



OFFICE OF MANAGEMENT & BUDGET

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MEMORANDUM

To: The Honorable Marvin L. Abney
Chairman, House Finance Committee

The Honorable Ryan W. Pearson
Chairman, Senate Finance Committee

From: Jonathan Womer
Director, Office of Management & Budget

Date: April 19, 2021

Subject: **Amendments to FY 2021 Revised Appropriations Act (21-H-6121)**

A handwritten signature in blue ink, appearing to read "Jonathan Womer".

The Governor requests that several amendments be made to Article 1 of the FY 2021 Revised Appropriations Act. The amendments include changes to the appropriation amounts in Article 1, Relating to Making Revised Appropriations in Support of FY 2021. A description of the amendments requested is provided below.

In addition to the changes in requested appropriations described in this memo, the Budget Office would like to recognize the following updates which are not reflected in the Appropriations Act:

- The Budget Office anticipates that the upcoming G.O. bond issuance, to take place on or around May 4, 2021, will have an impact on debt service appropriations and RICAP revenue.
 - The General Treasurer and the Budget Office are preparing a G.O. bond sale with total tax-exempt par value of \$120.4 million and total taxable par value of \$15.5 million. In addition to these new debt issuances, this bond sale includes refunding issuances of \$88.3 million in tax-exempt and taxable debt.
 - Debt service on the new G.O. bonds is estimated to be \$4.9 million, with estimated refunding savings of \$2.3 million, for a net cost of approximately \$1.6 million in FY 2022. The Governor's recommended budget includes \$4.4 million in general revenue debt service on new debt for FY 2022 and thus savings of approximately \$2.8 million are expected. The Budget Office anticipates submitting a technical amendment to recognize the impact on debt service once the pricing of the issuance is finalized.
 - The FY 2021 Enacted Budget directs any premiums from the sale of general obligation debt authorized by Public Law 2020, Chapter 80, to the Rhode Island Capital Plan Fund (RICAP). Based on the current interest rate assumptions, the State's financial advisor estimates premiums of \$8.4 million which would be recognized as RICAP revenue in FY 2021. These anticipated revenues facilitate changes in RICAP appropriations and plan amounts contained in FY 2022 (detailed in the forthcoming amendment to the FY 2022 Appropriations Act).

If you have any questions regarding these amendments, please feel free to call me or my staff at 574-8430.

** an original, signed version of this Memo was submitted to the General Assembly.*

JW: 21-Amend-4

Attachments

cc: Sharon Reynolds Ferland, House Fiscal Advisor
James E. Thorsen, Director of Administration

Stephen Whitney, Senate Fiscal Advisor
Joseph Codega Jr., Deputy Budget Officer

ARTICLE 1, RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2021
SECTION 1, REVISED APPROPRIATIONS IN SUPPORT OF FY 2021

Secretary of State

Increase Federal Funds in the Elections and Civics Program, Page 12, Line 23, by \$1,420,845 from \$2,266,929 to \$3,687,774. The Secretary of State's Office received additional federal Help America Vote Act (HAVA) funding to assist in financing the elections during FY 2021. This amendment adds these resources in the Appropriations Act to reflect actual receipts and projected FY 2021 expenses under this grant (21-SOS1).

Insert New Line for Restricted Receipts in the Elections and Civics Program, Page 12, after Line 23 in the amount of \$632,189. The Secretary of State's office received a grant from the non-profit Center for Election Innovation Research – an organization that focuses on building voter trust, increasing turnout, and improving the efficiency of the election process, in the amount of \$632,189. These funds were granted to states to use for enhancing voter education, information, and outreach during the November 2020 elections (21-SOS2).

Executive Office of Health and Human Services

Decrease Federal Funds – Other Programs in the Medical Assistance Program, Page 14, Line 33 by \$19,584,000 from \$86,279,965 to \$66,695,965. This amendment represents a technical adjustment removing LTSS Resiliency Funds in the Medical Assistance program from standard (non-COVID) appropriation accounts. The Governor's revised budget correctly included these funds within a dedicated COVID line sequence (4628206.02) but did not zero-out the original accounts. This amendment corrects the double-count of these funds (21-EOHHS1).

Department of Children, Youth, and Families

Reallocate General Revenue in the Juvenile Correctional Services Program, Page 15, Line 15, for no net change. This amendment is comprised of a \$1,486,000 zero-sum shift correction to reflect CRF payroll conversions to the actual account in which the original personnel expenses were incurred (21-DCYF1).

Attorney General

Increase Federal Funds in the Criminal Program, Page 27, Line 11, by \$1,073,600 from \$2,902,326 to \$3,975,926. This amendment is comprised of three changes: (1) An increase of \$800,000 within the "Equitable Sharing – Forfeitures" federal allocation to accommodate an increase contained in the Office's FY 2021 revised submission. The additional funds are needed to complete ongoing capital construction projects (21-AG1); (2) An increase of \$98,600 for a new federal grant entitled "Federal Victim's Liaison". The purpose of the grant is to hire a liaison to act as a bridge between the Office of the Attorney General and other state agencies to improve and increase access for crime victims to resources within the targeted area (21-AG2); and (3) An increase of \$175,000 for a newly received federal grant in support of the "Innovative Prosecution Solutions for Combating Violent Crime" project administered by the U.S. Department of Justice (21-AG3).

Judiciary

Increase Federal Funds in the Family Court program, Page 29, Line 33, by \$99,731 from \$3,345,291 to \$3,445,022. This amendment reflects the receipt of a new State Court Improvement (CIP) grant from the Office of the Administration for Children & Families. This grant will address needs stemming from the COVID-19 public health emergency to ensure that the safety, permanence, and well-being needs of children are met in a timely and complete manner. This may include technology investments to facilitate the transition to remote hearings for dependency courts when necessary as a direct result of the COVID-19 public health emergency; training for judges, attorneys, and caseworkers on facilitating and participating in remote hearings that comply with due process and all applicable laws; programs to help families address aspects of the case plan to avoid delays in legal proceedings; and other related activities (21-JUD1).

Summary of Governor's Article 1 Amendments to FY 2021 Revised Appropriations Act (21-H-6121)

	General Revenue	Federal Funds	Restricted Receipts	Other Funds	Total	Amendment Code (21-AGENCY#)
FY 2021 Revised Expenditures (Original Governor's Recommend)	3,881,632,888	7,059,148,271	353,183,517	2,456,273,300	13,750,237,976	
April 12 Amendments	(6,901,092)	9,000,000			2,098,908	
April 19 Amendments						
Secretary of State						
<i>HAVA Ceiling increase</i>		1,420,845			1,420,845	21-SOS1
<i>CEIR Grant</i>			632,189		632,189	21-SOS2
Executive Office of Health and Human Services						
<i>LTSS Resiliency Fund - Technical Adjustment</i>		(19,584,000)			(19,584,000)	21-EOHHS1
Department of Children, Youth, and Families						
<i>CRF Payroll Conversion - Technical adjustment (net \$0 change)</i>	[\$1,486,000]				[\$1,486,000]	21-DCYF1
Attorney General						
<i>Equitable Sharing Account - Increase to Match Agency Submission</i>		800,000			800,000	21-AG1
<i>Federal Victim's Liaison - New Grant Award Amount</i>		98,600			98,600	21-AG2
<i>Federal USDOJ Innovative Prosecution Solutions - New Grant Award Amount</i>		175,000			175,000	21-AG3
Judiciary						
<i>State Court Improvement Program (CIP) COVID Grant</i>		99,731			99,731	21-JUD1
Total	-	(16,989,824)	632,189	-	(16,357,635)	
Grand Total	3,874,731,796	7,051,158,447	353,815,706	2,456,273,300	13,735,979,249	