



**Gina M. Raimondo,
Governor**

**State of Rhode Island and
Providence Plantations
Fiscal Year 2018
Budget**

Executive Summary

General Government

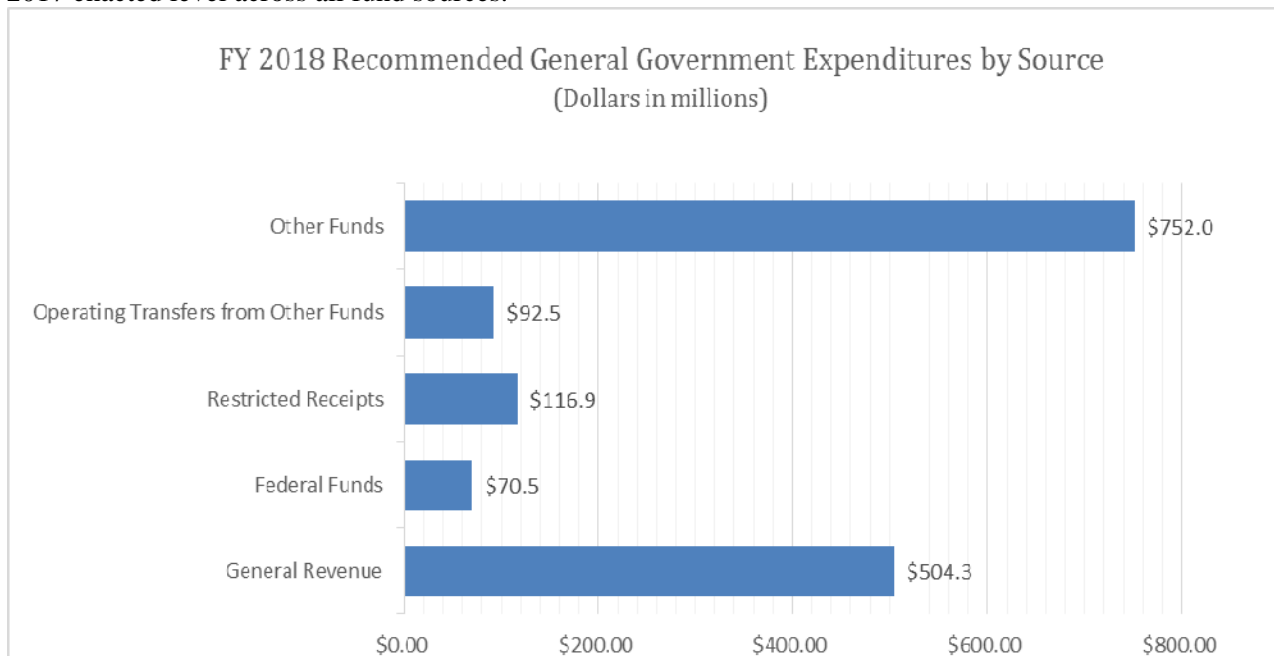
General Government

Summary

General Government includes agencies that provide general administrative services to all other state agencies, and those that perform state licensure and regulatory functions. It includes: most *elected officials*, including the Governor, Lieutenant Governor, General Treasurer, the Secretary of State, and the Legislature; *administrative agencies*, including the Department of Administration, the Department of Revenue, Executive of Commerce, the Department of Labor and Training, the Board of Elections, and the Commission for Human Rights; and *regulatory agencies*, including the Department of Business Regulation and the Public Utilities Commission.

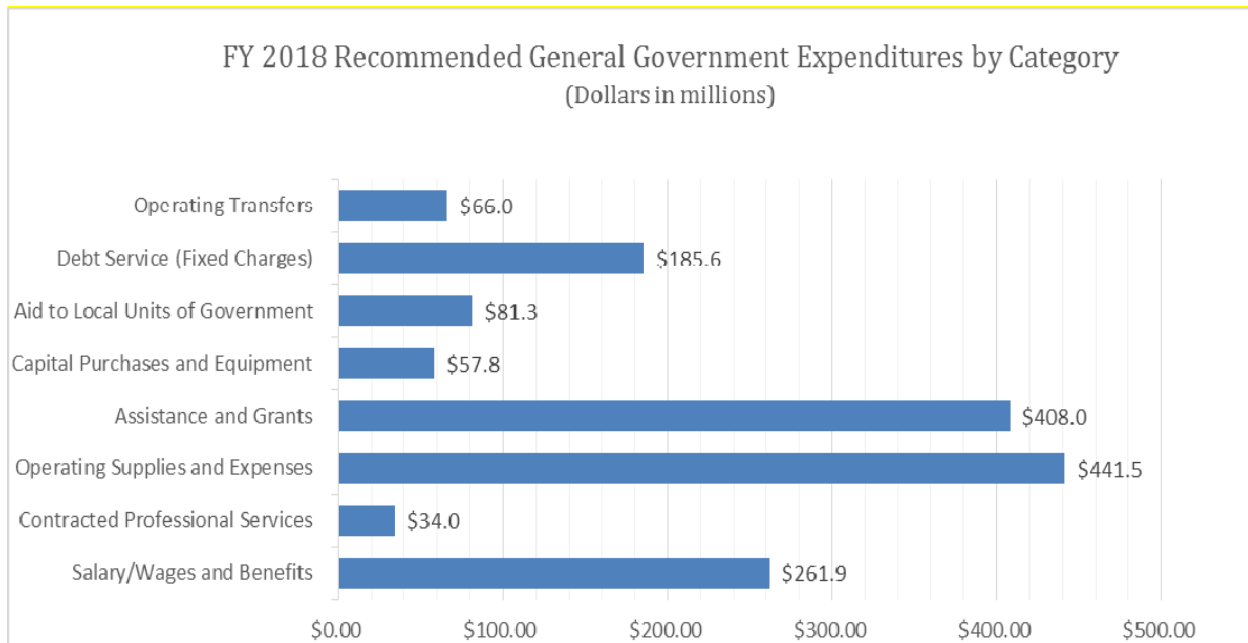
The FY 2017 revised Budget for General Government agencies totals \$1.562 billion, including \$485.0 million from general revenue, \$96.7 million from federal funds, \$133.9 million from restricted receipts, and \$845.9 million from other funds. The revised FY 2017 Budget from all fund sources for General Government agencies increases by \$57.8 million, or 3.8 percent more than the FY 2017 enacted budget of \$1.503 billion. The largest share of this increase, \$25.4 million, is in other funds, followed by a federal funds increase of \$20.9 million, general revenue funds decrease of \$5.5 million, and restricted receipt funds increase of \$16.8 million. Of the \$1.561 billion recommended for FY 2017, \$422.3 million is for grants and benefits, \$443.4 million for operating, \$303.1 million for personnel, \$77.7 million for local aid, \$170.6 million for debt service, \$71.2 million for capital purchases, and \$73.4 million for operating transfers.

For FY 2018, the Governor recommends expenditures of \$1.536 billion for General Government programs. The programs are financed with \$503.8 million from general revenue, \$70.5 million from federal funds, \$116.9 million from restricted receipts, and \$844.5 million from other funds. The FY 2018 recommendation for General Government agencies is \$31.8 million, or 2.1 percent, more than the FY 2017 enacted level across all fund sources.



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Of the \$1.536 billion recommended for FY 2018, \$408.0 million is for assistance, grants and benefits, \$441.5 million is for operating, \$295.9 million is for personnel, \$81.3 million is for local aid, \$185.6 million is for debt service, \$57.8 million is for capital purchases, and \$65.5 million is for operating transfers. In the Governor's FY 2018 Budget, the General Government function represents 16.6 percent of the total budget for Rhode Island.



General revenue financing for General Government agencies in FY 2018 increases by \$13.3 million, or 2.7 percent, from the FY 2017 enacted appropriations, of which the majority is related to debt service payments. The FY 2017 enacted budget included \$130.5 million in debt service payments from general revenues, which included restructuring savings used to support the Governor's Economic Development Initiative proposals. The FY 2018 recommended budget includes a total of \$144.4 million for debt service as the savings from the debt restructuring decline. The Executive Office of Commerce includes a general revenue decrease of \$4.2 million, which is primarily due to the one-time financing of economic development initiatives from the restructuring of state's debt from FY 2016 and FY 2017 coming out of the FY 2018 base.

Proposed in the Governor's budget are increases of \$10.0 million for personnel, \$9.4 million for operating expenses, \$3.7 million for local aid, \$2.7 million in assistance and grants, and \$6.7 million for operating transfers in comparison to the FY 2017 enacted budget. Capital purchases decrease by \$7.3 million in comparison to the FY 2017 enacted budget.

New positions have been added in the Department of Labor and Training to support the increased work for new initiatives, such as the Real Jobs Rhode Island program, which has 26 partnerships to provide training for jobs which companies in Rhode Island have stated a need for, as well as the LEAP program which provides employment services for formerly incarcerated individuals. The new positions will also allow the Department to process Unemployment Insurance claims in a timely matter as determined by the United States Department of Labor.

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Department to process Unemployment Insurance claims in a timely matter as determined by the United States Department of Labor.

Within the Department of Revenue, a total of 16.0 new FTE positions have been added for the implementation and operation of the new systems of operation within the Division of Taxation and Division of Motor Vehicles. Both of these new systems have the ultimate goal of better service to users, including shortened wait times and less fraud. Five positions from the Department of Public Safety have been moved to the Department of Administration to further centralize the human resources and information technology functions that are offered throughout the state.

In FY 2018, federal funds recommended in General Government agencies decrease by \$5.3 million from the FY 2017 enacted level. A significant portion of this decrease is related to the expiration of federal funding related to the Rhode Island Health Benefits Exchange. Funding for this program has transitioned mostly to restricted receipts and general revenue as it transitions from the implementation stage to an operational program in FY 2018.

The Governor's recommendation for the FY 2018 Budget includes \$116.9 million from restricted receipts, which is an overall decrease of \$252,337 from the FY 2017 Enacted Budget. Some highlighted areas of state government that restricted receipt financing will be utilized are in the Department of Business Regulation to interact with the Department of Health patient and caregiver databases to ensure that only legitimate caregivers are registered. There are continued enhancements to the new computer system in the Office of the Treasury that will allow ERSRI members to view their defined benefit, defined contribution, and other retirement assets in the single web platform.

Other funds recommended in FY 2018 increased by a total of \$24.1 million, or 2.9 percent, to a total of \$844.5 million, from the FY 2017 enacted level of \$820.5 million. A good portion of this change resides within the Department of Revenue and reflects expected commission payments through the Lottery Division, as well as in the Office of the General Treasurer for a change in the method of accounting for the transfer of investment earnings on the state's 529 college savings plan.

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DEPARTMENT OF ADMINISTRATION

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$244,775,881	\$212,928,494	\$237,083,518	\$229,671,472	\$248,080,830
Federal Funds	\$77,782,063	\$31,351,946	\$14,896,706	\$21,447,637	\$13,215,878
Restricted Receipts	\$20,553,583	\$29,970,285	\$34,263,955	\$42,293,091	\$33,095,338
Other Funds	\$409,353,406	\$412,331,468	\$453,558,764	\$461,281,729	\$458,585,736
RI Capital Plan Fund	\$16,229,554	\$19,484,046	\$46,161,000	\$47,157,952	\$42,847,761
Total Funding	\$768,694,487	\$706,066,239	\$785,963,943	\$801,851,881	\$795,825,543
FTE Authorization	710.7	712.7	708.7	708.7	713.7

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$801.9 million for the Department of Administration, including \$229.7 million from general revenue, \$21.4 million from federal funds, \$42.3 million from restricted receipts, \$99.2 million from operating transfers, \$8.1 million from other funds, and \$401.1 million from internal service funds. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$7.4 million, federal financing increases by \$6.6 million, restricted receipts financing increases by \$8.0 million, operating transfers financing increases by \$2.2 million, other funds financing decreases by \$623,134, and internal service funds financing increases by \$7.1 million.

The revised FY 2017 recommendation includes a redistribution that was in the enacted budget of \$121,197 to other state agencies for natural gas savings. The enacted budget also contained an operational savings of \$1.8 million, of which \$800,000 will not be achieved and \$1.0 million remains in the revised budget. The revised budget contains a statewide savings of \$88,885 for assessed fringe benefits. There is a reappropriation from FY 2016 of \$680,747, of which \$388,428 is for the State's Classification and Compensation Study, \$130,000 is for the Building Code Commission, and \$162,319 is for staff training and security at the Division of Capital Asset Management and Maintenance.

Central Management

Within the Central Management program, the Governor recommends revised FY 2017 appropriations of \$2.8 million, all from general revenues. Relative to the FY 2017 enacted levels, recommended general revenue financing increases by \$175,753. This includes a reduction of \$283,736 for personnel expenses due to increased turnover and the transfer of the Cybersecurity Director position to the Department of Public Safety. The FY 2016 reappropriation for the classification study resides within this program.

Accounts and Control

Within the Accounts and Control program, the Governor recommends revised FY 2017 appropriations of \$4.1 million, all from general revenues. Relative to the FY 2017 enacted levels, recommended general revenue financing decreases by \$48,027, of which the majority is related to an increase in turnover savings.

Office of Management and Budget

Within the Office of Management and Budget program, the Governor recommends revised FY 2017 appropriations of \$10.9 million, including \$9.0 million from general revenue, \$464,467 from restricted receipts, and \$1.5 million from operating transfers. Relative to the FY 2017 enacted levels, recommended

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general revenue financing increases by \$434,728, restricted receipts financing increases by \$109,647, and operating transfers increase by \$123,696.

- *Personnel.* The Governor recommends an increase of \$338,283 for personnel in the Office of Management and Budget. This recommendation includes financing for personnel that were not included in the enacted budget, however, were filled as of the end of FY 2016. These additional costs are slightly offset due to the increase in turnover savings within this program for the current fiscal year.
- *LEAN.* The Governor recommends \$100,000 from general revenue which is being matched by \$70,000 from the Rhode Island Foundation for management consultants to provide services related to LEAN events.
- *Regulatory Reform.* The Governor recommends the shift of \$66,967 from the Department of State to the Department of Administration to support legal help with regulatory reform initiatives.

Purchasing

Within the Purchasing program, the Governor recommends revised FY 2017 appropriations of \$3.3 million, including \$3.0 million from general revenue and \$279,060 from all other sources. Relative to the FY 2017 enacted levels, recommended general revenue financing increases by \$153,137 and financing from all other sources decreases by \$46,420. Increased funding for this program is related to a lower turnover savings than originally anticipated.

Human Resources

The Governor recommends revised FY 2017 appropriations of \$11.1 million, including \$8.0 million from general revenue, \$1.0 million from federal funds, \$624,246 in restricted receipts, and \$1.6 million in other funds. Relative to the FY 2017 enacted levels, recommended general revenue financing increases by \$193,340, federal funds financing increases by \$260,226, restricted receipts financing decreases by \$137,176, and other funds decreases by \$96,829.

- *Personnel.* The Governor recommends an increase of \$481,352 from all funds, or \$42,396 from general revenue, for additional costs associated with 4.0 new FTE positions that will be utilized in the reorganization of the program.
- *Legal.* The Governor recommends an addition of \$100,000 for increased use of outside legal services related to contract negotiations and other matters.

Personnel Appeal Board

Within the Personnel Appeal Board, the Governor recommends revised FY 2017 appropriations of \$145,252, all from general revenues. Relative to the FY 2017 enacted levels, recommended general revenue financing increases by \$11,833.

General

The Governor recommends revised FY 2017 appropriations of \$63.1 million, including \$15.3 million from general revenue, \$4.3 million from federal funds, \$700,000 from restricted receipts, and \$47.2 million from the Rhode Island Capital Plan Fund. The Governor recommends an increase of \$996,952 from the enacted level from the Rhode Island Capital Plan Fund. This recommendation reflects an increase and shift of funding between projects based on necessity, whether or not a project is shovel ready, and/or emergency situations. Major changes include the following:

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- *Zambarano Buildings.* The Governor recommends a decrease of \$610,000 for repairs and renovations at this campus.
- *Virks/Mathias Buildings.* The Governor includes an additional \$1.2 million for renovations to these facilities.
- *Chapin Health Laboratory.* The Governor decreases Rhode Island Capital Plan Funds by \$1.6 million for the health laboratory.
- *Dunkin Donuts Center/Convention Center.* The Governor includes an additional \$1.9 million in funds for renovations to the Dunkin Donuts Center and Rhode Island Convention Center. These funds were carried forward from FY 2016.

Debt Service

Within the Debt Service program, the Governor recommends revised FY 2017 appropriations of \$170.7 million, including \$122.2 million from general revenue, \$2.2 million from federal funds, \$111,904 from restricted receipts, and \$46.2 million from operating transfers. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$8.4 million, with minor adjustments in other sources of funds. The net decrease in general revenue funding was the result of several items. First, the enacted budget assumed savings of \$2.8 million from a refunding of prior general obligation bonds. The actual savings from the refunding completed in April 2016 was \$2.4 million, resulting in an increase in general obligation bonds debt service costs of \$368,412. Second, the revised FY 2017 budget includes an adjustment for the allocation of debt service for Higher Education debt to the University of Rhode Island (\$2,303,038), Rhode Island College (-\$55,863) and the Community College of Rhode Island (-\$47,755). The enacted budget included financing for the issuance of new debt and savings from a refunding of prior debt within the Department of Administration, but debt service associated with Higher Education bond funded projects is appropriated under each institution, thus requiring the transfer of funds from the Department's budget. Finally, the enacted FY 2017 budget included financing of \$6.6 million for a new bond issuance in the Fall of 2016. This issuance has been delayed until the Spring of 2017 and thus no new debt service will be required on this issuance in the current fiscal year allowing for withdrawal of these funds.

Energy Resources

Within the Energy Resources program, the Governor recommends revised FY 2017 appropriations of \$16.7 million, of which \$16.1 million is from restricted receipts and \$571,400 from federal funds. The recommendation includes \$3.7 million more than the enacted level. Major changes include an additional \$2.7 million for the Regional Greenhouse Gas Initiative, \$315,000 for Reconciliation Funding, and \$250,000 for Energy Efficiency and Resources Management.

Legal Services

Within the Legal Services program, the Governor recommends revised FY 2017 appropriations of \$2.1 million, all from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$52,253, which is mostly related to personnel costs.

Information Technology

The Governor recommends revised FY 2017 appropriations of \$47.6 million, including \$21.8 million from general revenue, \$6.8 million from federal funds, \$16.2 from restricted receipts, and \$2.7 million from other funds. Relative to FY 2017 enacted levels, recommended restricted receipt financing increases by \$6.3 million. This increase consists of \$6.1 million for the Information Technology Investment Fund (ITIF). Major projects in the ITIF fund for the current year include the Time, Leave and Attendance System; Statewide ePermitting Platform; Integrated Budget Development System; DLT Imaging System; and UHIP.

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Library and Information Services

Within the Library and Information Services program, the Governor recommends revised FY 2017 appropriations of \$2.6 million, including \$1.3 million from general revenue and \$1.3 million from federal funds. Relative to the FY 2017 enacted budget, there is an all funds increase of \$19,782.

Planning

Within the Division of Planning, the Governor recommends revised FY 2017 appropriations of \$5.2 million, including \$1.1 million from general revenue, \$24,311 from federal funds, and \$4.1 million from other funds. From general revenues, there is a reduction of \$217,387 for personnel, which is related to turnover savings and the distribution of the statewide savings. The revised budget shifts the federal Metro Planning grant to restricted receipts resulting in a decrease of \$990,006 in federal funds and an increase of \$1.1 million in restricted receipts.

Construction, Permitting, Approvals, and Licensing

Within the Construction, Permitting, Approvals, and Licensing program, the Governor recommends revised FY 2017 appropriations of \$3.5 million, including \$2.1 million from general revenue and \$1.4 million from restricted receipts. Relative to FY 2017 enacted levels, there is an all funds increase of \$264,353, which is related to the inclusion of 3.0 new FTE positions to accommodate an increase in construction activities.

Rhode Island Health Benefits Exchange

Within the Rhode Island Health Benefits Exchange, the Governor recommends revised FY 2017 appropriations of \$16.6 million, including \$2.6 million from general revenue, \$7.9 million from federal, and \$6.0 million from restricted receipts. Relative to FY 2017 enacted levels, there is an all funds increase of \$4.2 million, most of which is from federal funds, for management and IT consultants to provide continual support to maintain the system.

The Office of Diversity, Equity, and Opportunity

Within the Office of Diversity, Equity, and Opportunity, the Governor recommends revised FY 2017 appropriations of \$1.3 million, including \$1.2 million from general revenue. Relative to the enacted FY 2017 Budget, general revenue financing decreases by \$70,043, most of which is related to increased turnover savings.

Capital Asset Management and Maintenance

Within the Division of Capital Asset Management and Maintenance, the Governor recommends revised FY 2017 appropriations of \$39.8 million, including \$33.8 million from general revenue, \$1.6 million from federal funds, \$648,334 from restricted receipts, and \$3.8 million from other funds. Relative to FY 2017 enacted levels, there is a general revenue decrease of \$936,891, federal increase of \$258,673, restricted receipt increase of \$204,910, and other funds decrease of \$627,735.

- *Personnel.* There is an all funds increase of \$259,405, which is related to 4.0 FTE positions that were not included in the enacted budget, however, were employed as of the end of FY 2016.
- *Utilities.* There is a decrease of \$1.8 million from all funds and \$1.5 from general revenues for cost of utilities, which is primarily related to lower costs for natural gas as a result of a reverse auction conducted by the Office of Energy Resources.

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FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$795.8 million for the Department of Administration, including \$248.1 million from general revenue, \$13.2 million from federal funds, \$33.1 million from restricted receipts, \$88.5 million from operating transfers, \$8.3 million from other funds, and \$404.7 million from internal service funds. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$11.0 million. There are decreases of \$1.7 million from federal funds, \$1.2 million from restricted receipts, \$8.5 million from operating transfers, and \$484,745 from other funds. Internal Service Funds increase by \$10.7 million. The FY 2018 budget recommendation for the Department of Administration includes statewide savings of \$201,025 for assessed fringe benefits and \$107,733 for medical.

Central Management

Within the Central Management program, the Governor recommends FY 2018 appropriations of \$2.5 million, all from general revenues. Relative to the enacted FY 2017 levels, recommended general revenue financing decreases by \$140,000. This decrease reflects savings associated with the transfer of the Cybersecurity Director position to the Department of Public Safety, which is slightly offset by statewide benefit changes.

Accounts and Control

The Governor recommends FY 2018 appropriations of \$4.4 million, of which \$4.1 million is from general revenue and \$225,000 is from restricted receipts. Relative to the enacted FY 2017 levels, recommended general revenue financing decreases by \$16,637. The addition of \$225,000 in restricted receipts is related to the establishment of an OPEB account for administrative, actuarial, and legal expenses needed to maintain the OPEB system per RIGL 36-12.1-15.

Office of Management and Budget

Within the Office of Management and Budget program, the Governor recommends FY 2018 appropriations of \$10.1 million, including \$8.1 million in general revenue, \$300,000 in restricted receipts, and \$1.7 million in operating transfers. Relative to the enacted FY 2017 levels, recommended general revenue financing decreases by \$448,871, restricted receipt financing decreases by \$55,000, and operating transfer financing increases by \$338,399. Major changes within this program are attributable to the following adjustments:

- *Personnel increase of \$790,852.* This increase assumes the costs associated with the additional personnel added in the FY 2017 revised budget and other statewide adjustments for salaries and benefits.
- *Regulatory Reform.* The Governor recommends the shift of \$170,704 from the Secretary of State's office to the Department of Administration to support legal help with regulatory reform initiatives.
- *Fraud and Waste data tool.* The FY 2017 enacted and revised budgets include \$1.5 million for the implementation of the Fraud and Waste data tool. These funds are not required in FY 2018 and thus are withdrawn. Anticipated revenues associated with this program in FY 2017 is \$5.0 million. The FY 2018 recommendation includes an additional \$3.5 million in expected revenues.

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Purchasing

Within the Purchasing program, the Governor recommends 2018 appropriations of \$3.3 million, including \$3.1 million from general revenue and \$233,525 in other funds. Relative to the FY 2017 enacted levels, recommended general revenue financing increases by \$212,067 and restricted receipts financing increases by \$885. The general revenue increase is attributable to statewide salary and benefit changes as well as a decrease in turnover savings.

Human Resources

The Governor recommends FY 2018 appropriations of \$11.9 million, including \$8.6 million from general revenue, \$1.1 million from federal funds, \$637,889 in restricted receipts, and \$1.6 million in other funds. Relative to the FY 2017 enacted levels, recommended general revenue financing increases by \$818,667, federal funds financing increases by \$283,581, restricted receipts financing increase by \$150,819, and other funds financing increases by \$132,142.

- *Personnel.* The Governor includes an increase of \$1.4 million from all funds, which is associated with statewide adjustment for salaries and benefits, a decrease in turnover savings, and the 4.0 new FTE positions that will be utilized in the reorganization of the program.

Personnel Appeal Board

The Governor recommends FY 2018 appropriations of \$145,130 for the Personnel Appeal Board, all from general revenue. Relative to the FY 2017 enacted levels, recommended general revenue financing increases by \$11,711.

General

The Governor recommends FY 2018 appropriations of \$58.0 million for the General program, including \$14.5 million from general revenue, \$700,000 from restricted receipts, and \$42.8 million from Rhode Island Capital Plan Fund. Relative to the FY 2017 enacted levels, recommended general revenue financing decreases by \$802,931, which is attributable to the removal of the one-time grant of \$900,000 to RIPTA in FY 2017, restricted receipts financing increases by \$278,500, and Rhode Island Capital Plan Fund financing decreases by \$3.3 million.

Debt Service

The Governor recommends FY 2018 appropriations of \$185.6 million for the Debt Service program, including \$144.4 from general revenue, \$1.9 million from federal funds, and \$39.5 million from operating transfers. Relative to the enacted FY 2017 Budget, general revenue financing increases by \$13.8 million, federal funds financing decreases by \$364,485, restricted receipts financing decreases by \$111,453, and operating transfers financing decreases by \$6.7 million. Debt service on general obligation bonds decreased in FY 2016 and FY 2017 as a result of a restructuring and refunding of outstanding bonds in 2015. The savings from this action are no longer available in FY 2018, thus contributing to the general revenue funding increase. The decline in operating transfers financing is due to debt attributable to the Department of Transportation declining as it is paid down.

Legal Services

Within the Legal Services program, the Governor recommends FY 2018 appropriations of \$2.3 million, all from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$119,968, which is related to the attainment of outside legal services primarily related to

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representation for contractual negotiations and other labor issues.

Information Technology

The Governor recommends FY 2018 appropriations of \$42.3 million for the Information Technology program, including \$22.1 million from general revenues, \$6.7 million from federal funds, \$10.8 million from restricted receipts, and \$2.7 million from other funds. The Information Technology Investment Fund increases by \$874,082 from the FY 2017 enacted budget. There is an increase of \$306,082 from general revenues, which is attributable to the following items:

- *Personnel.* The Governor includes a general revenue increase of \$709,956 to restore unachievable turnover savings from the enacted FY 2017 enacted budget. This is slightly offset by statewide salary and benefit changes.
- *Cybersecurity.* The Governor recommends the transfer of \$500,000 for Cybersecurity consultants and operating costs to the Department of Public Safety, in conjunction with the transfer of the Cybersecurity Director position referenced above.

Library and Information Services

The Governor recommends FY 2018 appropriations of \$2.6 million for the Library and Information Services, including \$1.5 million in general revenue and \$1.2 million from all other sources. Relative to the enacted FY 2017 Budget, general revenue financing increases by \$136,656, which is attributable to an increase in the costs associated with express delivery services and salaries and benefits.

Planning

The Governor recommends FY 2018 appropriations of \$5.5 million for the Planning program, including \$1.3 million in general revenue and \$4.2 million from operating transfers. Relative to the enacted FY 2017 Budget, general revenue financing decreases by \$70,275, which is attributable to an increase in turnover savings. Operating transfers increased by \$1.2 million due to additional grant funding from FHWA- PI Systems Planning and the FTA- Metro Planning Grant.

Energy Resources

The Governor recommends FY 2018 appropriations of \$12.5 million for the Energy Resources program, of which \$250,000 is from general revenues for electric vehicle rebates, \$723,171 is from federal funds, and \$11.5 million is from restricted receipts. Relative to the enacted FY 2017 Budget, financing decreases by \$401,655. Significant changes within this program are attributable to the following items:

- *Electric Vehicle Charging Station Rebates.* The Governor includes \$250,000 from general revenue for electric vehicle rebates.
- *Energy Metrics Grant.* A federal increase of \$290,000 for the Energy Metrics Grant.
- *Regional Greenhouse Gas Initiative.* A decrease of \$1.3 million from restricted receipts for the Regional Greenhouse Gas Initiative grant.
- *Personnel.* The Governor recommends an increase of \$240,499 for personnel expenses due to statewide benefit changes and a decrease in turnover savings.

Construction, Permitting, Approvals, and Licensing

The Governor recommends FY 2018 appropriations of \$3.6 million for the Construction, Permitting, Approvals, and Licensing program, including \$2.2 million from general revenues and \$1.4 million from restricted receipts. Relative to the enacted FY 2017 Budget, general revenue financing increases by

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\$332,248, all of which is related to the inclusion of the 3.0 new FTE positions to accommodate an increase in construction activities.

Health Benefits Exchange

The Governor recommends FY 2018 appropriations of \$9.6 million for the Rhode Island Health Benefits Exchange, which is \$2.8 million less than the FY 2017 enacted budget. There are decreases of \$1.0 million from federal funds and \$1.8 million from restricted receipts. Major changes within this program are attributable to the following:

- *Federal Funds.* The Governor includes a reduction in federal revenue totaling \$1.0 million due to the expiration of federal funding for this program.
- *Restricted Receipts.* The Governor reduces restricted receipts by \$1.8 million for the Health Benefit Exchanges' as it moves from a development and implementation phase from grant funding to a self-sustaining operation.

Office of Diversity, Equity, and Opportunity

The Governor recommends FY 2018 appropriations of \$1.5 million for the Office of Diversity, Equity, and Opportunity program, an increase of \$81,240 over the FY 2017 enacted Budget. This increase is related additional funding of \$100,000 provided for a disparity study.

Capital Asset Management and Maintenance

The Governor recommends FY 2018 appropriations of \$40.7 million for the Capital Asset Management and Maintenance program, which includes \$34.5 million from general revenues, \$1.6 million from federal funds, \$660,725 from restricted receipts, and \$3.9 million from other funds. In relation to the FY 2017 enacted budget, this recommendation includes a decrease of \$162,876 from general revenues, an increase of \$293,846 from federal funds, an increase of \$217,301 from restricted receipts, and a decrease of \$538,069 from other funds. Major changes to the program include the following:

- *Utilities.* The Governor recommends a decrease of \$359,368 for utilities, mostly related to lower costs for natural gas as a result of a reverse auction conducted by the Office of Energy Resources.
- *Building Maintenance.* The Governor recommends a decrease of \$330,320 for building maintenance and repairs.

Full Time Equivalent Positions

The Governor recommends a total authorization of 708.7 FTE positions for FY 2017, which is consistent with the FY 2017 enacted budget. This recommendation includes positions that were not included in the enacted budget, however, were already filled as of the end of FY 2016. The Department will manage personnel to its current FTE authorization.

For FY 2018, the Governor recommends a total of 713.5 FTE positions. This is an increase of 5.0 FTE from the FY 2017 enacted and revised budgets. These positions are transferred from the Department of Public Safety into the Department of Administration and will include 1.0 FTE position in Information Technology and 4.0 FTE positions in the Human Resource Program.

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DEPARTMENT OF BUSINESS REGULATION

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$8,556,174	\$8,174,920	\$10,583,452	\$10,621,228	\$11,115,093
Federal Funds	\$2,216,757	\$3,073,024	\$1,100,710	\$2,011,396	\$892,213
Restricted Receipts	\$1,903,121	\$1,956,933	\$4,175,727	\$4,242,720	\$3,898,877
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$0	\$0	\$0	\$0
Total Funding	\$12,676,052	\$13,204,877	\$15,859,889	\$16,875,344	\$15,906,183
FTE Authorization	98.0	98.0	97.0	106.0	106.0

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$16.9 million for the Department of Business Regulation, including \$10.6 million from general revenue, \$59,772 of which is reappropriated from FY 2016; \$2.0 million from federal funds; and \$4.2 million from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$37,776, federal financing increases by \$910,686, and restricted receipt financing increases by \$66,993. The revised FY 2017 Budget is inclusive of statewide assessed fringe benefit rate reductions distributed to state agencies, which resulted in \$15,321 of general revenue savings being allocated to the Department of Business Regulation.

Central Management

Within the Central Management program, the Governor recommends revised FY 2017 appropriations of \$1.4 million, all from general revenue. Relative to the FY 2017 enacted level, recommended general revenue financing increases by \$69,662, attributable to the following adjustments:

- *Personnel.* The Governor includes \$1.2 million in general revenue for personnel costs, an increase of \$31,361 from the 2017 enacted level. The governor also recommends 1.0 additional FTE positions for the Central Management program.
- *Contracted Professional Services.* The Governor includes \$29,452 in general revenue for Contracted Professional Services, an increase of \$26,000 from the 2017 enacted level to be used to finance security services for the Department's office in Cranston, Rhode Island.

Banking Regulation

Within the Banking Regulation program, the Governor recommends revised FY 2017 appropriations of \$1.8 million, including \$1.7 million from general revenue and \$50,000 from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$56,869 due to additional turnover savings. Restricted receipts financing remains unchanged. The governor also recommends 3.0 additional FTE positions for the Banking Regulation program.

Insurance Regulation

Within the Insurance Regulation program, the Governor recommends revised FY 2017 appropriations of \$5.6 million, including \$3.8 million from general revenue and \$1.8 from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$186,461 due to turnover

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savings. Restricted receipt financing increases by \$7,371. The governor also recommends 5.0 additional FTE positions for the Insurance Regulation program.

Securities Regulation

Within the Securities Regulation program, the Governor recommends revised FY 2017 appropriations of \$989,896, including \$974,896 from general revenue and \$15,000 from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$104,132 due to the transfer of 1.0 Systems Analyst FTE position to Central Management. Restricted receipt financing remains unchanged.

Commercial Licensing, Racing & Athletics

Within the Commercial Licensing, Racing & Athletics program, the Governor recommends revised FY 2017 appropriations of \$3.2 million, including \$872,102 from general revenue and \$2.4 million from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$233,895, while restricted receipt financing increases by \$59,622.

- *Personnel Financing* – The Governor recommends FY 2017 appropriations of \$861,781 from general revenue for personnel costs, an increase of \$235,240 due to the following:
 - The addition of 1.0 FTE position, Associate Director Division of Commercial Licensing.
 - The addition of 1.0 Pari-Mutual Operations Specialist.
- *Medical Marijuana*. The Governor includes \$1.5 million in restricted receipts for the Medical Marijuana program. In FY 2017, the Department of Business Regulation became the licensing agency of compassion centers, compassion center staff, cultivators, and caregivers. While the Department of Health has licensing authority over patients and authorized purchasers, patients choosing to grow for themselves will be required to purchase plant tags from the Department of Business Regulation. The Department of Business Regulation will interact with the Department of Health patient and caregiver databases to ensure that only legitimate caregivers are registered.
 - \$1.1 million is recommended in capital purchases and equipment for the creation of a new medical Marijuana software system which will be completed in FY 2017.
 - \$364,356 will be used to finance the personnel costs of 4.5 FTE positions.

Office of the Health Insurance Commissioner

Within the Office of the Health Insurance Commissioner, the Governor recommends revised FY 2017 appropriations of \$3.5 million, including \$1.4 million from general revenue, \$2.0 million from federal funds, and \$11,500 from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue decreases by \$1,485, restricted receipt financing remains unchanged, while federal financing increases by \$910,686 due to the following:

- *New Federal Grant Award – Market Reform Grant*. The Governor includes \$331,045 in federal financing from a newly awarded Market Reform Grant. The new federal award provides an additional \$1.1 million to be used through October 2018. Funds are to be used in FY 2017 as follows:
 - \$239,565 for personnel costs;
 - \$90,000 for contracted professional services; and,
 - \$1,480 for operating supplies and expenses.
- *State Innovation Models Initiative – Federal Funds*. The Governor includes \$1.1 million in federal financing from the State Innovation Models Initiative federal grant. This is an increase of \$924,447 from the FY 2017 enacted level. Funds are to be used in FY 2017 as follows:

General Government

- \$313,665 for personnel costs. This is an increase of \$146,906 from the FY 2017 enacted budget to support 1.0 Principal Policy Associate position;
- \$777,541 for contracted professional services. This is an increase of \$777,541 from the FY 2017 enacted budget to be used for management and consultant services;

FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$15.9 million for the Department of Business Regulation, including \$11.1 million from general revenue, \$892,213 from federal funds, and \$3.9 million from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$531,638, while federal financing decreases by \$208,497, and restricted receipt financing decreases by \$276,850. The recommended FY 2018 Budget is inclusive of medical benefit and other savings distributed to state agencies, which resulted in \$50,145 in general revenue savings allocated to the Department of Business Regulation.

Central Management

Within the Central Management program, the Governor recommends FY 2018 appropriations of \$1.4 million, all from general revenue. Relative to the enacted FY 2017 levels, general revenue financing increases by \$70,511.

Banking Regulation

Within the Banking Regulation program, the Governor recommends FY 2018 appropriations of \$1.9 million, including \$1.8 million from general revenue and \$50,000 from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$24,389 and restricted receipt financing remains unchanged.

- *Personnel Financing – Banking Regulation.* The Governor recommends FY 2018 appropriations of \$1.8 million from general revenue for personnel costs, an increase of \$13,849.

Insurance Regulation

Within the Insurance Regulation program, the Governor recommends FY 2018 appropriations of \$6.0 million, including \$4.0 million in general revenue and \$1.8 million in restricted receipts. Relative to FY 2017 enacted levels, general revenue financing increases by \$31,942 in support of 5.0 additional FTE positions recommended in the FY 2017 revised budget and restricted receipt financing increases by \$33,929.

Securities Regulation

Within the Securities Regulation program, the Governor recommends FY 2018 appropriations of \$989,364, including \$974,364 from general revenue and \$15,000 in restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$104,664 and restricted receipts financing remains unchanged.

Commercial Licensing, Racing & Athletics

Within the Commercial Licensing, Racing & Athletics program, the Governor recommends FY 2018 appropriations of \$2.7 million, including \$893,038 in general revenue and \$1.8 million in restricted receipts. Relative to FY 2017 enacted levels, general revenue financing increases by \$254,831 and restricted receipt financing decreases by \$528,047.

General Government

- *Medical Marijuana.* The Governor includes \$890,657 in restricted receipts for the Medical Marijuana program.
 - \$490,657 will be used to finance the personnel costs of 4.5 FTE positions.
 - \$375,000 in additional restricted receipts in operating is recommended by the Governor to ensure that the Department is able to keep the system running to meet the rapidly growing demand for medical marijuana. Such operating expenses include:
 - \$200,000 for software maintenance.
 - \$25,000 for office supplies and equipment.
 - \$35,000 for staff training.
 - \$25,000 for miscellaneous expenses.
 - \$35,000 for out of state travel and other accommodations.

Office of the Health Insurance Commissioner

Within the Office of the Health Insurance Commissioner, the Governor recommends FY 2018 appropriations of \$2.7 million, including \$1.6 million in general revenue, \$892,213 in federal funds, and \$228,768 in restricted receipts. Relative to FY 2017 enacted levels, general revenue financing increases by \$165,257, federal funds financing decreases by \$208,497, and restricted receipt financing increases by \$217,268.

- *Personnel Financing* – The Governor recommends FY 2018 appropriations of \$995,124 from general revenue for personnel costs, an increase of \$156,894 to finance 6.0 FTE positions. 2.0 FTE positions will be financed with restricted receipts as described below:
 - 2.0 Health Economic Specialist FTE positions will move from the Department of Health the Office of the Health Insurance Commissioner to process the workload and interface with Federal requirements for the Health Care Accessibility and Quality Assurance Act and the Utilization Review Act.

Full Time Equivalent Positions

The Governor recommends 106.0 FTE positions in the revised FY 2017 Budget and FY 2018 Budget, an increase of 9.0 FTE positions from the enacted FY 2017 FTE authorization level.

EXECUTIVE OFFICE OF COMMERCE

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$203,145	\$60,458,832	\$55,574,117	\$55,735,212	\$51,842,819
Federal Funds	\$0	\$10,016,268	\$17,790,927	\$18,266,931	\$17,890,642
Restricted Receipts	\$0	\$2,681,142	\$4,750,000	\$4,750,000	\$4,159,382
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$259,557	\$1,300,000	\$751,683	\$2,900,000
Total Funding	\$203,145	\$73,415,799	\$79,415,044	\$79,503,826	\$76,792,843
FTE Authorization	5.0	16.0	16.0	16.0	17.0

General Government

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$79.5 million for the Executive Office of Commerce, including \$55.7 million from general revenue, \$18.3 million from federal funds, \$4.8 million from restricted receipts, and \$751,683 from the Rhode Island Capital Plan Fund. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$161,095, federal financing increases by \$476,004, restricted receipt financing remains the same, and Rhode Island Capital Plan Fund financing decreases by \$548,317. The revised FY 2017 budget is inclusive of statewide assessed fringe benefit savings distributed to state agencies, which resulted in \$2,968 of general revenue savings being allocated to the Executive Office of Commerce.

Central Management

Within the Central Management program, the Governor recommends revised FY 2017 appropriations of \$1.3 million from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$55,351, attributable to the following adjustments:

- *Current Personnel Costs.* The Governor includes an additional \$44,320 not including statewide benefit changes for personnel. The recommendation reflects costs for the current staff of the division, which is budgeted at 5.3 FTE positions. The recommendation includes the costs for 25 percent of a new Assistant Administrator, Financial Management, which will be taking on the dual role of assisting the Office of Housing and Community Development with federal grant financial administration as well as assisting the Central Management division with financial processes.
- *Lease of Office Space for Executive Office.* The Governor recommends an additional \$28,525 in the operating budget for office space for the Executive Office of Commerce. The Office will be relocating to the current location of the RI Commerce Corporation. A colocation with the Rhode Island Commerce Corporation will allow the Office and the Secretary of Commerce to fulfill the role of supervising the work of the Rhode Island Commerce Corporation and also better meets its very important mission as the lead agency for economic development in Rhode Island.
- *Distribution of Statewide Assessed Fringe Benefit Savings.* The Governor's recommendation includes \$2,011 in general revenue savings allocated to this program.

Housing and Community Development

Within Housing and Community Development, the Governor recommends revised FY 2017 appropriations of \$23.6 million, which includes \$613,833 in general revenue, \$18.3 million federal funds, and \$4.8 million in restricted receipt funding. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$3,372, federal financing increases by \$476,004, and restricted receipt financing remains unchanged. The Governor recommends \$957 in statewide medical assessed fringe benefit savings within this program.

- *Current Personnel Costs.* The Governor recommends a decrease of \$7,381, not including statewide assessed fringe benefit savings adjustments, for personnel expenditures. The reduction is a result of adjustments to the allocation of personnel between general revenue and federal fund financing. The

General Government

recommendation includes the additional FTE position of Assistant Administrator, Financial Management which is allocated at 25 percent to Central Management and 75 percent to the Office of Housing and Community Development. Within the Housing program the position is being financed with CDBG Disaster Recovery federal program funding.

- *Operating Costs.* The Governor recommends an additional \$4,966 in the operating budget of the Office of Housing and Community Development based upon projected expenditures levels for the Office.

Quasi-Public Appropriations

Within the Quasi-Public Appropriations, the Governor recommends revised FY 2017 appropriations of \$12.7 million, which includes \$12.0 million in general revenue and \$751,683 in Rhode Island Capital Plan Fund financing. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$109,116 and Rhode Island Capital Plan Fund financing decreases by \$548,317.

- *Reappropriation.* The Governor's general revenue recommendation includes a reappropriation of \$69,116 for the ongoing operations of the I-195 Commission.
- *RI Commerce Corporation Base Funding.* The Governor recommends an additional \$40,000 to the base appropriation of the Rhode Island Commerce Corporation to meet cost increases in the current year.
- *Rhode Island Capital Plan Funds.* The Governor recommends a decrease of \$600,000 from the Rhode Island Capital Plan Fund for the Quonset Pier project, which involves infrastructure modernization and repairs to the Port of Davisville. The timing of improvements to Pier 2 have resulted in the shifting of some funding into FY 2018. The Governor also includes balance forward funding of \$51,683 for the I-195 Commission to fulfill its mission of fostering economic development on Rhode Island's former I-195 land.

Economic Development Initiatives Fund

Within the Economic Development Initiatives Fund, the Governor recommends revised FY 2017 appropriations of \$38.4 million from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$1.5 million. The Governor's recommendation continues to include \$84.0 million in general revenue over two years for an Economic Development Initiatives Fund, which is financed through the restructuring of the State's debt beginning in FY 2016. The refinancing will provide 35.0 million in FY 2017.

- *First Wave Closing Fund.* The Governor recommends an additional \$1.5 million in the current year for the First Wave Closing Fund from an existing fund balance at RI Commerce Corporation for the Stay Invested in RI Wavemaker Fellowship. The recommendation will bring the fund balance for the program back to \$12.0 million. This program provides last dollar financing for projects that are catalytic in nature and of significant economic benefit to the state. The program has proved critical in securing major economic development projects that create jobs in Rhode Island, such as the opening of the new GE Digital information technology center in Rhode Island.

General Government

Commerce Programs

Within Commerce Programs, the Governor recommends revised FY 2017 appropriations of \$3.5 million from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$1.5 million.

- *Stay Invested in RI Wavemaker Fellowship.* The Governor recommends a decrease of \$1.5 million in the current year for the Wavemaker Fellowship program. The Wavemaker Fellowship creates an incentive for building the STEAM workforce by issuing a refundable tax credit against qualified Rhode Island workers' student loans, a unique program in the United States that gives Rhode Island a strategic advantage in a highly-competitive marketplace for talent. The Office has been able to issue a total of 215 two-year awards to date. The revised budget recommendation is based upon aligning the current needs of the program with expected obligations of the loan reimbursements.

FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$76.8 million for the Executive Office of Commerce, including \$51.8 million from general revenue, \$17.9 million from federal funds, \$4.2 million from restricted receipts, and \$2.9 million from the Rhode Island Capital Plan Fund. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$3.7 million, federal financing increases by \$99,715, restricted receipt financing decreases by \$590,618 and Rhode Island Capital Plan Fund financing increases by \$1.6 million. The FY 2018 budget is inclusive of statewide assessed fringe benefit and medical benefit savings distributed to state agencies, which resulted in \$9,259 of general revenue savings being allocated to the Executive Office of Commerce.

Central Management

Within Central Management program, the Governor recommends FY 2018 appropriations of \$1.4 million from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$163,516.

- *Current Personnel Costs.* The Governor recommends an increase of \$108,687 for personnel costs. The recommendation reflects a full year of financing of the Office's allocated cost for a new Assistant Administrator, Financial Management FTE position.
- *Distribution of Statewide Assessed Fringe Benefit and Medical Benefit Savings.* The Governor's recommendation includes \$6,292 in general revenue savings allocated to this program.

Housing and Community Development

Within Housing and Community Development, the Governor recommends FY 2018 appropriations of \$22.7 million. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$25,186, federal financing increases by \$99,715, and restricted receipt financing decreases by \$590,618. The Governor recommends \$2,967 in statewide assessed fringe benefit and medical benefit savings within this program.

General Government

- *Current Personnel Costs.* The Governor recommends a decrease of \$16,981 not including statewide assessed fringe benefit and medical benefit savings adjustments for personnel expenditures. The reduction is a result of adjustments to the allocation of personnel between general revenue and federal fund financing. The recommendation includes a full year of financing for an Assistant Administrator, Financial Management position which is allocated at 25 percent to Central Management and 75 percent to the Office of Housing and Community Development. Within the Housing program the position is being financed with Community Development Block Grant Disaster Recovery federal program funding. The recommendation also includes an additional FTE position for the division. An additional Principal Planner position will assist the division with federal grant management and will be funded 100 percent with Community Development Block Grant federal funding.
- *Operating Costs.* The Governor recommends an additional \$4,966 in the operating budget of the Office of Housing and Community Development based upon projected expenditures levels for the Office.
- *Lead Authority Consolidation.* The Governor includes a transfer of \$590,618 in restricted receipt financing from the Executive Office of Commerce to the Department of Health for lead-related issues. The intent of the program is to consolidate authority of lead-related issues under the Department of Health.

Quasi-Public Appropriations

Within the Quasi-Public Appropriations, the Governor recommends FY 2018 appropriations of \$15.6 million. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$830,000 and Rhode Island Capital Plan Fund financing increases by \$1.6 million.

- *RI Commerce Corporation Base Funding.* The Governor recommends an additional \$80,000 to the base appropriation of the Rhode Island Commerce Corporation to meet cost increases in the current year.
- *Polaris Manufacturing Technical Assistance Program.* The Governor recommends an additional \$550,000 for this program in FY 2018. The recommendation involves the transfer of \$250,000 from the University of Rhode Island as well as an additional \$300,000 for the program. The program supports Rhode Island's manufacturers by continuing to deploy technical experts to help manufacturers optimize their businesses. Polaris provides group and individual trainings for operators, shares expertise, and promotes manufacturing state-wide. Importantly, Polaris leverages a significant amount of federal funding, and serves as an effective pass-through for Real Jobs Partnerships.
- *National Security Infrastructure Support Fund.* The Governor recommends an appropriation of \$200,000 for this fund established under R.I.G.L. 30-32-2 by the General Assembly in 2005 to allow for the leveraging of additional federal dollars or securing existing military infrastructure and related jobs.

General Government

- *Rhode Island Capital Plan Funds.* The Governor recommends an increase of \$1.6 million from the Rhode Island Capital Plan Fund for the Quonset Pier project, which involves infrastructure modernization and repairs to the Port of Davisville. Timing of improvements to Pier 2 in the current year have resulted in the shifting of funding into FY 2018.

Economic Development Initiatives Fund

Within the Economic Development Initiatives Fund, the Governor recommends FY 2018 appropriations of \$33.9 million from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$3.1 million. The following includes recommended changes to those economic development initiatives, which will enable the Executive Office of Commerce to carry out its mission of promoting and developing commerce and creating opportunity for all Rhode Islanders.

- *Rebuild RI.* The Governor recommends \$20.0 million in FY 2018, a decrease of \$5.0 million from the enacted budget of \$25.0 million for Rebuild RI. The recommended funding sustains the program and aligns the needs of the program with expected obligations, which is capped at \$150.0 million. This program allows the State to incentivize municipalities to enter into tax stabilization agreements with developers in exchange for the development or redevelopment of specific areas in qualifying communities.
- *First Wave Closing Fund.* The Governor recommends no financing in FY 2018 for the First Wave Closing Fund and instead provides additional funding of \$1.5 million in the current year for the program, made possible by utilizing savings achieved through realignment of funding for the Stay Invested in RI Wavemaker program.
- *Innovation Initiative.* The Governor recommends an increase of \$1.0 million in FY 2018 for a total budget of \$2.5 million to continue with subsequent rounds of grant making to meet the great demand present in the market for collaboration among Rhode Island companies and research institutions and an added focus on company-based manufacturing research and development.
- *I-195 Redevelopment Fund.* The Governor recommends an additional appropriation of \$10.1 million to replenish the fund in FY 2018. Funding for this increase is derived from a one-time resource resulting from the delay in the issuance of general obligation bonds in FY 2017, combined with anticipated FY 2018 savings from the refinancing of general obligation bonds and certificates of participation. A total of \$25.0 million was included in the FY 2016 Budget much of which has been committed to major real estate developments in the I-195 District.
- *Main Street Streetscape and Technical Assistance Program.* The Governor recommends an appropriation of \$1.3 million in FY 2018. A total of \$1.0 million sustains funding for the program, which awards loans, matching grants and other forms of financing to enhance sidewalks, signage or public space and lighting in order to create an attractive environment in local business districts. The Governor also recommends an expansion of the program with total funding of \$250,000 to include a Technical Assistance Program, which would assist communities in improving zoning regulations to encourage economic development.

General Government

Commerce Programs

The Governor recommends FY 2018 appropriations of \$3.3 million from general revenue, which reflects a \$1.7 million decrease from the enacted FY 2017 Budget.

- *P-Tech*. The Governor recommends \$1.2 million in FY 2018 sustaining funding for the program. The recommendation will allow the Office to allow awards for additional P-Tech programs and continue to create opportunity for students and a steady stream of talented, trained workers for businesses.
- *Stay Invested in RI Wavemaker Fellowship*. The Governor recommends total funding of \$1.6 million in FY 2018, which is a decrease of \$1.9 million from the enacted for the Wavemaker Fellowship program. The Wavemaker Fellowship creates an incentive for building the STEAM workforce by issuing a refundable tax credit against qualified Rhode Island workers' student loans, a unique program in the United States that gives Rhode Island a strategic advantage in a highly-competitive marketplace for talent. The Office has been able to issue a total of 215 two-year awards to date. The recommendation is based upon aligning the current needs of the program with expected obligations of the loan reimbursements.
- *Air Service Development Fund*. The Governor recommends a total of \$500,000 in FY 2018 for the program which seeks to develop additional air service at TF Green Airport by providing revenue guarantees or other incentives to airlines that add new routes or increase service.

The Governor recommends 16.0 FTE positions in the revised FY 2017 Budget and 17.0 FTE positions in the recommended FY 2018 Budget, which is one more than the enacted FY 2017 Budget.

DEPARTMENT OF LABOR AND TRAINING

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$8,553,272	\$8,382,043	\$8,212,636	\$8,139,796	\$8,751,313
Federal Funds	\$35,913,567	\$39,141,911	\$38,451,580	\$49,186,947	\$35,459,683
Restricted Receipts	\$35,172,518	\$31,568,311	\$23,585,123	\$29,710,613	\$24,090,443
Other Funds	\$349,348,572	\$344,128,313	\$347,363,389	\$356,016,376	\$358,951,583
RI Capital Plan Fund	\$225,691	\$2,116,990	\$1,905,000	\$1,531,058	\$1,130,000
Total Funding	\$429,213,620	\$425,337,568	\$419,517,728	\$444,584,790	\$428,383,022
FTE Authorization	410.0	409.5	409.5	436.2	433.7

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$444.6 million for the Department of Labor and Training, including \$8.1 million from general revenue, \$49.2 million from federal funds, \$29.7 million from restricted receipts, \$1.5 million from the Rhode Island Capital Plan Fund, and \$356.0 million from other funds. Relative to FY 2017 enacted levels, recommended general revenue financing

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decreases by \$72,840, federal financing increases by \$10.7 million, restricted receipts financing increases by \$6.1 million, the Rhode Island Capital Plan Fund decreases by \$373,942, and other funds increases by \$8.7 million. The revised FY 2017 Budget is inclusive of statewide assessed fringe benefit rate reductions distributed to state agencies, which resulted in \$4,979 of general revenue savings being allocated to the Department of Labor & Training.

Central Management

Within the Central Management program, the Governor recommends revised FY 2017 appropriations of \$2.5 million, including \$134,127 from general revenue, \$853,221 in restricted receipts, and \$1.5 million from Rhode Island Capital Plan Fund resources. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$13,993, restricted receipt financing increases by \$323,907 as the Department had a large carry-forward from FY 2016, and Rhode Island Capital Plan Fund financing decreases by \$373,942 to the level necessary to complete the repairs to the Center General Building roof and HVAC system. The governor also recommends 1.5 additional FTE positions for the Central Management program.

Workforce Development Services

Within the Workforce Development Services program, the Governor recommends revised FY 2017 appropriations of \$55.6 million, including \$704,517 from general revenue, \$32.7 million from federal funds, \$18.0 million from restricted receipts, and \$4.2 million from other funds. Relative to FY 2017 enacted levels, recommended general revenue financing is unchanged, federal funds financing increases by \$8.6 million, which reflects the entire availability of the program's federal awards to give the program the flexibility to serve those eligible and in need of services, restricted receipts financing increases by \$5.9 million as the Department had a large carry-forward from FY 2016, and other funds increase by \$4.2 million.

- *Personnel Cost:* The governor also recommends 6.0 additional FTE positions for the Workforce Development Services program in order to handle the workload of the Real Jobs Rhode Island initiative.

Workforce Regulation & Safety

Within the Workforce Regulation & Safety program, the Governor recommends revised FY 2017 appropriations of \$2.8 million, all from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$12,076 due to adjustments to personnel, computer, and furniture costs. The governor also recommends 1.5 additional FTE positions for the Workforce Regulation & Safety program to meet the demands of the caseloads regarding workplace fraud.

Income Support

Within the Income Support program, the Governor recommends revised FY 2017 appropriations of \$374.6 million, including \$4.1 million from general revenue, \$16.5 million from federal funds, which reflects the availability of federal grant awards in this program, \$2.3 million from restricted receipts as the Department had a large carry-forward from FY 2016, and \$351.8 million from other funds. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$76,815, federal financing increases by \$2.1 million, restricted receipts financing decreases by \$168,394, and other funds financing increases by \$4.4 million, attributable to the following adjustments:

- *Temporary Disability Insurance (TDI).* The Governor includes \$192.7 million from other funds for TDI benefits, an increase of \$5.7 million from the enacted FY 2017 level. The increase reflects the Department's need to fund benefit payments.

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- *Employment Security.* The Governor includes \$177.7 million for Employment Security, a \$585,862 increase from the enacted FY 2017 level. The increase reflects the Department's need to fund benefit payments.
 - *Personnel Cost:* The governor also recommends 14.2 additional FTE positions for the Income Support program in order to provide timely claims processing services.
- *Contracted Professional Services.* The Governor includes \$5.2 million from federal funds for contracted professional services, an increase of \$2.2 million, to support IT projects.

Labor Relations Board

Within the Labor Relations Board program, the Governor recommends revised FY 2017 appropriations of \$404,549, all from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$2,058.

FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$428.4 million for the Department of Labor and Training, including \$8.8 million from general revenue; \$35.4 million from federal funds, \$24 million from restricted receipts; \$1.1 million from the Rhode Island Capital Plan Fund financing; and \$359.0 million other funds. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$538,677, federal funds financing decreases by \$3.0 million, restricted receipts financing increases by \$505,320, Rhode Island Capital Plan Fund financing decreases by \$775,000, and other funds financing increases by \$11.6 million. The recommended FY 2018 Budget is inclusive of medical benefit and other savings distributed to state agencies, which resulted in \$16,113 in general revenue savings allocated to the Department of Labor and Training.

- The governor offsets increases in general revenue financing by proposing the following increases in revenue generated by the Department:
 - New penalties for employers who violate wage & hour laws.
 - New penalties for employers who violate payroll record laws, as Rhode Island law requires employers to maintain payroll records for a period of 3 years.
 - Increases to the Misclassification penalty for employers.
 - Increases to the Electrical Trade violations penalty for working without a license to be consistent with the other trades in the Professional Regulation Unit.

Central Management Program

Within the Central Management program, the Governor recommends FY 2018 appropriations of \$2.0 million, including \$134,315 from general revenue, \$687,604 from restricted receipts, and \$1.1 million from the Rhode Island Capital Plan Fund. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$14,181, restricted receipt financing increases by \$158,290 to finance 1.5 additional FTE positions recommended in the FY 2017 revised budget, and Rhode Island Capital Plan Fund financing decreases by \$775,000 due to the completion of the Department's roof repairs in FY 2017.

Workforce Development Services

Within the Workforce Development Services program, the Governor recommends FY 2018 appropriations of \$34.8 million, including \$704,517 from general revenue, \$21.3 million from federal funds, \$12.6 million from restricted receipts, and \$124,643 from other funds. Relative to FY 2017 enacted levels, recommended general revenue financing is unchanged, federal funds financing decreases by \$2.8 million as the Department

General Government

expects to spend through its large increase in revised FY 2017 budget, restricted receipt financing increases by \$572,934 as the Department expects increased revenues, and other funds increase by \$114,932.

Workforce Regulation & Safety

Within the Workforce Regulation & Safety program, the Governor recommends FY 2018 appropriations of \$3.5 million, all from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$642,987 for personnel costs in lieu of Tardy and Interest financing, that will need to be used for the Unemployment Insurance program.

Income Support

Within the Income Support program, the Governor recommends revised FY 2018 appropriations of \$379.1 million, including \$4.0 million from general revenue, \$14.1 million from federal funds, \$2.1 million from restricted receipts, and \$358.8 million from other funds. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$113,335, federal financing decreases by \$190,954, restricted receipts financing decreases by \$374,980, and other funds financing increases by \$11.5 million, attributable to the following adjustments:

- *Temporary Disability Insurance (TDI)*. The Governor includes \$181.9 million from other funds for TDI benefits, an increase of \$5.6 million from the enacted FY 2017 level. The increase reflects the Department's need to fund benefit payments.
- *Employment Security*. The Governor includes \$174.9 million from for Employment Security, a \$190,954 decrease in federal funds financing and an \$820,000 increase in other funds financing from the enacted FY 2017 level. The decrease is due to a lower number of unemployment insurance claims being filed with the Department due to an improving economy.

Labor Relations Board

Within the Labor Relations Board program, the Governor recommends revised FY 2018 appropriations of \$397,335, all from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$5,156.

Full Time Equivalent Positions

The Governor recommends 436.2 FTE positions in the revised FY 2017 Budget and 433.7 FTE positions in the FY 2018 Budget, an increase of 26.7 FTE positions in FY 2017 and 23.7 FTE positions in FY 2018, relative to the FY 2017 Enacted Budget.

General Government

DEPARTMENT OF REVENUE

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$106,969,845	\$109,737,194	\$113,893,951	\$110,882,648	\$119,391,677
Federal Funds	\$4,314,983	\$2,740,506	\$2,145,367	\$4,375,213	\$1,567,500
Restricted Receipts	\$1,718,666	\$3,591,584	\$5,947,043	\$5,033,373	\$3,962,015
Other Funds	\$335,714,112	\$342,263,389	\$363,531,235	\$371,346,766	\$376,220,071
RI Capital Plan Fund	\$300,026	\$444,458	\$0	\$119,112	\$0
Total Funding	\$449,017,632	\$458,777,131	\$485,517,596	\$491,757,112	\$501,141,263
FTE Authorization	505.0	514.5	523.5	523.5	539.5

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$491.8 million for the Department of Revenue, including \$110.9 million from general revenue, \$4.4 million from federal funds, \$5.0 million from restricted receipts, \$119,112 from the Rhode Island Capital Plan Fund, and \$371.3 million from other funds. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$3.0 million, federal funds financing increases by \$2.2 million, restricted receipts financing decreases by \$913,670, Rhode Island Capital Plan Fund financing increases by \$119,112, and other funds financing increases by \$7.8 million. The revised FY 2017 budget is inclusive of statewide assessed fringe benefit savings of \$55,412 and an increase for reallocation of natural gas costs from the Department of Administration of \$11,850. Included in the revised FY 2017 Budget is a reappropriation of \$137,340 for the Municipal Incentive Aid program.

Director of Revenue

Within the Director of Revenue program, the Governor recommends revised FY 2017 appropriations of \$1.2 million, all from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$75,801, which is attributable to decreased turnover savings.

Office of Revenue Analysis

Within the Office of Revenue Analysis program, the Governor recommends revised FY 2017 appropriations of \$807,744, all from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$908.

Lottery Division

Within the Lottery Division, the Governor recommends revised FY 2017 appropriations of \$370.2 million, including \$119,112 from the Rhode Island Capital Plan Fund and \$370.1 million from other funds. Relative to FY 2017 enacted levels, Rhode Island Capital Plan Fund financing increases by \$119,112 and other funds financing increases by \$7.7 million, attributable to the following adjustments:

- *Lottery Sales.* The Governor includes an increase of \$8.4 million for lottery payments as a result of updated revenue estimates from VLT and table games as determined at the November Revenue Estimating Conference.
- *Lottery Building.* The Governor includes \$119,112 from the Rhode Island Capital Plan fund for Lottery Building renovations.

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Municipal Finance

Within the Municipal Finance program, the Governor recommends revised FY 2017 appropriations of \$3.1 million, all from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$43,447, which is attributable to the following adjustments:

- *Purchased Services.* The Governor includes an increase of \$60,000 from general revenue for actuarial services associated with a study of the Providence Employee Retirement System and legal services associated with the Central Falls receivership.
- *Personnel and Operating.* The Governor recommends a decrease of \$16,553 associated with statewide benefit changes, increased turnover, and software maintenance savings.

Taxation

Within the Division of Taxation, the Governor recommends revised FY 2017 appropriations of \$25.2 million, including \$20.4 million from general revenues, \$2.5 million from federal funds, \$1.0 million from restricted receipts, and \$1.3 from other funds. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$80,003, federal funds financing increases by \$1.2 million, restricted receipt financing increases by \$86,330, and other funds financing increase by \$91,707. This significant increase in federal funding is mostly related to a Department of Environmental Management grant for ground fish disaster funding, which covers administrative costs in the Division of Taxation to ensure that no taxes are owed the state prior to payments are made to the fishermen.

Registry of Motor Vehicles

Within the Registry of Motor Vehicles, the Governor recommends revised FY 2017 appropriations of \$25.2 million, including \$20.3 million from general revenues, \$1.8 million from federal funds, and \$3.1 million in restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$3.3 million, federal funds financing increases by \$1.0 million, and restricted receipts financing decreases by \$1.0 million, attributable to the following adjustments:

- *Reissuance of license plates.* The Governor includes general revenue savings of \$3.0 million due to the delay in the reissuance of license plates.
- *Personnel.* The Governor recommends a decrease of \$260,562 for salaries and benefits based on statewide benefit adjustments and increased turnover.
- *Federal Grants.* The Governor recommends an increase of \$1.0 million in federal funds for the Commercial Vehicle Information System grant.

State Aid

Within the State Aid program, the Governor recommends revised FY 2017 appropriations of \$66.0 million, including \$65.1 million from general revenues and \$922,013 from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$137,340 to include the reappropriation for municipal incentive aid from FY 2016.

FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$501.1 million for the Department of Revenue, including \$119.4 million from general revenue, \$1.6 million from federal funds, \$4.0 million from restricted receipts, and \$376.2 million from other funds. Relative to FY 2017 enacted levels, recommended general

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revenue financing increases by \$5.5 million, while federal financing decreases by \$577,867, restricted receipts financing increases by \$2.0 million, and other funds financing increases by \$12.7 million.

Director of Revenue

Within the Director of Revenue program, the Governor recommends FY 2018 appropriations of \$1.2 million, all from general revenue. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$97,219, all of which is related to personnel expenditures.

Office of Revenue Analysis

Within the Office of Revenue Analysis, the Governor recommends FY 2018 appropriations of \$788,009, all from general revenue. Relative to the FY 2017 enacted Budget, general revenue financing decreases by \$18,827, which is mostly attributable to the bi-annual appropriation for the RI Sales and Use Tax Model.

Lottery Division

Within the Lottery Division, the Governor recommends FY 2018 appropriations of \$375.0 million, all from other funds. Relative to FY 2017 enacted levels, recommended financing increases by \$12.7 million. Major changes are attributable to the following factors:

- *Lottery Sales.* The Governor includes an increase of \$12.9 million from lottery payments as a result of updated revenue estimates from VLT and table games as determined at the November Revenue Estimating Conference.
- *Personnel.* The Governor recommends a decrease of \$449,162 for personnel expenses associated with statewide benefit changes and increased turnover.
- *Operating Expenses.* The Governor recommends an increase of \$139,750 for advertising and other operating expenditures.
- *Purchased Services.* The Governor recommends an increase of \$86,624, which is mostly related to security services.

Municipal Finance

Within the Municipal Finance program, the Governor recommends FY 2018 appropriations of \$2.5 million, all from general revenue. Relative to FY 2017 enacted level, general revenue financing decreases by \$542,862 attributable to the following adjustments:

- *Personnel.* The Governor recommends a \$60,736 increase in general revenue financing for personnel expenditures, which is associated with decreased turnover and statewide benefit changes.
- *Purchased Services.* The Governor includes a reduction of \$50,000 from general revenue in association with the state no longer needing legal representation for Central Coventry Fire District Oversight.
- *Grants and Benefits.* The Governor recommends a decrease of \$550,685, which is mostly related to the removal of a one-time grant that was provided to the City of Central Falls in FY 2017.

Taxation

Within the Division of Taxation, the Governor recommends FY 2018 appropriations of \$25.8 million, including \$22.3 million from general revenue, \$1.4 million from federal funds, \$945,239 from restricted receipts, and \$1.2 million from other funds. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$2.0 million, federal funds financing increases by \$18,069, restricted receipts

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financing increases by \$14,972, and other funds financing increase by \$16,624.

- *Additional Personnel.* The Governor includes \$962,891 in general revenue financing for the addition of 8.0 FTE positions associated with the implementation and operation of the new integrated tax system and decreased turnover within the division. This includes 2.0 Revenue Agents and 2.0 Data Analysts, which are anticipated to generate an additional \$2.0 million in revenue.
- *Purchased Services.* The Governor recommends an increase of \$1.0 million in general revenue for system support services associated with the new integrated tax system. There is also additional funding expected from the Information Technology Investment Fund for the implementation process.

Registry of Motor Vehicles

Within the Registry of Motor Vehicles, the Governor recommends FY 2018 appropriations of \$26.3 million, including \$24.0 million from general revenue, \$206,140 from federal funds, and \$2.1 million from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$376,708 million, federal funds financing decreases by \$595,936, restricted receipts financing decreases by \$2.0 million, attributable to the following adjustments:

- *Additional Personnel.* The Governor includes an increase of \$321,610 for personnel expenses associated with the addition of 8.0 FTE positions to reduce wait times at the Registry.
- *Transfer Payroll Expenses.* The Governor recommends general revenue savings of \$471,785, which assumes the transfer of these costs to the Highway Maintenance Fund. The \$471,785 is 0.5 percent of the total collections made by the DMV that is transferred to the Highway Fund.
- *Operating Costs.* The Governor recommends a general revenue increase of \$369,537 for facility operations expenses, which is mostly related to computer maintenance and postage.
- *Restricted Receipts.* The Governor recommends decreased restricted receipts financing of \$2.0 million for the DMV Modernization Project.
- *Federal Funds.* The Governor includes a \$595,936 decrease in federal funds financing associated with Commercial Vehicle Information and Commercial Drivers' License grants.
- *Revenues.* The Governor recommends an increase of \$539,000 in state general revenues attributable to the elimination of the refund for registrations returned with over one year validity.

State Aid

Within the State Aid program, the Governor recommends FY 2018 appropriations of \$69.4 million, including \$68.5 million from general revenue and \$922,013 from restricted receipts. Relative to the FY 2017 enacted levels, recommended general revenue financing increases by \$3.6 million, attributable to the following:

- *PILOT.* The Governor increases general revenue financing by \$3.2 million to fully fund the Payment in Lieu of Taxes (PILOT) program at 27 percent of assessed property taxes on eligible tax exempt properties.
- *Property Revaluation.* The Governor's recommendation includes \$377,327 in general revenue savings in the property revaluation program based on the number of communities scheduled to undertake revaluations and statistical updates in FY 2018.

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Full Time Equivalent Positions

The Governor recommends 523.5 FTE positions in the revised FY 2017 Budget, consistent with the enacted FY 2017 level. The FY 2018 Budget includes 539.5 FTE positions, an increase of 16.0 FTE positions compared to the enacted FY 2017 authorization for the positions described above.

GENERAL ASSEMBLY

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$34,865,422	\$36,219,919	\$41,052,730	\$45,936,290	\$42,522,507
Federal Funds	\$0	\$0	\$0	\$0	\$0
Restricted Receipts	\$1,325,000	\$1,449,997	\$1,696,572	\$1,611,524	\$1,729,957
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$0	\$0	\$0	\$0
Total Funding	\$36,190,422	\$37,669,916	\$42,749,302	\$47,547,814	\$44,252,464
FTE Authorization	298.5	298.5	298.5	298.5	298.5

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$47.5 million for the General Assembly, including \$46.0 million from general revenue and \$1.6 million from restricted receipts. The recommendation includes a reappropriation of \$6.3 million. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$4.9 million, while restricted receipts financing decreases by \$85,048. The revised FY 2017 budget is inclusive of statewide savings distributed to state agencies, which resulted in \$50,536 of general revenue savings being allocated to the General Assembly.

- *Personnel Financing – Except General Assembly.* The Governor includes \$31.4 million for personnel costs, a decrease of \$1.0 million below the enacted FY 2017 Budget primarily attributable to reduced expenditures on regular wages and employees' retirement.
- *Personnel Financing – General Assembly.* The Governor includes \$3.8 million for personnel costs, an increase of \$184,089 above the enacted FY 2017 Budget, largely attributable to increased expenditures on medical insurance and regular wages.
- *Contracted Professional Services.* The Governor includes \$886,500 for contract professional services, an increase of \$357,000 above the enacted FY 2017 Budget. The increase is primarily due to an increase of \$120,000 for financial services, \$105,000 for information technology programming, and \$75,000 for legal services.
- *Operating Expenditures.* The Governor includes \$7.3 million for operating expenditures, an increase of \$4.2 million above the enacted FY 2017 Budget. The increase is largely attributable to an additional \$2.1 million for building maintenance and repair, \$611,796 for computer supplies, \$584,912 for office supplies and equipment, and \$408,000 for office equipment maintenance and repair.
- *Capital Purchases and Equipment.* The Governor includes \$1.9 million for capital purchases, an increase of \$1.1 million above the enacted FY 2017 Budget. Additional expenditures of \$532,235

General Government

for furniture and equipment and \$603,379 for computer equipment are the source of the increase.

FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$44.4 million for the General Assembly, including \$42.5 million from general revenue and \$1.7 million from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$1.5 million and restricted receipts financing increases by \$33,385. The FY 2018 budget is inclusive of statewide medical benefit and other savings distributed to state agencies, which resulted in \$196,343 of general revenue savings being allocated to the General Assembly.

- *Personnel Financing – Except General Assembly.* The Governor includes \$33.2 million for personnel costs, an increase of \$701,550 above the enacted FY 2017 Budget primarily attributable to increased expenditures on medical insurance and regular wages.
- *Personnel Financing – General Assembly.* The Governor includes \$3.8 million for personnel costs, an increase of \$235,277 above the enacted FY 2017 Budget, largely attributable to increased expenditures on medical insurance and regular wages.
- *Contracted Professional Services.* The Governor includes \$552,500 for contracted professional services, an increase of \$26,000 above the enacted FY 2017 Budget due to increased expenditures on temporary and security services.
- *Operating Expenditures.* The Governor includes \$3.5 million for operating costs, an increase of \$452,835 above the enacted FY 2017 Budget largely attributable to increased expenditures on office equipment repair and maintenance and equipment rental.
- *Capital Purchases and Equipment.* The Governor includes \$825,000 for capital purchases, an increase of \$83,750 above the enacted FY 2017 Budget. This includes an increase of \$102,500 for furniture and office equipment.

Full Time Equivalent Positions

The Governor recommends 298.5 FTE positions in the revised FY 2017 Budget and the recommended FY 2018 Budget, consistent with the enacted FY 2017 level.

General Government

OFFICE OF LIEUTENANT GOVERNOR

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$959,864	\$1,026,362	\$1,079,576	\$1,053,288	\$1,084,217
Federal Funds	\$9	\$0	\$0	\$0	\$0
Restricted Receipts	\$12,000	\$0	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$0	\$0	\$0	\$0
Total Funding	\$971,873	\$1,026,362	\$1,079,576	\$1,053,288	\$1,084,217
FTE Authorization	8.0	8.0	8.0	8.0	8.0

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$1.1 million for the Office of the Lieutenant Governor, all from general revenue. Relative to the 2017 enacted level, recommended general revenue financing decreases by \$24,824. The revised FY 2017 budget is inclusive of an assessed fringe benefit savings distributed to state agencies, which resulted in \$1,464 of general revenue savings being allocated to the Office of the Lieutenant Governor.

- *Personnel.* The Governor's recommendation includes \$108,751 in general revenue savings which is related to additional turnover savings.
- *Contracted Professional Services.* The Governor's recommendation includes an additional \$76,000 for legal services retained to assist with intervention strategies at the Public Utilities Commission.

FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$1.1 million for the Office of the Lieutenant Governor, all from general revenue. Relative to the 2017 enacted levels, recommended general revenue financing increases by \$9,840. This recommendation is inclusive of a statewide savings of \$3,539 for assessed fringe benefit savings as well as \$1,660 for medical savings.

- *Personnel.* The Governor's recommendation includes an additional \$1,913 in general revenues due to the elimination of turnover and benefit rate changes.

The Governor recommends 8.0 FTE positions in the revised FY 2017 Budget and the recommended FY 2018 Budget, consistent with the enacted FY 2017 level.

General Government

DEPARTMENT OF STATE

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$7,164,977	\$6,690,089	\$10,281,051	\$9,920,874	\$8,911,319
Federal Funds	\$11,264	\$0	\$0	\$22,859	\$0
Restricted Receipts	\$478,183	\$397,868	\$556,519	\$440,273	\$439,478
Other Funds	\$817,194	\$914,723	\$907,177	\$808,527	\$807,345
RI Capital Plan Fund	\$37,079	\$430,168	\$100,000	\$150,000	\$0
Total Funding	\$8,508,697	\$8,432,848	\$11,844,747	\$11,342,533	\$10,158,142
FTE Authorization	57.0	57.0	59.0	59.0	59.0

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$11.3 million for the Secretary of State, including \$9.9 million from general revenue, \$22,859 from federal funds, \$440,273 from restricted receipts, \$150,000 from the Rhode Island Capital Plan Fund, and \$808,527 from all other funds. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$360,171, restricted receipts funding decreases by \$116,246, Rhode Island Capital Plan Fund expenditures increase by \$50,000, and all other fund sources decrease by \$98,650.. The revised FY 2017 budget is inclusive of statewide savings distributed to state agencies, which resulted in \$8,655 of general revenue savings being allocated to the Secretary of State.

Administration

Within the Administration program, the Governor recommends revised FY 2017 general appropriations of \$3.3 million, a decrease of \$236,881 below the enacted FY 2017 level. A large portion of the decrease is attributable to agency-initiated operating reductions.

- *Regulatory Reform Initiative.* The Governor shifts \$66,967 of funding associated with the Regulatory Reform Initiative to the Office of Regulatory Reform in the Department of Administration to provide legal assistance to agencies working to update and revise rules and regulations.
- *Strengthening eGovernment.* The Governor adds \$65,250 for partial year funding of a junior application developer position. The contractor will assist in the redesign of the Lobby Tracker application, Open Meeting interface, and Boards and Commissions database. Additional responsibilities will include a restructure of the Business Services database and reimagining of the Rhode Island Government Owners' manual to meet the needs of different audiences.

Corporations

Within the Corporations program, the Governor recommends revised FY 2017 general revenue appropriations of \$2.1 million, a decrease of \$73,851 below the enacted FY 2017 level largely due to reduced personnel costs.

Elections and Civics

Within the Elections and Civics program, the Governor recommends revised FY 2017 appropriations of \$3.3 million, including \$22,859 in restricted receipts. Compared to the enacted FY 2017 budget, general revenue expenditures decrease by \$119,327 due to reduced 2016 primary and general election costs.

General Government

Office of Public Information

Within the Office of Public Information program, the Governor recommends revised FY 2017 appropriations of \$549,703, including \$25,000 in restricted receipts. Relative to the FY 2017 enacted levels, recommended general revenue increases by \$40,471, while restricted receipts expenditures decrease by \$15,000.

- *State House Tours.* The Governor adds \$10,000 to support an expansion of the State Hour tour program.

State Library

Within the State Library program, the Governor recommends revised FY 2017 general revenue appropriations of \$630,151, an increase of \$76,002 from the enacted FY 2017 Budget largely attributable to increased personnel costs.

- *Library Upgrades.* The Governor adds \$15,000 to purchase audio visual equipment and kiosks to provide information about State House hearings and events.

State Archives

Within the State Archives program, the Governor recommends revised FY 2017 appropriations of \$652,423, including \$87,150 from general revenue, \$415,273 from restricted receipts, and \$150,000 from the Rhode Island Capital Plan Fund, Relative to FY 2017 enacted levels, recommended general revenue decreases by \$46,571, restricted receipts financing decreases by \$101,246, and expenditures from the Rhode Island Capital Plan Fund increase by \$50,000. The all funds decrease is attributable to operational and personnel reductions.

- *State Archives Feasibility Study.* The Governor's recommendation includes an additional \$50,000 to finance a feasibility study for a new permanent structure to house state archival holdings for which \$100,000 was included in the FY 2017 Enacted Budget.

Record Center

Within the Record Center program, the Governor recommends FY 2017 appropriations of \$808,527, all from other funds. Relative to the FY 2017 enacted levels, recommended other funds decrease by \$98,650.

FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$10.2 million for the Secretary of State, including \$8.9 from general revenue, \$439,478 from restricted receipts, and \$807,345 from other funds. Relative to the FY 2017 enacted levels, recommended general revenue financing decreases by \$1.4 million, restricted receipts financing decreases by \$117,041, Rhode Island Capital Plan Fund financing decreases by \$100,000, and all other fund sources decrease by \$99,832. The FY 2018 budget is inclusive of statewide medical benefit and other savings distributed to state agencies, which resulted in \$30,295 of general revenue savings being allocated to the Secretary of State.

Administration

Within the Administration program, the Governor recommends FY 2018 general appropriations of \$3.4 million, a decrease of \$156,594 below the enacted FY 2017 Budget. A large portion of the decrease is

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attributable to agency-initiated operating reductions.

- *Regulatory Reform Initiative.* The Governor shifts \$170,704 of funding associated with the Supporting Regulatory Reform Initiative to the Office of Regulatory Reform in the Department of Administration to provide legal assistance to agencies working to update and revise rules and regulations.
- *Strengthening eGovernment.* The Governor adds \$312,080 for full year financing of two contract junior application developers (\$262,080) and associated hardware and software costs (\$50,000). The contractors will assist in the redesign of the Lobby Tracker application, Open Meeting interface, and Boards and Commissions database. Additional responsibilities will include a restructure of the Business Services database and reimagining of the Rhode Island Government Owners' manual to meet the needs of different audiences.

Corporations

Within the Corporations program, the Governor recommends FY 2018 general revenue appropriations of \$2.2 million, an increase of \$31,500 above the enacted FY 2017 level.

- *Scanning Project for Business Services.* The Governor's recommendation includes \$50,000 to finance the scanning of business records which will allow for greater transparency of businesses because the files will be viewable online.

Elections and Civics

Within the Elections and Civics program, the Governor recommends FY 2018 general revenue appropriations of \$1.9 million, a decrease of \$1.5 million due to reduced operational costs in a non-election year.

- *E-Poll Books.* The Governor includes \$25,000 for maintenance and support of e-poll books.

Office of Public Information

Within the Office of Public Information program, the Governor recommends FY 2018 appropriations of \$612,562, including \$587,562 in general revenue and \$25,000 in restricted receipts. Relative to the FY 2017 enacted levels, recommended general revenue increases by \$103,330, while restricted receipts expenditures decrease by \$15,000.

- *State House Tours.* The Governor adds \$10,000 to support an expansion of the State Hour tour program.

State Library

Within the State Library program, the Governor recommends FY 2018 general revenue appropriations of \$723,385, an increase of \$169,236 from the enacted FY 2017 Budget largely attributable to increased personnel costs.

State Archives

Within the State Archives program, the Governor recommends FY 2018 appropriations of \$501,628 including \$87,150 from general revenue and \$414,478 from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue decreases by \$46,571 and restricted receipts financing

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decreases by \$102,041. The all funds decrease is attributable to reduced operating, capital, and personnel costs.

Record Center

Within the Record Center program, the Governor recommends FY 2018 appropriations of \$807,345 from other fund sources. Relative to the FY 2017 enacted levels, financing decreases by \$99,832.

The Governor recommends 59.0 FTE positions in the revised FY 2017 Budget and the recommended FY 2018 Budget, consistent with the enacted FY 2017 level.

TREASURY DEPARTMENT

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$2,400,368	\$2,271,575	\$2,736,231	\$2,733,044	\$2,698,692
Federal Funds	\$649,120	\$741,266	\$952,881	\$905,808	\$890,337
Restricted Receipts	\$38,279,369	\$37,730,574	\$33,320,911	\$36,859,237	\$35,886,175
Other Funds	\$203,337	\$8,533,903	\$550,410	\$8,648,808	\$8,550,242
RI Capital Plan Fund	\$0	\$0	\$0	\$0	\$0
Total Funding	\$41,532,194	\$49,277,318	\$37,560,433	\$49,146,897	\$48,025,446
FTE Authorization	83.0	84.0	88.0	87.0	87.0

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$49.1 million for the Office of the General Treasurer, including \$2.7 million from general revenue, \$905,808 from federal funds, \$36.9 million from restricted receipts, and \$8.6 million in other funds. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$3,187, federal financing decreases by \$47,073, restricted receipt financing increases by \$3.5 million, and other funds financing increases by \$8.1 million.

General Treasurer

Within the General Treasurer program, the Governor recommends revised FY 2017 appropriations of \$11.4 million, including \$2.5 million from general revenue, \$288,346 from federal funds, and \$8.6 million in other funds. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$12,304, federal fund financing decreases by \$40,248, and other funds increase by \$8.1 million, primarily attributable to the following adjustments:

- *CollegeBoundSaver Program (formerly CollegeBoundfund)*. The Governor recommends an increase of \$8.1 in other funds for the Tuition Savings Program Administration. Of this amount, \$8.0 million reflects a change in the method of accounting for the transfer of investment earnings on the State's 529 college savings plan from the General Treasurer to the Office of the Postsecondary Commissioner. Beginning in FY 2016, the Office of the Auditor General requires that the transfer be expensed by the General Treasurer.
- *Assessed Fringe Benefit Rate Reduction Savings*. The Governor's recommendation includes \$2,854 in general revenue savings allocated to this program.

General Government

State Retirement System

Within the State Retirement System program, the Governor recommends revised FY 2017 appropriations of \$11.3 million, all from restricted receipts. Relative to FY 2017 enacted levels, recommended restricted receipt financing increases by \$1.4 million, largely attributable to the following adjustments:

- *Personnel.* The Governor's recommendation includes \$5.5 million for personnel costs, a \$119,322 increase from the enacted FY 2017 Budget. Forty-eight of the agency's 87.0 FTE positions are assigned to the State Retirement System Program
- *Contract Services.* The Governor's recommendation includes \$4.8 million for contract services, a \$1.4 million increase from the enacted FY 2017 Budget. Of the \$1.4 million increase, approximately \$400,000 is for information technology costs that were shifted from FY 2016 to FY 2017, while \$750,000 is for a "hold back" agreement with the new computer system vendor, which will be paid upon full implementation of the new "Ariel" computer system. Also included is \$119,000 for a consultant to review the Retirement Board governance structure.
- *Operating.* The Governor's recommendation includes \$635,800 for operating costs, a \$99,000 decrease from the enacted FY 2017 Budget. The reduction includes a decrease \$60,000 for insurance costs and \$12,000 for computer supplies and equipment.

Unclaimed Property

Within the Unclaimed Property Program, the Governor recommends revised FY 2017 appropriations of \$24.4 million in restricted receipt financing. Relative to FY 2017 enacted levels, recommended restricted receipt financing increases by \$2.1 million, primarily attributable to a \$1.8 million increase in the transfer to the State's general fund surplus in accordance with the November 2016 Revenue Estimating Conference (REC), followed by \$100,000 for auditing services, \$70,120 for the change in liability, and \$85,000 for information technology support services.

Crime Victim Compensation

Within the Crime Victim Compensation, the Governor recommends revised FY 2017 appropriations of \$2.0 million, including \$237,569 from general revenue, \$617,462 from federal funds, and \$1.1 million from restricted receipts. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$9,117, federal funds financing decreases by \$6,825, and restricted receipts financing increases by \$2,824. The Governor's recommendation includes \$333 in general revenue savings for a statewide reduction in the assessed fringe benefit rate.

Of the Crime Victim Compensation programs \$2.0 million revised FY 2017 Budget, \$1.5 million is for benefit payments to crime victims, followed by \$411,223 for personnel costs, and \$52,515 for operating costs.

FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$48.0 million for the Office of the General Treasurer, including \$2.7 million from general revenue, \$890,337 from federal funds, \$35.9 million from restricted receipts, and \$8.6 million from other funds. Relative to enacted FY 2017 Budget, recommended general revenue financing decreases by \$37,539, federal financing decreases by \$62,544, restricted receipt financing

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increases by \$2.6 million, and other funds financing increases by \$8.0 million.

General Treasurer

Within the General Treasurer program, the Governor recommends FY 2018 appropriations of \$11.3 million, including \$2.5 million from general revenue, \$290,987 from federal funds, and \$8.6 million from other funds. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$51,762, federal funds financing decreases by \$37,607, and other funds increase by \$8.0 million.

- *CollegeBoundSaver Program.* The Governor recommends \$8.3 million in other funds for the Tuition Savings Program Administration. As with the revised FY 2017 Budget, \$8.0 million of this amount reflects a change in the method of accounting for the transfer of investment earnings on the State's 529 college savings plan from the General Treasurer to the Office of the Postsecondary Commissioner.
- *Assessed Fringe Benefit Rate Reduction/Medical Insurance Rate Savings.* The Governor's recommendation includes \$8,671 in general revenue savings allocated to this program.

State Retirement System

Within the State Retirement System program, the Governor recommends FY 2018 appropriations of \$10.9 million, all from restricted receipts. Relative to FY 2017 enacted levels, recommended restricted receipt financing increases by \$1.0 million, attributable to the following adjustments:

- *Personnel.* The Governor's recommendation includes \$5.8 million for personnel, an increase of \$349,306 from the enacted FY 2017 budget. The additional \$349,306 fully funds all positions in the program and provides for increases in employee benefit costs.
- *Contract Services.* The Governor's recommendation includes \$4.1 million for contract services, a \$696,100 increase from the enacted FY 2017 Budget. Most of the increase is attributable to planned enhancements to the new computer system, which will allow ERSRI members to perform more "self-service" activities with greater accuracy. When fully implemented, the system will allow ERSRI members to view their defined benefit, defined contribution, and other retirement assets in a single web platform.

Unclaimed Property

Within the Unclaimed Property Program, the Governor recommends FY 2018 appropriations of \$23.9 million, all from restricted receipts. Relative to FY 2017 enacted levels, recommended restricted receipt financing increases by \$1.5 million, attributable primarily to a \$355,255 increase in the transfer to general fund surplus per the November 2016 REC and a \$959,253 increase in the change in liability.

Crime Victim Compensation

Within the Crime Victim Compensation, the Governor recommends FY 2018 appropriations of \$2.0 million, including \$242,675 from general revenue, \$599,350 from federal funds, and \$1.1 million from restricted receipts. Relative to enacted FY 2017 Budget, recommended general revenue financing increases by \$14,223, federal funds financing decreases by \$24,937, and restricted receipts financing increases by \$1,786. The Governor's recommendation includes \$976 in general revenue savings for a statewide reduction in the assessed fringe benefit rate and a reduction in medical insurance rates.

General Government

The Governor recommends 87.0 FTE positions in the revised FY 2017 Budget and the FY 2018 Budget, which is 1.0 FTE less than the enacted FY 2017 Budget.

BOARD OF ELECTIONS

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$4,656,136	\$1,714,512	\$1,982,707	\$2,068,676	\$1,548,735
Federal Funds	\$0	\$0	\$0	\$0	\$0
Restricted Receipts	\$0	\$0	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$0	\$0	\$0	\$0
Total Funding	\$4,656,136	\$1,714,512	\$1,982,707	\$2,068,676	\$1,548,735
FTE Authorization	11.0	11.0	12.0	12.0	12.0

FY 2017 Revised Budget

The Governor recommends revised FY 2017 general revenue appropriations of \$2.1 million for the Board of Elections. This includes a reappropriation of \$11,500 to complete enhancements to the Electronic Reporting Tracking Systems for campaign finance reports. Relative to FY 2017 enacted levels, recommended financing increases by \$85,969. The revised FY 2017 budget is inclusive of statewide savings distributed to state agencies, which resulted in \$1,360 of general revenue savings being allocated to the Board of Elections.

- *Personnel.* The Governor's recommendation includes \$1.3 million from general revenue, a decrease of \$106,586 from the enacted FY 2017 Budget.
- *Contract Services.* The Governor's recommendation includes \$133,788 from general revenue, an increase of \$53,905 above the enacted FY 2017 Budget for additional expenditures on legal services.
- *Operating/Capital.* The Governor's recommendation includes \$601,530 from general revenue, an increase of \$138,650 above the enacted FY 2017 Budget. Larger increases include \$85,000 for additional primary election costs and \$24,000 to finance telecommunications lines for new voting equipment.

FY 2018 Recommended Budget

The Governor recommends FY 2018 general revenue appropriations of \$1.5 million. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$433,972, largely due to FY 2018 not being an election year. The revised FY 2018 budget is inclusive of statewide medical benefit and other savings distributed to state agencies, which resulted in \$6,922 of general revenue savings being allocated to the Board of Elections.

- *Personnel.* The Governor's recommendation includes \$1.3 million from general revenue, a decrease of \$187,227 from the enacted FY 2017 Budget. The decrease is largely due to reduced expenditures on seasonal employees required in election years.

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- *Contract Services.* The Governor's recommendation includes \$83,788 from general revenue, an increase of \$3,905 above the enacted FY 2017 Budget for additional expenditures on legal services.
- *Operating/Capital.* The Governor's recommendation includes \$212,230 from general revenue, a decrease of \$250,650 below the enacted FY 2017 Budget due to FY 2018 not being an election year requiring additional expenditures.
- *Election and Reporting and Tracking System (ERTS).* The agency received \$350,000 in FY 2018 from the Information Technology Investment Fund to upgrade its campaign finance and reporting system. (Funding for this project is included in the Department of Administration budget)

The Governor recommends 12.0 FTE positions in the revised FY 2017 Budget and the recommended FY 2018 Budget, consistent with the enacted FY 2017 level.

RHODE ISLAND ETHICS COMMISSION

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$1,579,038	\$1,546,331	\$1,653,383	\$1,631,610	\$1,665,873
Federal Funds	\$0	\$0	\$0	\$0	\$0
Restricted Receipts	\$0	\$0	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$0	\$0	\$0	\$0
Total Funding	\$1,579,038	\$1,546,331	\$1,653,383	\$1,631,610	\$1,665,873
FTE Authorization	12.0	12.0	12.0	12.0	12.0

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$1.6 million for the Rhode Island Ethics Commission, which is funded solely from general revenue. Relative to the FY 2017 enacted level, recommended general revenue financing decreases by \$21,773.

- *Personnel.* The Governor's recommendation includes \$1.5 million from general revenue, a decrease of \$30,273 from the enacted FY 2017 Budget. The decrease includes turnover savings from a vacant position of \$27,948 and assessed fringe benefit rate reduction savings of \$2,325.
- *Contract Services.* The Governor includes \$35,000 from general revenue for various contract services, including legal services and other temporary services. The recommendation is \$8,000 greater than the enacted FY 2017 Budget.
- *Operating/Capital.* The Governor includes \$176,713 for operating expenses and capital purchases and equipment, a \$500 increase from the enacted FY 2017 Budget.

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FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$1.7 million from general revenue. Relative to the FY 2017 enacted level, recommended general revenue financing increases by \$12,490.

- *Personnel.* The Governor’s recommendation includes \$1.6 million from general revenue, an increase of \$4,363 from the enacted FY 2017 Budget. The FY 2018 Budget includes statewide assessed fringe benefit rate reduction savings of \$5,111 and medical insurance rate savings of \$1,578.
- *Contract Services.* The Governor includes \$32,001 from general revenue for various contract services. The recommendation is \$5,001 greater than the enacted FY 2017 Budget.
- *Operating/Capital.* The Governor includes \$176,713 for operating expenses and capital purchases and equipment. The recommendation is \$3,126 more than the enacted FY 2017 Budget of \$173,587.

The Governor recommends 12.0 FTE positions in the revised FY 2017 Budget and the recommended FY 2018 Budget, consistent with the enacted FY 2017 level.

EXECUTIVE DEPARTMENT

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$4,401,947	\$4,755,102	\$5,091,069	\$5,375,482	\$5,397,554
Federal Funds	-\$53	\$0	\$0	\$0	\$0
Restricted Receipts	-\$1	\$0	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$0	\$0	\$0	\$0
Total Funding	\$4,401,893	\$4,755,102	\$5,091,069	\$5,375,482	\$5,397,554
FTE Authorization	45.0	45.0	45.0	45.0	45.0

FY 2017 Revised Budget

The Governor recommends revised FY 2017 general revenue appropriations of \$5.4 million for the Office of the Governor. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$284,413 – the result of a reappropriation of unspent balances in the Governor’s Contingency Fund. The Contingency Fund is used to support unforeseen expenses that may occur. The revised FY 2017 Budget is inclusive of assessed fringe benefit and other savings distributed to state agencies, which resulted in \$7,587 of general revenue savings allocated to the Office of the Governor.

FY 2018 Recommended Budget

The Governor recommends FY 2018 general revenue appropriations of \$5.4 million for the

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Office of the Governor. Relative to FY 2017 enacted levels, recommended general revenue financing increases by \$306,485. The changes to the Office of the Governor's budget are attributable to the following adjustment:

- *Personnel Transfers* – Several departments currently lend staff to the Governor's Office on an as-needed, project-oriented basis. As project demands have increased, several individuals have spent increasing amounts of time in the Governor's Office. To reflect that change, the Governor's Office proposes moving three agency personnel into vacant positions in the Governor's Office (Health Program Administrator from the Executive Office of Health & Human Services; Interdepartmental Project Manager from the Department of Children, Youth and Families; Executive Counsel from the Executive Office of Commerce).

The recommended FY 2018 Budget is inclusive of medical benefit and other savings distributed to state agencies, which resulted in \$22,553 of general revenue savings allocated to the Office of the Governor.

The Governor recommends 45.0 FTE positions in the revised FY 2017 Budget and 45.0 FTE positions in the recommended FY 2018 Budget.

RHODE ISLAND COMMISSION FOR HUMAN RIGHTS

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$1,225,335	\$1,242,374	\$1,258,128	\$1,247,603	\$1,258,074
Federal Funds	\$331,403	\$279,063	\$323,295	\$398,405	\$432,028
Restricted Receipts	\$0	\$0	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$0	\$0	\$0	\$0
Total Funding	\$1,556,738	\$1,521,437	\$1,581,423	\$1,646,008	\$1,690,102
FTE Authorization	14.5	14.5	14.5	14.5	14.5

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$1.6 million for the Commission for Human Rights, including \$1.2 million from general revenue and \$398,409 from federal funds. Relative to FY 2017 enacted levels, recommended general revenue financing decreases by \$10,525, while federal funds financing increases by \$75,110. The decrease in general revenue financing is attributable to the use of available surplus federal funds from both the Federal Equal Employment Opportunity Commission (EEOC) and the United States Department of Housing and Urban Development. The revised FY 2017 Budget is inclusive of statewide assessed fringe benefit rate reductions distributed to state agencies, which resulted in \$1,611 of general revenue savings being allocated to the Commission for Human Rights.

FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$1.7 million, including \$1.3 million from general revenue and \$432,028 from federal funds. Relative to the FY 2017 enacted levels, recommended general revenue financing decreases by \$54 and federal funds financing increases by \$108,733. The increase in

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federal funds is attributable to the use of available surplus federal funds from both the Federal Equal Employment Opportunity Commission (EEOC) and the United States Department of Housing and Urban Development. The recommended FY 2018 Budget is inclusive of medical benefit and other savings distributed to state agencies, which resulted in \$5,170 in general revenue savings allocated to the Commission for Human Rights.

The Governor recommends 14.5 FTE positions in the revised FY 2017 Budget and the recommended FY 2018 Budget, the same level authorized in the enacted FY 2017 Budget.

PUBLIC UTILITIES COMMISSION

Source Of Funds	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Enacted	FY 2017 Revised	FY 2018 Recommended
General Revenue	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$81,792	\$107,180	\$104,669	\$128,000	\$129,225
Restricted Receipts	\$6,680,573	\$7,170,809	\$8,822,304	\$9,049,801	\$9,604,152
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$0	\$0	\$0	\$0
Total Funding	\$6,762,365	\$7,277,989	\$8,926,973	\$9,177,801	\$9,733,377
FTE Authorization	50.0	50.0	51.0	54.0	57.0

FY 2017 Revised Budget

The Governor recommends revised FY 2017 appropriations of \$9.2 million for the Public Utilities Commission, including \$9.1 million from restricted receipts and \$128,000 from federal funds. Relative to FY 2017 enacted levels, recommended restricted receipt financing increases by \$227,497, while federal financing increases by \$23,331. The Governor includes all funds financing of \$6.3 million for personnel, \$1.9 million for contract services, \$975,204 for operating expenses, and \$80,000 for capital expenditures. The FY 2017 revised budget includes three new FTE positions, two administrative assistants and a chief of program development.

FY 2018 Recommended Budget

The Governor recommends FY 2018 appropriations of \$9.7 million for the Commission, including \$9.6 million from restricted receipts and \$129,225 from federal funds. Relative to FY 2017 enacted levels, recommended restricted receipt financing increases by \$781,848 while federal financing increases by \$24,556. The Governor includes all funds financing of \$6.9 million for personnel, \$1.7 million for contract services, \$1.1 million for operating expenses, and \$70,000 for capital expenditures. The FY 2018 budget recommendation includes the following:

- *Personnel:* Personnel expenditures are \$6.9 million, \$618,835 greater than the FY 2017 Enacted budget. In addition to the positions added in FY 2017, the FY 2018 recommendation includes 3.0 additional FTE positions, including, a deputy chief of legal services, a fiscal management officer, and a regulatory research specialist. The new positions will assist with the growing number of utility termination cases, the increased complexity of issues such as utility regulations, compliance, and increased filings, including grid system and rate modernization, as well as new renewable energy

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standards, reflecting the work of the Energy Facilities Siting Board and the Renewable Energy Standard program.

- *Contract Services:* Expenditures are \$1.7 million, \$7,450 less than the FY 2017 Enacted budget.
- *Operating/Capital:* Expenditures are \$1.2 million, an increase of \$195,356 from the FY 2017 Enacted budget. The increase reflects a rent increase of \$160,380 for the Commission's headquarters, a state-owned building. The Commission transfers funds to the State general fund annually for rent.

The Governor recommends 54.0 FTE positions in the revised FY 2017 Budget, three more than the enacted FY 2017 level of 51.0. In FY 2018 the Governor recommends 57.0 FTE positions an increase of 6.0 FTE position from the FY 2017 enacted level. Positions include commission members, accountants, auditors, public utilities analysts, consumer agents, engineering specialists, legal counsel, and administrative and information technology services support staff.

