



OFFICE OF MANAGEMENT & BUDGET


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MEMORANDUM

To: The Honorable Marvin L. Abney, Chairman, House Finance Committee
The Honorable Louis P. DiPalma, Chairman, Senate Finance Committee

From: Joseph Codega Jr., Budget Officer 

Date: May 21, 2025

Subject: Amendments to the FY 2026 Appropriations Act (25-H-5076)

Governor's Budget Amendment #22

The Governor requests an amendment to Article 2 of the FY 2026 Appropriations Act, *Relating to State Funds*. The provisions and policy goals underlying this amendment are set forth below, with associated legislative changes and/or additions detailed in the subsequent technical section.

Coastal Resources Management Council (CRMC) Dredge Fund. This amendment proposes changes to the statutes governing the CRMC Dredge Fund that align with the newly proposed Debt Management Act Concurrent Resolution (Governor's Budget Amendment #21) regarding the design and construction of a new Confined Aquatic Disposal (CAD) Cell in the Providence River and Harbor. In furtherance of the debt service coverage provisions contained in the concurrent resolution, the Governor proposes increasing the minimum fee per cubic yard of dredge material disposed of in CAD cells from \$11.65 to \$35.00 and eliminating the requirement that a portion of these fees be deposited to the general fund.

The new minimum fee of \$35.00 is calibrated to both the estimated cost per cubic yard of CAD Cell development as outlined in the current draft of the U.S. Army Corps of Engineers' *Providence River and Harbor Federal Navigation Project Rhode Island Dredged Material Management Plan and Environmental Assessment* (known as the "DMMP") as well as CRMC's best assessment of the fee(s) currently being charged for similar projects in the New England region.

If enacted, this amendment will form the statutory basis for updates to the "Schedule of Fees" section of the CRMC Management Procedures regulations. At present, the regulation sets forth a three-tier CAD Cell disposal fee structure with the minimum of \$11.65 per cubic yard charged to "Marinas, Boatyards, and Yacht Clubs". Fees in excess of the minimum are charged to "Commercial Facilities" (\$17.00 per cubic yard) and to "Residential Docks" (\$25.00 per cubic yard). The financing plan outlined in Governor's Budget Amendments #21, #22 and #23 assumes that the Coastal Resources Management Council, subject to full

deliberation and the provisions of the Administrative Procedures Act, will maintain a tiered fee structure while increasing all three of the CAD Cell disposal fees commensurately.

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

cc: Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
Brian Daniels, Director, Office of Management and Budget
Jonathan Womer, Director of Administration

25-H-5076: RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2026

Article 2 – Relating to State Funds

Page 55, After Line 3: Insert the following new Section 6 and renumber subsequent section accordingly:

SECTION 6. Sections 46-23-18.5 and 46-23-18.6 of the General Laws in Chapter 46-23 entitled “Coastal Resources Management Council” are hereby amended to read as follows:

46-23-18.5. Fees for disposal.

The council is authorized to impose a fee of not less than ~~eleven dollars and sixty-five cents (\$11.65)~~ thirty-five dollars (\$35.00) per cubic yard for the disposal of dredge materials at the sites established by the council pursuant to § 46-23-18.3, ~~with eleven dollars and sixty-five cents (\$11.65) being deposited into the general fund.~~ The amount of the fee established by the council pursuant to the section shall be reviewed by the council on an annual basis and revised as the council deems necessary, but in no event shall the fee be set at an amount less than ~~eleven dollars and sixty-five cents (\$11.65)~~ thirty-five dollars (\$35.00) per cubic yard of material.

46-23-18.6. Coastal Resources Management Council Dredge Fund.

There is hereby created a separate fund to be held by the coastal resources management council to be known as the dredge fund. ~~Any~~ All amounts charged ~~above the eleven dollars and sixty-five cents (\$11.65)~~ pursuant to § 46-23-18.5 must be deposited into the fund and shall not be deposited into the general fund of the state, ~~but~~ and shall be kept by the general treasurer of the state in a separate fund for the coastal resources management council, and shall be paid out by the treasurer upon the order of the council, without the necessity of appropriation or re-appropriation by the general assembly. Funds must be used to create additional dredging and disposal options and for the management of said disposal options.