

Governor's FY 2017 Budget: Articles

Staff Presentation to the House Finance
Committee
February 25, 2016

Introduction

- Article 21 – Behavioral Healthcare, Developmental Disabilities & Hospitals
- Article 20 – Local Agriculture and Seafood Act Grants
- Article 24 – Restricted Receipts

Article 21 – BHDDH

- Designates BHDDH as agency responsible for coordinating, planning managing, implementing & reporting on state's substance abuse policy
- Co-designates with Executive Office to administer federal funds & calculate state's maintenance of effort for Substance Abuse block grant

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Article 21 – BHDDH

- Designation required by Substance Abuse and Mental Health Services Administration (SAMHSA)
- Needed to meet match on federal Substance Abuse Block Grant
 - BHDDH counted Medicaid funds in its budget as match
 - Those funds now appear in EOHHS budget
 - Co-designation allows continued use of same Medicaid funds

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Article 20 – Local Agriculture and Seafood Act

- Local Agriculture & Seafood Act created by 2012 Assembly
 - Funding for Local Agriculture & Seafood Grants – promote the local industry
 - Currently supported by donations and general revenues - \$100,000 in FY 2016
- Article expands intent of the Act
 - Adds fishing industry participation in policy & regulatory development
 - Grants of up to \$50,000 for this purpose

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Article 20 – Local Agriculture and Seafood Act

- Article 20 creates a permanent funding source for the Fund
 - Shifts existing Deepwater Wind lease from general revenues to the fund
 - \$150,000 annually impact
- FY 2017 Budget includes \$100,000 for grants
 - \$50,000 is not budgeted - inadvertent

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Article 20 – Local Agriculture and Seafood Act

- CRMC has 25-year lease agreement with Deepwater Wind
 - \$150,000 annually or amount from federal rent formula, whichever is greater
 - Lease payments are currently deposited as general revenues
- Similar to legislation proposed last year
- Would also be exempt from 10% indirect cost recovery charge (Art 24)

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Article 24 – Restricted Receipts

- All revenues = general revenue, unless otherwise noted – RIGL 35-3-14 (a)
- 10% indirect charge unless:
 - Prohibited (federal or other)
 - Charitable
 - Specifically listed as exempt
- Overhead charges similar to federal funds
 - For infrastructure and administration

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Article 24 – Restricted Receipts

- Adds three accounts to list to be exempt from 10% charge:
 - Local Agriculture and Seafood Fund
 - DMV Modernization Project
 - RI Statewide Communications Network Repairs/Equipment Replacement (Google)

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Article 24 – Restricted Receipts

- Accounts or authority exist in law
 - Article 20 grows size of Local Agriculture and Seafood Fund
- Google settlement funds
 - Already fall under blanket exemption
- DMV account surcharges already restricted to debt and project cost
 - Receipts other than that may not be
 - Appears to avoid issue for funds to be received for settlement with HP

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