



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

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MEMORANDUM

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

The Honorable William J. Conley, Jr.
Chairman, Senate Finance Committee

From: Thomas A. Mullaney *Thomas A. Mullaney*
Executive Director/State Budget Officer

Date: April 1, 2019

Subject: Amendments to Article 12 of the FY 2020 Appropriations Act
(19-H-5151)

The Governor requests that the amended Article 12 entitled "Relating to Economic Development" submitted on March 12, 2019 be further amended as follows.

Section 1 on the Quonset Development Corporation is amended to correct a drafting oversight that erroneously labeled new section (j) as (d) in 42-64.10-6 and should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 292, Line 16	Strike "(d)" and replace with "(j)"

Section 2 on the Quonset Development Corporation contains erroneous cross-references due to the drafting error in section 1. Due to the mislabeling of section 42-64.10-6 (j) under Section 1, Section 2 contains erroneous cross-references to "(d)" instead of "(j)" and should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 292, line 29 and on page 293, in lines 26, 32, and 34	Strike "(d)" and replace with "(j)"

Section 3 on the Rebuild Rhode Island Tax Credit includes the addition of a new definition of "Manufacturer" with subparts labeled as "a" and "b". For consistency with the existing definitional section, the subparts should be changed to romanettes "i" and "ii". The correction should be as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 296 on line 14	Strike "(a)" and replace with "(i)"
12	Page 296 on line 19	Strike "(b)" and replace with "(ii)"

Section 3 on the Rebuild Rhode Island Tax Credit includes the addition of a new definition and all definitions following the insertion of the new definition number "(15)" are re-numbered. Section 3 contains an error in the renumbering and should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 297 on line 22	Insert a struck through "4" after "25"

Section 4 on the Rebuild Rhode Island Tax Credit is amended to correct a drafting oversight which resulted in a grammatical error and should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 299 on line 2	Strike the word "involved" and replace with "involve"

Section 4 on the Rebuild Rhode Island Tax Credit is amended to correct a drafting oversight which erroneously inserted extraneous language into the tax credit requirements and should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 299, Lines 10-13	Strike the words "who have received the notice referenced in subsection (d) above and who may be eligible" and after (i), re-insert the omitted word "qualifying" from the existing statutory language.

In section 5 on the Rebuild Rhode Island Tax Credit, a cross-reference is updated to accommodate the addition of new definitions in Section 4. The strike-through of outdated cross-references erroneously encompasses sections that should be retained. Section 5 should include a cross-reference that reads "42-64.20-5 (b), (f), (g), (h), (i), (j), (q), (r), and (s)" on page 302, in line 30; and section 5 should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 302 on line 30	Remove the strike through of "(q), (r) and (s)"

Section 5 on the Rebuild Rhode Island Tax Credit is amended to correct a drafting oversight which omitted the word "certified" to clarify the types of historic structures eligible to receive technical assistance and is corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 303 on line 1	Insert the word "certified" before the word "historic"

Section 20 was not assigned a chapter title during drafting. The title of this chapter should read as “The State and Local Partnership Act” and section 20 should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 307, line 29	Strike the words “it is hereby enacted as follows:” and insert: Title 42 of the General Laws entitled “STATE AFFAIRS AND GOVERNMENT” is hereby amended by adding thereto the following chapter:

CHAPTER 64.33

THE STATE AND LOCAL PARTNERSHIP ACT

Section 20 was not assigned a chapter title during drafting and consistent the amendment to add the chapter title, the short title set forth in § 42-64.33-2 should read “The State and Local Partnership Act”. Section 20 should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 308, line 17	Strike the word “Council” before the word “Act”

Section 20 is amended to correct a drafting oversight which erroneously creates a cross-reference to an incorrect section in § 42-64.33-5(b). The cross-reference should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 312, Line 27	Strike “5” and insert “6” before “(b)”

Section 20 is amended to correct a drafting oversight in delineating the appointment and voting powers of the chairperson of the State and Local Partnership Council and should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 313, Line 23-25	Add “appointed by the governor” after “(9) members” in the first sentence. Strike the second sentence “The membership of the board shall consist of the chief executive officer of the Rhode Island commerce corporation as chairperson, (who shall vote only in the event of a tie), and eight (8) members appointed by the governor.”
12	Page 313, line 29	Strike “two (2)” and insert “three (3)”

Section 25 is amended to correct a drafting oversight which erroneously omitted the word “this” in creating reporting requirements for the Commerce Corporation and taxpayers receiving the tax credits. The omission should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 340, Lines 10 and 13	Insert "this" before the word "section"

Section 26 includes the addition of a new definition "11" and all subsequent definitions are renumbered. Section 26 contains an error in the renumbering and should be corrected as follows

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 342, Line 14	Insert strike through "4" after "15"

Section 27 inadvertently excluded the word "new" when referring to full-time jobs eligible for qualified jobs tax credits. This should be corrected as follows:

<u>Article</u>	<u>Location</u>	<u>Description</u>
12	Page 343, Line 14	Insert "new" before "full-time job"

If you have any questions regarding these amendments, please feel free to call me at 222-6300.

TAM: 20-Amend-20

cc: Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
Michael DiBiase, Director of Administration
Jonathan Womer, Director, Office of Management and Budget
Stefan Pryor, Secretary of Commerce