



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration
BUDGET OFFICE
One Capitol Hill
Providence, R.I. 02908-5886

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 22, 2019

Subject: New Article 4 of the FY 2020 Appropriations Act
(19-H-5151)

The Governor requests that Article 4 of the FY 2020 Appropriations Act, entitled "Relating to Government Reorganization", as amended on March 25, 2019, be withdrawn in its entirety and replaced with the attached version. The following are the substantive modifications contained within the new article:

(1) The new article amends several sections of the previous Article 4 that transferred the responsibility for the licensing and monitoring of child care providers from the Department of Children, Youth, and Families (DCYF) to the Department of Human Services (DHS). Specifically, the newly proposed language retains DCYF as the agency responsible for investigating complaints of abuse and neglect at a child day care facility and maintains the jurisdiction of the Rhode Island Family Court over matters involving alleged abuse and neglect at a child day care facility (or other complaints investigated by DCYF pursuant to Chapter 42-72.1). This language was added at the request of the Family Court to ensure that even though childcare licensing actions will be appealed to the Superior Court in the future, all other appeals of matters related to children, including allegations of abuse or neglect brought on childcare providers, will continue to go to the Family Court.

(2) The new article adds language to proposed new Chapter 42-12.5, entitled "Licensing and Monitoring of Child Day Care Providers", placing jurisdiction over appeals regarding child care facility licensing within the Superior Court of Providence County. Although licensing-related actions are presently referred to the Family Court (due largely to DCYF's extensive involvement with that Court), it has been determined that Superior Court is a more appropriate venue for such appeals, in accordance with current state practice surrounding appeals of departmental licensure actions.

(3) The new article reverses the transfer of the Office of Veteran's Affairs (including the Rhode Island Veterans' Home and the Rhode Island Veterans' Memorial Cemetery) and the Division of

Affairs from DHS to the Executive Office of Health and Human Services (EOHHS). The primary rationale for rescinding this reorganization is the Executive Office's recent examination of the deleterious impact of adding these two entities to the EOHHS cost allocation plan. In consultation with Public Consulting Group, Inc., the Executive Office has determined that the addition of the Office of Veterans' Affairs and the Division of Elderly Affairs to the EOHHS "cost pool" for the allocation of indirect costs within the EOHHS cost allocation plan yields a potential loss of federal Medicaid revenue and increased exposure to general revenue expenditures. While the mechanics underlying this effect are beyond the scope of this memorandum, EOHHS estimates the potential general revenue impact as significant enough to warrant an abundance of caution in transitioning either entity to EOHHS. The Governor therefore retracts this transfer, and recommends that both divisions be maintained within the DHS budget. As such, the relevant sections of the previous Article 4 have been removed and/or modified to effect this withdrawal. Accordant modifications to Article 1 of H-5151 are forthcoming in the next set of Article 1 amendments.

(4) The new article changes the name of the Division of Elderly affairs to the "Office of Healthy Aging" and the Office of Veterans' Affairs to the "Office of Veterans Services", as these titles are more consistent with the current missions, programmatic offerings, and cultures of each entity.

If you have any questions regarding this new article, please feel free to call me at 222-6300.

TAM: 20-Amend-23

cc: Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
Jonathan Womer, Director, Office of Management and Budget
Emily Eelman, Deputy Secretary, Office of Health and Human Services
Courtney Hawkins, Director, Department of Human Services
Trista Piccola, Director, Department of Children, Youth, and Families