

- submit to the Department of Revenue a Funding Improvement Plan (FIP) approved by the plan sponsor and the local governing body.

For those municipalities with local plans in critical status to be eligible to receive municipal incentive aid in FY 2014, the FIP would be required to be approved by the plan sponsor and the local governing body no later than June 1, 2013. The original Article 11 required the approval by May 1, 2013.

Furthermore, it clarifies that for FY 2015 and FY 2016, a municipality would receive aid if the municipality has implemented the original recommended FIP, or an amended FIP pursuant to chapter 45-65, within 18 months after an actuary certifies that a locally-administered plan is in critical status for a plan year, rather than by June 1, 2014 as provided in the original Article.

Lastly, the revised Article clarifies that municipalities would receive aid if a FIP is required pursuant to chapter 45-65, however, the due date for the FIP submission or implementation is after the March payment of this municipal incentive aid.

#### ARTICLE 16, RELATING TO RESTRICTED RECEIPT ACCOUNTS

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Section 1, Indirect Cost Recoveries on Restricted Receipt Accounts: Add Forfeited Property - Gambling on page 118, after line 22. The amendment would add the "Forfeited Property - Gambling" restricted receipt account to the exemption list under § 35-4-27 to ensure that the Department of Attorney General keeps all revenues generated from gambling forfeitures, as is the case with other forfeited property and for gambling forfeitures under the Department of Public Safety.

Section 1, Indirect Cost Recoveries on Restricted Receipt Accounts: Add Department of Transportation and add RI Highway Maintenance Account – DMV Fees on page 119, after line 32. The amendment would add the "RI Highway Maintenance Account – DMV Fees" restricted receipt account to the exemption list under § 35-4-27 to ensure that the Rhode Island Department Of Transportation (RIDOT) keeps all revenues generated from the new registration fees. Chapter 39-18.1 entitled "Transportation Investment and Debt Reduction Act of 2011" created the Rhode Island highway maintenance trust fund. Article 6 of the Governor's FY 2014 Budget submission changes the name from "highway maintenance trust fund" to "highway maintenance account". The chapter currently creates a special account in the general fund which will consist of funds that the state generates through new registration fees that will be implemented beginning July 1, 2013 to be used by RIDOT in place of general obligation bonds. Article 6 amends this language and strikes out "general fund" and adds the "intermodal surface transportation fund (IST)" which is RIDOT's own funding source. By doing so, a restricted receipt account entitled "RI Highway Maintenance Account – DMV Fees" has been created within the IST fund.

Section 1, Indirect Cost Recoveries on Restricted Receipt Accounts: Add Treasury Research Fellowship on page 119, after line 14. The amendment would add a new restricted receipt account, entitled Treasury Research Fellowship, to the list of accounts exempted from the 10.0 percent cost recovery. The Treasury has been awarded a fellowship grant from a non-profit organization, which is *defacto* exempt under current provisions of 35-4-27, however, the Treasury believes they may receive additional grants in the future that may be from for-profit entities.

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**ARTICLE 23, RELATING TO HISTORIC STRUCTURES – TAX CREDIT**

Page 145, Lines 10 and 11. Underline the sentence that reads “Qualified rehabilitation expenditures shall be limited on replacement projects to qualified expenditures incurred and actually paid.” This is new language being added to Rhode Island General Law and, therefore, it should have been underlined in the original version of this article submitted by the Governor to indicate that it is new language.