

FY 2024 Changes to Governor

Revenue Changes

May Revenue Estimate. The May 2023 Revenue Estimating Conference decreased the FY 2024 forecast to \$5,101.9 million based on its FY 2023 revisions and the new economic forecast. The estimate is \$2.9 million less than the November estimate and \$12.2 million more than the Governor's recommended level, adjusted for recommended changes that could not be included in the estimate.

Corporate Minimum to Current Law. The House Finance Committee does not concur with the Governor's proposal to reduce the corporate minimum tax from \$400 to \$375 effective January 1, 2024, similar to his proposal last year. This was last decreased from \$450 effective January 1, 2017, and had been as high as \$500. The FY 2024 revenue loss would be \$1.1 million, annualizing to \$2.1 million in FY 2025.

EITC to 16%. The House Finance Committee recommends increasing the earned income tax credit by 1.0 percent to 16.0 percent of the federal rate, beginning January 1, 2024. Raising the credit is estimated to lower revenues by \$1.1 million for FY 2024; the decrease annualizes to \$2.2 million in FY 2025.

Food Donation Tax Credit. The House Finance Committee does not concur with the Governor's proposal for a new nonrefundable tax credit of 15.0 percent, capped at \$5,000 of the value of donated food products to a food bank from local farmers and food producers. The credit would be effective January 1, 2023, and the budget assumes a revenue loss of \$8,895 for FY 2023 and \$17,790 for FY 2024.

Hospital License Fee Adjustments. The House Finance Committee includes revenue totaling \$212.4 million from the FY 2024 hospital license fee of which \$211.7 million is from the community hospitals and \$0.7 million from Eleanor Slater Hospital. This is \$4.8 million less than the Governor's budget, uses 2022 revenues and includes other revisions to his original plan for a new multi-tiered system for the community hospitals based on further refinement. The average tax rate would be 5.78 percent compared to the 6.0 percent included in the Governor's recommendation. The rate for Eleanor Slater Hospital is at 5.25 percent, reduced from 5.42 percent.

Sales Tax to Current Law. The House Finance Committee does not concur with the Governor's proposal to decrease the current 7.0 percent sales and use tax to 6.85 percent, effective October 1, 2023. This would reduce revenues by \$25.4 million for FY 2024; the loss annualizes to \$34.7 million in FY 2025. The state's sales tax has been 7.0 percent since 1990.

Sales Tax Trade-In Value Exemption - Trucks. The House Finance Committee does not concur with the Governor's proposal to exempt the trade-in value of trucks with a gross weight of 14,000 pounds or less from the sales tax on new truck purchases effective October 1, 2023. This would reduce revenues by \$3.8 million for FY 2024; the loss annualizes to \$5.0 million for FY 2025. The trade in value of passenger cars has been exempt and the FY 2023 enacted budget extended this treatment to motorcycles.

Scholarship Tax Credit. The House Finance Committee recommends increasing the cap on the tax credit allowed for business entities making contributions to scholarship organizations from \$1.5 million to \$1.6 million beginning in tax year 2024. Currently, the funds are awarded on a first-come-first-serve basis. The maximum credit per tax year for a single filer is \$100,000. The fiscal impact is a revenue loss of \$0.1 million.

Utilities Tax Relief to FY 2024. The Governor proposed to suspend the gross receipts tax on electricity and natural gas paid by consumers between December 2022 and March 2023. The \$35.6 million estimated impact in FY 2023 assumes \$18.3 million would benefit residential customers and the remaining \$17.3 million would provide relief to commercial customers. Utility companies would show the tax on customer

bills with an offsetting credit. Given concerns about logistics of retroactive implementation, the House Finance Committee recommends shifting the four-month suspension to next year and adjusts the timing of the revenue loss from FY 2023 to FY 2024.

FEMA Claiming Delay from FY 2023 - Fund Balance Adjustment. The Stafford Act constitutes the statutory authority for most federal disaster response activities as they pertain to Federal Emergency Management Agency programs. The revised budget includes \$5.4 million for COVID-19 related expenses expected to be reimbursed through this program. Accounting rules for when these reimbursements can be recognized have forced unbudgeted state expenses in FY 2020 through FY 2022, which are then shown as a fund balance adjustment available for use in the following year. The Budget Office's third quarter report indicates that this will again be the case for FY 2023. Accordingly, the House Finance Committee recommends adding \$5.1 million from general revenues for expenses subject to federal reimbursement and recognizing the corresponding reimbursement in FY 2024 consistent with applicable accounting standards.

Administration

ARPA - Capital Projects Fund Municipal & Higher Ed. Matching Grant. The recommended budgets include a total of \$46.7 million from Capital Projects funds, essentially as approved, for matching grants to cities and towns to renovate or build community wellness centers that comply with the work, education and health monitoring requirements in federal guidelines for these funds. Based on the availability of funds, the House Finance Committee repurposes \$35.0 million from the RIC Student Services Center project for this. Pursuant to federal guidelines, the state can only shift funds to previously approved projects and no new plans are accepted after the deadline. This would bring total funding for the Municipal and Higher Education Matching Grant to \$81.7 million, including \$23.4 million for FY 2023 and \$58.4 million for FY 2024.

ARPA - Capital Projects Fund RIC Student Services Center. Consistent with the approved plan, the Governor recommends \$35.0 million from the American Rescue Plan Act Capital Projects Fund to establish a one-stop student services facility at Rhode Island College. The application to the U.S. Treasury yielded numerous issues and it now appears the project will not be able to comply with federal guidelines. Accordingly, the House Finance Committee recommends removing the \$5.0 million in FY 2023 and \$30.0 million in FY 2024.

ARPA - Municipal Public Safety Infrastructure. The House Finance Committee recommends \$11.0 million from State Fiscal Recovery funds to provide matching support to cities and towns to make significant public safety facilities infrastructure improvements, including new construction. Funding priority shall be based on project readiness and limited to those for which the total costs exceed \$1.0 million. Matching funds to any municipality will be limited to \$5.0 million for projects that serve a regional purpose and \$1.0 million for others.

ARPA - Ongoing COVID-19 Response. The FY 2023 revised budget includes \$61.0 million from State Fiscal Recovery funds to help the state continue its response to the COVID-19 pandemic and through the third quarter none of these funds have been spent. The House Finance Committee shifts \$41.8 million to FY 2024, for which the recommended budget includes \$34.9 million in the Department of Health, for a total of \$76.7 million.

ARPA - Municipal Roads Grant Program to DOT (GBA). The Governor's recommended budget includes \$20.0 million from State Fiscal Recovery funds in the Department of Administration's budget for a new Municipal Roads Grant Program to be administered by the Infrastructure Bank. The funds would be made available to cities and towns for the construction and maintenance of roads, sidewalks and bridges. The Governor requested an amendment transferring funding and administration of the program to the Department of Transportation. His amended proposal requires a municipal match, which was not specified.

It would also allow the Department of Transportation to retain any funding that remains unobligated at the end of FY 2024 for statewide paving projects. The Transportation Improvement Program includes \$696.1 million for paving projects. The House Finance Committee includes legislation specifying a municipal match of 67.0 percent. It also requires that \$5.0 million of the funds be distributed equally and the remaining \$15.0 million be distributed proportionally based on non-federal land miles of roads in each community.

ARPA - Woonsocket Public Safety Facility. In spring 2022, the City of Woonsocket proposed the construction of a new public safety facility. The 86,000 square foot building will house operations for fire, police and other emergency services, including fire stations, emergency management, dispatch, and the police station. The administration indicated that one of the fire stations currently houses hazardous material equipment for all the northern part of the state. The project is estimated to cost \$35.0 million. The Governor recommends \$7.0 million from State Fiscal Recovery funds for FY 2024 to support the new public safety facility for Woonsocket. The House Finance Committee does not concur with this limited and specific allocation; however, it does recommend \$11.0 million from State Fiscal Recovery funds to provide a pool of matching funds for municipal public safety infrastructure projects.

Capital - 560 Jefferson Boulevard. The revised budget includes \$115,093 from Rhode Island Capital Plan funds carried forward from FY 2022 for asset protection projects for the Office of Postsecondary Commissioner's office building in Warwick. It also includes \$150,000 for design of a roof and a rooftop heating, ventilation, and air conditioning unit. The Department does not anticipate any expenses for FY 2023. The House Finance Committee recommends removing the \$115,093 of unspent prior year funds and shifting design expenses to FY 2024.

Capital - Accessibility - Facility Renovations. The Governor's FY 2023 revised budget excludes the automatic reappropriation of \$0.6 million from Rhode Island Capital Plan funds for the Governor's Commission on Disabilities' accessibility project. Expenditures through the third quarter exceed recommended funding by \$12,759. He subsequently requested an amendment to restore \$0.4 million of the reappropriation. The House Finance Committee concurs with providing \$0.4 million for FY 2023 and adds \$0.2 million for FY 2024 to fully restore the reappropriation to account for funding commitments.

Capital - IT Enterprise Operations Center. The capital budget includes a total of \$8.9 million from Rhode Island Capital Plan funds for various projects at the Information Technology Enterprise Operations Center in Warwick. This includes \$3.6 million for FY 2023 to begin replacing the heating, ventilation, and air conditioning system. The House Finance Committee recommends shifting \$3.0 million from FY 2023 to FY 2024 and FY 2025, reflecting a project delay.

Capital - Medical Examiners New Facility. The revised budget includes \$4.9 million from Rhode Island Capital Plan funds, including \$0.4 million for architectural and engineering services and \$4.5 million to renovate a 20,280 square foot building in Cumberland to house operations of the State Office of Medical Examiners. The project design was expected to be completed by December 2022 and renovations would follow. The Department of Health's operating budget also assumes use of \$2.7 million from federal funds for the project. Based on the availability and use of federal funds, the House Finance recommends shifting \$4.9 million of expenses from Rhode Island Capital Plan funds from FY 2023 to FY 2024.

Capital - Pastore Center Hospital Buildings Asset Protection. The Governor's capital budget includes a total of \$13.0 million from Rhode Island Capital Plan funds, including \$0.5 million annually from FY 2023 through FY 2028 for asset protection projects at hospital buildings on the Pastore Center. It also includes \$10.0 million to address issues that may emerge in the buildings. This includes \$4.0 million each for FY 2024 and FY 2025, and \$2.0 million for FY 2026. No expenses are projected to occur in FY 2023; the House Finance Committee recommends reducing the \$0.5 million. It also recommends delaying \$4.0 million from FY 2024 to FY 2026 and FY 2027; a separate \$25.0 million from Rhode Island Capital Plan funds is included for the Hospital Reorganization project for FY 2025.

Capital - Pastore Center Infrastructure. The recommended capital plan includes a total of \$114.0 million from Rhode Island Capital Plan funds to make infrastructure improvements to the Pastore Center. This includes \$60.0 million to identify and address deficiencies with respect to water supply and distribution, and sewage, \$52.0 million to replace the electrical system and steam lines, and \$2.0 million for fiber infrastructure. The plan assumes use of \$12.2 million for FY 2023, \$47.9 million for FY 2024, \$49.0 million for FY 2025 and \$5.1 million for FY 2026. Based on the Department's updated plan, the House Finance Committee recommends \$22.9 million less for FY 2024 and includes \$25.0 million each from FY 2024 through FY 2027, and \$15.0 million for FY 2028, for a total of \$115.0 million.

Capital - State Land Use Planning Study (GBA). The House Finance Committee concurs with the Governor's requested amendment to exclude the new female youth facility from municipal zoning or local comprehensive plan requirements. That amendment also includes \$250,000 from Rhode Island Capital Plan funds for FY 2024 for a land use plan study for state-owned property in the Town of Exeter.

Capital - State Office Reorganization & Relocation. Based on projected expenditures to finish the human resources relocation project in the Powers Building, the House Finance Committee recommends advancing \$0.2 million from Rhode Island Capital Plan funds from FY 2024 to FY 2023.

Capital - Statewide Facility Master Plan. The recommended capital budget includes a total of \$3.0 million from Rhode Island Capital Plan funds in the five-year period, including \$0.2 million annually for projects not yet identified and \$2.0 million for a statewide deferred maintenance study. The House Finance Committee does not recommend funding for projects not yet identified and reduces annual funding by \$0.2 million.

Executive Climate Change Coordinating Council. The House Finance Committee does not concur with the Governor's proposal to annually allocate \$4.5 million from the current surcharges on gas and electric customers to the Executive Climate Change Coordinating Council. However, it does provide up to \$1.5 million annually from Regional Greenhouse Gas Initiative funds to the Council for its projects.

Federal Lobbying. The House Finance Committee does not concur with the Governor's recommendation to include new expenses of \$0.2 million from general revenues for a federal lobbying advisory firm contract for counsel and representation in obtaining future federal funds.

Homeowner Assistance Fund (GBA). The American Rescue Plan Act includes a minimum allocation of \$50.0 million to Rhode Island to establish a Homeowner Assistance Fund; \$25.5 million was spent in FY 2022 and the remaining \$24.5 million is anticipated to be spent in FY 2023. The FY 2024 recommended budget inadvertently retains the FY 2023 enacted amount of \$25.0 million and the House Finance Committee concurs with the Governor's requested amendment to correct the error and remove the funding.

Library Construction Aid (GBA). The recommended budget includes \$2.1 million from general revenues to fully fund library construction aid for FY 2024. The state reimburses libraries up to half the total cost for eligible projects on an installment basis for a period of up to 20 years following the completion, acceptance, and audit of the project. The House Finance Committee concurs with the Governor's requested amendment to lower expenses by \$0.2 million to account for project updates.

National Electric Vehicle Infrastructure Grant (GBA). The Infrastructure Investment and Jobs Act allocated a total of \$22.9 million to the Department of Transportation for an Electric Vehicle Charging Infrastructure Program, with the goal of deploying 500,000 electric vehicle chargers nationwide by 2030. The state's plan will be administered by the Department of Transportation and the Office of Energy Resources, with consultation from the Department of Environmental Management. Federal funds from the grant and the state's match from Rhode Island Capital Plan funds are included in the Department Transportation's budget. Subsequently, the Governor requested an amendment to include \$4.0 million from

other funds, passed through the Department of Transportation to recognize a subaward between the Department and the Office. The House Finance Committee concurs.

Public Health Emergency Unwinding (GBA). The Governor’s recommendation includes \$19.8 million, of which \$9.5 million is from general revenues, for expenses related to the resumption of normal enrollment and eligibility operations for the Medicaid programs. At the time of his budget submission the date for this was not yet known. He requested amendments to adjust expenses in the Department of Human Services, HealthSource RI, and the Executive Office of Health and Human Services to reflect the April 1 start of this process and expected timing. For FY 2023, he reduces expenses by \$6.9 million, of which \$2.6 million is from general revenues and adds \$3.7 million of that, including \$3.1 million from general revenues, to FY 2024. For HealthSource RI, the FY 2024 adjustment is \$1.3 million more from general revenues and \$36,040 more from restricted receipts. The House Finance Committee concurs.

Rent and Utilities Assistance Overstatement. The state received a total of \$352.0 million from two federal acts for rent and utilities assistance. Through FY 2022, a total of \$245.6 million has been spent, leaving \$106.4 million. The recommended budgets assume use of \$84.0 million in each FY 2023 and FY 2024, or \$61 million more than the federal awards. The House Finance Committee lowers FY 2024 budgeted expenses by \$30.0 million to align expenses closer to available resources.

RI Children’s Information System (GBA). The House Finance Committee concurs with the Governor’s requested amendment to transfer \$8.0 million from general revenues to the Large Systems Initiatives Fund for the RI Children’s Information System, reflecting updated cost estimates provided by the vendor. This reflects additional state cost share for the project. The total cost has increased from \$28.0 million to \$54.7 million, requiring \$24.7 million for the state’s match. The 2021 Assembly originally provided \$17.0 million for the state share of the project.

RIKidsBridge Child Support Case Management System (GBA). The Governor subsequently requested an amendment withdrawing his proposal to transfer \$22.0 million from general revenues to the Large Systems Initiatives Fund for FY 2024 to replace the RIKidsBridge Child Support Case Management. It appears the federal funds for the project have not been secured. The amendment also adds \$425,000 from general revenues in the Department of Human Services’ budget for planning expenses to transition from the current system to a cloud-based system. The House Finance Committee concurs.

Volkswagen Settlement Funds Correction (GBA). The Department of Environmental Management allocated a total of \$1.9 million of the Volkswagen Settlement funds to the Office of Energy Resources to administer the Electric Vehicle Charging Station Incentive Program. Through FY 2022, \$1.4 million from these restricted receipts have been spent and a total of \$0.6 million is budgeted in the FY 2023 revised and FY 2024 recommended budgets. The House Finance Committee concurs with the Governor’s requested amendment to reduce FY 2024 budgeted expenses by \$169,608, reflecting available funds.

Business Regulation

Cannabis Excess General Revenues. The Governor recommends \$6.1 million, including \$1.6 million from general revenues, for staffing and operations of the Office of Cannabis Regulation. The House Finance Committee recommends shifting \$1.6 million from general revenues to restricted receipts based on expected adult use retail collections.

Executive Office of Commerce

ARPA - Port of Davisville. The 2022 Assembly provided \$60.0 million from State Fiscal Recovery funds, programmed at \$6.0 million for FY 2023, \$19.4 million for FY 2024, \$27.0 million for FY 2025, and \$7.6 million for FY 2026 to support infrastructure at the Port of Davisville. Support expands on existing funding

to develop port infrastructure intended to create job opportunities, invest in marine transportation, and make capital improvements to prepare for offshore wind development. The Governor recommended \$54.0 million for FY 2024, accelerating \$34.6 million from FY 2025 and FY 2026 to ensure timely obligation of funds. The House Finance Committee recommends \$5.0 million more to support waterfront infrastructure improvements, including pier development, dock equipment, and clean energy battery charging infrastructure.

ARPA - Small Business and Technical Assistance. The 2022 final budget included \$32.0 million from State Fiscal Recovery funds to provide grants and technical assistance to businesses impacted by the pandemic. The Governor recommended an additional \$4.7 million, including \$5.0 million more for FY 2024, which the Budget Office indicates is intended for awards for public health and energy efficiency improvements. As of April 2023, \$4.3 million remains unspent. The House Finance Committee does not concur and recommends \$0.3 million for FY 2024, \$4.7 million less than recommended to reflect the estimated timeline for expending unspent prior year carry-over.

ARPA - South Quay Marine Terminal. The 2022 Assembly provided \$35.0 million from State Fiscal Recovery funds, programmed at \$12.0 million for FY 2023 and \$23.0 million for FY 2024, for the first phase of a project to create a new South Quay Marine Terminal in East Providence. The Governor's budget includes total funding of \$60.0 million, which is \$25.0 million more than enacted for FY 2024 to represent support for an additional phase of the project related to berthing and landside improvements for offshore wind developers. The House Finance Committee recommends maintaining total project funding at \$35.0 million for FY 2024 under the condition that sufficient matching funds to complete the project are committed by February 1, 2024.

Capital - I-195 Redevelopment District (GBA). The Governor recommended \$4.5 million from Rhode Island Capital Plan funds for the FY 2023 through FY 2028 period to support the I-195 Commission's planning and zoning expenses, consistent with the Executive Office's request. He subsequently requested an amendment to add \$0.1 million for FY 2024. The House Finance Committee concurs.

First Wave Closing Fund. The Governor recommended \$20.0 million from general revenues to capitalize the First Wave Closing Fund. As of March 2023, the program has \$1.5 million in reserves from prior appropriations from which to draw awards. The House Finance Committee recommends \$10.0 million to capitalize the Fund based on the historical value and timeline of previous awards made.

Small Business Assistance New Capitalization. The Governor recommended \$3.3 million from general revenues, \$2.6 million more than enacted, for the Small Business Assistance Program. As of March 2023, \$1.7 million remains available for loans. The House Finance Committee recommends \$1.3 million less as the Fund appears to have sufficient resources for new loans.

Housing

ARPA - Home Repair and Community Revitalization (GBA). The Governor recommended funding consistent with the enacted budget to support Rhode Island Housing's acquisition and revitalization program. The program also supports critical home repairs, although the portion dedicated to this activity is not specified. The Governor subsequently requested an amendment containing several changes and new programs for the Department of Housing, including \$500,000 less for this program. Requested language also specifies that, of the total \$24.5 million from State Fiscal Recovery funds remaining for this project, \$4.5 million shall be dedicated to home repairs. The House Finance Committee concurs.

ARPA - Housing Related Infrastructure (GBA). The Governor requested an amendment on May 5, 2023 containing several changes and new programs for the Department of Housing. It contains an additional \$4.3 million from State Fiscal Recovery funds to be transferred to the Infrastructure Bank for a

new program to support infrastructure necessary for housing development, such as road and utility connections. It also provides the Secretary the ability to reallocate funds to any other housing initiative in the event funds under this program are unlikely to be allocated or spent by the federal deadline. The House Finance Committee concurs but does not permit funds to be reallocated to other purposes.

ARPA - Municipal Homelessness Support Initiative. The Governor requested an amendment on May 5, 2023 containing several changes and new programs for the Department of Housing. It contains an additional \$978,755 from general revenues for a new program to award grants to help pay for community services, such as trash collection, ambulance, or outreach that support homeless individuals. The House Finance Committee does not concur with the proposed legislation but recommends \$2.5 million from State Fiscal Recovery funds to accomplish these goals for the next couple years.

ARPA - Municipal Planning (GBA). The Governor requested an amendment on May 5, 2023 containing several changes and new programs for the Department of Housing. It proposed a \$2.3 million from State Fiscal Recovery funds for a new program to support municipal planning efforts. This includes \$1.2 million for a municipal fellows program, \$0.9 million for transit- and zoning-related grants to municipalities, and \$0.2 million for research and programming to address barriers to housing opportunities for low- and moderate-income Rhode Islanders. The House Finance Committee excludes the \$0.2 million for research and programming and adds \$0.1 million each for municipal fellows and grants to municipalities.

ARPA - Preservation of Affordable Units (GBA). The Governor requested an amendment on May 5, 2023 containing several changes and new programs for the Department of Housing. It contains an additional \$500,000 from State Fiscal Recovery funds for a new program to preserve affordable housing units. Other limits on eligibility, use, and the method by which these funds may be spent are entirely at the discretion of the Secretary of Housing. The House Finance Committee concurs and limits uses to the stated purposes of preventing foreclosure and blight.

ARPA - Proactive Housing Development (GBA). The Governor requested an amendment on May 5, 2023 containing several changes and new programs for the Department of Housing. It adds \$1.4 million from State Fiscal Recovery funds for proactive development to be conducted by a new subsidiary of RI Housing to create a public-housing agency responsible for assembling site control, financing, and guiding developers through the regulatory process. The House Finance Committee concurs.

ARPA - Targeted Housing Development (GBA). The Governor requested an amendment on May 5, 2023 containing several changes and new programs for the Department of Housing. It contains an additional \$21.0 million from State Fiscal Recovery funds for a new program that allows the Secretary to target projects. Of this amount \$4.0 million will support transit-oriented housing. Proposed language suggests priority for supportive housing and vulnerable populations, however eligibility and the form of funding would be entirely at the discretion of the Secretary of Housing. The House Finance Committee recommends \$31.0 million, including the same \$4.0 million set-aside, to increase the available pool of funds.

Low Income Housing Tax Credit Fund. The Governor requested an amendment to establish a State Low Income Housing Tax Credit to be administered by the Department. Subject to an annual \$30.0 million cap, credits would be competitively awarded and redeemable for a five-year period. It establishes a sunset date of June 30, 2028, thereby permitting a total of \$150.0 million in tax credits to be awarded. A Low Income Housing Tax Credit Fund would be established as a restricted receipt account to forward fund redemptions. The House Finance Committee concurs and recommends \$28.0 million from general revenues for the Fund to forward fund future tax credit redemptions.

Labor and Training

Centralized Services Adjustment. Subsequent to submission of the Governor's recommended budget, the Budget Office reported certain fund sources intended to support centralized services for the Department of Labor and Training were not available, consistent with the issues reported for FY 2023. The Budget Office estimated the necessary adjustments for FY 2024 are \$0.5 million less than recommended from all funds, including \$1.0 million more from general revenues. The House Finance Committee concurs with the recommended adjustments.

Digital Credentials to IT Fund. The Governor's recommendation includes \$1.0 million from general revenues for the Department of Labor and Training to purchase a system to administer a digital credentialing program for FY 2024. The 2022 Assembly enacted legislation that requires the Department to ensure all publicly-subsidized workforce and training programs provide a digital credential in addition to paper credentials, effective July 1, 2023. The Administration later reported it was integrating this project into the Gateway to Government project funded through information technology funds through the Department of Administration. The House Finance Committee recommends reducing the general revenues accordingly.

Unemployment Funds Correction (GBA). The House Finance Committee concurs with the Governor's requested amendment to reduce federal unemployment funds by \$1.4 million, including \$1.1 million from FY 2023 and \$0.3 million from FY 2024, primarily for information technology projects inadvertently included in the Governor's budget recommendations.

Revenue

Capital - Lottery Building Enhancements. The Governor recommends \$0.9 million for FY 2023 to install a generator at the Lottery facility to support its operations in the event of an extended power outage, which would inhibit its ability to be functional, because only certain portions of the facility have a back-up power supply. Based on delays issuing a request for proposal, the House Finance Committee recommends shifting the funding to FY 2024.

Capital Projects Correction. The Governor's operating budget recommendation inadvertently misallocates funding for capital projects for the Department of Revenue. It maintains inconsistencies found in the Department's request; the Budget Office notes it intended to reflect the Governor's capital budget. The House Finance Committee recommends adding \$1.1 million to FY 2024 to correct the allocation.

CDL Grant Correction. The Governor's budget inadvertently shifts \$0.4 million from federally supported staffing expenses to general revenues and restores \$0.2 million from a separate federal grant which has been exhausted. The House Finance Committee recommends reducing general revenues by \$0.4 million and adding \$0.2 million from federal funds to correct the recommendation.

Mobile DMV to FY 2024. Consistent with the enacted budget, the Governor's revised budget includes \$0.8 million from general revenues, to purchase a mobile motor vehicle registry unit, authorized by the 2022 Assembly, assumed to be a one-time expense. The Department reports the project is delayed and delivery is anticipated during FY 2024. The House Finance Committee recommends shifting the funding accordingly.

PILOT Data Correction (GBA). The Governor's budget includes \$50.2 million from general revenues for the payment in lieu of taxes program for FY 2024. The program reimburses municipalities up to 27.0 percent of foregone revenues from certain properties statutorily-exempted from taxation. Unlike prior years, the certified data were not available upon submission of the budget; the recommendation presumes full funding. The Governor subsequently requested an amendment to reduce the funding by \$1.0 million, based on finalized data provided on March 28, 2023, which showed fewer qualifying properties. The House

Finance Committee concurs with the amended recommendation which fully funds the program at 27.0 percent.

Tangible Tax Exemption Reimbursement. The House Finance Committee recommends establishing a statewide exemption of \$50,000 from the tangible property tax beginning January 1, 2024. The proposal would reimburse municipalities and fire districts for all current, uniformly-applied exemptions, excluding public service corporation and renewable energy resources and equipment taxes, beginning September 30, 2024, and annually thereafter. The estimated cost to reimburse municipalities for lost revenues is \$28.0 million.

Secretary of State

Council for the Humanities. The Rhode Island Council for the Humanities was founded in 1973 as the state's designee of the National Endowment for the Humanities to provide grant support for humanities research, education, and programs to individuals and organizations including elementary and secondary schools, libraries, and museums, among other entities supporting the state's cultural infrastructure. The House Finance Committee recommends \$0.1 million from general revenues for the Council.

Legal Counsel (1.0 FTE). After taking office in January, the Secretary of State formally requested a number of budget changes to the request prepared by the outgoing administration including additional staff. This includes \$0.2 million from general revenues for an in-house attorney. The House Finance Committee recommends providing the additional position and funding.

Network IT Manager (1.0 FTE). After taking office in January, the Secretary of State formally requested a number of budget changes to the request prepared by the outgoing administration including additional staff. This includes \$0.1 million from general revenues for an information technology network manager. The existing network manager is filling a new cybersecurity role within the office. The Secretary reports federal homeland security best practices recommend having dedicated network and cybersecurity positions. The House Finance Committee recommends the position and funding.

Rhode Island Black Heritage Society. The Governor's recommended budget includes \$143,000 from general revenues for historical society libraries, maintained by the Rhode Island Historical Society and the Newport Historical Society. The House Finance Committee recommends adding \$25,000 for the historical library hosted by the Rhode Island Black Heritage Society.

Special Election Expenses (GBA). On February 21, 2023, the first congressional district incumbent announced the intention to resign on June 1. By law, a special election is required to fill the vacancy, for which the Governor's budget includes no funding. The House Finance Committee concurs with the Governor's requested amendment to provide \$0.5 million from general revenues to support anticipated election costs, including \$0.2 million for the Secretary of State's Office and \$0.3 million for the Board of Elections.

We the People National Championship. The House Finance Committee recommends \$50,000 from general revenues to cover expenses for Rhode Island's participation in the We the People Civics Challenge.

Office of the General Treasurer

Cash Management Risk Mitigation Coordinator (1.0 FTE) (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$142,310 from general revenues and 1.0 new full-time equivalent cash management risk mitigation coordinator for FY 2024 based on a request by the new Treasurer.

Debt Affordability Study Timing (GBA). The House Finance Committee concurs with the Governor’s requested amendment to shift \$80,000 from general revenues from FY 2023 to FY 2024 for the Office of the General Treasurer’s debt affordability study based on the timing of the publication. The next study is due in December 2023, which is FY 2024.

Retirement Counselor (1.0 FTE). The House Finance Committee recommends adding \$0.1 million from Retirement System restricted receipts and authorization for 1.0 new retirement counselor position based on a request that Treasurer Diossa made after taking office. The prior administration had requested \$0.1 million and authorization for 1.0 new counselor position for the Retirement System but the Governor did not recommend it.

Board of Elections

Rent and Utilities. The Governor’s budget inadvertently underfunds rent and utilities expenses for the Board of Elections. The House Finance Committee recommends \$34,600 more from general revenues to reflect projected expenses.

Special Election Expenses (GBA). On February 21, 2023, the first congressional district incumbent announced the intention to resign on June 1. By law, a special election is required to fill the vacancy, for which the Governor’s budget includes no funding. The House Finance Committee concurs with the Governor’s requested amendment to provide \$0.5 million from general revenues to support anticipated election costs, including \$0.2 million for the Secretary of State’s Office and \$0.3 million for the Board of Elections.

Ethics Commission

Case Management System (GBA). The House Finance Committee concurs with the Governor’s requested amendments to add \$30,000 from general revenues for FY 2023 and \$40,000 for FY 2024 for a new case management system.

Commission for Human Rights

Pay Classification Changes (GBA). The House Finance Committee concurs with the Governor’s requested amendment to add \$185,044 from general revenues to the Commission for Human Rights for FY 2024 to reflect pay classification changes that were approved at a March 15, 2023 hearing.

Public Utilities Commission

Microgrid Study. The House Finance Committee recommends adding \$100,000 from restricted receipts for the Commission to hire a consultant to advise the agency in developing a rate structure, or tariff, to integrate microgrids into the state’s power system. Microgrids are smaller grids with local control capability that can disconnect from the larger electricity grid and operate autonomously, which can supply buildings with backup power during times of emergency.

Executive Office of Health and Human Services

Advanced and Basic Life Support Ambulance Rates. The House Finance Committee recommends \$5.1 million, including \$2.3 million from general revenues to more than double the Medicaid rates paid for advanced and basic life support ambulance services. The current rates significantly understate costs, especially in less densely populated areas.

Children’s Cabinet - Early Childhood Programs from FY 2023. The FY 2023 enacted budget includes \$250,000 for a consultant, or consultants, to assist the Children’s Cabinet with a transition plan for the coordination and administration of childhood programs and services. The House Finance Committee shifts \$220,000 from general revenues to FY 2024 to reflect the Executive Office’s third quarter projected spending of \$30,000.

Health Programs - Transfer Reversal (7.0 FTE). The House Finance Committee does not concur with the Governor’s recommendation to transfer \$2.0 million, including \$0.9 million from general revenues for the Family Home Visiting and First Connections programs to the Executive Office of Health and Human Services. The recommended budget had transferred Medicaid related expenses and non-Medicaid expenses of \$9.1 million were retained in the Department’s budget. The House Finance Committee also maintains staffing for the Health Equity Zones in the Department of Health; staffing expenses were retained in the Department’s budget.

Hospitals - State-Directed Payment (GBA). The House Finance Committee concurs with the Governor’s requested amendment to reduce the proposed state-directed payment to the hospitals by \$26,387 and shift \$3.1 million from general revenues to federal funds to reflect the availability of an enhanced Medicaid rate for two quarters in FY 2024.

Hospitals - DSH Payment (GBA). The House Finance Committee concurs with the Governor’s requested amendment to reduce the expected disproportionate share payment to the hospitals by \$1.3 million, including \$0.6 million from general revenues adopted at the May Caseload Conference. This makes it consistent with his recommendation reflecting the anticipated payment for FY 2024.

Labor and Delivery Rates Correction. The House Finance Committee recommends \$4.3 million for FY 2023 and \$4.4 million for FY 2024 to raise rates paid for labor and delivery services through the managed care plans to 100 percent of the fee-for-service rates. From general revenues, this includes \$1.6 million for FY 2023 and \$1.8 million for FY 2024. The FY 2023 enacted budget included \$14.5 million to raise the labor, delivery and associated rates, however, that initiative was not fully implemented resulting in lower than anticipated rate changes. The recommended increase brings those rates closer to the FY 2023 enacted expectation in both fiscal years.

May Caseload Conference - Medicaid. The House Finance Committee recommends increasing medical assistance expenses by \$48.7 million for FY 2024 to reflect the May Caseload Estimating Conference estimate. This includes updated expenses that reflect rate increases and projected utilization. The estimate also includes general revenue savings of \$21.8 million from the phase down of the enhanced Medicaid rate for two quarters in FY 2024. Accounting for the remaining changes already assumed in the Governor’s budget, FY 2024 spending is estimated to be \$49.5 million more from federal funds, \$0.8 million less from restricted receipts, and \$20,372 less from general revenues.

Medicaid Program - Contracted Services. The Governor’s recommendation adds three new budget and finance positions to support the Medicaid program. The House Finance Committee concurs, but also reduces contracted financial services in that program by \$0.5 million, including \$0.2 million from general revenues.

MMIS Uncommitted Expenses. The Governor’s recommendation provides \$29.4 million for Medicaid Management Information System operations and other contracted services. Of this amount, information from the Executive Office showed that \$6.2 million, including \$1.6 million from general revenues, were for uncommitted expenses for system modifications. The House Finance Committee recommends funding for identified expenses only and reduces funding accordingly.

Nursing Facility Penalty Reinvestment (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$300,000 from restricted receipts to increase grant funding available through the civil monetary penalties that are levied against nursing homes that do not meet federal health and safety requirements. This brings the FY 2024 total to \$600,000 to provide funding to certified nursing facilities, non-profit organizations, consumer advocacy organizations, resident or family councils, professional or state nursing home associations, and academic institutions for projects that directly benefit nursing facility residents.

Personal Needs Allowance (NH) to \$75. The House Finance Committee recommends increasing the personal needs allowance for nursing home residents from \$50 to \$75. Residents who pay a portion of their nursing home care will be able more keep more of their monthly income lowering private resources begin paid to the nursing homes. This requires \$1.3 million, including \$0.6 million from general revenues, to offset that loss.

Public Health Emergency Unwinding (GBA). The Governor's recommendation includes \$19.8 million, of which \$9.5 million is from general revenues, for expenses related to the resumption of normal enrollment and eligibility operations for the Medicaid programs. At the time of his budget submission the date for this was not yet known. He requested amendments to adjust expenses in the Department of Human Services, HealthSource RI, and the Executive Office of Health and Human Services to reflect the April 1 start of this process and expected timing. For FY 2023, he reduces expenses by \$6.9 million, of which \$2.6 million is from general revenues and adds \$3.7 million of that, including \$3.1 million from general revenues, to FY 2024. For the Executive Office, the FY 2024 adjustment is \$2.0 million more from general revenues, \$29,288 more from restricted receipts and \$1.3 million less from federal funds. The House Finance Committee concurs.

Preschool Development Grant (GBA). In December 2022, the state was awarded a \$4.0 million federal Preschool Development Grant to support early childhood services for children birth to age five. Grant funds will be used by several agencies to support planning and other initiatives. The Governor requested an amendment to add \$229,250 in each FY 2023 and FY 2024 to the Executive Office's budget for strategic planning and performance evaluations. The House Finance Committee concurs.

UNAP Contract Adjustment (GBA). Subsequent to his budget submission, the Governor requested two amendments to add a total of \$6.8 million from all sources, including \$4.2 million from general revenues for the new contract with the United Nurses & Allied Professionals that was signed in December 2022. The House Finance Committee concurs with the Governor's requested amendments and includes \$149,401 from all sources, of which \$74,703 is from general revenues for the Executive Office of Health and Human Services for FY 2024.

Ticket to Work - Sherlock Expansion. The House Finance Committee recommends a new Medicaid Buy-In program, through the federal Ticket to Work option and includes \$1.2 million, of which \$0.5 million is from general revenues. This will allow disabled individuals age 16 through 64 to participate in the Medicaid program regardless of income. The state will continue to provide this benefit through the Sherlock Plan for individuals over 64 at or below 250 percent of the federal poverty level.

Children, Youth and Families

ARPA - Provider Workforce Stabilization. The Governor's recommendation includes \$8.2 million for FY 2023 from federal State Fiscal Recovery funds to provide workforce stabilization payments to direct care staff of congregate care and community-based providers in contract with the Department. This was in response to providers reporting a high number of vacancies and staff recruitment issues, which had resulted in a capped or reduced number of youth that providers are able to serve. The House Finance Committee recommends adding \$7.9 million from federal funds to continue the initiative in FY 2024. It also includes

language specifying that these funds remain available until a contracted service provider's new contract takes effect at which time payments cease.

Enhanced Medicaid Match Phase Down (GBA). The House Finance Committee concurs with the Governor's requested amendment to include general revenue savings of \$1.2 million by shifting expenses to federal funds to reflect the phase down of the enhanced Medicaid rate in the first two quarters of FY 2024.

Higher Education Incentive Grant Correction (GBA). The Governor's recommendation inadvertently includes \$5,194 less than the statutorily required \$200,000 from general revenues for the Higher Education Incentive Grant. These grants are for qualifying youth who were in state care and choose to attend the University of Rhode Island, Rhode Island College, or the Community College of Rhode Island. The Governor subsequently requested an amendment to correct this error and the House Finance Committee concurs.

Preschool Development Grant (GBA). In December 2022, the state was awarded a \$4.0 million federal Preschool Development Grant to support early childhood services for children birth to age five. Grant funds will be used by several agencies to support planning and other initiatives. The Governor requested an amendment to add \$7,500 in each FY 2023 and FY 2024 to the Department of Children, Youth and Families for a series of capacity building activities such as strategic planning efforts and pilot programs to assist the early childhood system. The House Finance Committee concurs.

RICHIST System Replacement (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$16.4 million from federal funds for the Rhode Island Children's Information System, reflecting updated cost estimates provided by the vendor. The state share of the project is shown in the Department of Administration's budget. The total cost has increased from \$28.0 million to \$54.7 million, requiring \$24.7 million for the state's match. The 2021 Assembly originally provided \$17.0 million for the state share of the project.

UNAP Contract Adjustment (GBA). Subsequent to his budget submission, the Governor requested two amendments to add a total of \$6.8 million from all sources, including \$4.2 million from general revenues for the new contract with the United Nurses & Allied Professionals that was signed in December 2022. The House Finance Committee concurs with the Governor's requested amendments and includes \$57,169 from general revenues for the Department of Children, Youth and Families for FY 2024.

Health

Forensic Scientist (1.0 FTE). The House Finance Committee recommends \$0.1 million from general revenues to fund a new forensic scientist position in the Department of Health to ensure that DNA samples are collected efficiently at the courthouse, immediately after a conviction.

Health Programs - Transfer Reversal (7.0 FTE). The House Finance Committee does not concur with the Governor's recommendation to transfer \$2.0 million, including \$0.9 million from general revenues for the Family Home Visiting and First Connections programs to the Executive Office of Health and Human Services. The recommended budget had transferred Medicaid related expenses and non-Medicaid expenses of \$9.1 million were retained in the Department's budget. The House Finance Committee also maintains staffing for the Health Equity Zones in the Department of Health; staffing expenses were retained in the Department's budget.

Indirect Cost Recoveries Adjustment (GBA). The House Finance Committee concurs with the Governor's requested amendment to increase budgeted indirect cost recovery restricted receipt expenses by \$2.9 million to \$16.7 million. This includes \$2.0 million for contracted services and \$0.9 million for

unspecified expenses. The Department uses its indirect cost recovery restricted receipts to offset costs associated with administering federally funded programs. Revenues for the indirect cost recovery account are based on the expenditure of certain federal grants and exclude some expenditures such as assistance and grants.

New Health Lab - Correct to Capital Budget. Consistent with the Governor's capital budget, the House Finance Committee recommends \$33.0 million from federal funds in FY 2024 for the construction of the new health laboratory. The recommended operating budget had assumed expenditures of \$30.5 million in FY 2024.

Preschool Development Grant (GBA). In December 2022, the state was awarded a \$4.0 million federal Preschool Development Grant to support early childhood services for children birth to age five. Grant funds will be used by several agencies to support planning and other initiatives. The Governor requested an amendment to add \$41,750 in each FY 2023 and FY 2024 to the Department of Health for mental health care planning for infants and toddlers, and expenses for parent engagement group sessions. The House Finance Committee concurs.

UNAP Contract Adjustment (GBA). Subsequent to his budget submission, the Governor requested two amendments to add a total of \$6.8 million from all sources, including \$4.2 million from general revenues for the new contract with the United Nurses & Allied Professionals that was signed in December 2022. The House Finance Committee concurs with the Governor's requested amendments and includes \$0.4 million from all sources, including \$0.2 million from general revenues for the Department of Health for FY 2024.

Human Services

Aging and Disability Resource Center. The House Finance Committee recommends a new appropriation of \$250,000 from general revenues to the Office of Healthy Aging to support the Aging and Disability Resource Center with counseling, applications, and transition support services for all persons applying for Long-Term Services and Supports. Currently, the Center is funded from federal sources only limiting the scope of services.

ARPA - Child Care Support. The 2022 Assembly authorized \$42.0 million from State Fiscal Recovery funds, primarily to provide retention bonuses for child care providers through FY 2023. Funds are also authorized to improve child care quality, create a workforce registry, provide education opportunities for direct care staff, and waive any fees for new family-based care providers for use in FY 2024 and FY 2025. The Governor's recommended budget includes \$27.7 million for FY 2023, which carries forward the unspent funds from FY 2022, and \$1.7 million for FY 2024, which advances FY 2025 funding to ensure timely obligation of the federal funds. Updated projections suggest the Department's spending in FY 2023 will not exceed \$12.7 million. The House Finance Committee recommends shifting \$15.0 million from FY 2023 to FY 2024 to continue distributing bonuses to providers.

ARPA - RI Community Food Bank. The House Finance Committee recommends providing \$3.0 million from State Fiscal Recovery funds to the Rhode Island Community Food Bank, in addition to \$0.1 million more from general revenues. This would provide a total of \$3.6 million for FY 2024, including \$0.6 million from general revenues.

Capital – Veterans' Home Asset Protection. The Governor's recommended capital budget includes \$0.7 million from Rhode Island Capital Plan funds from FY 2023 to FY 2028 for asset protection projects at the Veterans' Home in Bristol. This was based on the Department's request effectively eliminating the increased funding the Assembly previously approved, which provided \$0.5 million annually. The Governor also funded a separate request for improvements as part of the original construction project. The House Finance Committee recommends \$4.4 million in the five-year period. This includes \$500,000 for FY 2024,

which restores funding consistent with the approved capital plan and reflects the consolidation of the \$3.4 million of new funding added to the new Home construction project over the five-year plan.

Child Support Services Case Management System (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$1.3 million, including \$0.4 million from general revenues and \$0.8 million from federal funds, to the Department of Human Services' Office of Child Support Services for FY 2024. This increase reflects funding to transition the Child Support Services Case Management System, RIKidsBridge, from a mainframe-based application to a web-based platform. The Governor's budget includes \$22.0 million transferred from general revenues to the Large Systems Initiatives Fund in the Department of Administration's capital budget, established specifically to finance large information technology projects for state agencies. This amendment eliminates that transfer and adds funds to the Department of Human Services' budget so that cost estimates and project implementation can be refined.

Enhanced Medicaid Match Phase Down (GBA). The House Finance Committee concurs with the Governor's requested amendment to include general revenue savings of \$0.1 million by shifting expenses to federal funds to reflect the phase down of the enhanced Medicaid rate in the first two quarters of FY 2024.

Field Office Security (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$0.9 million, including \$0.5 million from general revenues and \$0.4 million from federal funds, to the Department of Human Services for FY 2024. This increase reflects the hiring of additional contracted security staff to fulfill safety needs at the Department's field offices.

LIHEAP and Weatherization Assistance Program (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$2.2 million from federal funds to the Department of Human Services for FY 2024. This increase reflects supplemental funding provided through the Infrastructure Investment and Jobs Act for the Low Income Home Energy Assistance Program (LIHEAP) and Weatherization Assistance Program.

May Caseload Conference - Cash Assistance. The House Finance Committee recommends reducing expenditures for cash assistance caseloads by \$20.4 million, including \$0.1 million from general revenues, to reflect the May Caseload Estimating Conference estimates for Rhode Island Works, subsidized child care, supplemental security income, and general public assistance bridge programs.

OHA Customer Service (1.0 FTE). The House Finance Committee recommends adding \$0.1 million from general revenues and authorization for a customer service specialist for the Department of Human Services' Office of Healthy Aging. The position would assist the adult protective services team as a trained intake worker to screen calls based on increased workload. It was requested by the Office but not recommended by the Governor.

OHA Protective Services (1.0 FTE). The House Finance Committee recommends adding \$0.1 million from general revenues and authorization for a protective services specialist for the Department of Human Services' Office of Healthy Aging. The position would assist the adult protective services team to perform investigations of cases to help ensure the safety of older adults at risk of abuse and neglect, especially as the state's aging population continues to grow. It was requested by the Office but not recommended by the Governor.

Paratransit Services for the Elderly - Gas Tax Yield. The House Finance Committee concurs with the Governor's requested amendment to reduce paratransit expenditures funded by gas tax proceeds by \$1.3 million for FY 2024. This corrects an inadvertent overstatement in the Governor's recommended budget

for the Office of Healthy Aging and reflects the correct value of the one cent of the gas tax dedicated to this program.

Personal Needs Allowance (SSI) to \$75. The House Finance Committee recommends adding \$0.2 million from general revenues to increase the state monthly Supplemental Security Income personal needs allowance payment from \$20 to \$45. Combined with the \$30 federal payment, this would bring total monthly payment to \$75 per recipient.

Preschool Development Grant (GBA). In December 2022, the state was awarded a \$4.0 million federal Preschool Development Grant to support early childhood services for children birth to age five. Grant funds will be used by several agencies to support planning and other initiatives. The Governor subsequently requested an amendment to add \$1.2 million for FY 2023 and \$1.7 million for FY 2024 to the Department of Human Services. Funds will be used to conduct a wage compensation study for early child care educators, develop a strategic plan focused on infant and toddler care capacity and quality, expand high-quality prekindergarten access, create a parent engagement group, and evaluate the state's quality rating improvement system. Funds will also be used to implement a wage supplement pilot program intended to retain staff and incentivize providers to improve their education credentials and quality rating. Grant funding is only available through December 2023.

Public Health Emergency Unwinding (GBA). The Governor's recommendation includes \$19.8 million, of which \$9.5 million is from general revenues, for expenses related to the resumption of normal enrollment and eligibility operations for the Medicaid programs. At the time of his budget submission the date for this was not yet known. He requested amendments to adjust expenses in the Department of Human Services, HealthSource RI, and the Executive Office of Health and Human Services to reflect the April 1 start of this process and expected timing. For FY 2023, he reduces expenses by \$6.9 million, of which \$2.6 million is from general revenues and adds \$3.7 million of that, including \$3.1 million from general revenues, to FY 2024. For the Department of Human Services, the FY 2024 adjustment is \$2.2 million more from federal funds and \$0.2 million less from general revenues. The House Finance Committee concurs.

SNAP Healthy Incentives Pilot Delay. The FY 2023 enacted budget created a retail Supplemental Nutrition Assistance Program pilot program in which eligible households would receive an incentive payment of \$0.50 for every \$1.00 spent on fruits and vegetables on their electronic benefits transfer card, with incentive thresholds to be determined by the Department of Human Services. The Assembly provided \$11.5 million from general revenues for the program, including \$1.5 million for information technology upgrades. The legislation calls for the pilot to begin on January 1, 2023 and operate until funds are expended. The Department reports that it will not be launching the program in FY 2023. It has spent approximately \$0.5 million from these funds and may spend an additional \$0.3 million by the end of the year. As such, the House Finance Committee recommends shifting \$10.0 million for benefits from FY 2023 to FY 2024 to reflect this delay.

SNAP/P-EBT Benefits (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$15.6 million from federal funds to the Department of Human Services to continue payments of Supplemental Nutrition Assistance Program benefits, known as the pandemic electronic benefits transfer (P-EBT) card, to school age children for FY 2024. This increase reflects changes to the P-EBT benefit contained in the Consolidated Appropriations Act of 2023, which provides full benefits to eligible schoolchildren through the 2022-2023 school year and the summer of 2023.

UNAP Contract Adjustment (GBA). Subsequent to his budget submission, the Governor requested two amendments to add a total of \$6.8 million from all sources, including \$4.2 million from general revenues for the new contract with the United Nurses & Allied Professionals that was signed in December 2022. This includes \$2.2 million for FY 2023 and \$4.6 million for FY 2024. The House Finance Committee

concur with the Governor's requested amendment and includes \$1.0 million, including \$0.7 million from general revenues and \$0.3 million from federal funds, for the Department of Human Services for FY 2024.

Veterans Services Officers (VSO) Program. The House Finance Committee recommends adding \$100,000 from general revenues to the Office of Veterans Services specifically to support the Veterans of Foreign Wars' Veterans Services Officers Program. The Office receives an annual appropriation of \$200,000 from which to award grants to organizations that provide veteran, active duty military, and family support services in the community. For FY 2024, the Governor recommends \$250,000 for veterans' community service grants including a newly designated allocation to Operation Stand Down. This would provide a total of \$350,000 for FY 2024, of which \$100,000 would be specifically for the Veterans Services Officers Program.

BHDDH

Conflict-Free Case Management Technology Contract (GBA). The House Finance Committee concurs with the Governor's requested amendments to add \$250,000 for FY 2023 and \$1.7 million for FY 2024 for the Department's portion of the Wellsky contract to implement statewide conflict-free case management services. Activities covered under the contract include accepting applications, eligibility determinations, evaluations, and conflict free case management. General revenue funding includes \$25,000 and \$0.2 million for the ten percent state match in each fiscal year.

Developmental Disabilities - Technical Correction (GBA). The House Finance Committee concurs with the Governor's requested amendment to reduce general revenues by \$0.3 million for employment services, which was inadvertently included in the recommendation.

Developmental Disabilities Rate Remodel (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$47.3 million, including \$20.9 million from general revenues, to reflect the new rate model for services provided through the privately-operated system. This was one of the required elements for the state to come into compliance with its Department of Justice consent decree. This brings total funding to \$75.0 million for the rate remodel, which includes an increase to direct support professional hourly wages that will average \$22 from the current average of \$19, consolidating some services and adding new ones, along with other rate increases, such as transportation services.

Enhanced Medicaid Rate - Phase Down (GBA). The House Finance Committee concurs with the Governor's requested amendment to include general revenue savings of \$1.1 million by shifting expenses to federal funds for the two 24-hour operations to reflect the phase down of enhanced Medicaid rate in the first two quarters of FY 2024.

Eleanor Slater Hospital - License Fee @ 5.25%. The Governor recommended the enacted hospital license fee at 5.42 percent based on 2021 revenues for Eleanor Slater Hospital and included \$2.8 million to make the payment. As part of his other changes to hospital financing, he requested an amendment to lower the fee in Article 9 to 5.25 percent using 2022 base year revenues. This equates to \$0.7 million or \$2.1 million less than his original recommendation. There is also a corresponding revenue adjustment. The House Finance Committee recommends the adjustment.

Hospital Improvements from FY 2023 (GBA). The Governor's recommendation includes \$1.0 million from general revenues for hospital compliance projects at Eleanor Slater Hospital. Based on current year projected spending, he requested an amendment to shift the funds to FY 2024 and the House Finance Committee concurs.

May Caseload Conference - Developmental Disabilities. The House Finance Committee recommends increasing expenses for community-based services for individuals with developmental disabilities by \$2.8

million for FY 2024 to reflect the results of the May Caseload Estimating Conference estimate. The estimate also includes general revenue savings of \$3.4 million from the phase down of the enhanced Medicaid rate from two quarters of the enhanced Medicaid rate in FY 2024. Accounting for the remaining changes already assumed in the Governor's budget, FY 2024 spending is estimated to be \$2.4 million less from general revenues and \$5.2 million more from federal funds.

RICLAS - Medicaid Correction (GBA). The House Finance Committee concurs with the Governor's requested amendment to correct an overstated Medicaid match his recommendation for the state-run system for adults with developmental disabilities by adding \$1.0 million from general revenues and reducing federal funds by the same amount.

RISPH Operating Shift (GBA). The House Finance Committee concurs with the Governor's requested amendment to shift \$268,000 from general revenues from FY 2023 to FY 2024 for new sink and commercial washers and dryers at the state psychiatric hospital that were ordered, but will not be delivered during FY 2023.

Transformation and Technology Fund (GBA). The House Finance Committee concurs with the Governor's requested amendment to reduce federal funds by \$0.2 million that were inadvertently included in his FY 2024 recommendation for transformation and technology funds. Any unspent funds from FY 2023 will be automatically reappropriated to FY 2024.

UNAP Contract Adjustment (GBA). Subsequent to his budget submission, the Governor requested two amendments to add a total of \$6.8 million from all sources, including \$4.2 million from general revenues for the new contract with the United Nurses & Allied Professionals that was signed in December 2022. The House Finance Committee concurs with the Governor's requested amendments and includes \$2.7 million from all sources, including \$1.5 million from general revenues for the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals for FY 2024.

Office of the Child Advocate

Education Advocate. The House Finance Committee recommends providing an additional \$19,171 from general revenues to convert the Office's vacant Case Management Coordinator position into a Public Education and Information Coordinator. This conversion was requested by the Office, but not recommended by the Governor. The Coordinator would have expertise in education policy and would provide the Office with the ability to provide additional support in focusing on educational outcomes for children in state care.

Governor's Commission on Disabilities

Livable Home Modification. The Livable Home Modification Grant program provides 50.0 percent of the total retrofit costs to support home modifications and accessibility enhancements to allow individuals to remain in community settings. The grant amount was previously capped at \$4,000 and it is increasing to \$4,500, which reduces the number of grants that can be awarded. The House Finance Committee recommends an additional \$250,000 from general revenues to increase annual funding for the program to \$0.8 million.

Elementary & Secondary Education

Administrative Support Staffing (1.0 FTE). The House Finance Committee recommends adding \$0.1 million from general revenues and authorization for a new administrative support staff for the Department of Elementary and Secondary Education. At the Department's budget hearing there was testimony on the need for more support staff as the Department has increased the number of positions that require such

support in the past several years. The Council made a request after its budget was submitted for \$0.2 million and authorization for two new full-time equivalent administrative assistants but the Governor does not recommend them.

Capital - Davies Healthcare Classrooms. Based on an updated project schedule, the House Finance Committee recommends removing \$6.4 million from Rhode Island Capital Plan funds for the health career classrooms renovation project at Davies Career and Technical School from FY 2023 and adding \$6.9 million to FY 2024. This includes \$0.5 million in available carry-forward funding from FY 2022.

Capital - Davies HVAC. The House Finance Committee recommends shifting \$1,150,000 from Rhode Island Capital Plan funds from FY 2023 to FY 2024 based on a revised project schedule for repairs to the heating, ventilation and air-conditioning system at the Davies Career and Technical School in order to integrate the remaining work with the new renovations project.

Education Aid - Formula. The House Finance Committee recommends adding \$18.3 million from general revenues in support of a number of changes it proposed to the education funding formula. These include changing how poverty status is measured, changing the calculation for high cost special education and English language learning categorical funds, providing new support to help districts manage changes in their demographics from one year to the next, and a change to the state share ratio calculation to help poorer communities.

Education Aid - School Construction. The 2018 Assembly enacted legislation to temporarily expand incentives used to enhance the school housing aid ratio in order to encourage new school construction and renovation projects, contingent upon approval of a bond referendum to be put before the voters on the November 2018 ballot to help fund the work. Districts are eligible for share ratio increases of up to 20.0 percent for projects that meet certain criteria. While the maximum state share increase is 20.0 percent, a district's local share cannot decrease by more than half of its regular share regardless of the incentives earned, nor can a district's state share increase by more than half of its regular share. The House Finance Committee recommends removing this second limitation for the remainder of the incentive period, which would allow minimum share communities the potential to earn an additional 2.5 percent and add \$0.7 million to fund the estimated cost for FY 2024.

ESSER Funds Overstatement. In response to the coronavirus emergency, Congress authorized a total of \$190.3 billion for emergency relief to elementary and secondary schools through three separate acts. All funds were awarded to states in proportion to the distribution of Title I-A formula grants, of which at least 90 percent must be distributed to local education agencies, including charter and state schools. The state received a total of \$646.3 million from the three acts. Combined with the revised recommendation of \$261.6 million and actual FY 2022 expenses of \$88.4 million, the Governor's FY 2024 recommended budget overstates available resources by \$78.8 million. The House Finance Committee recommends reducing expenditures by \$78.8 million to correct the overstatement of available resources.

Preschool Development Grant (GBA). In December 2022, the state was awarded a \$4.0 million federal Preschool Development Grant to support early childhood services for children from birth to age five. Grant funds will be used by several agencies to support planning and other initiatives. The Governor requested an amendment to add \$0.2 million in each FY 2023 and FY 2024 to the Department of Elementary and Secondary Education for capacity building activities such as strategic planning efforts and pilot programs to advance the coordination and effectiveness of the state's early childhood system. The House Finance Committee concurs.

School for the Deaf New Vehicle (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$50,000 from general revenues for a new vehicle purchase for the School for

the Deaf. This is based on a request by the school to purchase a new eight-passenger vehicle that would be used regularly by the audiology center and also to transport students on out-of-state trips.

School for the Deaf Speech Language Pathologist (1.0 FTE). The House Finance Committee recommends adding \$0.1 million from general revenues and authorization for a new speech language pathologist for the School for the Deaf. The School has annually requested this position since FY 2020 as its enrollment and student need have increased.

Special Education - IEP Facilitation (3.0 FTE). The House Finance Committee recommends a new appropriation of \$450,000 from general revenues and 3.0 new full-time equivalent positions to support a special education function within the Department of Elementary and Secondary Education to facilitate individualized education program (IEP)/504 services. Funding includes \$400,000 for staffing costs and \$50,000 for professional development and training.

Transformation Specialist (1.0 FTE). The Governor recommends \$0.2 million from general revenues and authorization for a new transformation specialist. This new position would engage with the lowest-achieving schools to support academic achievement through strategic planning and collaboration. The Department repurposed previous allocations for this function to other activities. The House Finance Committee does not recommend the new staff.

Higher Education

ARPA - Cybersecurity Center RIC (GBA). The House Finance Committee concurs with the Governor's requested budget amendment to add \$2.4 million to establish the Institute for Cybersecurity and Emerging Technologies at Rhode Island College. Funding includes \$2.0 million from federal State Fiscal Recovery funds budgeted in the Office of Postsecondary Commissioner and \$0.4 million from other funds included in the College's budget to reflect its investment in the new center which is expected to bring in resources for long term support. The Institute will provide certificate, baccalaureate, and master's level courses with focuses on research and developing highly skilled cybersecurity professionals. The Institute will engage the greater regional and national cybersecurity community and expand the College's ability to deliver education and workforce training through short-term, baccalaureate, and graduate programs.

ARPA - URI - PFAS Water Treatment. The Governor's capital budget recommends debt financing of \$20.0 million from new Certificates of Participation for FY 2024 for the University to implement a permanent water filtration solution to reduce PFAS concentrations. The 2022 Assembly passed H-7233, Substitute A, that mandates all public water supply systems to not exceed PFAS contamination levels of twenty parts per trillion by July 1, 2023. The University reports that its three wells exceed the legal limit and that a water filtration system is needed to be compliant. The Governor did not submit a resolution for Assembly approval of the debt issuance as there were pending discussions with the Infrastructure Bank on options for support or low-cost borrowing. The House Finance Committee recommends \$20.0 million from federal State Fiscal Recovery funds to construct the plant in lieu of borrowing.

Capital - CCRI Renovation and Modernization. The Governor's recommendation for \$40.0 million from Rhode Island Capital Plan funds to renovate and modernize academic and student support spaces as well as other infrastructure on the Community College's four campuses, is consistent with the approved plan and programs funding through FY 2026. Based on project delays the House Finance Committee recommends shifting \$3.0 million from FY 2023 to FY 2024. This would provide \$2.0 million for FY 2023 and \$12.0 million for FY 2024.

Capital - URI - Asset Protection. The Governor recommended \$62.9 million from Rhode Island Capital Plan funds for asset protection projects at the University from FY 2024 through FY 2028, consistent with the approved plan and provided an additional year of funding. The University requested \$17.5 million more

than the approved plan, reflecting additional need for this work. The House Finance Committee recommends adding \$10.0 million more over the same period.

Capital - URI - Athletic Facilities. The Governor recommended \$54.1 million, which includes \$43.3 million from Rhode Island Capital Plan funds and \$10.8 million from University funds to renovate the Meade Stadium East Grandstands and the Slade Outdoor Track and Field only. This is \$28.2 million less than requested, excluding other athletic facility components. The House Finance Committee recommends adding \$22.5 million from Rhode Island Capital Plan funds split over FY 2024 and FY 2025 and includes language that the state fund no more than 80.0 percent of the total project request with the University required to match with 20.0 percent of privately raised funding. The additional support will allow the University to renovate additional athletic facilities and combined with the 20.0 percent match included in the Governor's recommendation provides total funding consistent with the request.

Capital - URI Academic MEP Improvements. The Governor's recommendation of \$17.9 million from Rhode Island Capital Plan funds for a project at the University to make mechanical, electrical, and plumbing improvements in Fogarty and White halls is consistent with the approved plan and programs funding through FY 2024. The House Finance Committee recommends shifting funding one year later to reflect project delays. This would provide \$0.3 million for FY 2023, \$4.4 million for FY 2024, and \$13.2 million for FY 2025.

CCRI - Benefits Hub. The Governor recommends \$0.2 million from general revenues to support the creation of a new on-campus benefits hub. Funding includes \$0.2 million to support 2.0 full-time equivalent positions within the Community College's current staffing authorization and \$25,000 for operating costs. The House Finance Committee does not concur with the added funding.

CCRI - Community First Initiative. The Governor recommends \$0.2 million from general revenues to support a new recruitment initiative. Funding includes \$0.2 million to support 2.0 full-time equivalent positions within the current staffing authorization and \$25,000 to support recruitment activities. The House Finance Committee does not concur with the added funding.

CCRI - Healthcare Workforce. The FY 2023 enacted budget includes \$0.5 million from general revenues to support the training of certified nursing assistants, licensed practical nurses, and registered nurses. This includes \$0.4 million for salaries and benefits for four positions within the Community College's current staffing authorization, \$0.1 million for student stipends, and \$60,000 for marketing and advertising. The Community College requested continued funding but the Governor excluded it. The House Finance Committee recommends adding \$547,295 from general revenues to continue this work.

Higher Education Opportunities for Teachers of Color. The enacted budget included funding of \$0.2 million from general revenues for a grant to the Rhode Island School for Progressive Education to support access to higher education opportunities for teachers of color. Funding is intended to support defraying the cost of attendance, support staff stipends, recruitment, and technology. The Office of the Postsecondary Commissioner treated this funding as one-time and excluded it from its budget request. The Governor's recommendation maintains the exclusion. The House Finance Committee recommends adding \$0.2 million from general revenues to continue support.

Hope Scholarship - RIC. The Governor requested a budget amendment to create the Hope Scholarship Pilot Program and included \$9.4 million from federal State Fiscal Recovery funds for three years of scholarships and supporting two and half cohorts of students ending in 2026. The House Finance Committee instead recommends legislation establishing the Hope Scholarship Pilot Program and includes \$4.0 million from general revenues budgeted in the Office of Postsecondary Commissioner to support the first year of awards. This scholarship would be a last-dollar scholarship that provides awards to students

during their third and fourth year at the College and are a part of the graduating classes of 2024, 2025, and 2026. The pilot program would commence on July 1, 2023 and sunset on July 1, 2028.

Last Dollar Scholarship (GBA). The Governor requested a budget amended to add \$250,000 from general revenues to increase Last Dollar Scholarship funding for qualified students attending participating, independent, non-profit, higher education institutions in Rhode Island to \$1,750,000 from \$1,500,000. The House Finance Committee recommends adding \$300,000 from general revenues to increase total funding to \$1,800,000 from \$1,500,000.

OPC - Fresh Start Scholarship to ARPA. The Governor's recommended budget includes \$2.5 million from general revenues for a new adult scholarship program that targets adult students with some college credits, but no degree, with a focus on students who dropped-out of the Community College. The House Finance Committee recommends \$5.0 million from federal State Fiscal Recovery funds which represents two years of scholarships.

OPC Preschool Development Grant (GBA). In December 2022, the state was awarded a \$4.0 million federal Preschool Development Grant to support early childhood services for children from birth to age five. Grant funds will be used by several agencies to support planning and other initiatives. The Governor requested an amendment to add \$75,000 in each FY 2023 and FY 2024 to the Office of Postsecondary Commissioner for capacity building activities such as strategic planning efforts and pilot programs to advance the coordination and effectiveness of the state's early childhood system. The House Finance Committee concurs.

Rhode Island Vision Education and Services Program. The House Finance Committee recommends a new standalone appropriation in Rhode Island College's budget of \$1.8 million from general revenues to support the Rhode Island Vision Education and Services Program. This appropriation would provide stable funding that will supplement existing federal funds and funding from local education agencies that are billed on a fee-for-service basis. The program provides teaching and consultation services to children who are blind or visually impaired, their families and educational staff within the school environment.

RIC Student Aid Correction (GBA). The House Finance Committee concurs with the Governor's requested budget amendment to add \$5.1 million from restricted funds to correct an inadvertent error in the College's request maintained in the Governor's recommendation.

UNAP Contract Adjustment (GBA). Subsequent to his budget submission, the Governor requested two amendments to add a total of \$6.8 million from all sources, including \$4.2 million from general revenues for the new contract with the United Nurses & Allied Professionals that was signed in December 2022. This includes \$2.2 million for FY 2023 and \$4.6 million for FY 2024. The House Finance Committee concurs with the Governor's requested amendments and includes \$411,283 from general revenues for the public higher education institutions, including \$138,640 for FY 2023 and \$272,643 for FY 2024.

URI - Personnel and Operating. The University's revised request indicated that there is an \$11.3 million gap between projected expenses and available resources in its budget as recommended by the Governor. The House Finance Committee recommends adding \$6.0 million for FY 2024 from general revenues to support personnel and operating expenses that exceed other available resources.

Arts Council

Federal Grant Adjustment. The Governor recommended \$1.3 million from federal National Endowment for the Arts funds for grants to individuals and organizations to help support the arts and encourage artists to continue to make the arts visible in the community, consistent with the Council's request. The House

Finance Committee recommends \$360,593 less to reflect the value of the most recent award round and the end of pandemic-related enhanced funding.

Film Office Deputy Director (0.4 FTE). The Council requested \$154,694 from general revenues, \$35,430 more than enacted, to convert a part-time position to full-time to act as the Film and Television Office's deputy director. The Governor did not concur. The House Finance Committee recommends the upgrade and funding consistent with the Council's request. This will increase the Council's total position authorization from 9.6 to 10.0.

Governor's Portrait Correction. The Governor's recommendation includes \$45,000 from restricted receipts to create gubernatorial portraits. Funding was included in the enacted budget to reflect a donation for Governor Raimondo's portrait, which is complete. The House Finance Committee recommends excluding the unnecessary expense.

WaterFire Providence. The House Finance Committee recommends \$400,000 from general revenues to support Providence WaterFire, \$25,000 more than enacted and recommended. The grant has remained level for around a decade.

Historical Preservation & Heritage Commission

Old State House Correction (GBA). The Governor's operating recommendation includes \$0.5 million from federal funds in each FY 2023 and FY 2024 to bring the Old State House into regulatory compliance, consistent with the Commission's request. The total value of the grant is \$0.5 million and the Governor's capital budget recommendation for each year includes \$250,000. He subsequently requested an amendment to make funding consistent with the capital recommendation. The House Finance Committee concurs.

Position Upgrades (GBA). Adjustments associated with 10.0 of the Commission's 15.6 positions were approved in a March 15 public hearing. The Governor subsequently requested an amendment to add \$215,860 from general revenues based the approved position upgrades. The House Finance Committee recommends funding consistent with the amended request.

Attorney General

Body-Worn Camera Position (1.0 FTE). The House Finance Committee recommends adding \$0.1 million from restricted receipts and 1.0 new full-time equivalent position within the Criminal Division to manage the intake of policy body-worn camera videos generated by police officers statewide, the use, and the storage of those videos for criminal prosecutions. The Statewide Body-Worn Camera Program was established by the 2021 Assembly and as of October 26, 2022, the Statewide Body-Camera Use Policies took effect, and police departments will begin to implement the cameras.

Cold Case Unit (2.5 FTE). The House Finance Committee recommends adding \$0.3 million from restricted receipts and 2.5 new full-time equivalent positions to create a Cold Case Unit within the Office of the Attorney General's Criminal Division. With a dedicated Cold Case Unit, the Office indicates that it would allow for consistent collaboration with state and local law enforcement agencies that would contribute to prosecuting violent criminals that go unidentified and provide justice and closure for the victims' families.

Government Litigation (5.0 FTE). The House Finance Committee recommends adding \$0.7 million from restricted receipts and 5.0 new full-time equivalent positions within the Office of the Attorney General's Civil Division to work on government litigation. The additional positions will decrease the average civil caseload and offset the potential for the court's decision in *Roach v. State of Rhode Island* that pre-

judgement interest of 12.0 percent per year applies to verdicts against the state to encourage plaintiffs to continue older cases.

Narcotics and Organized Crime Unit (2.5 FTE). The House Finance Committee recommends adding \$0.3 million from restricted receipts and 2.5 new full-time equivalent positions within the Criminal Division for the Narcotics and Organized Crime Unit, specifically the Urban Violent Crime Initiatives to reduce prosecutor caseloads.

Office of Energy Advocate (1.0 FTE). The House Finance Committee recommends adding \$0.1 million from restricted receipts and 1.0 new full-time equivalent position to create an Office of the Energy Advocate within the Attorney General's Civil Division as requested but not recommended. Funding will support an attorney who will serve as the Energy Advocate. The role will serve as an independent advocate to ensure that residents have access to reliable, safe, and affordable energy.

Office of the Healthcare Advocate (2.0 FTE). The House Finance Committee recommends adding \$0.2 million from restricted receipts and 2.0 new full-time equivalent positions to be assigned to the Office of the Healthcare Advocate within the Office of the Attorney General. The attorney and paralegal will focus on the management and supervision of the numerous opioid litigation settlement agreements that will require oversight for the next ten years. Additionally, the Office notes that the positions will add capacity to advocate for and enforce legal rights to behavioral health care and address barriers to accessing behavioral health providers, lack of parity between physical and behavioral health services, high cost-sharing requirements, lack of insurance, and lack of available clinicians.

Public Protection Bureau (1.0 FTE). The House Finance Committee recommends adding \$0.1 million from restricted receipts and 1.0 new full-time equivalent attorney within the Civil Division to be assigned to the Public Protection Bureau, which consists of five units and leads affirmative litigation on behalf of the state. The Office uses its authority to advance and protect economic security, dignity, quality of life, and equity for the citizens of the state. The requested position will allow the Bureau to expand the scope of its work, which the Office indicates could result in monetary recoveries for the state.

Corrections

RIBCO Contract Adjustment (GBA). The Governor's recommendation provides \$50.0 million from general revenues, including \$35.0 million for FY 2023 and \$15.0 million for FY 2024, for expected costs associated with the settlement of the Rhode Island Brotherhood of Correctional Officers contract which was not finalized at the time the budget was released; the contract was finalized in February. The Governor requested an amendment to add \$2.0 million more and adjust funding between years to reflect finalized contract costs, including an additional \$9.8 million in FY 2024. The House Finance Committee concurs.

Special Services Unit (1.0 FTE). The House Finance Committee recommends \$137,023 from general revenues for a new position for its special services unit to monitor behavioral time awards. The position will track and oversee award information through the Transfer from Prison to the Community database. The database records all programming and group activities subject to good time awards and compliance with court requirements. This position was requested by the Department to address a finding by the Office of Internal Audits in FY 2021 that there was not enough staff to perform detailed reviews of program awards, but not recommended by the Governor.

Judicial

Temporary Restraining Order Unit (4.0 FTE). The Judiciary has been seeking to establish a one-stop Temporary Restraining Order Office with extended office hours through 4:00 pm, consistent with the hours Family Court is open to the public. Currently, those seeking orders must navigate different court offices,

which may require multiple visits if paperwork issues occur. Also, in order to process orders received, no new filings are taken after 3:15 pm. The House Finance Committee recommends \$0.4 million from general revenues and 4.0 full-time equivalent positions to establish the office.

Military Staff

Capital - Asset Protection. The Military Staff requested \$20.6 million from all sources for the five-year period for asset protection projects, including \$15.5 million from federal funds and \$5.1 million from Rhode Island Capital Plan funds. The Governor recommended \$0.8 million less from Rhode Island Capital Plan funds to reflect exclusion of unspent prior year funds. The House Finance Committee recommends funding consistent with the request based on the agency's ongoing capital projects and includes the unspent prior year funds for FY 2024.

Capital - Aviation Readiness Center. Consistent with the agency's request, the Governor recommended \$38.4 million, including \$35.6 million from federal funds and \$2.9 million from Rhode Island Capital Plan funds to construct a National Guard Readiness Center. The Military Staff indicates that the project is likely to be approved for federal funding in FY 2025, one year later than initially anticipated. The House Finance Committee recommends delaying all funding by one year to reflect this updated project schedule. This results in \$0.1 million less from Rhode Island Capital Plan funds than recommended for FY 2023 and \$1.0 million less for FY 2024.

Capital - Counter Drug Training Facility. The Governor recommended \$8.3 million to construct a new counter drug facility at Camp Fogarty in East Greenwich. The recommendation is \$3.0 million more than approved from Rhode Island Capital Plan funds to cover a higher than anticipated construction bid. Federal funds are available from asset forfeitures as part of the state's overall Google settlement. The House Finance Committee recommends funding consistent with the approved plan, including \$2.0 million less for FY 2024.

Capital - Quonset Runway Cost Update. Consistent with the agency's request, the Governor recommended \$84.5 million, including \$80.3 million from federal funds and \$4.2 million from Rhode Island Capital Plan funds, to upgrade runway 16-34 at Quonset State Airport. The recommendation is \$27.0 million more than approved, including \$1.4 million more from Rhode Island Capital Plan funds. The Military Staff subsequently indicated that the scope of the project has been reduced. The House Finance Committee recommends \$1.4 million less from Rhode Island Capital Plan funds to reflect the updated project cost, including \$0.2 million less for FY 2023 and \$0.9 million less for FY 2024.

Capital - Sun Valley Armory. Consistent with the agency's request, the Governor recommended \$8.2 million, including \$7.4 million from federal funds and \$0.8 million from Rhode Island Capital Plan funds, to construct additional armory and storage space at the Sun Valley Armory. The Military Staff subsequently indicated that the project has suffered delays and no funds will be spent in FY 2023. The House Finance Committee recommends shifting funding from FY 2023 to FY 2024 to reflect the updated project schedule.

Education Benefits Correction (GBA). The Military Staff noted its request for \$200,000 from general revenues, \$100,000 more than enacted, for its education benefits program was inadvertent. The Governor included funding as requested; however, he subsequently requested an amendment to include \$100,000 less. The House Finance Committee concurs.

Snowplowing Correction. The Governor recommended \$0.8 million, including \$0.1 million from general revenues, for snowplowing and sanding expenses, consistent with the Military Staff's request. The Military Staff indicated this unintentionally includes one-time expenses from prior years. The House Finance Committee recommends \$0.4 million less, including \$68,339 less from general revenues, to adjust for the overstatement.

Public Safety

Body - Worn Camera Project Shift to FY 2024. The House Finance Committee recommends shifting \$13.5 million from general revenues to purchase body cameras for the State Police and municipalities from FY 2023 to FY 2024 to reflect an updated spending plan. The enacted budget included \$15.0 million from general revenues to purchase body-worn cameras for the State Police and municipalities, contingent on rules and regulations being promulgated. While the enacted budget provides that any unspent FY 2023 balances will be reappropriated to FY 2024, this adjustment recognizes most of that likely shift. Rules and regulations took effect October 19, 2022 and participating municipal police departments are on five-year contracts for these expenses.

Public Defender

Assistant Public Defenders (2.0 FTE). The Public Defender attorneys' caseloads were cited in a November 2017 report from the *Rhode Island Project* which intended "to establish public defender workload standards for the State of Rhode Island." As noted in that report, one way to address the caseload burden is an increase in staffing levels to move closer to a workload standard. The Office requested and the Governor recommended \$0.3 million from general revenues for 2.0 assistant public defender positions to help alleviate the caseload burden which would still be high. The House Finance Committee recommends \$0.3 million from general revenues and authorization for 2.0 additional assistant public defender positions for a total of 4.0 new positions for FY 2024.

Paralegal Services. The Governor did not recommend the Office's requested \$32,682 in additional general revenue funding for paralegal services for FY 2024. The House Finance Committee recommends providing the requested funding for these additional services to help address caseload issues.

Emergency Management Agency

Capital - RISON Contract Funding Source (GBA). The Governor requested an amendment to shift \$1.5 million for the state's share of the maintenance contract for the Rhode Island Statewide Communications System from Rhode Island Capital Plan funds to general revenues beginning in FY 2024. This type of expense does not meet the standard for use of capital funds. The House Finance Committee concurs with the amended recommendation.

Emergency Response Positions (2.0 FTE) (GBA). The Agency requested 4.0 new positions to alleviate issues and shortcomings identified during the pandemic in order to enhance future emergency responses. The Governor's budget did not include this request but he subsequently requested an amendment to add \$0.2 million from federal funds and authorization for two new positions. The House Finance Committee concurs.

Environmental Management

Abandoned Vessel Removal. The House Finance Committee recommends shifting \$35,000 from restricted receipts from FY 2023 to FY 2024 to reflect updated cost and timing estimates for the removal of a large abandoned vessel in Providence. Funding comes from a derelict and abandoned vessel and obstruction removal fee that is assessed biennially with vessel registration fees. Fees range from \$2 to \$20 based on the overall vessel length.

Capital - Galilee Piers. The House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for the Galilee Piers project based on updated plans. This includes removing \$4.6 million from FY 2023 and adding \$2.3 million to FY 2024, \$1.0 million to FY 2027, and \$1.3 million to FY 2028. Total funding is as recommended.

Capital - Recreational Facilities Improvement. Based on a revised project schedule, the House Finance Committee recommends shifting \$0.9 million from Rhode Island Capital Plan funds from FY 2023 to FY 2024 through FY 2026 and adding \$150,000 to FY 2026 for the Recreational Facility Improvements project.

Conservation Districts. The House Finance Committee recommends adding \$50,000 from general revenues to the \$50,000 in the enacted budget for regional conservation districts. Funding provides assistance to the Eastern, Northern, and Southern Rhode Island Conservation Districts to assist landowners and municipalities on issues concerning land and water. The Districts are quasi-public subdivisions of state government, governed by a volunteer Board of Directors from the communities.

Farmland Preservation. The House Finance Committee recommends a new appropriation of \$2.5 million from general revenues for farmland preservation for FY 2024. The goal is to eliminate economic pressures on farmers to sell land for residential or commercial development. Prior bonds funds are nearly exhausted and the Department reports there is a wait list for funds.

Marine Mammal Emergency Response. The House Finance Committee recommends a new appropriation of \$500,000, including \$125,000 from general revenues to serve as match for \$350,000 from federal funds to support rescue and rehabilitation programs for marine mammals that become stranded in Rhode Island waters. Grant funds would be used for marine mammal response, data collection, participation in regional large whale injury reduction team activities, improving outreach, partnering to enhance monitoring, and data analysis to understand why animals strand and the success of rehabilitated animals, and to purchase supplies and equipment for transportation of live and deceased animals.

Non-Native Plant Removal - 100 Acre Pond. The House Finance Committee recommends general revenue support of \$100,000 to help remediate invasive weeds on the 100 Acre Pond in South Kingstown. The pond has been impacted by non-native rooted plants, including fanwort and variable-leaf milfoil, for several years resulting in significant drop in dissolved oxygen levels in the lake and negative impacts on the habitat.

Turnover Reduction (GBA). The House Finance Committee concurs with the Governor's requested amendment to add \$0.4 million from general revenues for salaries and benefits for the Department of Environmental Management. His original recommendation inadvertently underfunded the intent. This would provide \$62.2 million for FY 2024 and fund approximately 417 of the recommended 425.0 positions.

Transportation

288 Allens Avenue Facility Purchase. In 2019, the Department entered into a long-term agreement to lease a 33,000 square foot building at 288 Allens Avenue in Providence to house equipment and vehicles. The lease costs \$0.6 million annually and contains an option to purchase. The revised budget includes \$8.0 million from gas tax proceeds to purchase the property, which has 8.6 acres. Based on a delay, the House Finance Committee recommends shifting the expense from FY 2023 to FY 2024.

ARPA - Municipal Roads Grant Program from DOA (GBA). The Governor's recommended budget includes \$20.0 million from State Fiscal Recovery funds in the Department of Administration's budget for a new Municipal Roads Grant Program to be administered by the Infrastructure Bank. The funds would be made available to cities and towns for the construction and maintenance of roads, sidewalks and bridges. The Governor subsequently requested an amendment transferring funding and administration of the program to the Department of Transportation. His amended proposal requires a municipal match, which was not specified. It also allows the Department of Transportation to retain any funding that remains unobligated at the end of FY 2024 for statewide paving projects. The Transportation Improvement Program includes \$696.1 million for paving projects. The House Finance Committee includes legislation specifying a municipal state match of 67.0 percent. It also requires that \$5.0 million of the funds be distributed equally

and the remaining \$15.0 million be distributed proportionally based on non-federal land miles of roads in each community.

ARPA - RIPTA R-Line Pilot. The House Finance Committee recommends an additional \$0.8 million for FY 2024 from State Fiscal Recovery funds to support a free fare bus route service pilot program along the R-Line. This brings total funding to \$3.3 million, reflecting updated expenses. This one-year pilot program started on September 1, 2022 and will end on August 31, 2023. The Authority will track ridership data and submit a report to the Speaker of the House, the President of the Senate, and the Governor by March 1, 2024.

ARPA - TBA - Safety Barriers Study. The House Finance Committee recommends an additional \$0.8 million, for total funding of \$1.8 million from State Fiscal Recovery funds for the Turnpike and Bridge Authority to conduct a study to identify and evaluate the options to prevent and address the risk of suicide on bridges under its purview. This reflects full funding for all four main bridges. The study is underway and is anticipated to be complete in spring 2024.

Capital - Highway Improvement Program to Gas Tax. The Governor's revised budget transfers an additional \$242.4 million from surplus general revenues to the Rhode Island Capital Plan Fund to enhance resources available for pay-go capital projects. The budget allocates \$182.4 million to transportation projects. This includes \$24.6 million for pausing the gas tax inflation indexing to avoid the scheduled 3-cent increase and assumes use of \$12.4 million for FY 2024 and \$12.2 million for FY 2025. The House Finance Committee maintains current law and adjusts Rhode Island Capital Plan Fund expenditures accordingly.

Gas Tax - Highway Improvement Program. The Governor's revised budget transfers an additional \$242.4 million from surplus general revenues to the Rhode Island Capital Plan Fund to enhance resources available for pay-go capital projects. The budget allocates \$182.4 million to transportation projects. This includes \$24.6 million for pausing the gas tax inflation indexing to avoid the scheduled 3-cent increase and assumes use of \$12.4 million for FY 2024 and \$12.2 million for FY 2025. The House Finance Committee maintains current law and adjusts gas tax expenses accordingly.

Capital - RIPTA - Land & Buildings. The Governor's recommended capital budget includes \$248.0 million from all sources from FY 2023 through FY 2028 to make improvements to the Rhode Island Public Transit Authority's Elmwood facilities, provide upgrades to various transit hubs and park and ride facilities while also making multi-year improvements to bus stops and sidewalks. This assumes use of \$28.4 million from Rhode Island Capital Plan funds, including \$24.5 million that the 2022 Assembly provided to match additional funds authorized in the Infrastructure Investment and Jobs Act. The Authority is in the process of assessing all its facilities and from that it will finalize its asset management plan. The House Finance Committee delays \$12.4 million from FY 2023 and \$2.3 million from FY 2024 to FY 2025 and FY 2026. It includes a total of \$28.5 million from Rhode Island Capital Plan funds, \$0.1 million more than recommended.

Capital - RIPTA - Pawtucket Bus Hub Passenger Facility. The capital budget includes \$5.0 million from Rhode Island Capital Plan funds, including \$4.0 million for FY 2023 and \$1.0 million for FY 2024 for the Pawtucket Bus Hub Passenger Facility. Funds will be used to enhance a transit hub project that is being constructed adjacent to the new commuter rail station on the Pawtucket/Central Falls line. Based on a project delay, the House Finance Committee recommends \$1.5 million for FY 2024 and \$3.5 million for FY 2025.

Gas Tax - GARVEE Bonds Yield. The House Finance Committee recommends increasing expenditures for GARVEE bonds debt service, which is paid for with the equivalent of two cents of the gasoline tax, by \$28,544 to reflect an upward revision of the gasoline tax yield estimate.

Gas Tax - Turnpike and Bridge Authority Yield. The House Finance Committee recommends adjusting available gasoline tax in the Department of Transportation based on an increased transfer to the Rhode Island Turnpike and Bridge Authority of \$49,952 to reflect an upward revision to the gasoline tax yield estimate. The FY 2024 enacted budget would include \$14.5 million to the Authority.

HMA and Gas Tax - DOT Yield. Based on an upward revision to the gas tax yield and updated estimates to highway maintenance funds, the House Finance Committee recommends increasing expenditures in the Maintenance Division by \$3.7 million to reflect anticipated resources.

RIPTA - Gas Tax Yield and HMA. The House Finance Committee recommends a transfer of \$50.5 million from gasoline tax proceeds and highway maintenance funds to the Rhode Island Public Transit Authority. This is \$0.3 million more than the recommended budget, including \$0.1 million more to reflect an upward revision to the gasoline tax yield estimate and \$0.2 million for the Authority's share of the highway maintenance account based on updated estimates.