



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration
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Memorandum

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

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

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

Date: April 5, 2019

Subject: Amendments to FY 2020 Appropriations Act (19-H-5151)

The Governor requests that several amendments be made to the FY 2020 Appropriations Act. The amendments include changes to the appropriation amounts in Article 1, Relating to Making Appropriations in Support of FY 2020, as well as changes to various other sections of Article 1. A description of the amendments requested is provided below.

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

TAM:20-Amend-22
Attachments

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

ARTICLE 1, RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2020
SECTION 1, APPROPRIATIONS IN SUPPORT OF FY 2020

Department of Administration

Increase Federal Funds in Office of Energy Resources, Page 6, Line 5, by \$210,000 from \$786,674 to \$996,674. This amendment is comprised of two change: 1) An increase of \$65,000 for a new federal grant for Clean Cities. The grant will provide staffing support for The Ocean State Clean Cities Coalition. The Coalition works with vehicle fleets, fuel providers, community leaders, and other stakeholders to save energy and promote the use of domestic fuels and advanced vehicle technologies in transportation (20-DOA2); 2) An increase of \$145,000 for a new federal grant titled "SEP 2017 Competitive Grant". The SEP 2017 Competitive Grant will provide funding to the Office of Energy Resources and its project partners (Massachusetts, West Virginia, and a non-profit), along with the support of six advisory states (CO, CT, NH, NY, PA, and VT), to engage 150 small, medium, and rural communities across nine states to increase energy affordability, reliability, and resiliency (20-DOA3).

Reallocate Restricted Receipts in Rhode Island Health Benefits Exchange program, Page 6, Line 10 for no net change. This amendment reallocates \$952,963 in restricted receipts from the UHIP IAPD Recovery account to the UHIP Restricted Account. The transfer more accurately represents the share of UHIP-related expenses to be charged to HSRI (20-DOA1).

Department of Business Regulation

Increase Restricted Receipts in the Division of Building, Design and Fire Professionals program, Page 7, Line 21, by \$246,000 from \$2,021,456 to \$2,267,456. This increase represents the additional funding that is needed to pay instructors for Fire Academy classes. The number of classes conducted per year has increased (20-DBR1).

Department of Labor and Training

Decrease Restricted Receipts in the Income Support program, Page 9, Line 33, by \$1,035,798 from \$4,409,670 to \$3,373,872. This amendment corrects the funding source for Temporary Disability Insurance funds used to support the Employer Tax Unit. The original Article 1 misclassified these funds as restricted receipts, when in fact they should be classified as other funds (20-DLT1).

Increase Temporary Disability Insurance Fund in the Income Support Program, Page 10, Line 1, by \$1,035,798 from \$203,094,524 to \$204,130,322. This amendment corrects the funding source for Temporary Disability Insurance funds used to support the Employer Tax Unit. The original Article 1 misclassified these funds as restricted receipts, when in fact they should be classified as other funds (20-DLT1).

Increase General Revenues in the Workforce Regulation and Safety Program, Page 9, Line 29, by \$643,596 from \$3,231,560 to \$3,875,156. This amendment proposes to bring funding for the WRS program to a level that will sustain current operations. In previous fiscal years, this program was partially supported with Tardy and Interest restricted receipt funding from the Income Support program, but due to reduced availability of federal funding for unemployment insurance programs, these restricted receipt resources are needed to finance Income Support operations. A portion of this funding, along with increased use of restricted receipt funding in the Injured Workers Services

program (described below), will support filling four (4) existing and three (3) new FTE positions to investigate misclassification and prevailing wage violations that are projected to result in a net increase in general revenue departmental receipts of an equivalent amount (20-DLT2).

Increase Restricted Receipts in the Injured Workers Services Program, Page 10, Line 5, by \$569,037 from \$10,573,722 to \$11,142,759. This amendment would allow for a larger allocation of certain existing and proposed new staff that investigate misclassification and prevailing wage violations (20-DLT2).

Department of Revenue

Increase General Revenues, Page 10, Line 19, by \$36,000 from \$31,438,000 to \$31,474,000. This amendment restores funding to the Division of Taxation's Record Center expenses, which were inadvertently reduced (20-DOR1).

Decrease General Revenues, Page 10, Line 26, by \$36,000 from \$24,834,484 to \$24,798,484. This amendment is comprised of two changes: 1) a decrease of \$70,000 to advertising expenses for Real ID, which was inadvertently doubled in the recommended budget (20-DOR2); 2) a shift of \$34,000 for IT services expenses from DMV restricted receipts to general revenue, to recognize anticipated shortfall of restricted receipts in FY 2020 (20-DOR3).

Decrease Restricted Receipts, Page 10, Line 28, by \$276,176 from \$2,834,762 to \$2,558,587. This amendment corrects the portion of DMV IT services to be funded through DMV restricted receipts (20-DOR3). The RIMS software maintenance contract is expected to incur FY 2020 expenses exceeding technology surcharge receipts by \$856,149. This shortfall will be partially offset by \$579,973 from the Information Technology Investment Fund (ITIF), to the extent that FY 2020 receipts to the ITIF exceed DMV's scheduled payment amount of \$2,423,080. The remaining gap is \$276,176, of which \$34,000 is funded through general revenue savings resulting from 20-DOR2.

General Treasurer

Decrease General Revenue in Treasury Program, Page 12, Line 6, by \$70,000 from \$2,643,533 to \$2,573,533. This amendment transfers \$70,000 from the Treasury program to the Crime Victim Compensation Program, to increase support and aid to victims of violent crimes (20-TRS1).

Increase General Revenue in Crime Victim Compensation Program, Page 12, Line 21, by \$70,000 from \$394,018 to \$464,018. This amendment transfers \$70,000 from the Treasury program to the Crime Victim Compensation Program, to increase support and aid to victims of violent crimes (20-TRS1).

Executive Office of Health and Human Services

Decrease Federal Funds in the Central Management Program, Page 13, Line 20, by \$516,915 from \$145,779,469 to \$145,262,554. This adjustment is comprised of two changes: (1) A decrease of \$766,915 to align requested funding for the per member per month (PMPM) contribution to CurrentCare, the state's electronic health information exchange, with anticipated funding requirements (20-EOHHS2); and (2) an increase of \$250,000 for Children's Health Insurance Program Admin expenditures to align with anticipated funding requirements (20-EOHHS3).

Decrease Restricted Receipts in the Central Management Program, Page 13, Line 29, by \$1,000,000 from \$15,711,366 to \$14,711,366. This decrease recognizes the redirection of adult-use marijuana-derived restricted receipt funds from the Executive Office of Health and Human Services to the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals and the Department of Health in FY 2020 (20-EOHHS1).

Increase Restricted Receipts in the Office of Veterans' Affairs Program, Page 14, Line 32, by \$152,000 from \$1,000,000 to \$1,152,000. This adjustment aligns the capital accounts for the Veterans Cemetery with the Governor's recommended Capital Improvement Plan (20-EOHHS4).

Department of Health

Decrease Federal Funds in the Community Health and Equity Program, Page 16, Line 3, by \$186,041 from \$68,573,339 to \$68,387,298. This adjustment corrects for technical errors discovered within the payroll codes of several DOH federal accounts that resulted in the inadvertent overfunding of personnel expenses (20-DOH2).

Decrease Restricted Receipts in the Community Health and Equity Program, Page 16, Line 4, by \$46,996 from \$38,176,076 to \$38,129,080. This adjustment corrects for technical errors discovered within the payroll codes of several DOH restricted receipt accounts that resulted in the inadvertent overfunding of personnel expenses (20-DOH2).

Decrease Restricted Receipts in the Environmental Health Program, Page 16, Line 9, by \$283,659 from \$625,138 to \$341,479. This decrease removes all financing contained in the adult-use marijuana restricted receipt account housed within Environmental Health, removing it to the Customer Services program (see below). This zero-sum transfer is in accordance with the Department's stated preference to contain all adult-use marijuana-derived restricted funding within the Customer Services program. This financing will continue to be utilized for the 3.0 food safety positions originally recommended in the Governor's FY 2020 Budget (20-DOH1).

Increase Restricted Receipts in the Customer Services Program, Page 16, Line 21, by \$783,659 from \$1,405,836 to \$2,189,495. This increase is comprised of the following two components: (1) The above-stated shift of restricted financing from the Environmental Health program, in the amount of \$283,659; and (2) The redirection of \$500,000 in adult-use marijuana-derived restricted receipt funds from the Executive Office of Health and Human Services to the Department of Health in FY 2020. Specifically, this financing will support 2.0 new FTE positions associated with prevention and surveillance activities surrounding the adult-use marijuana program (Senior Public Health Promotion Specialist and Public Health Epidemiologist) as well as various prevention and surveillance program operations. The latter will include the implementation of surveys such as the Pregnancy Risk Monitoring System (PRAMS), the Behavioral Risk Factor Surveillance System (BRFSS), and the Youth Risk Behavior Survey (YBRS), in addition to activities such as continuing medical education, the Marijuana Free Teen Alliance, and social marketing and/or community outreach activities aimed at marijuana use prevention (20-DOH1).

Decrease Restricted Receipts in the Policy, Information and Communications Program, Page 16, Line 26, by \$144,784 from \$3,008,897 to \$2,864,113. This adjustment aligns requested funding

for the per member per month (PMPM) contribution to CurrentCare, the state's electronic health information exchange, with anticipated funding requirements (20-DOH4).

Increase Federal Funds in the Preparedness, Response, Infectious Disease & Emergency Services Program, Page 16, Line 30, by \$10,000 from \$16,362,030 to \$16,372,030. This amendment establishes the FY 2020 expenditure authority for a newly received federal grant from the Centers for Disease Control for Hepatitis elimination (20-DOH3).

Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals

Increase Federal Funds in the Behavioral Healthcare Program, Page 19, Line 5, by \$266,644 from \$34,042,755 to \$34,309,399. This amendment creates the expenditure authority necessary for BHDDH to implement two new federal grants: (1) \$112,500 for the Behavioral Health Transformation Transfer Initiative and (2) \$154,144 in recognition of a sub-award from DLT of the National Health Emergency Dislocated Worker Demonstration Grant. The Transformation Transfer Initiative represents funding from the National Association of State Mental Health Program Directors (NASMHPD) to explore the possibility of developing either an in-house bed reporting system or contracting with a vendor to build and host a central bed registry system that addresses the limitations of BHDDH's current email template approach. The DLT sub-award monies will support a statewide, collaborative project that provides training and supportive services to workers and individuals impacted by the opioid crisis (20-BHDDH1).

Increase Restricted Receipts in the Behavioral Healthcare Program, Page 19, Line 11, by \$500,000 from \$149,600 to \$649,600. This increase recognizes the redirection of \$500,000 in adult-use marijuana-derived restricted receipt funds from the Executive Office of Health and Human Services to the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals in FY 2020. Specifically, this financing will support 2.0 FTE positions for substance use disorder prevention and recovery support services (inclusive of the Substance Use Disorder Program Administrator as recommended in the Governor's January 2019 submission), a marijuana-specific module for employee assistance programs, youth outreach, underage sale prevention, the potential start-up of a new adolescent/young adult or family residential program, and stipends to two graduate assistants to conduct a statewide substance use needs assessment and an examination of the health outcomes stemming from the legalization of adult-use marijuana (20-BHDDH2).

Reallocate Federal Funds in the Hospital and Community Rehabilitative Services program, Page 19, Line 18, for no net change. This adjustment transfers the sum of \$1,480,080 in federal funds from an assistance/grants code to applicable personnel expenditure codes, thereby correcting the inadvertent misclassification of federal matching funds for staffing increases at Eleanor Slater Hospital as recommended in the Governor's FY 2020 Budget (20-BHDDH3).

Public Higher Education

Strike language on Page 22, Line 9, "disabilities. It is also provided that \$5,995,000 shall be allocated to the Rhode Island Promise", and replace the stricken language with "disabilities. It is also provided that \$7,876,425 shall be allocated to the Rhode Island Promise". This amendment corrects the proviso language associated with the Rhode Island Promise Scholarship program at CCRI.

Department of Corrections

Decrease General Revenues in the Community Corrections program, Page 27, Line 1, by \$30,000 from \$17,312,125 to \$17,282,125. This decrease reflects a shift in funds from the Department of Corrections to the Department of Public Safety in regard to square-footage occupancy in public courthouses (20-DOC1).

Judiciary

Change the amount for court offsets, Page 27, Line 10 from \$1,183,205 to \$1,392,326. This change is based on updated information provided by the Judiciary finance staff for the amounts they intend to bill agencies.

Department of Public Safety

Increase General Revenues in the Security Services program, Page 28, Line 33, by \$30,000 from \$26,743,619 to \$26,773,619. This increase reflects a shift in funds from the Department of Corrections to the Department of Public Safety in regard to square-footage occupancy in public courthouses (20-DPS1).

Department of Transportation

Decrease Federal Funds to Infrastructure Engineering, Page 31, Line 12, by \$4,982,632 from \$321,53,094 to \$316,070,462. This amendment corrects the effective indirect cost recovery rate for federal funds supporting administrative services (20-DOT2).

Increase Gasoline Tax to Infrastructure Maintenance, Page 31, Line 27, by \$6,270,935 from \$21,471,321 to \$27,742,256. This amendment is a technical correction addressing the negative budget in the Vehicle Maintenance account (20-DOT1).

Decrease Rhode Island Highway Maintenance Account, Page 31, Line 30, by \$50,000 from \$124,684,562 to \$124,634,562. This amendment is comprised of two changes: 1) a reduction of Drainage program funding to be consistent with the FY 2019 Enacted budget (20-DOT3), 2) a shift of \$6,270,935 between natural accounts to reflect that the funding is not displacing gas tax in the Vehicle Maintenance account, but is instead funding construction (20-DOT1).

SECTION 5, INTERNAL SERVICE FUND APPROPRIATIONS

Increase Information Technology Internal Service Fund, Page 33, Line 18, by \$4,928,757 from \$40,631,267 to \$45,560,024. This amendment is to provide appropriation authority for the acquisition and implementation of a new grants management system (20-DOA4).

SECTION 11, FY 2020 FULL-TIME EQUIVALENT (FTE) POSITION AUTHORIZATION

Department of Administration

Increase Full-Time Equivalent positions for the Department of Administration, Page 34, Line 29, by 3.0 FTE, from 670.1 FTE positions to 673.1 FTE positions. This increase reflects the transfer of 3.0 FTE positions from the Department of Behavioral Healthcare, Developmental Disabilities,

and Hospitals (BHDDH) to the Department of Administration (DOA). These positions are associated with facilities management and maintenance within the state-operated residential program for individuals with developmental disabilities, Rhode Island Community Living and Supports (RICLAS). In consultation with BHDDH, the DOA Division of Capital Asset Management and Maintenance (DCAMM), has determined that these positions are more appropriately housed within the DOA (DCAMM) FTE position authorization.

Department of Labor and Training

Increase Full-Time Equivalent positions for the Department of Labor and Training, Page 34, Line 32, by 3.0 FTE, from 451.7 FTE positions to 454.7 FTE positions. This increase reflects the addition of positions to support additional enforcement of misclassification and prevailing wage laws and generate additional general revenue departmental receipts. The new positions will be one Labor Standards Examiner and two Prevailing Wage Investigators.

Department of Health

Increase Full-Time Equivalent positions for the Department of Health, Page 35, Line 11, by 2.0 FTE, from 520.6 FTE positions to 522.6 FTE positions. This increase reflects the addition of 2.0 FTE positions associated with prevention and surveillance activities surrounding the adult-use marijuana initiative: (1) Senior Public Health Promotion Specialist and (2) Public Health Epidemiologist.

Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals

Decrease Full-Time Equivalent positions for the Department of Administration, Page 35, Line 13, by 2.0 FTE, from 1,305.4 FTE positions to 1,303.4 FTE positions. This increase reflects the above-stated transfer of 3.0 FTE positions from the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals (BHDDH) to the Department of Administration (DOA). This decrease is offset by the addition of 1.0 FTE position for a substance use disorder prevention and recovery support services position, financed via restricted revenues from the adult-use marijuana program.

Insert New Section after SECTION 18, page 38, after line 26 as follows: Notwithstanding any general laws to the contrary, the Quonset Development Corporation shall transfer to the State Controller the sum of one million dollars (\$1,000,000) by June 30, 2020. This amendment moves \$1.0 million of the proposed \$2.0 million transfer in FY 2019 to FY 2020.

Summary of Governor's Article 1 Amendments to FY 2020 Appropriations Act (19-H-5151)

	General Revenue	Federal Funds	Restricted Receipts	Other Funds	Total	Amendment Code
FY 2020 Expenditures (Original Governor's Recommendation)	4,075,093,139	3,318,666,714	301,461,708	2,234,815,855	9,930,037,416	
April 2019 Amendments						
Department of Administration						
HSRL- Net Zero Shift Between Restricted Receipt Accounts			[952,963]		[952,963]	20-DOA1
Ocean State Clean Cites- New OER Federal Grant		65,000			65,000	20-DOA2
FY 17 SEP Competitive Grant- New OER Federal Grant		145,000			145,000	20-DOA3
Grants Management System - DOIT ISF				4,928,757	4,928,757	20-DOA4
Department of Business Regulation						
Increase Fire Academy operating expenditures			246,000		246,000	20-DBR1
Department of Labor and Training						
Change account for TDI Employer Tax from Restricted to Other Fund			(1,035,798)	1,035,798	-	20-DLT1
Increase Funding for Workforce Regulation and Safety	643,596		569,037		1,212,633	20-DLT2
Department of Revenue						
Correct funding to Taxation Records Center	36,000				36,000	20-DOR1
Correct duplicate Real ID Advertising	(70,000)				(70,000)	20-DOR2
Recognize shortfall in DMV restricted receipts	34,000		(276,176)		(242,176)	20-DOR3
General Treasurer						
Net Zero Shift of General Revenue from Treasury to Crime Victims Compensation	[70,000]				[70,000]	20-TRS1
Executive Office of Health and Human Services						
Shift of Adult-use Marijuana Receipts to BHDDH/DOH			(1,000,000)		(1,000,000)	20-EOHHS1
RIQI PMPM - Adjust to Estimated Federal Funds Requirement		(766,915)			(766,915)	20-EOHHS2
Children's Health Insurance Program Admin - Adjust to Estimated Federal Funds Requirement		250,000			250,000	20-EOHHS3
Veterans' Cemetery - Align Capital Accounts to Recommended Capital Improvement Plan			152,000		152,000	20-EOHHS4
Department of Health						
Shift of Adult-use Marijuana Receipts to BHDDH/DOH			500,000		500,000	20-DOH1
Technical Corrections to Various Federal/Restricted Line-Sequences		(186,041)	(46,996)		(233,037)	20-DOH2
New Federal Grant- Hepatitis Elimination		10,000			10,000	20-DOH3
RIQI PMPM - Adjust to Estimated Restricted Receipts Requirement			(144,784)		(144,784)	20-DOH4
Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals						
Behavioral Healthcare- New Federal Grants		266,644			266,644	20-BHDDH1
Shift of Adult-use Marijuana Receipts to BHDDH/DOH			500,000		500,000	20-BHDDH2
Eleanor Slater Hospital: Zero-Sum Reallocation to Personnel Codes		[1,480,080]			[1,480,080]	20-BHDDH3
Department of Corrections						
Shifting of funds from DOC to DPS for court offsets in Judiciary	(30,000)				(30,000)	20-DOC1
Department of Public Safety						
Shifting of funds from DOC to DPS for court offsets in Judiciary	30,000				30,000	20-DPS1

Summary of Governor's Article 1 Amendments to FY 2020 Appropriations Act (19-H-5151)

	General Revenue	Federal Funds	Restricted Receipts	Other Funds	Total	Amendment Code
Department of Transportation						
<i>Correct negative Vehicle Maintenance account totals</i>				6,270,935	6,270,935	20-DOT1
<i>Adjust Indirect Cost Recovery</i>		(4,982,632)		(50,000)	(4,982,632)	20-DOT2
<i>Remove excess in Drainage</i>					(50,000)	20-DOT3
Total	643,596	(5,198,944)	(536,717)	12,185,490	7,093,425	
Grand Total	4,075,736,735	3,313,467,770	300,924,991	2,247,001,345	9,937,130,841	