal minimum wage or apply minimum wage laws to wages exempt from minimum wage requirements.

Article 12. Relating to Taxation and Revenues

Section 1. Auto Registration Block. This section amends current law to establish a block on new vehicle registrations applied for by persons who are not current in tax return filings or are delinquent in payments and who have not begun an administrative or appellate review process. The Tax Administrator is made responsible for the quarterly reporting of applicable data to the Division of Motor Vehicles and certification of subsequent compliance. The Budget includes \$0.5 million in additional revenues from the establishment of this block.

Section 2. Use Tax Safe Harbor. This section establishes a safe harbor provision for the payment of use tax according to a lookup table provided by the Tax Administrator. Filers who purchase taxable items from vendors that do not collect or remit Rhode Island sales tax are responsible for the payment of use tax on those purchases. Personal income tax return forms will include a table to assist filers with the determination

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of use tax owed based on the filer's Rhode Island adjusted gross income and single purchases over \$1,000. Proper filing of use tax, per the Tax Administrator's instructions, will absolve the filer from the requirement to pay any additional taxes owed as well as any penalties. The Budget assumes \$2.2 million in new use tax will be remitted.

Section 3. Public Employment Income Tax Compliance. This section establishes enhanced income tax compliance for state and municipal public employees and officials. The Division of Taxation shall notify any public employee who is out of compliance of the amount of any tax, interest, and penalties due and provide procedures to come into compliance. The wages of any public employee who is unresponsive or remains noncompliant following contact from the Division will be garnished. The Budget assumes \$1.1 million in associated revenues.

Section 4. Property Tax Relief Credit. This section modifies the eligibility requirements for claimants of the property tax relief credit, making funding available exclusively for the elderly and disabled populations, effective the tax year beginning January 1, 2014. The budget includes associated general revenue savings of \$8.2 million.

Sections 5 and 6. Real Estate Conveyance Tax. This section increases the real estate conveyance tax from \$2.00 to \$2.30 per \$500 or fractional part paid for the purchase of property conveyed for more than \$100. This is estimated to generate an additional \$2.8 million. These funds will be used for the lead hazard reduction abatement and rental housing subsidies, administered by the Housing Resources Commission, previously funded through a general revenue appropriation.

Section 7. Earned Income Tax Credit. This section modifies the state Earned Income Tax Credit for low and moderate wage earners to equal 10.0 percent of the federal credit, of which 100 percent would be refundable to the filer, effective the tax year beginning January 1, 2015. Under current law, the state credit is valued at 25.0 percent of the federal credit; 15.0 percent of the state credit is refundable. The budget includes an associated general revenue loss of \$4.3 million for FY 2015; this annualizes to \$8.8 million for FY 2016.

Section 8. Automatic Sales Suppression Devices. This section criminalizes the purchase, sale, and use of any technology that enables the understatement of actual sales through the alteration of transaction data or reports for sales tax purposes. Violators will be guilty of a felony and subject to a fine of up to \$50,000, five years in prison, or both, in addition to any tax owed and all associated interest and penalties. The Tax Administrator will provide safe harbor to those persons in possession of such a device, if any requested information is provided, any unreported tax is corrected, and all amounts owed are fully paid by October 1, 2014. The Budget includes \$0.8 million in associated revenues.

Sections 9 through 11. Alcohol Tax Pilot Extension. These sections postpone the sunset of the pilot program to increase alcohol excise taxes and exempt retail sales of wine and spirits from sales and use taxes, enacted by the 2013 Assembly, to June 30, 2015. The budget includes an associated revenue loss of \$1.6 million.

Section 12. Estate Tax. This section converts the current estate tax threshold of \$921,655, indexed to inflation, to a credit equivalent to taxes owed for estate value up to \$1.5 million, effective January 1, 2015. The Budget assumes an associated revenue loss of \$9.4 million for FY 2015 and \$18.0 million for FY 2016.

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Sections 13 through 21. Business Taxes Restructuring. These sections include multiple changes to business taxes, including the implementation of combined reporting for business corporations tax filers and the elimination of the franchise tax, effective January 1, 2015. These sections additionally modify the apportionment calculation used by filers to determine net income and tax liability from the current method, which weighs property, sales, and payroll equally, to the “single sales” method, which uses only sales, determined by market-based sourcing. The Tax Administrator is required to establish an independent appeals process for the determination of income apportionment, and must report on the impact of these changes by March 2018.

Section 22. Effective Date. This section establishes that section 4 is effective upon passage and shall apply to tax years beginning January 1, 2014. Section 5 and sections 11 through 19 of this article shall take effect upon passage and shall apply to tax years beginning January 1, 2015. The remainder of this article shall take effect as of July 1, 2014.

Article 13. Lottery

The article amends current law regarding the net transfer of lottery funds to the state General Fund. It eliminates existing statutory minimum percentage transfer requirements from traditional lottery and Keno games, enabling the Lottery Division to determine the types and amounts of games it offers to maximize sales and the transfer to the General Fund. The article also amends existing statute to require that the transfer of remaining lottery funds to the General Fund reflect the employer contribution to the employees’ retirement system. This is to allow compliance with new Governmental Accounting Standards Board rules regarding the recognition of unfunded retirement liabilities beyond the annual required contribution without affecting the transfer.

Additionally, this article amends the master contract for Twin River Casino, increasing the state’s share of marketing expenditures. Under current law, reimbursement is capped at a maximum of the state share of slots revenue multiplied by actual costs between \$4.0 million and \$10.0 million. The state reimburses Twin River a maximum of \$3.6 million. The recommended contract amendment requires the state to reimburse for marketing costs between \$14.0 million and \$17.0 million at the existing rate of the state share multiplied by actual costs. The budget assumes an associated revenue loss of \$1.1 million.

Article 14. Government Reorganization

Section 1. This section transfers control of the state Emergency Management Agency from the Adjutant General of the National Guard to the executive director of the Emergency Management Agency. This effectively separates what is currently a single administrative structure with both the Emergency Management Agency and the National Guard. Article 1 separates the entities into stand alone agencies.

Section 2. This section makes a technical correction to a Public Utilities Commission statute regarding the Low Income Home Energy Assistance Program Enhancement Plan, replacing references to the Office of Energy Resources with the Department of Human Services since the administration of the Low Income Home Energy Assistance Program was transferred to the Department on July 1, 2012.

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Section 3. This section creates a customer service unit within the Department of Environmental Management. The Department already includes an Office of Customer and Technical Assistance, but this section codifies a requirement that the agency have a customer service unit to provide technical assistance to customers and help them to comply with environmental regulations and requirements. This section also mandates that the Department and the Office of Regulatory Reform collaborate on a report detailing an alternative compliance approaches plan, which would be due to the General Assembly and the Governor by May 1, 2015.

Section 4. This section requires the administration to include a plan for allocating Higher Education Assistance Authority programs to other agencies as part of FY 2016 budget.

Section 5. This section specifies that Article 14 will take effect on July 1, 2014.

Article 15. Health and Human Services

Sections 1 and 2. These sections lower the state payment for an individual receiving supplemental security income and residing in an assisted living facility from \$332 to \$80 and increases from \$206 to \$458 the payment made to individuals receiving the payment and living in either a non-Medicaid funding facility or a facility financed by Rhode Island Housing prior to January 1, 2006. These sections take effect October 1, 2014.

Section 3. This section extends the sunset provision for the Child Care Subsidy Transition Program for two years, for a new sunset of September 30, 2016. The 2013 Assembly created the pilot program to allow families eligible for subsidized child care because their income is at or below 180 percent of poverty to remain eligible until the family income exceeds 225 percent of poverty, from October 1, 2013 through September 30, 2014. Otherwise, a family is eligible for child care assistance either by qualifying for the Rhode Island Works program or if they qualify as low income, which is at or below 180 percent of federal poverty.

Section 4. This section repeals the numerical limits to the number of plants and usable marijuana that compassion centers can possess to instead limit the compassion centers to the inventory of seedlings, plants and usable marijuana based on projected needs of registered qualifying patients. Under current law, each compassion center shall not possess more than 150 marijuana plants, of which no more than 99 can be mature, and 150 ounces of usable marijuana.

Section 5. Sections 1 and 2 are effective October 1, 2014 and the remaining sections shall be effective upon passage.

Article 16. Hospital Licensing Fee and Adult Immunization Programs

This article extends the hospital licensing fee in FY 2015 at a rate of 5.703 percent on net patient services revenue for the hospital fiscal year ending on or after September 30, 2013 for all community hospitals except South County and Westerly, which will be assessed a 3.6 percent license fee. It includes the due date for filing returns and making the payment. Revenue from the two-tiered fee will be \$156.1 million, including \$149.6 million from community hospital payments and \$6.5 million from state payments for the Eleanor Slater Hospital. This article appears annually in the Appropriations Act.

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The article also increases the FY 2014 license fee from 5.246 percent to 5.418 percent for revenues totaling \$145.9 million, including \$140.4 million from the community hospitals and \$5.5 million from the state payment for the Eleanor Slater Hospital.

The article also eliminates the assessments that support the infant and adult immunization programs as well as the assessments for the children's health account on January 1, 2016 and establishes a new funding methodology, "Healthcare Services Funding Contribution" to replace the assessments. The new assessments will be on a per-person enrollment for those in both fully-insured and self-insured plans. It also includes a study on the expansion of the health care services funding program to municipalities and for the state to seek federal clarification as to the extent that Medicare and Medicare managed care plans can be included in the funding method.

Article 17. Hospital Payments

Article 17 extends the uncompensated care payments to the community hospitals, with the state making a payment for FY 2016 that does not exceed \$136.8 million. It also includes an inpatient and outpatient upper payment limit reimbursement made to community hospitals totaling \$22.6 million, including \$11.3 million from general revenues. It also updates the FY 2015 payment to not exceed \$136.8 million.

Article 18. Medical Assistance

Article 18 includes the statutory authority for the state to freeze rates it pays to hospitals and includes the necessary resolution language for Assembly approval to make that statutory change in addition to other program changes requiring legislative approval that are included in the budget.

The article includes an April 1, 2015 increase for nursing facilities and adds language to address beneficiary choice, rate payments and incentives, and other changes to the provisions the state has with the managed care organization to provide acute care and long term care benefits to Medicaid and Medicare eligible individuals through the integrated care initiative.

It also allows the Office of Health and Human Services to collect tax and other appropriate financial information from a family with a child who receives services under the Katie Beckett state plan option without making any changes to eligibility for services and requires out-of-state facilities that provide services to Medicaid eligible individuals to apply for and be approved to participate in the Rhode Island Medicaid program.

The other changes to the Medicaid global waiver for programs under the Office of Health and Human Services that do not require a statutory change include: reducing payments made to the managed care organizations; pursuing the Community First Choice Option for home and community based services; and coverage for certain pregnant and post-partum women to promote enrollment in a qualified health plan. The budget assumes savings of \$38.7 million, including \$16.3 million from general revenues from the statutory and program changes.

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The resolution also allows the Office to pursue any requirement or opportunities under the Patient Protection and Affordable Care Act that may require a state plan amendment change but does not have an adverse impact on beneficiaries or state finances.

Article 19. Medical Assistance Recoveries

Article 19 includes language to strengthen the state's medical assistance eligibility and recovery efforts for long term care recipients when an individual has a life estate and to conform to new federal requirements that allow states to recover resources from third party settlements paid to medical assistance recipients.

Article 20. Relating to Board of Education

Article 20 includes legislation to restructure the Board of Education. It includes a 17-member board which would be responsible for setting goals and working on system-wide initiatives and whose members would serve on one of two eight-member councils, one for elementary and secondary education and one for higher education. These councils would have full statutory authority for governance and regulatory functions. It also transfers a limited number of management authorities currently held by the Board to the presidents. The legislation omits creation of a Coordinating Committee that was in the proposal approved by the Board of Education. It appears that this could be done administratively.

Article 21. Relating to Transportation Funding

Article 21 allocates multiple sources of funds to the Highway Maintenance account, primarily to be used by the Department of Transportation for maintenance and improvements to the state's highways, roads and bridges, with a percentage of the proceeds annually allocated to the Public Transit Authority for operational support. The article transfers 3.5 cents of gasoline tax to the Turnpike and Bridge Authority for operations and debt service in lieu of tolls on the Sakonnet River Bridge. Article 21 also adjusts the gasoline tax every two years according to the consumer price index to the nearest cent beginning in FY 2016; however, the tax cannot go below the current amount of 32 cents.

Article 22. Relating to Education

This article extends the moratorium on the approval of new school housing aid projects with exception for projects necessitated by health and safety reasons from July 1, 2014 to May 1, 2015.

Article 23. Effective Date

Article 23 provides that the act shall take effect on July 1, 2014, except where a provision within an article specifies a retroactive or prospective effective date.

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