

# **House Fiscal Advisory Staff**

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## **2026-H 7127, Substitute A As Recommended by the House Finance Committee**



Submitted to the 2026 House of Representatives

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# **Introduction**

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# Introduction

This document provides information concerning the FY 2027 budget contained in 2026-H 7127, Substitute A, as passed out of the House Finance Committee on May 29. The sections that follow contain descriptions of the Committee’s recommended changes to the Governor and current law. Section I is a short summary of the budget.

Section II presents the changes to the Governor’s recommendations for FY 2027 introduced and referred to House Finance on January 15. It is followed by explanations of the items in the table. The explanations are numbered to correspond to the item numbers shown in the table.

Section III contains State Aid to Cities and Towns, Education Aid, Revenues Changes, and brief descriptions of the articles contained in 2026-H 7127, Substitute A.

Section IV contains the changes to the Governor’s revised budget, which was included as Article 1 of 2026-H 7126, also submitted on January 15, but now incorporated into Article 13 of 2026-H 7127, Substitute A. It is followed by explanations of the items in the table. The explanations are numbered to correspond to the item numbers shown in the table.

Section V contains summary tables of general revenues by source, expenditures by agency, by fund source, and full-time equivalent positions. The expenditure and full-time equivalent positions tables show values for the FY 2026 enacted budget, the final FY 2026 budget as reported by the House Finance Committee, the Governor’s FY 2027 recommendations, and the House Finance Committee’s recommendations.

The names of the House Fiscal Staff are listed below by their assignments. Please feel free to allow staff to assist you with any questions you may have concerning the budget.

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Department of Administration .....	Chantale Sarrasin
Office of Energy Resources .....	Chantale Sarrasin
Department of Business Regulation.....	Ethan Freiermuth
Rhode Island Cannabis Control Commission .....	Ethan Freiermuth
Executive Office of Commerce .....	Patrick Edwards
Executive Office of Housing .....	Ethan Freiermuth
Department of Labor and Training .....	Patrick Edwards
Legislative Department.....	Liza Pinto
Department of Revenue .....	Nikolai Condee-Padunov
Lieutenant Governor .....	Timothy Dziekan
Secretary of State .....	Patrick Edwards
Office of the General Treasurer .....	Liza Pinto
Board of Elections.....	Patrick Edwards
Rhode Island Ethics Commission .....	Timothy Dziekan
Office of the Governor.....	Evan Diliberto
Commission for Human Rights .....	Ethan Freiermuth
Public Utilities Commission .....	Nikolai Condee-Padunov

## Human Services Agencies

Executive Office of Health and Human Services .....	Linda Haley
Department of Children, Youth and Families .....	Stanley Marczyk
Department of Health.....	Evan Diliberto

Department of Human Services ..... Timothy Dziekan  
 Dept. of Behavioral Healthcare, Developmental Disabilities & Hospitals ..... Linda Haley  
 Office of the Child Advocate ..... Stanley Marczyk  
 Commission on the Deaf and Hard of Hearing ..... Timothy Dziekan  
 Governor’s Commission on Disabilities ..... Chantale Sarrasin  
 Office of the Mental Health Advocate ..... Linda Haley

**Education Agencies**

Department of Elementary and Secondary Education ..... Stanley Marczyk  
 Public Higher Education ..... Liza Pinto  
 Rhode Island State Council on the Arts ..... Nikolai Condee-Padunov  
 Rhode Island Atomic Energy Commission ..... Liza Pinto  
 Historical Preservation and Heritage Commission ..... Nikolai Condee-Padunov

**Public Safety Agencies**

Attorney General ..... Timothy Dziekan  
 Department of Corrections ..... Ethan Freiermuth  
 Judicial Department ..... Ethan Freiermuth  
 Military Staff ..... Patrick Edwards  
 Rhode Island Emergency Management Agency ..... Stanley Marczyk  
 Department of Public Safety ..... Liza Pinto  
 Office of the Public Defender ..... Stanley Marczyk

**Natural Resources Agencies**

Department of Environmental Management ..... Evan Diliberto  
 Coastal Resources Management Council ..... Evan Diliberto  
 Rhode Island Infrastructure Bank ..... Patrick Edwards  
 Narragansett Bay Commission ..... Nikolai Condee-Padunov  
 Rhode Island Resource Recovery Corporation ..... Nikolai Condee-Padunov

**Transportation Agencies**

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# **Section I Overview**

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## Summary

		FY 2026 Enacted		FY 2026 Committee		FY 2027 Recommended		FY 2027 Committee
<b>Expenditures by Function*</b>								
General Government	\$	2,301.5	\$	2,647.2	\$	2,346.8	\$	2,392.5
Human Services		6,476.6		6,479.2		6,654.4		6,902.0
Education		3,616.8		3,621.1		3,654.3		3,702.7
Public Safety		879.5		945.7		883.7		906.9
Natural Resources		179.3		177.7		185.1		186.9
Transportation		882.8		1,200.0		1,134.8		1,146.4
<b>Total</b>	<b>\$</b>	<b>14,336.4</b>	<b>\$</b>	<b>15,070.9</b>	<b>\$</b>	<b>14,859.0</b>	<b>\$</b>	<b>15,237.3</b>
<b>Expenditures by Category*</b>								
Salaries and Benefits	\$	2,259.3	\$	2,359.6	\$	2,452.0	\$	2,466.5
Contracted Services		525.8		571.5		886.3		676.0
<b>Subtotal</b>	<b>\$</b>	<b>2,785.1</b>	<b>\$</b>	<b>2,931.1</b>	<b>\$</b>	<b>3,338.3</b>	<b>\$</b>	<b>3,142.5</b>
Other State Operations		1,228.6		1,298.2		1,257.9		1,252.3
Aid to Local Units of Government		2,133.7		2,128.1		2,127.1		2,178.6
Assistance, Grants, and Benefits		6,772.3		6,887.1		6,810.6		7,048.9
Capital		882.3		1,306.8		820.5		1,107.1
Capital Debt Service		284.8		273.9		279.1		277.3
Operating Transfers		249.6		245.7		225.5		230.5
<b>Total</b>	<b>\$</b>	<b>14,336.4</b>	<b>\$</b>	<b>15,070.9</b>	<b>\$</b>	<b>14,859.0</b>	<b>\$</b>	<b>15,237.3</b>
<b>Sources of Funds*</b>								
General Revenue	\$	5,809.4	\$	5,837.5	\$	5,954.7	\$	6,073.2
Federal Aid		5,108.5		5,454.6		5,506.0		5,734.7
Restricted Receipts		458.5		550.4		459.8		464.7
Other		2,960.0		3,228.4		2,938.5		2,964.7
<b>Total</b>	<b>\$</b>	<b>14,336.4</b>	<b>\$</b>	<b>15,070.9</b>	<b>\$</b>	<b>14,859.0</b>	<b>\$</b>	<b>15,237.3</b>
<b>FTE Authorization**</b>		<b>15,921.8</b>		<b>15,946.8</b>		<b>16,001.8</b>		<b>15,995.2</b>

*\*Data in millions*

*\*\*The Governor proposes to exempt URI from the FTE limit in Article 1 eff. FY 2026. For comparability, the recommended total is adjusted to include the enacted value of 2,671.0 for URI.*

The Governor's budget recommendations for FY 2027 are contained in 2026-H 7127, introduced on January 15, 2026, which is the day it was due by law. Supporting documents required as part of that submission were made available with the introduction.

The Governor recommends a total FY 2027 budget of \$14,859.0 million. Total expenditures increase by \$522.6 million from the FY 2026 budget enacted by the 2025 Assembly, or 3.6 percent. His FY 2026 revised budget totals \$15,168.1 million; FY 2025 expenditures, based on unaudited data, were \$14,548.9 million.

The recommended budget includes \$5,954.7 million of expenditures funded from general revenues, \$145.4 million, or 2.5 percent more than enacted. This is also \$129.7 million more than his revised recommendation.

<b>FY 2027</b>	<b>General Revenue</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>All Funds</b>
FY 2026 Enacted	\$ 5,809.4	\$ 5,108.5	\$ 458.5	\$ 2,960.0	\$ 14,336.4
Governor	5,954.7	5,506.0	459.8	2,938.5	14,859.0
Change to Enacted	\$ 145.4	\$ 397.5	\$ 1.3	\$ (21.5)	\$ 522.6
Percent Change	2.5%	7.8%	0.3%	-0.7%	3.6%
<b>FY 2027 HFC</b>	<b>\$ 6,073.2</b>	<b>\$ 5,734.7</b>	<b>\$ 464.7</b>	<b>\$ 2,964.7</b>	<b>\$ 15,237.3</b>
Change to Enacted	\$ 263.8	\$ 626.2	\$ 6.2	\$ 4.7	\$ 900.9
Percent Change	4.5%	12.3%	1.3%	0.2%	6.3%
Change to Governor	\$ 118.4	\$ 228.7	\$ 4.9	\$ 26.3	\$ 378.3
Change to FY 2026	\$ 235.7	\$ 280.1	\$ (85.7)	\$ (263.7)	\$ 166.5
Percent Change to FY 2026	4.0%	5.1%	-15.6%	-8.2%	1.1%
Change to FY 2025	\$ 538.9	\$ 689.5	\$ 99.1	\$ 360.9	\$ 1,688.4
Percent Change to FY 2025	9.7%	13.7%	27.1%	13.9%	12.5%

*\$ in millions*

<b>FY 2026 Revised</b>	<b>General Revenue</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>All Funds</b>
FY 2025 Final	\$ 5,597.6	\$ 5,612.7	\$ 491.6	\$ 3,065.7	\$ 14,767.6
FY 2025 Draft Audit	5,534.3	5,045.2	365.6	2,603.9	13,548.9
Difference	\$ (63.3)	\$ (567.5)	\$ (126.1)	\$ (461.8)	\$ (1,218.7)
FY 2026 Enacted	\$ 5,809.4	\$ 5,108.5	\$ 458.5	\$ 2,960.0	\$ 14,336.4
Governor's FY 2026 Revised	5,825.0	5,508.9	557.1	3,277.1	15,168.1
Governor's Change to Enacted	\$ 15.6	\$ 400.4	\$ 98.5	\$ 317.1	\$ 831.7
Percent Change	0.3%	7.8%	21.5%	10.7%	5.8%
<b>FY 2026 Final HFC</b>	<b>\$ 5,837.5</b>	<b>\$ 5,454.6</b>	<b>\$ 550.4</b>	<b>\$ 3,228.4</b>	<b>\$ 15,070.9</b>
Change to Enacted	28.1	346.1	91.8	268.4	734.5
Percent Change	0.5%	6.8%	20.0%	9.1%	5.1%
Change to Governor	\$ 12.5	\$ (54.3)	\$ (6.7)	\$ (48.7)	\$ (97.2)
Change to FY 2025	\$ 303.2	\$ 409.4	\$ 184.8	\$ 624.5	\$ 1,521.9
Percent Change to FY 2025	5.5%	8.1%	50.5%	24.0%	11.2%

*\$ in millions*

General revenue expenditures recommended by the Committee are \$263.8 million, or 4.5 percent more than general revenues appropriated for FY 2026 by the 2025 Assembly; they are \$235.7 million more than the FY 2026 revised budget, also contained in 2026-H 7127, Substitute A.

House Fiscal Staff's June 2025 estimate of the FY 2027 budget gap between revenues and current services expenditures was about \$300 million. Later instructions issued by the Budget Office assumed a smaller gap, differing on caseload, education aid, and revenue assumptions.

In December, the Budget Office revised the estimate downward to about \$100 million, based on available funds from FY 2025, recently adopted caseload and revenue estimates, updated education aid data, and other current-year spending trends.

Notably, the new figure expressly excluded significant cost pressures expected to impact the FY 2027 budget, such as the human services rate review recommendations and the impacts of H.R. 1 not already

reflected in the November consensus forecasts. The Governor's budget contains significant expenditure and revenue changes to address those items and the underlying FY 2027 gap, including some one-time items that add to the structural imbalance.

His budget follows the traditional Rhode Island budgeting practice of assuming passage of legislation submitted with the budget and approval by requisite federal agencies of changes under their purview. Should any of that legislation not pass; the budget will be significantly unbalanced.

The May revenue conference noted a combined revenue increase of \$233.4 million compared to November. The concurrent caseload conference reflected changes in expenditures in both years as well. These changes, in concert with items already included in the Governor's budget, meant there would be about \$220 million more in available resources over the two-year period. Also, information provided through required quarterly reporting and requested amendments from the Governor highlighted other changes needed, including significant increases for updated education aid data, unbudgeted 2026 blizzard costs and spending at the Department of Correction and some human services departments that substantially exceeded amounts budgeted.

The Committee's recommendation accounts for these items and accelerates the Governor's proposal to implement provider rate increases, as well as other targeted rate, eligibility and benefit adjustments. Much of this spending is accounted for in the Governor's original out-year projections. Additionally, the Committee maintained current law on the growth adjustment for motor vehicle excise tax payments to local communities, provided funding for unbudgeted updates to distressed community aid, and fully funded support for libraries.

The recommendation also revised revenue proposals to reflect different policy choices and to reduce the sharpness of the out-year deficit growth. This includes a phase-in of the millionaire's tax and a more modest adjustment to eligibility for the social security tax exemption. With available one-time resources, the Committee restores funds withdrawn from the supplemental rainy day fund to support the finalized plan to finance the Charter Care hospital acquisition.

The descriptions that follow represent a selection of budget items of interest. Additional items and further information are contained in the sections describing the changes to the Governor's budget, budget article explanations, revenues, and aid reports.

## **Taxes and Revenues**

- ***Social Security Income Phase Out.*** The Governor proposes to expand the current exemptions for taxation of Social Security income over three years, such that no Social Security income would be taxable in 2029. Currently, those who have reached full retirement age and have incomes below \$107,000 for an individual or \$133,750 for joint filers are exempt from taxation. The budget eliminates the current age threshold in 2027 and increases the income threshold in 2028 to \$165,200 for individuals and \$206,550 for joint filers. His FY 2027 budget assumes a revenue loss of \$3.0 million; the full impact would be \$60.1 million in FY 2030. The House Finance Committee recommends eliminating only the age threshold.
- ***Research and Development Tax Provisions.*** The Governor's budget includes \$22.6 million of revenue in FY 2026 and FY 2027 from a proposal to permanently decouple from a provision in H.R. 1 regarding research and development expensing beginning with tax year 2026. The FY 2026 enacted budget proactively decoupled the state from any tax year 2025 or earlier provisions that may be enacted after the budget was adopted, requiring their analysis for future action. The House Finance Committee concurs.
- ***Rebuild Rhode Island Tax Credit.*** The Governor's budget includes \$6.1 million from general revenues to continue funding commitments under the Rebuild Rhode Island Tax Credit program. The program

provides real estate development tax credits for qualified construction, which are redeemed over time. He also proposes increasing the award cap by \$25.0 million to \$250.0 million and extending the sunset date by one year to December 31, 2027. Through FY 2026, the state has allocated \$194.7 million to satisfy commitments already made, including \$10.1 million in FY 2026. The House Finance Committee concurs with the recommended appropriation, but maintains the current award cap of \$225.0 million.

- **Wavemaker Fellowships.** The Governor’s budget includes \$1.0 million from general revenues to fund the student loan forgiveness program enacted in 2015 that provides up to four years of loan forgiveness for employees with degrees in the fields of life, natural, or environmental sciences; computer technology; engineering; medicine; health care; and teaching, working for Rhode Island employers. The proposal extends the sunset one year to December 31, 2027. The amount is \$1.6 million below the enacted level, based on available resources from prior appropriations. The House Finance Committee concurs.

## Commerce and Workforce

- **Air Service Development Fund.** The Governor’s budget includes \$2.7 million from general revenues, consistent with the enacted budget, to recapitalize the Air Service Development Fund to reimburse marketing expenses for airlines connecting to Rhode Island T.F. Green International Airport. All funding currently maintains one existing agreement with Breeze Airways; the recommendation reflects sufficient funding to continue the agreement. There is no proposed change to the December 31, 2027, sunset date. The House Finance Committee concurs.

- **ARPA - Bioscience Investments.** The 2023 Assembly authorized \$45.0 million from State Fiscal Recovery funds to create the Rhode Island Life Science Hub, finance one or more wet lab facilities, and capitalize a new fund to promote bioscience business and workforce development. The Governor’s budget includes the remaining \$24.2 million; \$20.8 million was spent through FY 2025. The House Finance Committee concurs.

- **Assistance to Impacted Industries.** The Governor’s budget includes \$0.5 million from general revenues for FY 2027 to continue a placemaking grant program. This program was originally supported by State Fiscal Recovery funds; through FY 2025, \$13.7 million has been spent, and the Governor’s budget includes the remaining \$1.3 million for FY 2026. The program provides funding for capital improvements to businesses, community organizations, and municipalities to spur economic development; originally, this program was intended to support businesses negatively affected by the COVID-19 pandemic. The House Finance Committee concurs.

- **Blackstone Valley Visitor Center.** The Governor’s budget includes the FY 2026 enacted amount of \$75,000 from general revenues to support the operation of the Blackstone Valley Visitor Center. The House Finance Committee concurs.

- **Chafee Center at Bryant.** The Governor’s budget includes the FY 2026 enacted amount of \$476,200 from general revenues for the Chafee Center at Bryant University. As the state’s designated State International Trade Office, its consultants work with local companies to offer guidance and advice to initiate and/or develop international trade opportunities. The House Finance Committee concurs.

- **Commerce Corporation - Operations.** The Governor’s budget includes the FY 2026 enacted amount of \$8.5 million from general revenues to support the Rhode Island Commerce Corporation’s operations. The House Finance Committee concurs.

- **Destination Marketing.** The Governor’s budget includes \$1.5 million from general revenues to conduct tourism campaigns in destination markets for airline routes to Rhode Island T.F. Green

International Airport. This is \$0.1 million more than the enacted budget. The House Finance Committee concurs.

- ***East Providence Waterfront Commission.*** The Governor’s budget includes the FY 2026 enacted amount of \$50,000 from general revenues for the East Providence Waterfront Commission. The House Finance Committee concurs.

- ***Experimental Program to Stimulate Competitive Research (EPSCoR).*** The Governor’s budget includes the FY 2026 enacted amount of \$0.9 million for the National Science Foundation’s Experimental Program to Stimulate Competitive Research. The House Finance Committee concurs.

- ***First Wave Closing Fund.*** The Governor proposes extending the sunset of the First Wave Closing Fund by one year, to December 31, 2027. Prior appropriations to the Fund, net amounts recaptured, total \$20.3 million and are intended to provide flexible financing for transactions deemed critical to the state’s economy. Through FY 2025, \$19.8 million has been awarded to 13 recipients, including \$7.8 million to support the redevelopment of 111 Westminster Street. The House Finance Committee concurs.

- ***I-195 Redevelopment Fund.*** The Governor’s budget proposes to extend the sunset for the I-195 Redevelopment Fund one year to December 31, 2027. The Fund received a total of \$30.0 million from general revenues in recent years to provide developers and businesses with financing for capital investment, including land acquisition to promote the development of the former highway land administered by the I-195 Redevelopment District Commission. The Commission had active commitments of \$29.0 million as of September 2025. The House Finance Committee concurs.

- ***Innovation Campus Bond.*** The Governor’s capital budget includes the \$20.0 million from general obligation bond proceeds approved by the voters on the November 2016 ballot to construct one or more innovation campuses affiliated with the University of Rhode Island. All funds have been awarded and are scheduled to be disbursed through FY 2029. The House Finance Committee concurs.

- ***Port of Davisville Modernization.*** The Governor’s capital budget includes the \$20.0 million from general obligation bond proceeds approved by the voters in March 2021 for infrastructure improvements at the Port of Davisville for its existing businesses and offshore wind projects. The House Finance Committee concurs.

- ***Quonset Port Road.*** The Governor’s capital budget includes the \$15.0 million from general obligation bond proceeds approved by the voters on the November 2024 ballot to prepare landside facilities and infrastructure at Quonset for offshore wind development. The House Finance Committee concurs.

- ***Quonset Infrastructure.*** The Governor’s capital budget includes the approved amount of \$7.5 million from Rhode Island Capital Plan funds to modernize and expand Quonset Business Park infrastructure to accommodate new tenants. The Quonset Development Corporation manages infrastructure such as roadways, water supply and distribution systems, Corporation buildings, and a wastewater treatment facility. The House Finance Committee concurs.

- ***PFAS Mitigation at Quonset Business Park.*** The Governor’s capital budget includes the approved amount of \$1.0 million from Rhode Island Capital Plan funds to finance engineering, permitting, and other pre-construction services necessary for a new potable water treatment system at Quonset Business Park. The House Finance Committee concurs.

- ***Growth Industry Infrastructure.*** The Governor’s budget includes \$45.0 million from general obligation bond proceeds to go before voters on the November 2026 ballot to finance infrastructure,

facilities, projects, and investments within Rhode Island's ocean, defense, life sciences, data analytics, and related industries. The House Finance Committee concurs.

- ***Polaris Manufacturing Extension Partnership.*** The Governor's budget includes the FY 2026 enacted level of \$500,000 from general revenues for the Polaris Manufacturing Extension Partnership to support Rhode Island manufacturers. The House Finance Committee concurs.

- ***Urban Ventures.*** The Governor's budget includes the FY 2026 enacted amount of \$140,000 from general revenues for Urban Ventures, a 501(c)(3) urban minority business incubator. This is assumed to satisfy the state's responsibility to support a non-profit urban business incubator, pursuant to Rhode Island General Law, Section 42-64-13.1(e). The House Finance Committee concurs.

- ***Real Jobs Rhode Island.*** The Governor recommends \$13.3 million for the Real Jobs Rhode Island program for FY 2027. This includes level funding of \$6.1 million from general revenues, including \$0.6 million for direct care and support services staff, as well as \$1.0 million from federal funds and \$6.3 million from the Governor's Workforce Board restricted receipts available from Job Development Fund assessments. The House Finance Committee concurs.

- ***Small Business Development Center.*** The Governor's budget includes the FY 2026 enacted amount of \$700,000 from general revenues for the Small Business Development Center at the University of Rhode Island. The House Finance Committee concurs.

- ***Unemployment Benefits.*** The Governor's budget assumes \$282.9 million for unemployment benefit payments from employer contributions for FY 2027. This is \$45.7 million more than the enacted budget assumed and \$25.6 million above the FY 2026 revised estimate. As of January 1, 2026, the taxable wage base for most employers is \$30,800 or 3.4 percent above calendar year 2025. The lower Tax Schedule F will also come into effect based on the trust fund balance; the new employer rate is unchanged at 1.21 percent. The House Finance Committee concurs.

- ***Temporary Insurance Payments.*** The Governor's budget assumes \$286.0 million for benefit payments from employee contributions for FY 2027. It includes \$240.0 million for disability benefits and \$46.0 million for caregiver benefits. This is \$11.0 million above revised estimates, including \$5.0 million more for disability and \$6.0 million more for caregiver benefits. As of January 1, 2026, the program allows eligible claimants up to eight weeks of benefits to care for an eligible family member, or to bond with a new child. For calendar year 2026, the contribution rate is 1.1 percent for taxable wages up to \$100,000; the taxable wage base is 12.1 percent higher than 2025. The House Finance Committee concurs.

## **General Government**

- ***Enterprise Resource Planning System.*** The approved capital plan includes \$84.5 million for the development of the Enterprise Resource Planning system, which comprises several components, including human resources, payroll, and financial management. The system was fully implemented by the end of 2025. The Governor's recommended capital budget reflects a total of \$99.4 million, which appears to include development costs of \$89.3 million, or \$4.9 million more than enacted. It also includes \$10.1 million in charges to agencies for implementation costs, \$3.4 million more than previously assumed. The Governor also reclassified \$0.6 million of excess State Fiscal Recovery funds for operating support. The House Finance Committee concurs. Requested reports on status and shortfalls remain outstanding.

- ***Group Home Replacement and Rehabilitation.*** The Governor recommends new expenditures of \$5.0 million from Rhode Island Capital Plan funds in FY 2027 to construct or renovate group homes, for total funding of \$20.0 million since FY 2024. The House Finance Committee concurs.

- **Group Homes Consolidation/Maintenance.** The FY 2025 enacted budget consolidated five maintenance and asset protection projects into a single Group Homes Consolidation project in the Department of Administration's budget. The facilities had been managed by the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals until they were transferred in FY 2020. The Governor's capital budget transfers the project back and includes \$30.0 million from FY 2027 through FY 2031, \$4.8 million more than the approved five-year plan. The House Finance Committee concurs.
- **State House Renovations.** The capital budget includes \$101.2 million from Rhode Island Capital Plan funds from FY 2027 through FY 2031 for State House interior and exterior renovations and asset protection, including the building's mechanical, electrical, and plumbing systems. The recommendation is \$27.6 million more than the approved plan, which adds \$20.0 million for the systems' workup from the original estimate of \$41.8 million based on a recently completed study. The House Finance Committee concurs.
- **Tort Court Awards - Settlements.** The Governor's recommended budgets include a total of \$3.4 million from general revenues for updated estimates of settlements and legal fees related to the consent decree with the Department of Justice regarding job training and community services to individuals with developmental disabilities. This includes \$1.5 million for FY 2026 and \$1.9 million for FY 2027. The enacted budget provides \$1.3 million. The House Finance Committee concurs.
- **Transition Costs for General Officers.** The Governor's budget includes \$464,000 from general revenues for transition expenses for newly elected general officers. Current law requires that, prior to taking office, all newly elected general officers be given space for transition staff and adequate funds to hire transition staff and obtain office supplies and equipment. The House Finance Committee concurs.
- **Police and Fire Relief Fund.** The Governor's budget includes \$3.7 million from general revenues for the Police and Fire Relief program for the estimated costs of annuity payments and in-state tuition to eligible spouses, domestic partners, and dependents of certain injured or deceased police officers and firefighters. This is \$49,212 more than enacted, reflecting increased tuition rates and other minor adjustments. The House Finance Committee concurs.
- **Semiquincentennial Commission.** The Governor's budget includes the enacted amount of \$0.4 million from general revenues for FY 2026 to continue support for preparations for commemorative celebrations of the 250th anniversary of the founding of the United States. Through FY 2025, the state has allocated \$0.9 million from general revenues. His FY 2027 recommendation provides \$0.2 million. The House Finance Committee concurs.
- **Rhode Island Historical Society.** The Governor recommends the FY 2026 enacted amount of \$125,000 in general revenue support for the Rhode Island Historical Society. The House Finance Committee concurs.
- **Newport Historical Society.** The Governor recommends the FY 2026 enacted amount of \$18,000 in general revenue support for the Newport Historical Society. The House Finance Committee concurs.
- **Rhode Island Black Heritage Society.** The Governor's budget includes the FY 2026 enacted amount of \$25,000 from general revenues to support the Rhode Island Black Heritage Society. The House Finance Committee concurs.
- **Public Financing of Elections.** The Governor's budget includes \$3.0 million from general revenues for the public financing of elections required by Rhode Island General Law, Section 17-25-19. General officers are elected every four years, and the Board of Elections is responsible for administering and carrying out the mandates of the Campaign Contributions and Expenditures Act and the state's Matching Public Funds program. The House Finance Committee concurs.

- ***Elections Expenses.*** The Governor’s budget includes \$5.4 million from general revenues for the Board of Elections and Secretary of State for anticipated costs associated with the 2026 election cycle, including ballot printing and delivery. The House Finance Committee concurs.
- ***Contingency Fund.*** The Governor’s budget includes the enacted amount of \$150,000 from general revenues for the Governor’s Contingency Fund. The House Finance Committee concurs.
- ***Convention Center Authority.*** The Governor recommends \$24.5 million from general revenues for FY 2026 and \$22.8 million for FY 2027 for the Convention Center Authority to cover debt service requirements. The House Finance Committee concurs.
- ***Historic Tax Credit Trust Fund Debt Service.*** The Governor recommends \$9.9 million from general revenues for both FY 2026 and FY 2027 to fund debt service for historic tax credits. The House Finance Committee concurs.
- ***Fidelity Job Rent Credits.*** The recommended budget includes the enacted amount of \$1.0 million from general revenues for payments under the Fidelity Job Rent Credits agreement. Based on available reserve funds to cover the last payment, the Governor requested an amendment to exclude the recommended amount. The House Finance Committee concurs with the amended recommendation.

## **Public Health**

- ***ARPA - Public Health Response Warehouse Support.*** The revised budget includes \$1.0 million for FY 2026 from State Fiscal Recovery funds for lease expenses to store COVID-19 supplies. A total of \$4.2 million was provided; through FY 2025, \$3.2 million has been spent. The recommendation also provides \$0.7 million from general revenues for warehouse operations in FY 2026 and \$1.5 million in FY 2027. The House Finance Committee concurs.
- ***Kratom Consumer Protection.*** The Governor recommends \$0.3 million from general revenues for a new position and associated costs to implement the Rhode Island Kratom Act. The legislation, signed into law in 2025, requires the Department of Health to monitor, license, and regulate kratom product sales, effective April 1, 2026. The House Finance Committee concurs.
- ***Medical Equipment Maintenance.*** The Governor recommends \$500,000 from general revenues for the contracted storage, maintenance, repair, and deployment of the state’s durable medical equipment, acquired during the COVID-19 emergency. The contract is currently funded by federal COVID-19 funding, which will be exhausted in 2026. The contract covers all preventive and corrective maintenance, replacement of used, damaged, or expired supplies, and deployment of assets to any location in Rhode Island. The House Finance Committee concurs.
- ***Opioid Funds - Treatment and Prevention.*** The Governor recommends \$50.2 million for FY 2026 and \$14.3 million for FY 2027 for the Department of Corrections and health and human services agencies, derived from assessments and lawsuit settlements related to the opioid epidemic. Expenditures support prevention and treatment programs, recovery housing, and new treatment facilities, as well as outreach and education programs. FY 2025 spending totaled \$17.9 million. The House Finance Committee concurs.
- ***Professional Licensing System Upgrade.*** The Governor recommends \$2.1 million from general revenues to replace the Department of Health’s current professional medical licensing software in FY 2027. To prevent any lapses in the professional medical licensing process, the new software would be purchased and implemented as an enterprise-wide license by 2027, when the old system will receive no further support, updates, or security protection. The House Finance Committee concurs

## Health and Human Services

- **Primary Care Rate Review.** The 2025 Assembly required the Office of the Health Insurance Commissioner to produce a one-time report on primary care reimbursement rates due by September 1, 2026. The report must include Medicaid, Medicare, commercial, and alternative contracted payments. The Governor's recommendation includes a total of \$0.5 million across FY 2026 and FY 2027, from general revenues and Medicaid matching funds, to perform this work. The House Finance Committee concurs.
- **GLP-1 Coverage.** The Governor's budget proposes \$20.3 million in savings, including \$6.3 million from general revenues, from restricting the use of GLP-1 treatment medications to only those with type-2 diabetes. The House Finance Committee concurs.
- **988 Crisis and Suicide Lifeline.** The Governor's FY 2027 budget includes \$4.6 million, of which \$1.0 million is from general revenues, to support the 988 crisis and suicide hotline operated by Horizon Healthcare Partners. The House Finance Committee concurs.
- **Zambarano Long-Term Care Facility.** The Governor's capital budget includes the approved amount of \$107.1 million from Rhode Island Capital Plan funds for a new 100-patient long-term care facility at the Zambarano Campus of Eleanor Slater Hospital to replace the Beazley building. It shifts \$21.8 million from FY 2027 to FY 2031 to reflect continued project delays. The House Finance Committee concurs.
- **Nursing Facilities Minimum Staffing.** The Governor recommends \$200,000 from general revenues to implement the Nursing Home Staffing and Quality Care Act as amended in 2025. The amended provisions require the Department of Health to enforce staffing requirements for all nursing homes in the state. The funding will support contracted services to collect and analyze data to calculate penalties for noncompliant nursing home facilities. The House Finance Committee concurs.
- **Gloria Gemma Breast Cancer Resource Foundation.** The Governor recommends the FY 2026 enacted amount of \$50,000 from general revenues to support the Gloria Gemma Breast Cancer Resource Foundation's new survivorship and well-being center in Lincoln. The House Finance Committee concurs.
- **H.R. 1 - Call Center Accuracy and Modernization Improvements.** The Governor recommends \$4.9 million from all sources for FY 2027, including \$3.0 million from general revenues, for technology improvements and increased staffing at the Department of Human Services call center to manage an expected increase in call volume resulting from new eligibility requirements. The House Finance Committee concurs.
- **H.R. 1 - Enhanced Training.** The Governor recommends \$1.2 million from all sources, including \$0.7 million from general revenues, for technology modernization and increased staffing to build out a statewide training program for all Department of Human Services staff who process applications through RIBridges. The House Finance Committee concurs.
- **H.R. 1 - SNAP Administration Cost Share.** H.R. 1 increases the state's administrative cost share for the Supplemental Nutrition Assistance Program from 50 percent to 75 percent beginning in October 2026. The Governor's recommendation includes \$9.3 million from general revenues to account for the increased cost share. The House Finance Committee concurs.
- **H.R. 1 - Office of Program Integrity.** The Governor's budget includes \$0.9 million from all sources, including \$0.5 million from general revenues, to create an Office of Program Integrity within the Department of Human Services to audit programs and staff who process applications in RIBridges. The House Finance Committee concurs.

- ***Veterans' Home Census.*** The Governor recommends \$3.1 million, including \$3.0 million from general revenues, to begin a phased opening of the Foxtrot neighborhood at the Rhode Island Veterans' Home. He anticipates that the Home will increase its capacity by 16 beds each in FY 2027 and 2028, reaching a maximum capacity of 192 residents. The House Finance Committee concurs.
- ***DCYF Consent Decree.*** The Governor recommends \$5.4 million, including \$4.4 million from general revenues, for FY 2027 to continue implementing the multi-year remedial plan related to the children's behavioral health consent decree. Funding will be used to add 6.0 new full-time equivalent positions to provide continued consultant support, additional in-home supports for individuals with intellectual and developmental disabilities, independent care management services for youth at risk of hospitalization, and other community-based supports. The Governor also adds \$75,000 for the required court monitor, bringing the total to \$250,000 from general revenues. The House Finance Committee concurs.
- ***ARPA - Provider Workforce Stabilization.*** The Assembly authorized \$24.1 million from State Fiscal Recovery funds to continue the workforce stabilization payments for providers contracted by the Department of Children, Youth and Families. The funding was in response to providers reporting a high number of vacancies and staff recruitment issues, which resulted in a capped or reduced capacity. As of the end of FY 2025, \$23.9 million has been spent. The Governor's FY 2026 revised recommendation includes the remaining \$0.3 million. The House Finance Committee concurs.
- ***Child Support Enforcement Case Management Transition.*** The Governor recommends \$156,000 from all sources, including \$102,960 from federal funds and \$53,040 from restricted receipts, for ongoing planning expenses to transition the Child Support Services Case Management System off the mainframe platform in FY 2027. There is no funding for a new system. The House Finance Committee concurs.

#### **Community Services and Advocacy**

- ***Veterans' Programs and Services.*** The Governor recommends the FY 2026 enacted level of \$350,000 from general revenues for grants to organizations that provide veteran, active-duty military, and family support services in the community. This includes \$50,000 for Operation Stand Down, \$100,000 to support the Veterans Services Officers Program, and \$200,000 for entities to be determined by the Office of Veterans Services. The House Finance Committee concurs.
- ***Rhode Island Alliance of Boys and Girls Clubs.*** The Governor recommends the FY 2026 enacted level of \$450,000 from general revenues for the Boys and Girls Club Project Reach program, which provides homework assistance and afterschool activities. The House Finance Committee concurs.
- ***Day One.*** The Governor recommends the FY 2026 enacted level of \$300,000 from general revenues for Day One to provide outreach and supportive service programs relating to sexual assault. The House Finance Committee concurs.
- ***Substance Use and Mental Health Leadership Council.*** The Governor recommends \$150,000 from general revenues for the Substance Use and Mental Health Leadership Council, which provides a coordinated system of comprehensive community-based mental health and substance use prevention and treatment services. This is \$50,000 more than enacted for FY 2026. The House Finance Committee concurs with the Governor's recommendation.
- ***Domestic Violence Prevention Activities.*** The Governor recommends the FY 2026 enacted level of \$400,000 from general revenues for domestic violence prevention activities contracted through the Rhode Island Coalition Against Domestic Violence and distributed to domestic violence shelters in the state. The House Finance Committee concurs.

- ***Institute for the Practice and Study of Non-Violence.*** The Governor recommends the FY 2026 enacted level of \$250,000 from general revenues to support the Institute’s Violence Reduction Strategy program. The House Finance Committee concurs.
- ***Rhode Island Community Food Bank.*** The Governor recommends the FY 2026 enacted level of \$950,000 from general revenues for annual support for food collection and distribution through the community food bank. He also recommends a one-time \$1.0 million allocation, including \$0.3 million for subawards to other community food banks. The House Finance Committee concurs.
- ***Community Action Agencies.*** The Governor recommends the FY 2026 enacted level of \$600,000 from general revenues to support services provided by the state’s community action agencies. The House Finance Committee concurs.
- ***Crossroads.*** The Governor recommends the FY 2026 enacted level of \$500,000 from general revenues to support activities provided by Crossroads Rhode Island that address homelessness and other related issues. The House Finance Committee concurs.
- ***Refugee Services.*** The Governor recommends \$200,000 from general revenues for immigrant and refugee support services. This includes \$150,000 for Higher Ground International, \$25,000 more than enacted, and \$50,000 for the Refugee Dream Center. The House Finance Committee concurs.
- ***Center for Southeast Asians.*** The Governor recommends the FY 2026 enacted level of \$25,000 from general revenues to support the Center for Southeast Asians. This is a community-based organization that provides education and job development, small business support, translation, and other social services to Rhode Island’s Southeast Asian community. The House Finance Committee concurs.
- ***Oasis International.*** The Governor’s recommendation adds \$25,000 from general revenues to support Oasis International in FY 2027. This organization promotes cultural exchange, economic literacy, and civil engagement in southwest Providence’s immigrant and low-income communities. The House Finance Committee concurs.
- ***New Bridges for Haitian Success.*** The Governor recommends \$25,000 in new general revenue support for New Bridges for Haitian Success, which provides adult education, immigration, and supportive services to Rhode Island’s Haitian and Afro-Caribbean communities. The House Finance Committee concurs.
- ***Senior Services Support.*** The Governor recommends \$1.8 million from general revenues to support senior services in the state through a grant process, which is \$0.2 million more than enacted for FY 2026. The House Finance Committee concurs.
- ***Meals on Wheels/Elderly Nutrition Services.*** The Governor recommends \$730,000 from general revenues for elderly nutrition services, which includes \$680,000 for Meals on Wheels. This is \$50,000 more than enacted for FY 2026. The House Finance Committee concurs.
- ***Respite Care.*** The Governor recommends the enacted level of \$325,000 from general revenues to support the respite care program through the Diocese of Providence, also known as CareBreaks. The House Finance Committee concurs.

## **Higher Education**

- ***Last Dollar Scholarship.*** The Governor recommends \$9.9 million for the Last Dollar Scholarship Program, consistent with the FY 2026 enacted level. This includes \$6.5 million from general revenues and \$3.4 million from tuition savings fees. The House Finance Committee concurs.

- ***Dual and Concurrent Enrollment.*** Consistent with the enacted budget, the Governor recommends \$2.9 million from general revenues for FY 2027 expenses for the dual and concurrent enrollment program, which allows qualified high school students to earn college credit at no cost to the student. The FY 2025 budget initially provided \$2.3 million from general revenues to replace exhausted federal loan reserve funds. The House Finance Committee concurs.
- ***Higher Education Affordability Study.*** The Governor’s budget includes \$0.1 million from general revenues for contracted research services for continued funding of work related to the two-year study initially funded in FY 2024 to examine the affordability of higher education, including providing recommendations on the implications of expanding state-funded scholarship programs. The original report is still not complete. The Governor’s FY 2026 budget noted that short-term funding decisions, including one-time resources transferred from the RI Student Loan Authority for programs such as dual enrollment, were based on this pending study. With the results delayed, the FY 2027 budget does not appear to link any recommendations to the affordability study. The House Finance Committee concurs.
- ***Public Higher Education Asset Protection.*** The Governor recommends \$128.5 million from Rhode Island Capital Plan funds for asset protection projects at the public higher education institutions for the five-year period from FY 2027 through FY 2031. The House Finance Committee concurs.
- ***CCRI Data, Cabling, and Power Infrastructure.*** The Governor recommends \$20.0 million for the assessment, design, and construction of modernized data, cabling, and power infrastructure across the four campuses. The project will include upgrades to network wiring, infrastructure capacity, and support of various systems such as voice-over-Internet-Protocol phones. Funding includes \$18.7 million from Rhode Island Capital Plan funds and \$1.4 million from College funds, consistent with the approved capital plan. The House Finance Committee concurs.
- ***CCRI Accessibility Improvements.*** The Governor recommends \$2.6 million from Rhode Island Capital Plan funds for accessibility improvements on all four campuses. This is \$0.6 million more than the approved plan to extend funding three years through the post-FY 2031 period. The House Finance Committee concurs.
- ***RIC Infrastructure Modernization.*** The Governor recommends \$29.8 million from Rhode Island Capital Plan funds for FY 2027 through FY 2031 for current and future infrastructure modernization at Rhode Island College. This is consistent with the approved five-year plan and adds funding for two additional years. The House Finance Committee concurs.
- ***URI Campus Access Control.*** The Governor recommends \$1.6 million from Rhode Island Capital Plan funds for FY 2027 for a new project to upgrade campus-wide access control systems. This one-time funding will allow the University to consolidate its disparate systems into a single, centralized system. The House Finance Committee concurs.
- ***URI Narragansett Bay Campus Shoreline Stabilization.*** The Governor recommends \$6.4 million from multiple sources for a new project to begin in FY 2028 to reinforce the eroding shoreline at the Narragansett Bay campus. This project is a joint effort with the United States Army Corps of Engineers, which will provide 65.0 percent of the funding, or \$4.2 million. The recommendation also includes \$2.2 million from Rhode Island Capital Plan funds. The House Finance Committee concurs.
- ***URI Building Envelope Improvements.*** The Governor recommends \$21.0 million from Rhode Island Capital Plan funds to repair building envelope systems across all campuses. This project has similar elements to asset protection, including repairs and improvements to roofs, windows, exterior cladding, and enhanced energy efficiency. This is consistent with the approved five-year plan and adds \$6.0 million in funding for two additional years. The House Finance Committee concurs.

- ***URI Campus Accessibility.*** The Governor recommends \$9.0 million from Rhode Island Capital Plan funds to improve campus access to persons with disabilities. Projects include restrooms, exterior renovations, and building improvements, such as elevator modernizations. This is \$2.0 million more than the approved plan and represents funding for two additional years. The House Finance Committee concurs.
- ***URI Athletics Complex Renewal.*** Consistent with the approved plan, the Governor recommends \$83.1 million from all sources, including \$65.8 million from Rhode Island Capital Plan funds and \$17.3 million from private funding, to renovate six athletic facilities, including Meade Stadium East Grandstands, Track and Field, Beck Baseball Field, the softball field, Tootell Aquatics Center, and the soccer field. The House Finance Committee concurs.
- ***URI Academic Mechanical, Electrical, and Plumbing Improvements.*** The Governor recommends \$25.9 million from Rhode Island Capital Plan funds for a project to make mechanical, electrical, and plumbing improvements in Fogarty and White halls. Funding is consistent with the approved plan and reflects an updated schedule and completion in FY 2029, one year later than the approved plan assumed. The House Finance Committee concurs.
- ***URI Stormwater Management.*** Consistent with the approved plan, the Governor recommends \$4.7 million from Rhode Island Capital Plan funds for stormwater improvements to existing drainage systems on campus through FY 2027. The drainage improvements will provide additional storage volume and improve channel and pipe sizes and alignment to reduce the frequency of overtopping and flooding. The House Finance Committee concurs.
- ***ARPA - Cybersecurity Center.*** The Governor's revised budget includes the remaining \$0.5 million of the \$2.0 million allocation from State Fiscal Recovery funds to support the establishment of the Institute for Cybersecurity and Emerging Technologies at Rhode Island College. Funding will support three years of program development and operating costs. The College launched the Center in November 2023. The House Finance Committee concurs.
- ***ARPA - Fresh Start Scholarship.*** The Governor's revised budget includes the remaining \$1.2 million of the \$5.0 million allocation from State Fiscal Recovery funds for a new adult scholarship program targeting adult students with some college credits but no degree, with a focus on students who dropped out of the Community College. Funding the first semester back will allow students to regain federal financial aid eligibility. The House Finance Committee concurs.
- ***ARPA - RI Reconnect.*** The Governor's revised budget includes the remaining \$4.6 million of the \$8.0 million allocation from State Fiscal Recovery funds to establish the Rhode Island Reconnect program through the Office of Postsecondary Commissioner and fund it for two years. The program is intended to provide targeted coaching and wraparound support to help those 16 and older continue their education. The authorization requires some funding to address barriers to attaining teacher certification as a Second Language Education Teacher, Grades PK-12, and as an All Grades Special Education Teacher. The House Finance Committee concurs.
- ***Rhode Island Vision Education and Services Program.*** The Governor's budget maintains the \$1.8 million from general revenues in Rhode Island College's budget to support the Rhode Island Vision Education and Services Program. It also adds \$684,600 from general revenues in lieu of federal funds in the Department of Elementary and Secondary Education's budget. The House Finance Committee concurs.
- ***Higher Education Opportunities for Teachers of Color.*** The Governor recommends the FY 2026 enacted amount of \$100,000 from general revenues to support access to higher education opportunities for teachers of color at the Rhode Island School for Progressive Education. The House Finance Committee concurs.

- **Best Buddies.** The Governor recommends the FY 2026 enacted amount of \$75,000 from general revenues for Best Buddies Rhode Island to support programs for children with developmental disabilities. The House Finance Committee concurs.
- **Special Olympics Rhode Island.** The Governor recommends the FY 2026 enacted level of \$50,000 from general revenues for Special Olympics Rhode Island to support its mission of providing athletic opportunities for individuals with intellectual and developmental disabilities. The House Finance Committee concurs.
- **Onward We Learn/College Crusade Support.** The Governor recommends the FY 2026 enacted level of \$5.3 million to support the operations and scholarship programs offered by Onward We Learn, including \$4.8 million from the GEAR-UP federal grant and \$455,000 from general revenues. The federal grant provides funds to states and nonprofits to support eligible low-income and disabled students in pursuing secondary school diplomas and preparing for postsecondary education. The House Finance Committee concurs.

## Education and Arts

- **Out-of-School Time Education Providers.** The Governor recommends \$2.0 million from general revenues to continue support of out-of-school time programming as part of his Learn365RI initiative. The recommendation includes \$1.7 million for municipalities and \$0.1 million each for the Rhode Island Afterschool Network, Teach for America Ignite, and Onward We Learn. The FY 2026 enacted budget included \$1.3 million from general revenues. The House Finance Committee concurs.
- **Career and Technical Education Bond.** The Governor's budget includes \$50.0 million from new general obligation bond funds to be placed before the voters on the November 2026 ballot for career and technical education programs. The funds would support new and existing programs and would be awarded through a competitive grant process by the Department of Elementary and Secondary Education. The House Finance Committee did not concur with the requested general obligation bond referendum.
- **Davies School Renovations.** The Governor recommends \$49.9 million from Rhode Island Capital Plan funds for significant renovations to the 1970s wing of the Davies Career and Technical School. This includes consolidating the Health Classrooms project into a single, integrated project for easier management. The recommendation delays the estimated completion by one year to FY 2028 and adds \$3.5 million to incorporate planning and design of a potential Phase II of the project. The House Finance Committee concurs.
- **Hasbro Children's Hospital.** The Governor's budget includes the FY 2026 enacted level of \$90,000 from general revenues to support the school at Hasbro Children's Hospital. The House Finance Committee concurs.
- **Child Opportunity Zones.** The Governor's budget includes the FY 2026 enacted level of \$395,000 from general revenues to support child opportunity zones through agreements with the Department of Elementary and Secondary Education to strengthen education, health, and social services for students and their families as a strategy to accelerate student achievement. The House Finance Committee concurs.
- **City Year.** The Governor's budget includes the FY 2026 enacted level of \$130,000 from general revenues to City Year for the Whole School Whole Child Program, which provides individual support to at-risk students. The House Finance Committee concurs.
- **Auditory Oral Program.** The Governor's budget includes \$425,000 from general revenues to support the Rhode Island Auditory Oral Program at the Foster School District. This is \$155,000 more than enacted

from all sources and reflects the replacement of \$270,000 in federal funds with general revenues. The House Finance Committee concurs.

- ***Educational Advocate Surrogate Parent Program.*** The Governor’s budget includes \$1.2 million from all sources to support the Educational Advocate Surrogate Parent Program at the Sherlock Center at Rhode Island College. This includes an increase of \$150,000 from general revenues and approximately \$50,000 less from federal funds. The House Finance Committee concurs.
- ***Fort Adams Trust.*** The Governor’s budget includes the FY 2026 enacted level of \$30,000 from general revenues to support the Fort Adams Trust’s restoration activities. The House Finance Committee concurs.
- ***WaterFire Providence.*** The Governor’s budget includes the FY 2026 enacted level of \$400,000 from general revenues to support the operational costs of WaterFire Providence art installations. The House Finance Committee concurs.
- ***Arts Funds.*** The Governor recommends \$840,000 from general revenues for grant awards through the Rhode Island State Council on the Arts. This is \$50,000 above the FY 2026 enacted amount to supplement the Arts and Health Grant Program to expand eligibility to individual artists who are not eligible to receive federal funding through the National Endowment for the Arts grant program. The House Finance Committee concurs.
- ***Slave History Medallions Grant.*** The Governor’s budget includes the FY 2026 enacted level of \$25,000 from general revenues for a grant to the nonprofit Rhode Island Slave History Medallions to raise public awareness for sites connected to the history of slavery. The House Finance Committee concurs.
- ***Council for the Humanities.*** The Governor recommends the FY 2026 enacted level of \$100,000 from general revenues for the Rhode Island Council for the Humanities, the state’s designated National Endowment for the Humanities organization, to provide direct grants to civic and cultural organizations throughout the state. The House Finance Committee concurs.
- ***We the People National Championship.*** The Governor recommends the FY 2026 enacted level of \$50,000 from general revenues to cover the costs for Rhode Island’s participation in the We the People Civics Challenge. The House Finance Committee concurs.

## **Public Safety**

- ***Behavioral Management Unit.*** The Department of Corrections is a defendant in several federal lawsuits challenging how seriously and persistently mentally ill individuals are housed. The recommendation excludes the approved amount of \$10.3 million from Rhode Island Capital Plan funds to construct a dedicated facility; based on court monitor feedback, the Governor assumes that the existing pilot behavioral management unit at the Intake Services Center will be deemed sufficient. The House Finance Committee concurs.
- ***ARPA - Support for Survivors of Domestic Violence.*** The Governor’s budget includes the remaining \$4.5 million of the \$10.5 million allocated from State Fiscal Recovery funds to provide supportive services to victims of domestic violence and assault. The House Finance Committee concurs.
- ***ARPA - Municipal Public Safety Infrastructure.*** The revised budget includes \$4.4 million from State Fiscal Recovery funds to provide a pool of matching funds for municipal public safety infrastructure projects, subject to certain limitations. Through FY 2025, \$6.6 million has been spent, for the total approved amount of \$11.0 million. The House Finance Committee concurs.

- ***FIFA World Cup 2026 Security.*** The Governor recommends \$250,000 from general revenues for the Emergency Management Agency in the event that security expenses associated with the World Cup are not reimbursed. The House Finance Committee concurs.
- ***Public Defender Staffing.*** The Governor recommends \$0.2 million from general revenues for 1.0 new full-time equivalent attorney position to reduce caseloads. The House Finance Committee concurs.
- ***Indigent Defense Program.*** The Governor recommends the FY 2026 enacted level of \$7.7 million from general revenues for the Judiciary’s indigent defense program. The House Finance Committee concurs.
- ***Rhode Island Legal Services.*** The Governor recommends the enacted level of \$90,000 from general revenues for Rhode Island Legal Services to provide housing and eviction defense to indigent individuals. The House Finance Committee concurs.
- ***Rhode Island Coalition Against Domestic Violence.*** The Governor recommends the FY 2026 enacted level of \$500,000 from general revenues for the Rhode Island Coalition Against Domestic Violence for the domestic abuse court advocacy project. The House Finance Committee concurs.
- ***Judicial Asset Protection.*** The Governor recommends \$7.6 million from Rhode Island Capital Plan funds for FY 2027 through FY 2031 for ongoing asset protection projects at judicial buildings, including security upgrades, courtroom restoration, fire suppression and alarm system upgrades, interior refurbishments to public areas and office spaces, lighting, and elevator upgrades. This is consistent with approved funding levels. The House Finance Committee concurs.
- ***Judicial Complexes HVAC.*** The Governor recommends \$2.5 million from Rhode Island Capital Plan funds for FY 2027 through FY 2031 to replace and restore the heating, ventilation, and air conditioning systems for all judicial complexes, consistent with previously approved annual funding. The House Finance Committee concurs.
- ***Garrahy Judicial Complex.*** The Governor recommends \$2.3 million from Rhode Island Capital Plan funds, consistent with the approved funding, to restore the Garrahy Judicial Complex for FY 2026 and FY 2027, including repairing tiles, replacing flooring and carpets, repainting, woodwork, and refurbishing bathrooms. The House Finance Committee concurs.
- ***Licht Window and Masonry Repairs.*** The Governor recommends \$3.0 million from Rhode Island Capital Plan funds, consistent with the approved funding, for window and masonry repairs to the Licht Judicial complex for FY 2028 and FY 2029. This reflects a decennial maintenance project last undertaken during FY 2018 and FY 2019. The House Finance Committee concurs.
- ***Licht Limestone Cleaning and Pointing.*** The Governor recommends \$2.6 million from Rhode Island Capital Plan funds for a new project to renovate the exterior of the Licht Judicial complex as a result of normal wear and tear for FY 2028 and FY 2029. The House Finance Committee concurs.
- ***Fire Academy Expansion.*** The capital budget recommendation includes the approved amount of \$11.0 million from Rhode Island Capital Plan funds to expand the State Fire Academy in Exeter. It includes \$7.8 million for FY 2026 and \$1.0 million for FY 2027. The House Finance Committee concurs.
- ***Fire Marshal Evidence Room.*** The capital budget recommendation includes \$2.5 million from Rhode Island Capital Plan funds for FY 2031 to convert a storage building into an evidence repository for the State Fire Marshal. The approved plan assumed \$2.2 million for this work in the post-FY 2030 period as part of the Fire Academy Expansion project. The House Finance Committee concurs.

- ***Squadron Operations Facility.*** The capital budget recommendation includes the approved amount of \$3.4 million, including \$2.8 million from federal funds and \$0.6 million from Rhode Island Capital Plan funds, to renovate and upgrade the Air National Guard’s Repair Squadron Operations Facility in Quonset. The House Finance Committee concurs.
- ***Quonset Airway Runway Reconstruction.*** The capital budget recommendation includes \$61.1 million, including \$3.1 million from Rhode Island Capital Plan funds, to reconstruct and upgrade runway 16-34 at Quonset State Airport to military specifications. The recommendation adds \$3.0 million from federal funds beyond the approved plan based on a change order submitted from the Rhode Island Airport Corporation. The House Finance Committee concurs.
- ***Quonset Air National Guard Headquarters Facility.*** The capital budget recommendation includes \$39.9 million, including \$3.0 million from Rhode Island Capital Plan funds, to construct an operations, training, medical, and dining facility on an empty lot at the Quonset Air National Guard Base. Leadership, medical, and support staff would relocate from the current facility. This is \$1.3 million more than the approved plan from federal funds to demolish the current facility upon construction completion. The new building is complete; demolition should be completed in FY 2026. The House Finance Committee concurs.

## Environment

- ***Executive Climate Change Coordinating Council.*** The Governor’s budget maintains annual funding of up to \$1.5 million from restricted receipts for the Council’s projects. The House Finance Committee concurs.
- ***Seafood Marketing Collaborative.*** The Governor’s budget includes the FY 2026 enacted level of \$100,000 from general revenues to support local fishermen and small businesses and increase public awareness and consumption of local seafood products. The House Finance Committee concurs.
- ***Local Agriculture and Seafood Program.*** The Governor recommends the FY 2026 enacted level of \$500,000 from general revenues for the local agriculture and seafood program grants for small businesses in the food sector. The House Finance Committee concurs.
- ***Litter Removal.*** The Governor recommends the FY 2026 enacted level of \$100,000 from general revenues to support a Litter-Free Rhody initiative to encourage the removal of trash and litter from state parks, beaches, and management areas. The House Finance Committee concurs.
- ***Conservation Districts.*** The Governor recommends the FY 2026 enacted level of \$180,000 from general revenues for regional conservation districts. The districts are quasi-public subdivisions of state government, governed by volunteer boards of directors from the communities. This was increased from \$100,000 by the 2024 Assembly. The House Finance Committee concurs.
- ***Wildlife Clinic of Rhode Island.*** The Governor recommends the FY 2026 enacted level of \$100,000 from general revenues to the Wildlife Rehabilitators Association of Rhode Island for a veterinarian at the Wildlife Clinic of Rhode Island. The House Finance Committee concurs.
- ***Marine Mammal Emergency Response.*** The Governor recommends the FY 2026 enacted level of \$150,000 from general revenues to support rescue and rehabilitation programs for marine mammals that become stranded in Rhode Island waters. The House Finance Committee concurs.
- ***Paint Recycling.*** The Governor recommends that the representative organization responsible for the paint stewardship program submit a revised program plan to the Department of Environmental Management for review and approval every five years. The first updated plan would be due December 31, 2026. Current

law limits reporting to specific situations, including changes to assessments. The House Finance Committee does not recommend this change.

- ***Facilities Asset Protection.*** The Governor’s budget includes \$0.8 million annually from Rhode Island Capital Plan funds for asset protection at parks and recreational facilities, consistent with approved funding levels. The House Finance Committee concurs.
- ***Fish and Wildlife Facilities.*** The Governor recommends \$4.0 million from all sources for repairs and renovations to the Division of Fish and Wildlife facilities. This includes annual payments of \$0.2 million from Rhode Island Capital Plan funds matched with annual payments of \$0.6 million from federal grants from the Department of the Interior. The recommendation excludes federal funds beyond FY 2029. The House Finance Committee concurs.
- ***Port of Galilee Rehabilitation.*** The Governor recommends \$99.4 million from all sources for facilities and infrastructure improvements at the Port of Galilee. The request is \$25.3 million more than the approved plan, reflecting \$15.0 million from a new Federal Emergency Management Agency grant and \$10.3 million more from Rhode Island Capital Plan funds for updated repairs and infrastructure improvements to the port. The House Finance Committee concurs.
- ***Dam Repair.*** The Governor recommends \$21.5 million from Rhode Island Capital Plan funds from FY 2027 through FY 2031 for ongoing repairs to high-hazard state-owned dams at various recreational and management areas. This shifts approved funding to later years based on updated projections. The House Finance Committee concurs.
- ***DEM Land Sales.*** The Governor recommends the sale of three unused properties owned by the Department of Environmental Management, namely, 21 Hill Farm Road in Coventry, 2307 Hartford Avenue in Johnston, and 353 Palmer Avenue in Warwick. Based on Department estimates, the budget assumes that approximately \$900,000 in one-time revenue would be generated from the sale and deposited into the information technology fund in the Department of Administration’s budget. The House Finance Committee concurs.
- ***Permit and Enforcement Portal.*** The Governor recommends \$752,000 from general revenues for operations and maintenance expenses of the online application portal for the Department of Environmental Management, now that development is complete. The portal was launched in October 2024 and supports dozens of construction permitting and business licensing programs. The House Finance Committee concurs.
- ***Storm Tools.*** The Governor’s budget maintains the FY 2026 enacted level of \$200,000 from general revenues for the Coastal Resources Management Council’s technology applications, which help the state prepare for, respond to, and recover from coastal hazards. The House Finance Committee concurs.
- ***Point Street Creosote Pilings Removal.*** The Governor recommends \$2.3 million from federal funds and \$0.3 million from general obligation bonds approved by voters in 2020 for a new project to remove the Point Street Bridge pilings on the Providence River in Downtown Providence in FY 2026. The pilings are covered with a wood preservative containing harmful substances that affect the area’s wildlife. The House Finance Committee concurs.
- ***Confined Aquatic Dredged Material Disposal Cells.*** The Governor’s capital budget includes the approved \$116.7 million to construct a new confined aquatic disposal cell for dredged material with the Army Corps of Engineers. This includes \$23.0 million borrowed through Certificates of Participation, \$81.7 million from federal funds, \$11.4 million from Rhode Island Capital Plan funds, and \$0.6 million from dredge funds. Annual debt service is \$2.5 million, supported by general revenues and by fees charged

to marine operators. The Governor's FY 2027 budget includes \$0.6 million from general revenues for first-year debt service. The House Finance Committee concurs.

- ***South Coast Restoration Project.*** The Governor recommends \$7.0 million from Rhode Island Capital Plan funds for FY 2026 for the restoration of the west wall of the Ninigret Breachway, damaged by previous winter storms, consistent with the approved plan. The House Finance Committee concurs.

- ***Winnapaug Land Conservation.*** The Governor recommends \$1.6 million from newly awarded federal funds for FY 2026 to acquire three parcels of privately-owned coastal wetland habitat along Atlantic Avenue in Westerly. All three parcels abut publicly owned land and would connect to a larger 15-acre continuous salt marsh complex owned by the Department of Environmental Management. The House Finance Committee concurs.

## **Transportation**

- ***Bridge Inspection Oversight.*** The Governor recommends \$0.4 million from federal funds to fund 2.0 new full-time equivalent positions in the Department of Transportation for bridge inspection oversight. The House Finance Committee concurs.

- ***Toll Revenue.*** The Governor's budget includes \$20.0 million in toll revenues for FY 2027 and none for FY 2026 based on extended implementation delays. The enacted budget assumed \$10.0 million for FY 2026 and \$40.0 million annually thereafter. The House Finance Committee concurs.

- ***RhodeRestore.*** The Governor recommends \$10.0 million from gasoline tax proceeds for the RhodeRestore program, which provides municipalities funding for the construction and maintenance of roads, sidewalks, and bridges. This is \$3.5 million more than FY 2026 and the increase is intended to be one-time. A municipal match of 67.0 percent is required. The recommendation maintains the requirement that 25.0 percent of the funds be distributed equally and 75.0 percent be allocated proportionally based on each municipality's share of municipally maintained road miles, as determined by the most recent data available from the Department. From FY 2024 through FY 2026, a total of \$33.5 million has been provided, including \$27.0 million from State Fiscal Recovery funds. The House Finance Committee concurs.

## General Revenue Surplus Statement

The following table shows the general revenue balances as recommended by the House Finance Committee. The Committee recommends an ending FY 2027 surplus of \$0.7 million, and an operating deficit of \$222.1 million, reflecting use of the FY 2026 surplus.

The Governor’s budget recommended an ending surplus of \$0.8 million. The Governor submitted his budget before the final release of audited financial statements for FY 2025, which remain outstanding as of June 2; his budget uses draft data with adjustments known at the time that reduced the preliminary free surplus by \$8.6 million. Those values are retained in this table pending issuance of the audit.

	FY 2025*	FY 2026	FY 2027
<b>Opening Surplus</b>			
Free Surplus	\$ 326,355,037	\$ 241,634,407	\$ 222,742,168
Reappropriated Surplus	34,569,423	38,796,839	-
Adjustment to Opening Surplus	21,649,978	18,000,000	-
Adjustment to Fund Balance	703,083	-	-
<b>Subtotal</b>	<b>\$ 383,277,521</b>	<b>\$ 298,431,246</b>	<b>\$ 222,742,168</b>
<b>Revenues</b>			
Actual/Enacted/Estimated	\$ 5,612,012,441	\$ 5,766,583,094	\$ 5,706,600,000
Governor	-	56,316,906	336,886,806
Assembly	-	150,100,000	(4,563,261)
<b>Revenues</b>	<b>\$ 5,612,012,441</b>	<b>\$ 5,973,000,000</b>	<b>\$ 6,038,923,545</b>
Cash Stabilization Fund	(178,800,524)	(186,979,032)	(187,849,971)
<b>Total Available Resources</b>	<b>\$ 5,816,489,438</b>	<b>\$ 6,084,452,214</b>	<b>\$ 6,073,815,742</b>
<b>Expenditures</b>			
Actual/Enacted/Estimated	\$ 5,535,537,980	\$ 5,809,363,121	\$ 5,954,722,537
Reappropriations	-	38,796,839	-
Governor	-	(23,149,050)	-
Assembly	-	12,495,936	118,441,101
<b>Total Expenditures</b>	<b>\$ 5,535,537,980</b>	<b>\$ 5,837,506,846</b>	<b>\$ 6,073,163,638</b>
<b>Total Surplus</b>	<b>\$ 280,951,458</b>	<b>\$ 246,945,368</b>	<b>\$ 652,105</b>
Transfers	(520,212)	(24,203,200)	-
Reappropriations	(38,796,839)	-	-
<b>Free Surplus</b>	<b>\$ 241,634,407</b>	<b>\$ 222,742,168</b>	<b>\$ 652,105</b>
<i>Operating Surplus/(Deficit)</i>	<i>(67,756,640)</i>	<i>(12,689,039)</i>	<i>(222,090,064)</i>
<b>Budget Stabilization and Cash Reserve</b>	<b>\$ 298,000,873</b>	<b>\$ 310,731,720</b>	<b>\$ 313,083,286</b>
Percent of Revenues	5.3%	5.2%	5.2%

*\*Same as Governor's budget which uses preliminary closing with known updates pending final audit*

The Budget Reserve and Cash Stabilization Account, the “rainy day fund,” would have ending balances of \$298.0 million in FY 2025, \$310.7 million in FY 2026, and \$313.1 million in FY 2027. The account receives 3.0 percent of general revenues plus free surplus annually. The FY 2024 budget also created a supplemental reserve fund, contributing \$55.0 million and dedicating half of any future unexpected excess revenues at fiscal close. This provision was suspended for both FY 2023 and FY 2024; none is expected for FY 2025. Legislation contained in 2026-H 7408, Substitute A, as amended, requested by the Governor after he submitted his budget, appropriated \$18.0 million of the supplemental reserve to a debt service reserve fund to assist the completion of a pending sale of the CharterCARE Hospitals. The House Finance Committee recommended budget transfers \$24.0 million back to that account to maintain its value at roughly one percent of usable revenues.

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## **Section II**

# **Adjustments to Governor's FY 2027 Budget**

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	<b>FY 2027 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	<i>Revenue Changes</i>					
<b>1</b>	May Revenue Estimate	79,249,785	-	-	-	79,249,785
<b>2</b>	Cigar Tax to Current Law	(621,090)	-	-	-	(621,090)
<b>3</b>	Cigarette Tax to Current Law	(6,675,603)	-	-	-	(6,675,603)
<b>4</b>	Cigarette Stamp Tax Discount to Current Law	(780,738)	-	-	-	(780,738)
<b>5</b>	Child Support Pass-Through to Federal Max	(556,471)	-	-	-	(556,471)
<b>6</b>	Millionaire Tax Phase-In	(45,500,000)	-	-	-	(45,500,000)
<b>7</b>	Primary Care Assessment Sunset	(22,500,000)	-	-	-	(22,500,000)
<b>8</b>	New Child Tax Credit	(8,179,144)	-	-	-	(8,179,144)
<b>9</b>	Corportate Tax Deduction Decoupling	1,000,000	-	-	-	1,000,000
<b>10</b>	Gas Tax at Current Law	-	-	-	[8,757,500]	[8,757,500]
<b>11</b>	City of Newport Landing and Boarding Fees to RIPTA	-	-	-	[-1,000,000]	[-1,000,000]
	<i>Other Fund Sources</i>		228,684,412	4,898,960	26,267,228	259,850,600
	<b>Total</b>	<b>(4,563,261)</b>	<b>228,684,412</b>	<b>4,898,960</b>	<b>26,267,228</b>	<b>255,287,339</b>
	<i>Expenditures Changes</i>					
	<b>Administration</b>					
<b>12</b>	Capital - Big River Management Area to DEM (GBA)	-	-	-	(593,000)	(593,000)
<b>13</b>	Capital - Communities Facilities	-	-	-	600,000	600,000
<b>14</b>	Capital - IT Enterprise Operations Center	-	-	-	3,000,000	3,000,000
<b>15</b>	Capital - State Office Reorganization and	-	-	-	(500,000)	(500,000)
<b>16</b>	CPF - Pandemic Recovery Office (GBA)	-	474	-	-	474
<b>17</b>	Debt Service Savings (GBA)	(1,298,883)	-	-	-	(1,298,883)
<b>18</b>	Garrahy/Innovation District Garage	(493,339)	-	-	-	(493,339)
<b>19</b>	HealthSource Individual Marketplace Affordability Full Year	9,500,000	-	-	-	9,500,000
<b>20</b>	HealthSource RI to Available Receipts	(500,000)	-	500,000	-	-
<b>21</b>	LEED Certification Report from DBR (GBA)	50,000	-	-	-	50,000
<b>22</b>	Library Aid Full Funding	450,882	-	-	-	450,882
<b>23</b>	Project Managers Shift to RICAP	2,167,610	-	-	-	2,167,610

	<b>FY 2027 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
24	Purchasing Expenses to Assessment Receipts	(500,000)	-	500,000	-	-
25	Statewide Vacancy Reduction (-25.0 FTE)	-	-	-	-	-
	<b>Business Regulation</b>					
26	E-Permitting Current Service	200,000	-	-	-	200,000
27	LEED Certification Report to DOA (GBA)	(50,000)	-	-	-	(50,000)
28	OHIC Study Technical	(16,136)	(5,000)	-	-	(21,136)
29	RIPIN - Dual Ombudsman	152,000	-	-	-	152,000
30	Rural Health Transformation Program (2.0 FTE) (GBA)	-	21,373,640	-	-	21,373,640
31	Technical Corrections (GBA)	(76,000)	-	(350,000)	-	(426,000)
	<b>Cannabis Control Commission</b>					
32	New Positions (-2.0 FTE)	-	-	(345,084)	-	(345,084)
	<b>Executive Office of Commerce</b>					
33	Innovation Initiative (GBA)	1,000,000	-	-	-	1,000,000
34	Small Business Innovation Research (GBA)	(1,000,000)	-	-	-	(1,000,000)
35	Innovation Opportunities	(250,000)	-	-	-	(250,000)
36	Main Street RI Program	[150,000]	-	-	-	[150,000]
37	Site Readiness	(1,000,000)	-	-	-	(1,000,000)
	<b>Housing</b>					
38	State LIHTC Redemptions	-	-	520,000	-	520,000
39	State-Owned Shelters to Restricted Receipts	(810,000)	-	810,000	-	-
40	Overstated Operating Expenses	(300,000)	-	-	-	(300,000)
41	Sojourner House	100,000	-	-	-	100,000
	<b>Labor and Training</b>					
42	Rural Health Transformation Program (GBA)	-	7,033,505	-	-	7,033,505
43	Statewide Vacancy Reduction (-20.0 FTE)	-	-	-	-	-
	<b>Revenue</b>					
44	Car Tax to Current Law	4,791,005	-	-	-	4,791,005
45	Distressed Communities - Data Update	940,571	-	-	-	940,571
46	Integrated Tax System	520,000	-	-	-	520,000
47	Taxation Turnover	(520,000)	-	-	-	(520,000)
						-

	<b>FY 2027 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	<b>Legislature</b>					
<b>48</b>	Turnover	(1,300,000)	-	-	-	(1,300,000)
	<b>Secretary of State</b>					
<b>49</b>	Confidentiality Program Coordinator (1.0 FTE)	120,288	-	-	-	120,288
	<b>Office of Inspector General</b>					
<b>50</b>	Staffing and Operations (12.0 FTE)	1,300,000	-	-	-	1,300,000
	<b>Executive Office of Health and Human Services</b>					
<b>51</b>	Assisted Living - Tier C Rate Increase	92,300	126,075	-	-	218,375
<b>52</b>	Early Intervention Extension	50,000	150,000	-	-	200,000
<b>53</b>	EC4 Projects - Equity Zones (GBA)	-	-	45,454	-	45,454
<b>54</b>	H.R.1 - Community Engagement from FY 2026	(1,000,000)	1,000,000	-	-	-
<b>55</b>	HIV Treatment and Prevention Programs (GBA)	2,000,000	-	-	-	2,000,000
<b>56</b>	Hospitals - Rates at Current Law	486,250	1,036,192	-	-	1,522,442
<b>57</b>	Hospitals - DSH Payment Increase to \$25M	6,328,500	8,671,500	-	-	15,000,000
<b>58</b>	Hospitals - Noreen Drexel Birthing Center (GBA)	1,600,000	-	-	-	1,600,000
<b>59</b>	LTC - Asset Test Increase	3,907,862	5,337,138	-	-	9,245,000
<b>60</b>	May Caseload Conference - Medicaid	9,755,557	52,997,640	3,589,274	-	66,342,471
<b>61</b>	Nursing Home Rates - Behavioral Health Per Diem (GBA)	357,301	489,584	-	-	846,885
<b>62</b>	Nursing Homes at Current Law	2,082,976	2,965,857	-	-	5,048,833
<b>63</b>	OHIC All Payer Claims Database Payment	(50,000)	-	-	-	(50,000)
<b>64</b>	OHIC Rate Increase Full	15,632,346	25,073,459	-	-	40,705,805
<b>65</b>	Planned Parenthood Directed Grant	(600,000)	-	-	-	(600,000)
<b>66</b>	Primary Care Assessment Sunset	(9,200,000)	-	-	-	(9,200,000)
<b>67</b>	RIPIN - Care Management Services (GBA)	(990,712)	(990,712)	-	-	(1,981,424)
<b>68</b>	RIPIN - Hospital Transition Services (GBA)	(250,000)	(250,000)	-	-	(500,000)
<b>69</b>	Rural Health Transformation Program (5.0 FTE) (GBA)	-	68,846,651	-	-	68,846,651

	<b>FY 2027 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	<b>Children, Youth and</b>					
<b>70</b>	Capital - Child Welfare System Project Reallocation (GBA)	-	(3,562,648)	-	-	(3,562,648)
<b>71</b>	Capital - Psychiatric Residential Treatment Facility (GBA)	-	-	-	(774,813)	(774,813)
<b>72</b>	Federal Match Shortfall	3,000,000	(3,000,000)	-	-	-
<b>73</b>	Independent Rate Model Provider Support	2,000,000	2,000,000	-	-	4,000,000
<b>74</b>	Juvenile Justice Grant (GBA)	-	165,885	-	-	165,885
<b>75</b>	SSI Foster Care Benefits	977,331	325,777	(1,609,423)	-	(306,315)
<b>76</b>	Turnover Restoration	2,320,387	2,279,613	-	-	4,600,000
	<b>Health</b>					
<b>77</b>	Healthcare Quality & Safety Positions (GBA)	-	62,130	93,195	-	155,325
<b>78</b>	Maternal Infant & Early Childhood Home Visiting Match	377,000	1,131,000	-	-	1,508,000
<b>79</b>	Miriam Hospital Tuberculosis Clinic (GBA)	315,000	-	-	-	315,000
<b>80</b>	PediPRN Federal Funding Shortfall	450,000	-	-	-	450,000
<b>81</b>	Primary Care Loan Repayment	200,000	-	-	-	200,000
<b>82</b>	Rural Health Transformation Program (GBA)	-	26,301,377	1,026,763	-	27,328,140
	<b>Human Services</b>					
<b>83</b>	Child Care Income Eligibility to 285 Percent	-	2,587,627	-	-	2,587,627
<b>84</b>	Child Care Infant Rates - Five Percent Increase	-	371,649	-	-	371,649
<b>85</b>	Child Support Enforcement Lease Renewal (GBA)	29,839	57,922	-	-	87,761
<b>86</b>	Child Support Pass-Through Federal Max	-	329,129	-	-	329,129
<b>87</b>	Eat Well Be Well One Year Extension	4,056,000	-	-	-	4,056,000
<b>88</b>	Farm Fresh RI Bonus Bucks Program	200,000	-	-	-	200,000
<b>89</b>	Incredible Beginnings Program (GBA)	-	80,000	-	-	80,000
<b>90</b>	May Caseload Conference - Cash Assistance	(248,556)	(22,957,644)	-	-	(23,206,200)
<b>91</b>	OHA - Home and Community Care Utilization (GBA)	1,382,379	1,887,070	-	-	3,269,449

	<b>FY 2027 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	OHA - Long Term Care					
<b>92</b>	Ombudsman Support	60,000	-	-	-	60,000
<b>93</b>	OHIC Rate Increase Full	201,662	276,324	-	-	477,986
<b>94</b>	Organ Transplant Fund (GBA)	-	-	15,000	-	15,000
	RIPIN - Hospital Transition					
<b>95</b>	Services to OHA	500,000	-	-	-	500,000
<b>96</b>	United Way 211 to \$300k	100,000	-	-	-	100,000
	<b>BHDDH</b>					
	Behavioral Health Data Exchange Pilot - CCBHC (GBA)					
<b>97</b>		-	-	178,781	-	178,781
<b>98</b>	Hospital License Fee Correction	(109,029)	(85,487)	-	-	(194,516)
	May Caseload Conference - Private Services for Individuals with					
<b>99</b>	Developmental Disabilities	1,263,450	2,779,550	-	-	4,043,000
<b>100</b>	OHIC Rate Increase Full	7,050,206	9,628,776	-	-	16,678,982
<b>101</b>	Rural Health Transformation Program (2.0 FTE) (GBA)	-	4,052,934	-	-	4,052,934
	Thrive Behavioral Health - Hillsgrove Clubhouse					
<b>102</b>	Program	-	500,000	-	-	500,000
	<b>Governor's Commission on Disabilities</b>					
<b>103</b>	Holiday Pay (GBA)	1,695	-	-	-	1,695
	<b>Elementary &amp; Secondary Education</b>					
<b>104</b>	Capital - Davies HVAC	-	-	-	1,000,000	1,000,000
<b>105</b>	Ed Aid - March Data Update at 43% (GBA)	20,908,844	-	-	-	20,908,844
<b>106</b>	Ed Aid - Career and Technical Education	1,000,000	-	-	-	1,000,000
	Ed Aid - Non-Public					
<b>107</b>	Transportation Full Funding	1,990,808	-	-	-	1,990,808
	Ed Aid - Regional					
<b>108</b>	Transportation Full Funding	493,296	-	-	-	493,296
	Internal Service Fund					
<b>109</b>	Adjustments (GBA)	219,580	-	-	-	219,580
<b>110</b>	Legal Staff (-1.0 FTE)	(151,704)	-	-	-	(151,704)
	Rural Health Transformation					
<b>111</b>	Programs (GBA)	-	4,838,988	-	-	4,838,988
	School Construction from					
<b>112</b>	FY 2026	5,868,581	-	-	-	5,868,581
	School Construction Project					
<b>113</b>	Estimate Update	(846,155)	-	-	-	(846,155)

	<b>FY 2027 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>114</b>	School Construction Prospective Payment Schedule Revisions	14,236,839	-	-	-	14,236,839
	<b>Higher Education</b>					
<b>115</b>	Capital - PFAS Removal Water Treatment Plant	-	-	-	(3,463,655)	(3,463,655)
<b>116</b>	Capital - CCRI Renovation and Modernization Phase I	-	-	-	(999,928)	(999,928)
<b>117</b>	Capital - CCRI Renovation and Modernization Phase II - IV	-	-	-	200,000	200,000
<b>118</b>	Capital - Flanagan Campus Renovations	-	-	-	(3,300,505)	(3,300,505)
<b>119</b>	CCRI Statewide Vacancy Reduction (-40.0 FTE)	-	-	-	-	-
<b>120</b>	Institute for Labor Studies and Research	25,000	-	-	-	25,000
<b>121</b>	OPC -Westerly Education Center Tower Street Lease (GBA)	-	1,500,000	-	-	1,500,000
<b>122</b>	Promise - Eligibility	200,000	-	-	-	200,000
<b>123</b>	Promise - May Update	(120,513)	-	-	-	(120,513)
<b>124</b>	RIC Statewide Vacancy Reduction (-50.0 FTE)	-	-	-	-	-
<b>125</b>	URI FTE Cap (200.0 FTE)	-	-	-	-	-
<b>126</b>	URI Medical School Planning and Startup	5,000,000	-	-	-	5,000,000
	<b>Historical Preservation and Heritage Commission</b>					
<b>127</b>	Persistent Vacancies (-1.6 FTE)	(240,995)	-	-	-	(240,995)
	<b>Attorney General</b>					
<b>128</b>	Capital - Building Renovations and Repairs	-	-	-	1,525,000	1,525,000
	<b>Corrections</b>					
<b>129</b>	Accreditation	(317,643)	-	-	-	(317,643)
<b>130</b>	Capital - HVAC Replacement	-	-	-	14,323,719	14,323,719
<b>131</b>	Staff Travel	(70,106)	-	-	-	(70,106)
<b>132</b>	Statewide Vacancy Reduction (-50.0 FTE)	-	-	-	-	-
<b>133</b>	Vehicles Grant Overstatement	-	(1,200,000)	-	-	(1,200,000)
	<b>Judicial</b>					
<b>134</b>	Domestic Violence Calendar (3.0 FTE)	635,000	-	-	-	635,000

	<b>FY 2027 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	<b>Military Staff</b>					
135	Capital - Army National Guard Asset Protection	-	3,500,000	-	1,900,000	5,400,000
	<b>Emergency Management Agency</b>					
136	Non-Snow Removal Blizzard Expenses (GBA)	-	1,000,000	-	-	1,000,000
	<b>Public Safety</b>					
137	Go Team Community Expansion	360,000	-	-	-	360,000
138	RI Police Officers Commission on Standards & Training Grant (GBA)	75,000	-	(75,000)	-	-
139	State Police Pension Revisions	2,476,038	109,187	-	14,775	2,600,000
140	Turnover Savings	(1,100,000)	-	-	-	(1,100,000)
	<b>Public Defender</b>					
141	Lease Extension (GBA)	73,370	-	-	-	73,370
	<b>Environmental Management</b>					
142	Capital - Big River Management Area from DOA (GBA)	-	-	-	593,000	593,000
143	Capital - Natural Resource Offices and Visitors' Center	-	-	-	1,000,000	1,000,000
144	Foundry Lease (GBA)	118,119	-	-	-	118,119
145	Replacement Forestry Hoses	50,000	-	-	-	50,000
	<b>Coastal Resources Management Council</b>					
146	Permit and Enforcement Database (GBA)	50,000	-	-	-	50,000
	<b>Transportation</b>					
147	Capital - Bus Purchases	-	-	-	(3,500,000)	(3,500,000)
148	Capital - Bus Shelter Renovation and Replacement	-	-	-	3,000,000	3,000,000
149	DOT - Gas Tax at Current Law and Revision to HMA Share	-	-	-	7,001,010	7,001,010
150	GARVEE Debt - Federal Funds Correction	-	(130,750)	-	-	(130,750)
151	RIPTA - Gas Tax Yield and 25 Percent of HMA	-	-	-	4,998,991	4,998,991
152	Statewide Vacancy Reduction (-35.0 FTE)	-	-	-	-	-

	<b>FY 2027 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>153</b>	Turnpike and Bridge Authority - Gas Tax Yield	-	-	-	242,634	242,634
	<b>Total</b>	<b>118,441,101</b>	<b>228,684,412</b>	<b>4,898,960</b>	<b>26,267,228</b>	<b>378,291,701</b>

# FY 2027 Changes to Governor

## Revenue Changes

**1. May Revenue Estimate.** The May 2026 Revenue Estimating Conference increased the FY 2027 estimate to \$5,785.4 million based on its FY 2026 revisions and the new economic forecast. The estimate is \$78.8 million more than the November estimate and \$79.2 million more than the Governor's recommended level, adjusted for recommended changes that could not be included in the estimate.

**2. Cigar Tax to Current Law.** Cigars are currently taxed as other tobacco products, which is 80.0 percent of their wholesale cost up to a maximum of \$0.50 per cigar. The House Finance Committee does not concur with the Governor's proposal to generate \$0.6 million by increasing the per-cigar cap to \$2.00, effective September 1, 2026.

**3. Cigarette Tax to Current Law.** The House Finance Committee does not concur with the Governor's proposal to increase the cigarette tax by \$0.75 to \$5.25 per 20-pack, including a floor tax adjustment effective September 1, 2026, and excludes the \$6.7 million estimated revenues from the change. Currently, the rate is \$4.50 per pack of cigarettes, most recently increased by the 2024 Assembly, effective September 1, 2024.

**4. Cigarette Stamp Tax Discount to Current Law.** The House Finance Committee does not concur with the Governor's proposal to eliminate the 1.25 percent discount distributors receive for affixing cigarette tax stamps for the state. The Governor's budget assumes \$0.8 million in additional revenues, assuming an effective date of September 1, 2026.

**5. Child Support Pass-Through to Federal Max.** Child support payments collected by the state on behalf of participants in federally funded Temporary Assistance for Needy Families programs are retained by the state to offset the cost of government assistance. Current state law allows \$50 in child support to pass through to the recipient family. The House Finance Committee recommends increasing the pass-through payment to \$100 for the first child and \$200 for families with two or more children, which is the maximum allowed by the federal government. This would reduce state revenue by \$0.6 million in FY 2027.

**6. Millionaire Tax Phase-In.** The Governor proposes to add a fourth income tax bracket of 8.99 percent for income over \$1.0 million, effective beginning in tax year 2027. Rhode Island currently has three tax brackets at income levels that are adjusted annually for inflation, with the highest at 5.99 percent and applicable to incomes above \$186,450 for tax year 2026. The change includes increasing the elective pass-through entity tax rate from 5.99 percent to 8.99 percent. The Governor's budget assumes \$67.1 million in revenue for FY 2027, which would annualize to \$135.3 million for FY 2028.

He later requested an amendment to restructure the proposal as a 3.0 percent surtax on taxable income above \$1.0 million for individual taxpayers; the additional bracket and surtax structures are effectively equivalent. For pass-through entities, however, the surtax structure allows the option to preserve the existing 5.99 percent election, making the additional 3.0 percent surcharge elective. The House Finance Committee concurs with the surtax approach but recommends phasing in the proposed tax rate increases over three years. For tax year 2027, the rate would increase to 6.99 percent, growing to 7.99 percent for tax year 2028 and to 8.99 percent for tax year 2029. This is an annualized impact that would grow over time. For FY 2027, revenues would be \$45.5 million less than assumed by the Governor.

**7. Primary Care Assessment Sunset.** The FY 2026 enacted budget established an assessment, similar to the child and adult immunization program assessments, to generate \$30.0 million annually to support primary care and other critical healthcare programs. Federal legislation contained in H.R. 1, adopted after this assessment, restricts the imposition of new provider taxes. More recent guidance suggested that the

assessment could potentially jeopardize aspects of the Medicaid budget beyond lack of federal match. The House Finance Committee recommends sunseting the assessment on October 1, 2026, to align with federal guidance. This results in a \$22.5 million revenue reduction. This is partially offset by the exclusion of \$9.2 million of expenses related to the assessment that were assumed in the May caseload estimate to be funded from state-only sources because of the known match limitations.

**8. New Child Tax Credit.** The Governor proposed converting the dependent exemption allowed under current law to a new refundable child tax credit for each dependent age 18 or younger, effective for tax year 2027. The maximum credit is estimated to be \$325 for FY 2027, and the Governor’s budget assumes a revenue loss of \$14.7 million, which would annualize to \$29.7 million. The House Finance Committee recommends maintaining the current dependent exemption and providing an additional refundable child tax credit of \$330 that would phase out at \$100,000 for single filers and \$125,000 for joint filers. This is estimated to cost \$23.1 million for FY 2027, \$8.2 million more than the Governor’s proposal and would annualize to \$46.6 million.

**9. Corporate Tax Deduction Decoupling.** The House Finance Committee recommends decoupling from two federal corporate tax deductions identified in the H.R 1 report submitted in response to a requirement contained in the FY 2026 enacted budget. These include the Qualified Business Stock Gains (QSBS) and the business interest limitation. The budget assumes this action will result in at least \$1.0 million in additional revenues.

**10. Gas Tax at Current Law.** The House Finance Committee maintains the gas tax at the current law amount and recognizes \$8.8 million in gas tax receipts, reflecting the updated estimated gas tax yield. The Governor proposed reducing the tax by two cents, with the reduction coming from the Department of Transportation’s allocation.

**11. City of Newport Landing and Boarding Fees to RIPTA.** The City of Newport is authorized to charge cruise ship operators landing and boarding fees of \$10 per passenger; they were last increased in 2024. The Governor proposed legislation to increase the fees from \$10 to \$15 and allocate the additional \$1.0 million in revenue to the Rhode Island Public Transit Authority to assist with its operating deficit. The House Finance Committee does not concur. It does provide the Authority with additional resources from the Highway Maintenance Account.

### **Administration**

**12. Capital - Big River Management Area to DEM (GBA).** The Governor proposes legislation granting the Department of Environmental Management authority over the land and natural resources of the Big River Management Area, which must be maintained for future development as a source of potable water. The recommended budget reflects the transfer of the property manager position and funding; however, funding for the project was retained. The Governor subsequently requested two amendments: the first shifts all funding to the Department of Environmental Management, and the second retains some expenses for water monitoring and a watershed management plan. The House Finance Committee concurs, shifting \$593,000 for asset protection and retaining \$153,000.

**13. Capital - Communities Facilities.** The 2024 Assembly provided \$0.6 million for FY 2025 from Rhode Island Capital Plan funds for exterior and interior renovations, door and window replacement, and heating system upgrades at the Briggs School in Warwick. The project has been delayed further, and the House Finance Committee shifts the approved funding from FY 2026 to FY 2027.

**14. Capital - IT Enterprise Operations Center.** The recommended capital budget includes \$16.7 million from Rhode Island Capital Plan funds from FY 2026 through FY 2031 for various projects at the information technology operations center in Warwick. These include replacing the chiller and boiler, the

roof, and the rooftop heating, ventilation, and air conditioning units. Reflecting a project delay, the Governor's recommended budget shifted \$2.0 million from FY 2026 to FY 2028. Based on the Department's updated expenses, the House Finance Committee shifts \$6.0 million from FY 2026 and adds \$3.0 million each for FY 2027 and FY 2028.

**15. Capital - State Office Reorganization and Relocation.** The recommended capital budget adds \$0.5 million annually in the five-year period from Rhode Island Capital Plan funds for consolidated agency relocation expenses under the Division of Capital Asset Management and Maintenance's purview. These expenses are planned, and specific projects to go with them are yet to be identified. The House Finance Committee does not concur and maintains the approved annual amount of \$250,000.

**16. CPF - Pandemic Recovery Office (GBA).** The Pandemic Recovery Office oversees all programs financed by State Fiscal Recovery or Capital Projects funds. The Office is responsible for ensuring compliance with all rules, regulations, and guidance and submission of all required reports. The FY 2027 recommended budget includes \$1.4 million for the administration of these funds, which appears to understate available State Fiscal Recovery funds by \$474. The House Finance Committee concurs with the requested amendment to align expenses with available funds.

**17. Debt Service Savings (GBA).** The House Finance Committee concurs with the Governor's requested amendment to include general revenue debt service savings of \$1.3 million. This includes \$0.3 million, reflecting a recent general obligation issuance, and \$1.0 million from the Fidelity Job Rent Credits agreement; available reserve funds will cover the last payment. Under the incentive-based agreement between the state and Fidelity, the state provided job rent credits for each full-time equivalent employee in excess of a 1,000-employee base.

**18. Garrahy/Innovation District Garage.** The 2014 Assembly authorized the Convention Center Authority to issue up to \$45.0 million for the construction of the garage, and the bonds were issued in March 2018; the garage opened in 2020. The annual debt service is \$3.0 million, and operating expenditures for FY 2026 are projected at \$1.5 million, for total expenses of \$4.6 million. The Authority's operating budget submission assumes parking revenues of \$4.1 million, with \$2.6 million available after operating expenses for the debt. The Governor provides \$0.5 million in state support for FY 2027. The House Finance Committee does not recommend state support beyond FY 2026; through FY 2025, a total of \$10.6 million in state support has been provided.

**19. HealthSource Individual Marketplace Affordability Full Year.** The House Finance Committee recommends a total of \$19.0 million from general revenues, \$9.5 million more than the Governor's recommendation to reflect the annualized cost of the Individual Market Affordability program. The program is intended to assist individuals who purchase health insurance through the Exchange. The legislation authorizes the Exchange to determine the annual affordability percentages for each upcoming coverage year based on the appropriations. The first coverage year would be 2027, and the legislation requires that for that year, affordability percentages prioritize households with incomes below 200 percent of the federal poverty level. It also requires that any unspent funds be reappropriated to the following year for the same purpose.

**20. HealthSource RI to Available Receipts.** The Department of Administration is authorized to charge a health reform assessment to support the operations of HealthSource RI. Based on enrollment data and assessment receipts, the House Finance Committee recommends shifting \$0.5 million of general revenue expenses to restricted receipts. It reported enrollments of 48,698 at the end of February, including 39,744 in the individual market. This is approximately 6,700 more than initially projected.

**21. LEED Certification Report from DBR (GBA).** The Governor proposes legislation transferring administrative authority for the Green Building Advisory Council and the Green Buildings Act from the

Department of Administration to the State Building Office within the Department of Business Regulation. The legislation requires the Department of Administration to produce a report on the costs and benefits of obtaining LEED certification for state facilities; however, \$50,000 from general revenues to procure the report was included in the Department of Business Regulation's budget. The House Finance Committee concurs with a requested amendment to budget the expense in the Department of Administration.

**22. Library Aid Full Funding.** Under current law, the state supports local libraries via grants-in-aid at a level equivalent to 25.0 percent of the amount appropriated and expended from local tax revenues in the second prior fiscal year by the municipalities in which the libraries are located, subject to appropriation. The House Finance Committee recommends \$12.5 million from general revenues for full funding. This is \$0.5 million more than the Governor's recommendation, which represents a 24.1 percent reimbursement.

**23. Project Managers Shift to RICAP.** The House Finance Committee does not concur with the Governor's recommendation to allocate salary and benefit expenses for project managers and architects from general revenues to Rhode Island Capital Plan funds, which currently support only direct capital project costs. It restores the budgeted savings of \$2.2 million from general revenues. The Governor's recommendation assumed these expenses could be absorbed within existing project authorizations. The administration notes that implementing this proposal without the Enterprise Resource Planning System will require it to amend its time-tracking protocol, and its staff would have to ensure that the appropriate project accounts are billed.

**24. Purchasing Expenses to Assessment Receipts.** The 2025 Assembly concurred with the Governor's recommendation to establish a uniform 0.33 percent fee to be assessed on all state contracts, effective January 1, 2026. The legislation expanded allowable uses to include staffing, prospectively. At the end of FY 2025, the account had \$3.7 million in available receipts, and based on recommended expenses, a \$2.2 million balance is projected at the end of FY 2027. The House Finance Committee recommends shifting \$0.5 million of general revenue expenses to available receipts; through the third quarter, revenues were \$0.3 million higher than the revised budget assumed.

**25. Statewide Vacancy Reduction (-25.0 FTE).** The House Finance Committee recommends a 220.0 reduction in the statewide full-time equivalent position authorization to reflect long-standing unfunded vacancies in several large agencies. This will lower the authorization limit more closely with historical experience on filled and funded positions while maintaining flexibility for immediate needs. For the Department of Administration, which has averaged 50 vacancies over the past five years, this reduction is 25.0 positions from the internal service fund programs allocation.

### **Business Regulation**

**26. E-Permitting Current Service.** The House Finance Committee recommends a total of \$1.2 million from general revenues to support uniform construction, land use planning, fire safety, and zoning permitting for all Rhode Island municipalities. This is \$0.2 million more than enacted and recommended to reflect anticipated program costs, including reimbursements to municipalities for software licenses and integrating aspects of licensing and permitting within the Coastal Resources Management Council and the Departments of Transportation and Environmental Management, consistent with legislation passed by the 2025 Assembly.

**27. LEED Certification Report to DOA (GBA).** The House Finance Committee concurs with the Governor's requested amendment to shift \$50,000 for a new Leadership in Energy and Environmental Design or LEED, study from the Department of Business Regulation to the Department of Administration, which is anticipated to conduct the work.

**28. OHIC Study Technical.** The House Finance Committee recommends \$16,136 less from general revenues and \$5,000 less from federal funds for reporting requirements to correct overstatements identified by the Office of the Health Insurance Commissioner.

**29. RIPIN - Dual Ombudsman.** The Governor's recommendation excludes the enacted amount of \$0.2 million in the Executive Office of Health and Human Services' budget for the Rhode Island Parent Information Network's Dual Ombudsman program, as it no longer appears to be eligible for Medicaid matching funds. The House Finance Committee recommends \$0.2 million from general revenues to continue contracted navigation assistance for Medicare-Medicaid dual eligibles within the Office of the Health Insurance Commissioner's budget.

**30. Rural Health Transformation Program (2.0 FTE) (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$142.7 million from federal funds to several state agencies for the first year of the state's award from the Rural Health Transformation Program included in H.R. 1. The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care. The amendment includes \$21.8 million and 2.0 new positions for the Office of the Health Insurance Commissioner to oversee the program, including \$0.4 million for FY 2026 and \$21.4 million for FY 2027. These funds will primarily support contractors and competitive awards to encourage hospitals and primary care practices to transition to alternative and value-based payment models.

**31. Technical Corrections (GBA).** The House Finance Committee concurs with the Governor's requested amendments to reduce funding for the Department by \$0.4 million, including \$0.1 million from general revenues, to correct overstatements in his original recommendation.

#### **Cannabis Control Commission**

**32. New Positions (-2.0 FTE).** The House Finance Committee does not concur with the Governor's recommendation to add \$0.3 million from cannabis restricted receipts for 2.0 new full-time positions for the Cannabis Control Commission. This includes 1.0 data analyst and 1.0 legal support position, for a total of 28.0 positions. The enacted budget provides funding for 2.0 legal counsels, and the Commission has 2.0 vacancies as of April.

#### **Executive Office of Commerce**

**33. Innovation Initiative (GBA).** The Governor recommends \$1.0 million from general revenues for the Innovation Initiative for FY 2027; however, this is inadvertently included in the appropriation line for a similarly named program. He subsequently requested an amendment to provide \$1.0 million for FY 2027 to support the Innovation Initiative, consistent with his original intent. From FY 2016 through FY 2026, funding has remained consistent at \$1.0 million annually; through FY 2025, the Executive Office reports that \$3.7 million in matching grants have been awarded. The House Finance Committee concurs.

**34. Small Business Innovation Research (GBA).** The Governor's FY 2027 recommendation excludes funding for the Innovate RI Small Business Fund and the Bioscience and Engineering Internship programs; however, a drafting error includes \$1.0 million from general revenues in the appropriation line that is intended for a similarly named program. He subsequently requested an amendment to exclude funding, consistent with his original intent. The House Finance Committee concurs.

**35. Innovation Opportunities.** The House Finance Committee does not concur with the Governor's recommendation to provide a new allocation of \$250,000 from general revenues for FY 2027 to continue an initiative begun in the FY 2026 budget to strengthen collaboration among current and future participants

in Rhode Island's economy; however, the focus of this initiative appears to overlap with several existing initiatives for which alternative funding exists.

**36. Main Street RI Program.** The Governor's FY 2027 recommendation includes \$1.0 million from general revenues to recapitalize the Rhode Island Streetscape Improvement Fund, for which the enacted budget includes \$125,000. The 2025 Assembly formally established a Main Street Coordinating Program to promote economic activity and development within the state, to be administered by Grow Smart RI, which is eligible for support from this fund. The House Finance Committee concurs with the total recommended allocation and requires that \$150,000 be allocated to support the Main Street RI program.

**37. Site Readiness.** The House Finance Committee does not concur with the Governor's recommendation to provide \$1.0 million from general revenues to assist municipalities in developing pad-ready industrial sites. Funding has remained consistent since it was first approved by the 2019 Assembly. As of April 2026, the Commerce Corporation has awarded \$6.0 million to 75 projects; \$1.0 million remains available for future awards.

### **Housing**

**38. State LIHTC Redemptions.** The House Finance Committee recommends adding \$0.5 million from Low-Income Housing Tax Credit Trust Fund restricted receipts to reflect the first anticipated redemption of credits under the program in FY 2027. The Assembly has reserved a total of \$36.0 million, including \$4.0 million in FY 2026, against an existing award maximum of \$120.0 million based on the current sunset date to redeem credits; the Fund also receives all revenues from the non-owner-occupied non-rental residential property tax, set at 0.5 percent annually on the portion of values exceeding \$1.0 million, effective July 1, 2026.

**39. State-Owned Shelters to Restricted Receipts.** The Governor's budget includes \$1.9 million from general revenues for FY 2027 for utilities and contracted facilities management expenses for state-owned shelters. The Executive Office has utilized one-time State Fiscal Recovery funds to obtain, maintain, and operate these facilities. The House Finance Committee provides funding as recommended but shifts \$0.8 million in contracted facilities management costs to Housing Resources and Homelessness restricted receipts.

**40. Overstated Operating Expenses.** The House Finance Committee recommends \$0.3 million less from general revenues to reflect projected expenditures. The Executive Office indicates that parking expenses are lower following its relocation from the Shepard Building to the Powers Building, and certain advertising and legal expenses incurred during its creation as a standalone entity are no longer necessary.

**41. Sojourner House.** The 2025 Assembly provided \$0.1 million from general revenues for Sojourner House beginning in FY 2026 for supportive housing and rapid rehousing. The Governor's recommendation retains this level of funding for FY 2027. Sojourner House is a Providence-based nonprofit founded in 1976 that focuses on providing safe housing and supportive services to survivors of abuse. It receives federal grants to support this work, which require matching funds. The House Finance Committee recommends an additional \$0.1 million for a total of \$0.2 million.

### **Labor and Training**

**42. Rural Health Transformation Program (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$142.7 million from federal funds to several state agencies for the first year of the state's award from the Rural Health Transformation Program included in H.R. 1. The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care. For the Department of Labor and Training, the

amendment includes \$0.4 million for FY 2026 and \$7.0 million for FY 2027, primarily to support the Real Jobs Rhode Island program in providing pre-employment healthcare-related training opportunities in rural communities, as well as existing staff responsible for administering grant programming.

**43. Statewide Vacancy Reduction (-20.0 FTE).** The House Finance Committee recommends a 220.0 reduction in the statewide full-time equivalent position authorization to reflect long-standing unfunded vacancies in several large agencies. This will lower the authorization limit more closely with historical experience on filled and funded positions while maintaining flexibility for immediate needs. For the Department of Labor and Training, which has averaged at least 43.3 vacancies annually since its current staffing authorization was implemented in FY 2022, this represents a reduction of 20.0 positions.

### Revenue

**44. Car Tax to Current Law.** The Governor's budget repeals the current law requirement that reimbursements to cities, towns, and fire districts for the motor vehicle excise tax increase annually, based on the annual change in sales tax collections, up to 2.0 percent. The House Finance Committee does not concur with the repeal and recommends an additional \$4.8 million from general revenues in FY 2027 to fully fund the program under current law.

**45. Distressed Communities - Data Update.** The Governor's recommended budget was developed using the most recent census data available at the time. Updated census data made East Providence eligible for the Distressed Communities Relief Fund. Most funds are distributed based on the ratio of an eligible municipality's tax levy to the total tax levy of all eligible municipalities. However, when a new community qualifies, it receives 50.0 percent of the current law requirements in its first year of eligibility. The remaining 50.0 percent is distributed proportionately to the other distressed communities. The House Finance Committee recommends adding \$940,571 from general revenues to accommodate the addition of East Providence without producing a reduction to the other communities.

**46. Integrated Tax System.** The Governor's recommended budget includes the enacted funding level of \$6.1 million from general revenues for maintenance, support, and the vendor services contract for the integrated tax system, including payments under the contingency contract. This is \$0.5 million less than the Department requested and is expected to spend in FY 2026 based on its third-quarter report, which accounts for increases in cloud storage costs, software licenses, and maintenance and operations. The House Finance Committee recommends adding \$520,000 from general revenues to cover the expected cost.

**47. Taxation Turnover.** The House Finance Committee recommends general revenue turnover savings of \$520,000 for the Division of Taxation, based on similar savings available for FY 2026, based on vacancies and the Department of Revenue's third quarter report. These savings offset increased costs of the integrated tax system.

### Legislature

**48. Turnover.** The House Finance Committee recommends general revenue turnover savings of \$1.3 million for FY 2027.

### Secretary of State

**49. Confidentiality Program Coordinator (1.0 FTE).** The House Finance Committee recommends adding \$120,288 from general revenues and authorization for 1.0 new full-time equivalent position for the Secretary of State's Elections and Civics division. This new position would supervise the Rhode Island Address Confidentiality Program, which provides survivors of crimes such as domestic violence, stalking, and sexual assault with a substitute mailing address to protect their residences from public records. The

program currently has no full-time staff member assigned to it, which limits the capacity to conduct outreach and training or to offer expanded services.

### **Office of Inspector General**

**50. Staffing and Operations (12.0 FTE).** The House Finance Committee recommends creating a new Office of Inspector General to investigate the management and operation of agencies as it relates to the prevention and detection of fraud, waste, abuse, and mismanagement in the expenditure of public funds. The House Finance Committee also recommends \$1.3 million and 12.0 full-time equivalent positions for initial funding for the Office in FY 2027.

### **Executive Office of Health and Human Services**

**51. Assisted Living - Tier C Rate Increase.** The House Finance Committee recommends adding \$0.2 million, including \$0.1 million from general revenues, to increase the assisted living Tier C reimbursement rate by 13 percent. This rate would increase to about \$170 a day starting January 1, 2027, excluding the impact of the pending home and community-based rate increase, which would bring the total to about \$185 a day.

**52. Early Intervention Extension.** The House Finance Committee recommends extending the Early Intervention Program to allow children to remain until September 1 after their third birthday and adds \$0.2 million, of which \$0.1 million is from general revenues, for technology changes required in FY 2027. There is an assumed two-year planning process to implement the necessary policy and system changes that are set to take effect in May 2028. There is a federal program that supports some of the extension.

**53. EC4 Projects - Equity Zones (GBA).** The House Finance Committee concurs with the Governor's requested amendment of \$45,454 from restricted receipts as part of an agreement with the Office of Energy Resources to collaborate with the state's Equity Zones to focus on climate change and health. The agreement totals \$100,000, with the balance in FY 2026.

**54. H.R.1 - Community Engagement from FY 2026.** The Governor's revised recommendation includes \$2.0 million from federal funds to help individuals meet the work, education, or volunteering requirements under the community engagement section of H.R. 1. This involves coordination with the Departments of Human Services and Labor and Training. There is also a media campaign, focus groups, and translation services. The Executive Office's third-quarter report shows spending of \$0.7 million, leaving a balance of \$1.2 million. The House Finance Committee recommends shifting \$1.0 million from federal funds from FY 2026 to FY 2027 and reducing general revenue expenditures by \$1.0 million.

**55. HIV Treatment and Prevention Programs (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$2.0 million from general revenues for HIV Treatment and Prevention Services to offset the loss of federal funds, increase in program expenses, and lower than assumed rebate collections.

**56. Hospitals - Rates at Current Law.** The House Finance Committee does not concur with the Governor's recommendation to limit the FY 2027 hospital rate increase to 2.5 percent and adds \$1.5 million, including \$0.5 million from general revenues, to bring the increase to the current law rates, ranging from 2.6 percent for payments through managed care plans to 3.3 percent for fee-for-service reimbursements.

**57. Hospitals - DSH Payment Increase to \$25M.** The Governor's recommendation adds \$10.0 million to pay for the expected increase in uncompensated care costs incurred by hospitals serving individuals who lose health coverage because of recent federal changes. The House Finance Committee recommends

another \$15.0 million, of which \$6.3 million is from general revenues. This brings total funding to \$26.0 million, of which \$11.0 million is from general revenues.

**58. Hospitals - Noreen Drexel Birthing Center (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$1.6 million from general revenues to support Newport Hospital's Noreen Drexel Birthing Center.

**59. LTC - Asset Test Increase.** The House Finance Committee recommends raising the resource threshold for Medicaid long-term care services from \$4,000 to \$8,000 for an individual and \$6,000 to \$12,000 for a couple. The recommendation adds \$9.2 million, including \$3.9 million from general revenues, to account for more eligible individuals.

**60. May Caseload Conference - Medicaid.** The House Finance Committee recommends increasing medical assistance expenses by \$66.3 million for FY 2027 to reflect the May Caseload Estimating Conference estimate. This includes updated expenses that reflect rate increases and projected utilization. Accounting for the remaining changes already assumed in the Governor's budget, FY 2027 spending is estimated to be \$53.0 million more from federal funds, \$9.8 million more from general revenues, and \$3.6 million more from restricted receipts.

**61. Nursing Home Rates - Behavioral Health Per Diem (GBA).** The House Finance Committee concurs with the Governor's requested amendment to authorize the Executive Office to make the necessary changes to update the behavioral health per-diem for complex patients at nursing homes and adds \$0.8 million, of which \$0.4 million is from general revenues. This assumes an April 1, 2027, start date and admission of 20 new residents.

**62. Nursing Homes at Current Law.** The House Finance Committee does not concur with the Governor's recommendation to limit the FY 2027 nursing home rate increase to 2.5 percent and adds \$5.0 million, including \$2.1 million from general revenues, to bring the increase to the current law rates, ranging from 2.6 percent for payments through managed care plans to 3.2 percent for fee-for-service reimbursements.

**63. OHIC All Payer Claims Database Payment.** The House Finance Committee recommends reducing All Payer Claims Database expenses by \$50,000 from general revenues to recognize the same amount included in the Office of the Health Insurance Commissioner's recommended budget to pay the Executive Office of Health and Human Services for use of the system.

**64. OHIC Rate Increase Full.** The Office of the Health Insurance Commissioner completed its FY 2026 rate review for submission in the FY 2027 budgets, including the Executive Office of Health and Human Services. The Governor recommended one-half of the funding, with rates not to exceed 100 percent of Medicare, starting October 1, 2026. The House Finance Committee recommends full funding and adds \$40.7 million, including \$15.6 million from general revenues, bringing the total to \$81.4 million, of which \$31.2 million is from general revenues.

**65. Planned Parenthood Directed Grant.** The House Finance Committee does not concur with the Governor's recommendation for a one-time directed grant to Planned Parenthood.

**66. Primary Care Assessment Sunset.** The FY 2026 enacted budget includes a primary care health assessment, a monthly per-member-per-month fee applied to all covered lives to support primary care and other healthcare programs, starting January 1, 2026. The House Finance Committee recommends sunsetting the assessment on October 1, 2026, in recognition of restrictions imposed by H.R. 1 on new provider taxes. The May Caseload Estimating Conference assumes state-only costs of \$9.2 million for the Executive Office of Health and Human Services to continue paying for the primary care health assessment

after October 1 because of the known federal match limitation. The House Finance Committee recommends sunseting the assessment on October 1, 2026, to align with federal guidance. The \$22.5 million revenue reduction is partially offset by the exclusion of \$9.2 million in state-only caseload expenses.

**67. RIPIN - Care Management Services (GBA).** The Governor recommends \$1.0 million from general revenues to be matched by Medicaid for a total of \$2.0 million for the Rhode Island Parent Information Network as part of a transition plan to provide care management and coordination services for high-risk populations. The Executive Office of Health and Human Services notified the agency that the services are not federally matchable and the contract will not be renewed for FY 2027. He subsequently requested an amendment to eliminate the funding, and the House Finance Committee concurred.

**68. RIPIN - Hospital Transition Services (GBA).** The House Finance Committee concurs with the Governor's requested amendment to eliminate \$250,000 from general revenues to be matched by Medicaid for a total of \$500,000 for the Hospital Care Transitions program operated by the Rhode Island Parent Information Network. The initiative addresses the more expensive institutional placements, such as nursing homes, by transferring eligible individuals to less expensive, more appropriate community-based alternatives. The Centers for Medicare and Medicaid Services notified the Executive Office that the Medicaid match is no longer available, so the contract was not extended to FY 2027. The House Finance Committee recommends \$500,000 from general revenues to continue the program through the Office of Healthy Aging.

**69. Rural Health Transformation Program (5.0 FTE) (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$142.7 million from federal funds for the first year of the state's award from the Rural Health Transformation Program included in H.R. 1. For FY 2026 and FY 2027, funds will be budgeted among three health and human service agencies, and the Departments of Business Regulation, Elementary and Secondary Education, and Labor and Training. The total award is \$156.2 million, with the remaining \$13.4 million anticipated in the FY 2028 recommended budget; it must be spent by September 30, 2027.

The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care. For the Executive Office of Health and Human Services, the amendment includes \$5.6 million for FY 2026 and \$68.8 million for FY 2027. It also adds five positions in both years.

### **Children, Youth and Families**

**70. Capital - Child Welfare System Project Reallocation (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reallocate federal funds for the Comprehensive Child Welfare Information System Project, which would add \$7.6 million in FY 2026 and provide \$3.6 million less in FY 2027. This change would align the budgeted amounts across years to reflect the state match and recognize unspent FY 2025 federal funds that were not included in the Department's request or original recommendation. In addition to federal funds, the project includes funding from the Large Systems Initiative Fund, budgeted within the Department of Administration, and general revenues for information technology personnel.

**71. Capital - Psychiatric Residential Treatment Facility (GBA).** The Governor recommends \$28.1 million from Rhode Island Capital Plan Funds to renovate three buildings at the newly acquired Fruit Hill property in North Providence for use as a Psychiatric Residential Treatment Facility. The operating budget assigned federal funds to this project that belong with the Exeter project. The Governor requested an amendment to correct the operating budget error and shift \$0.8 million from FY 2027 to FY 2026 based on an updated schedule. The House Finance Committee concurs.

**72. Federal Match Shortfall.** The Department of Children, Youth and Families' third-quarter report projected a \$6.0 million overspend from general revenues, which it attributed to a decrease in federal funds claimed for its service array, including Medicaid and Title IV-E, primarily for home- and community-based services. The Budget Office's third-quarter report projects a general revenue deficit of \$4.4 million, reflecting the Department's recent approval for additional federal claiming authorized under the Family First Prevention Services Act. It also indicates that the Department is working with the Medicaid office at the Executive Office of Health and Human Services to resolve the other claiming issues. The House Finance Committee recommends providing \$3.0 million from general revenues to replace federal funds in anticipation that some claiming shortfall will extend to FY 2027.

**73. Independent Rate Model Provider Support.** The House Finance Committee recommends \$4.0 million, including \$2.0 million from general revenues, to support providers transitioning to Medicaid direct billing, which is now estimated to begin July 1, 2027. The transition to an independent rate model began in response to Department of Justice findings, which led to a consent decree and was initially anticipated to be completed by July 1, 2025. The Governor's budget does not explicitly include funding for new rates or provider support. During the budget hearing process, concerns were raised about providers' readiness to make the transition. This funding would support providers who need the most assistance to ensure the continuation of services throughout the implementation of the independent rate model. Most infrastructure expenses appear to be eligible for a 50.0 percent Medicaid reimbursement.

**74. Juvenile Justice Grant (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.2 million from federal funds, reflecting a juvenile justice grant awarded in 2024, which was excluded from the recommendation. The grant program supports planning and developing a community-based continuum of prevention and intervention services aimed at preventing youth from entering the juvenile justice system or moving deeper into it. The Department is partnering with nonprofits to evaluate the current services and interventions for at-risk youth and design evidence-based interventions to strengthen the system.

**75. SSI Foster Care Benefits.** On December 8, 2025, the Administration for Children and Families sent a letter to Governor McKee and the Department of Children, Youth and Families, as well as to 38 other states, directing them to cease using survivor benefits to offset agency expenses for the care of youth. The FY 2027 recommended budget included \$1.6 million in restricted receipts from these sources. Based on actual FY 2026 collections from this funding source, the House Finance Committee recommends adding \$1.3 million from other sources, including \$1.0 million from general revenues, to replace the supplemental security income previously used for foster care payments and other services for youth.

**76. Turnover Restoration.** The Governor recommends \$104.7 million for salaries and benefits at the Department of Children, Youth and Families, including \$78.3 million from general revenues, based on the Department's request to align its underlying personnel expenses with FY 2025 experience. The House Finance Committee recommends adding \$4.6 million, including \$2.3 million from general revenues, to bring the total to \$109.3 million in FY 2027 to restore the savings assumed in the recommended budget.

## Health

**77. Healthcare Quality and Safety Positions (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$155,325 from all sources to correct for understated personnel costs within the Division of Healthcare Quality and Safety. This includes \$62,130 from federal funds and \$93,195 from restricted receipts.

**78. Maternal, Infant, and Early Childhood Home Visiting Match.** The Maternal, Infant, and Early Childhood Home Visiting Program is a federal initiative that supports pregnant women and parents of young children through home visits and other services. In addition to a base amount, the federal Health

Resources and Services Administration also offers a voluntary three-to-one state match. For federal FY 2027, the maximum voluntary match is \$787,000, which would provide an additional \$2.4 million from federal sources. There is currently \$410,000 in state matching funds. The House Finance Committee recommends adding \$377,000 from general revenues to secure the maximum federal award, which would provide an additional \$1.1 million from federal funds for a total of \$10.9 million for FY 2027.

**79. Miriam Hospital Tuberculosis Clinic (GBA).** The Miriam Hospital RISE Tuberculosis Clinic is Rhode Island's primary outpatient facility and specialty clinic that treats pediatric and adult patients who have been exposed to tuberculosis, as well as those with latent tuberculosis infection. Since 2001, the Department of Health has partnered with Miriam Hospital and provides financial assistance to cover physician fees and staffing costs. The Governor's budget proposes ending the state's annual contract with the clinic for a savings of \$315,000 from general revenues. The House Finance Committee concurs with the Governor's subsequent request to restore it.

**80. PediPRN Federal Funding Shortfall.** The PediPRN and MomsPRN programs provide specialized clinical consultation and referral services related to mental health. The Governor recommends \$0.8 million from general revenues to fund the MomsPRN program and \$0.8 million from federal funds for PediPRN, however, this grant expires September 30, 2026. The House Finance Committee recommends an additional \$0.5 million from general revenues to fully fund both programs for FY 2027.

**81. Primary Care Loan Repayment.** The Health Professional Loan Repayment Program pays a portion of an eligible health care professional student loan if the participant agrees to work for two years in a health professional shortage area. The Governor recommends \$200,000, assuming prior year matching amounts. The House Finance Committee recommends adding an additional \$200,000 from general revenues, for a total of \$400,000, to meet the anticipated match; the remainder will be provided from private donation restricted receipts. The FY 2027 cycle is anticipated to run, and the Department expects to receive a federal award of \$775,000; however, this amount is still being finalized.

**82. Rural Health Transformation Program (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$142.7 million from federal funds to several state agencies for the first year of the state's award from the Rural Health Transformation Program included in H.R. 1. The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care. For the Department of Health, the amendment includes \$2.3 million for FY 2026 and \$26.3 million for FY 2027. Of this, \$0.8 million supports approximately six positions, as well as new training programs, equipment, vehicles, and contracts for information technology revitalization and other projects.

### Human Services

**83. Child Care Income Eligibility to 285 Percent.** The House Finance Committee recommends increasing income eligibility for the Child Care Assistance Program from 261 percent of the federal poverty level to 285 percent, effective January 1, 2027. The current law income level to exit the program would remain at 300 percent of poverty. The Committee adds \$2.6 million from federal funds for the expanded eligibility and necessary system upgrades to accommodate those changes.

**84. Child Care Infant Rates - Five Percent Increase.** The House Finance Committee recommends increasing the infant reimbursement rates for center-based child care providers by five percent. Rates would increase by an average of \$17.80 for all BrightStars rankings. The maximum reimbursement rates for licensed family childcare providers are determined through collective bargaining. The House Finance Committee recommends adding \$0.4 million from federal funds to account for the change.

**85. Child Support Enforcement Lease Renewal (GBA).** The Office of Child Support Enforcement's lease at 77 Dorrance St. in Providence expires on August 31, 2026. The Governor requested an amendment to authorize the terms of the new five-year lease and add \$87,761, including \$29,839 from general revenues for the expense. The House Finance Committee concurs.

**86. Child Support Pass-Through Federal Max.** The federal government reimburses states for 66 percent of the costs of the child support enforcement program. Additionally, child support payments collected by the state on behalf of participants in federally funded Temporary Assistance for Needy Families programs are retained by the state to offset the cost of government assistance. Current state law allows \$50 in child support to pass through to the recipient family. Of the money retained, 42.2 percent is deposited into general revenues, and 57.8 percent represents a portion of the federal cost share, which appears in the budget as expenditure credits. The House Finance Committee recommends increasing the pass-through payment to \$100 for the first child and \$200 for families with two or more children, which is the maximum federally allowable level, thereby reducing the amount of federal credits by \$0.3 million, which results in an increase of a like amount in federal expenditures. The budget also recognizes the \$0.6 million loss of general revenues.

**87. Eat Well Be Well One Year Extension.** The 2022 Assembly created the retail Supplemental Nutrition Assistance Program pilot program now known as Eat Well Be Well funded from \$11.5 million from general revenues. Eligible households received an incentive payment of \$0.50 for every \$1.00 spent on fruits and vegetables, up to a maximum amount to be determined by the Department, loaded onto their electronic benefits transfer cards. The Governor's FY 2026 revised recommendation includes the remaining \$4.0 million. The House Finance Committee recommends \$4.1 million from general revenues to extend the program.

**88. Farm Fresh RI Bonus Bucks Program.** Farm Fresh Rhode Island is a nonprofit organization that works to increase community access to local foods. Its Bonus Bucks program provides a 100 percent matching bonus at farmers' markets across the state to shoppers who receive Supplemental Nutrition Assistance Program benefits and does not currently receive state funding. The program is currently supported primarily through federal Nutrition Incentive Program funds, which are limited and competitive. Other New England states provide funding for Supplemental Nutrition Assistance Program match programs, which enhance the likelihood of securing future federal funds. The House Finance Committee recommends \$200,000 from general revenues to support the program.

**89. Incredible Beginnings Program (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$80,000 from federal funds to reflect a new grant to support Incredible Beginnings, an extension of the Incredible Years program, which supports early childhood educators.

**90. May Caseload Conference - Cash Assistance.** The House Finance Committee recommends decreasing FY 2027 expenditures for cash assistance caseloads by \$23.2 million, including \$248,556 from general revenues, to reflect the May Caseload Estimating Conference estimates for Rhode Island Works, subsidized child care, supplemental security income, and general public assistance bridge programs.

**91. OHA - Home and Community Care Utilization (GBA).** The Governor's FY 2027 recommendation for Home and Community Care services through the Office of Healthy Aging is \$8.2 million, including \$3.5 million from general revenues. He requested an amendment to add \$3.3 million from all sources to reflect updated utilization expectations. The House Finance Committee concurs with the total amount and includes \$1.4 million from general revenues and \$1.9 million from federal funds to reflect the correct federal match rate.

**92. OHA - Long Term Care Ombudsman Support.** Consistent with the enacted budget, the Governor recommends \$40,000 from general revenues for the Long-Term Care Ombudsman, provided by the Alliance for Better Long-Term Care. The House Finance Committee recommends an additional \$60,000 from general revenues, for total funding of \$100,000.

**93. OHIC Rate Increase Full.** The Office of the Health Insurance Commissioner completed its FY 2026 rate review for submission in the FY 2027 budgets, including the Office of Healthy Aging. The Governor recommended one-half of the funding, with rates not to exceed 100 percent of Medicare, starting October 1, 2026. The House Finance Committee recommends full funding and adds \$0.5 million, including \$0.2 million from general revenues, bringing the total to \$1.0 million, of which \$0.4 million is from general revenues.

**94. Organ Transplant Fund (GBA).** The House Finance Committee concurs with the Governor's requested amendment to restore the \$15,000 from restricted receipts for the Organ Transplant Fund inadvertently excluded from his recommendation for FY 2027.

**95. RIPIN - Hospital Transition Services to OHA.** The Rhode Island Parent Information Network's Hospital Care Transitions program assists seniors, older adults, and patients with complex or chronic health needs who are Medicare or Medicaid eligible after they are discharged from hospitals. The program notifies patients of less expensive home- and community-based alternatives to institutional placements, such as nursing homes, and ensures that patients are equipped with the necessary services and support systems. This program was previously funded through the Executive Office of Health and Human Services using a Medicaid match, which is no longer available. The House Finance Committee recommends \$500,000 from general revenues for the program.

**96. United Way 211 to \$300k.** United Way's 211 program is a free, confidential service that provides information and referrals for food, housing, job training, and other community resources. The Governor's recommendation includes the enacted level of \$200,000 from general revenues. The House Finance Committee recommends an additional \$100,000 for the program to provide a total of \$300,000 for FY 2027.

#### **BHDDH**

**97. Behavioral Health Data Exchange Pilot - CCBHC (GBA).** The Department received a \$558,300 grant from Chickasaw Federal Health for a Behavioral Health Data Exchange Pilot Project to create an electronic clinic reporting system, so Certified Community Behavioral Health Clinics can report outcomes for Medicaid beneficiaries on depression remission, social needs screening, and diabetes management. The pilot program includes five of the six clinics; Gateway is not participating. The Governor requested an amendment to add \$379,549 for FY 2026 and \$178,781 for FY 2027 from restricted receipts. The House Finance Committee concurs.

**98. Hospital License Fee Correction.** The House Finance Committee recommends reducing expenses included in the Governor's recommendation to pay the license fee by \$0.2 million from all sources to reflect the correct fee due under law, which is \$4.0 million in both FY 2026 and FY 2027.

**99. May Caseload Conference - Private Services for Individuals with Developmental Disabilities.** The House Finance Committee recommends increasing community-based service expenses for individuals with developmental disabilities by \$4.0 million for FY 2027 to reflect the results of the May Caseload Estimating Conference based on current utilization trends. Accounting for the remaining changes already assumed in the Governor's budget, FY 2027 spending is estimated to be \$2.8 million more from federal funds and \$1.3 million more from general revenues.

**100. OHIC Rate Increase Full.** The Office of the Health Insurance Commissioner completed its FY 2026 rate review for submission in the FY 2027 budgets, including the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals to the human service agencies. The Governor recommended one-half of the funding, with rates not to exceed 100 percent of Medicare, starting October 1, 2026. The House Finance Committee recommends full funding and adds \$16.7 million, including \$7.1 million from general revenues, bringing the total to \$33.4 million, of which \$14.1 million is from general revenues.

**101. Rural Health Transformation Program (2.0 FTE) (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$142.7 million from federal funds to several state agencies for the first year of the state's award from the Rural Health Transformation Program included in H.R. 1. The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care.

For the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals, the amendment includes \$0.5 million for FY 2026 and \$4.1 million for FY 2027. It also adds two positions in both years. Funding will support recovery centers, crisis and stabilization services, and Westerly Hospital's geriatric psychiatry unit.

**102. Thrive Behavioral Health - Hillsgrove Clubhouse Program.** The House Finance Committee recommends \$500,000 from federal mental health block grant funds to support Thrive Behavioral Health's Hillsgrove Clubhouse Program and adds funding accordingly.

#### **Governor's Commission on Disabilities**

**103. Holiday Pay (GBA).** The recommended budget inadvertently omitted expenses for staff members who work on election days. The House Finance Committee concurs with the Governor's requested amendment to add \$1,695 from general revenues for the expense.

#### **Elementary and Secondary Education**

**104. Capital - Davies HVAC.** The House Finance Committee recommends shifting \$1.0 million from Rhode Island Capital Plan funds for the heating, ventilation, and air conditioning system at Davies Career and Technical School from FY 2026 to FY 2027. This is based on updated information from the school and will align planned expenditures with major work associated with the wing renovation project.

**105. Ed Aid - March Data Update at 43% (GBA).** The House Finance Committee recommends adding \$20.9 million from general revenues to update the Governor's recommendation to increase the student success factor from 40.0 percent to 43.0 percent of the core instruction amount based on updated enrollment and poverty data as of March 2026.

**106. Ed Aid - Career and Technical Education.** The Governor recommends \$4.5 million from general revenues for career and technical education programs for FY 2027, which is consistent with the enacted budget. There was an expectation that funding for these expenditures would grow annually as the funding formula was phased in; however, funding has increased only twice since it was first funded at \$3.0 million in FY 2013, excluding a \$2.0 million increase for FY 2025 to support new programs. The House Finance Committee recommends \$5.5 million, \$1.0 million more than recommended, to provide ongoing support for these high-cost programs.

**107. Ed Aid - Non-Public Transportation Full Funding.** The House Finance Committee recommends adding \$2.0 million from general revenues to fully fund non-public school transportation categorical funding, based on the Department's projections of actual reimbursements. This would provide \$6.7 million

for FY 2027. The funding formula allows the state to provide resources to mitigate the excess costs associated with transporting students to out-of-district non-public schools through the statewide transportation system.

**108. Ed Aid - Regional Transportation Full Funding.** The House Finance Committee recommends adding \$0.5 million from general revenues to fully fund regional transportation categorical funding and provide \$8.3 million for FY 2027, based on the Department's projections of actual reimbursements. The state and regional school districts share the student transportation cost equally, net of any federal sources of revenue for these expenditures, subject to appropriation. The Governor's budget represents 94.1 percent of funding.

**109. Internal Service Fund Adjustments (GBA).** The Governor recommends \$0.7 million from general revenues for centralized facilities management services provided by the Department of Administration for the Department of Elementary and Secondary Education's occupancy of the Shepard Building in Providence. He subsequently requested an amendment to add \$0.2 million from general revenues to reflect electricity and natural gas charges not previously included in the Department's budget. The House Finance Committee concurs with the amended recommendation.

**110. Legal Staff (-1.0 FTE).** The Governor recommends \$151,704 for a new investigator position for the administration of the Department of Elementary and Secondary Education. The House Finance Committee does not concur with providing new funding or staffing authorization. The Governor's FY 2027 budget funds an average of 147.9 full-time equivalent positions, based on current vacancies. The Department could repurpose existing vacancies within its enacted authorization to add additional legal capacity, if desired.

**111. Rural Health Transformation Programs (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$142.7 million from federal funds to several state agencies for the first year of the state's award from the Rural Health Transformation Program included in H.R. 1. The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care. For the Department of Elementary and Secondary Education, the amendment includes \$1.1 million for FY 2026 and \$4.8 million for FY 2027. Funding will primarily support Career and Technical Education programs and workforce development.

**112. School Construction from FY 2026.** The House Finance Committee concurs with the Governor's proposal to eliminate the annual transfer of savings from traditional project delays to the School Building Authority Capital Fund transfer, but recommends recognizing the \$5.9 million in general revenue savings by shifting the funds from FY 2026, rather than his proposed reduction in FY 2027.

**113. School Construction Project Estimate Update.** The House Finance Committee recommends \$0.8 million less from general revenues than recommended for School Construction Aid, based on updated information from the School Building Authority regarding projects expected to be completed prior to July 2026.

**114. School Construction Prospective Payment Schedule Revisions.** The Governor recommends \$102.9 million in construction aid to local districts, \$17.0 million less than the FY 2026 enacted budget and \$28.8 million less than the current service estimates. This includes funding only for the traditional school housing aid program, which reimburses school districts for a share of the costs of completed projects. The Governor proposes several changes to current School Building Authority reimbursement practices and assumes they will be achievable under current law. Together, these shifts essentially delay aid that was projected to be paid in FY 2027 until later years.

The House Finance Committee concurs with the changes to reimbursement practices but recommends implementing them in FY 2028, allowing municipalities and local education agencies time to prepare for

changes in their cash flow. This would provide \$14.2 million more in reimbursements in FY 2027 than under the Governor's proposal and reduce out-year expenses by \$7.1 million each in FY 2028 and FY 2029.

### Higher Education

**115. Capital - PFAS Removal Water Treatment Plant.** Based on updated spending plans, the House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for the University of Rhode Island to construct a water treatment plant for per- and polyfluoroalkyl substances. This includes removing \$4.5 million from FY 2026 and \$3.5 million from FY 2027, and adding \$8.0 million to FY 2028.

**116. Capital - CCRI Renovation and Modernization Phase I.** The House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for the Community College's renovation and modernization phase I project based on updated plans. This includes removing \$2.8 million from FY 2026, \$1.0 million from FY 2027, and \$0.5 million from FY 2028, and adding \$3.7 million to FY 2029, and \$0.5 million to FY 2030.

**117. Capital - CCRI Renovation and Modernization Phase II - IV.** The House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for the Community College's renovation and modernization phase II - IV project based on updated plans. This includes removing \$0.4 million from FY 2026 and \$2.5 million from FY 2031, and adding \$0.2 million to FY 2027 and FY 2029, and \$2.5 million to FY 2030.

**118. Capital - Flanagan Campus Renovations.** The House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for the Community College's Flanagan Campus renovations project based on updated plans. This includes removing \$1.8 million from FY 2026 and \$3.3 million from FY 2027, and adding \$2.8 million to FY 2028, \$2.1 million to FY 2029, and \$0.3 million to FY 2030.

**119. CCRI Statewide Vacancy Reduction (-40.0 FTE).** The House Finance Committee recommends a 220.0 reduction in the statewide full-time equivalent position authorization to reflect long-standing unfunded vacancies in several large agencies. This will lower the authorization limit more closely with historical experience on filled and funded positions while maintaining flexibility for immediate needs. For the Community College of Rhode Island, this reduction is 40.0 positions. The Community College has maintained an average of 100 vacancies in the past six years; in that time period, the lowest level of vacancies was 69 positions.

**120. Institute for Labor Studies and Research.** The House Finance Committee recommends adding \$25,000 from general revenues to provide a total of \$150,000 to the Institute for Labor Studies and Research. The Institute for Labor Studies and Research is a nonprofit educational institution that provides education and training to Rhode Islanders. The 2022 Assembly provided support to the institute for the first time since FY 2016. The 2024 Assembly increased support from \$100,000 to \$125,000.

**121. OPC - Westerly Education Center Tower Street Lease (GBA).** The Governor requested an amendment to allow the Office of Postsecondary Commissioner to enter into a new lease agreement to lease 2,385 square feet of space at the Tower Street Community Center. Currently, the Westerly Education Center is at capacity, and this lease will allow it to expand its training. The agreement would be for a ten-year lease and includes an upfront payment of \$1.5 million from federal funds through the Department of Housing and Urban Development. The remaining annual lease payments would not exceed \$50,000 and would be paid through the Education Center's restricted receipts. The House Finance Committee concurs and adds the \$1.5 million from federal funds.

**122. Promise - Eligibility.** Currently, to be eligible for the Rhode Island Promise Scholarship program, students must enroll in the fall immediately following high school graduation or upon attaining a high school diploma or equivalent by age 19. The House Finance Committee recommends extending the timeframe for graduating high school seniors by one semester, provided the student enrolls immediately after graduation in a postsecondary institution and at the Community College in the first spring after high school graduation. It would also allow students to defer enrollment for up to one semester after graduating from high school, upon submitting an approved written request. The House Finance Committee recommends adding \$200,000 from general revenues to cover the cost of the expansion.

**123. Promise - May Update.** Based on the May Promise report, the House Finance Committee recommends \$7.9 million from general revenues to support the current law Promise Scholarship program in FY 2027. This is \$0.1 million less than the Governor recommended based on updated enrollment and retention projections.

**124. RIC Statewide Vacancy Reduction (-50.0 FTE).** The House Finance Committee recommends a 220.0 reduction in the statewide full-time equivalent position authorization to reflect long-standing unfunded vacancies in several large agencies. This will lower the authorization limit more closely with historical experience on filled and funded positions while maintaining flexibility for immediate needs. For Rhode Island College, this reduction is 50.0 positions. The College has maintained an average of 185 vacancies in the past six years; in that time period, the lowest level of vacancies was 77 positions.

**125. URI FTE Cap (200.0 FTE).** As part of its FY 2027 budget request, the University requested funding for 542 new full-time equivalent positions. The Governor proposes exempting the University from any position limits retroactive to July 1, 2025. The House Finance Committee does not concur with the proposed exemptions and recommends a total of 2,871.0 full-time equivalent positions. This is 200.0 more than the enacted authorization and includes 378.8 limited to third-party funding, as enacted. It also includes a separate cap of 450.0 for positions that support auxiliary operations, as requested by the University.

**126. URI Medical School Planning and Startup.** The House Finance Committee recommends general revenue support for the initial phases of opening a medical school at the University of Rhode Island. The University has indicated that it would need \$5.0 million for FY 2027, \$7.0 million for FY 2028, and \$8.0 million for FY 2029. This would be for operating support alone. It should be noted that the University has also indicated that opening a medical school would cost around \$175 million, including a \$50 million endowment, \$25 million for naming rights, and another \$25 million in fundraising.

#### **Historical Preservation and Heritage Commission**

**127. Persistent Vacancies (-1.6 FTE).** The Governor's recommended budget would fund approximately 14 of the Commission's 15.6 authorized positions. The Commission currently has 3.6 vacant positions, 2.6 of which have been vacant since FY 2022. The House Finance Committee recommends eliminating 1.6 vacant positions and corresponding expenditures of \$240,995 from general revenues.

#### **Attorney General**

**128. Capital - Building Renovations and Repairs.** The House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for asset protection projects at the Attorney General's 180 South Main Street office based on updated spending expectations. This includes shifting \$2.5 million from FY 2026 to later years by adding \$1.5 million to FY 2027 and \$1.0 million to FY 2028. This would provide \$2.7 million for FY 2027 and \$1.9 million for FY 2028.

## Corrections

**129. Accreditation.** The Governor recommends \$0.3 million from general revenues associated with the reallocation of 3.0 existing full-time equivalent positions for a new initiative to achieve American Correctional Association accreditation. The 2025 Assembly did not concur with this initiative when proposed last year; however, staff continues to perform this work. The House Finance Committee does not concur with the allocation and assumes turnover savings equivalent to the redundant positions.

**130. Capital - HVAC Replacement.** The Governor's capital recommendation includes \$39.9 million from Rhode Island Capital Plan funds to replace the heating, ventilation, and air conditioning systems at the Intake Service Center. This is \$1.2 million less than approved, including \$0.5 million more for FY 2027 as well as \$1.7 million less for FY 2026, an error he subsequently requested an amendment to correct. The House Finance Committee recommends total project funding of \$41.6 million, including \$18.5 million less for FY 2026, \$14.3 million more for FY 2027, and \$5.9 million for FY 2028, which corrects the error and reflects an updated project timeline.

**131. Staff Travel.** The Governor recommends \$70,106 more than enacted for the Department of Corrections for out-of-state travel, primarily by agency leadership. The House Finance Committee does not concur and maintains the enacted amount of \$105,343.

**132. Statewide Vacancy Reduction (-50.0 FTE).** The House Finance Committee recommends a 220.0 reduction in the statewide full-time equivalent position authorization to reflect long-standing unfunded vacancies in several large agencies. This will lower the authorization limit more closely with historical experience on filled and funded positions while maintaining flexibility for immediate needs. For the Department of Corrections, which has maintained 94 vacancies over the past six years, this reduction is 50.0 positions.

**133. Vehicles Grant Overstatement.** The Governor's recommendation double counts available federal grant funds to purchase transport vehicles, including \$1.2 million for each FY 2026 and FY 2027. The House Finance Committee recommends \$1.2 million for FY 2026 only to correct the overstatement.

## Judicial

**134. Domestic Violence Calendar (3.0 FTE).** The House Finance Committee recommends \$0.6 million from general revenues and 3.0 full-time equivalent positions for the creation of a new Domestic Violence Calendar within the Superior Court. The Judiciary indicates a backlog of over 1,200 felony domestic violence cases. By centralizing and expediting disposition, the calendar is intended to reduce the backlog and improve efficiency, victim safety, and enforcement of bail conditions, no-contact orders, and protective orders.

## Military Staff

**135. Capital - Army National Guard Asset Protection.** The Governor requested an amendment to increase federal funds for Army National Guard asset protection projects by \$0.6 million for FY 2026 and \$3.5 million for FY 2027 to replace water supply infrastructure at the Army National Guard Readiness Center in Coventry and to connect the facility to the Kent County Water Authority municipal water system. This reflects new information that it would receive federal funding with no state match requirement. The House Finance Committee concurs with the amended recommendation and also recommends shifting \$1.9 million from Rhode Island Capital Plan Funds from FY 2026 to FY 2027 to reflect timing of expenses for other asset protection projects.

## Emergency Management Agency

**136. Non-Snow Removal Blizzard Expenses (GBA).** The Governor requested an amendment to add \$1.0 million from general revenues to support the Emergency Management Agency reimbursement process and application in the event of a federal disaster declaration. The funding will be used for a contractor to support the Agency in maximizing eligible expenses and reimbursement and are fully reimbursable by the Federal Emergency Management Agency if there is a declaration. The State Budget Officer indicated that the funding to support the contractor could also be budgeted as federal sources. The House Finance Committee concurs with the \$1.0 million and budgets federal funds in anticipation of a declaration.

## Public Safety

**137. Go Team Community Expansion.** The Governor recommends \$0.4 million from general revenues for the Family Service of Rhode Island's GO Team, consistent with the enacted budget. The team includes trauma experts who respond on the scene with the Rhode Island State Police and municipal police. They support children who are victims of violence and other traumas. These efforts have historically been supported by Victims of Crime Act formula grants, but the Family Service of Rhode Island reported a significant decrease in this funding. The House Finance Committee recommends adding \$360,000, bringing the total to \$760,000, to sustain and grow the model in other communities.

**138. RI Police Officers Commission on Standards and Training Grant (GBA).** The Governor recommends a new appropriation of \$75,000 to provide additional administrative capacity and modernized information management systems to the Rhode Island Police Officers Commission on Standards and Training. The budget includes funding from restricted receipts in error. The House Finance Committee concurs with the Governor's requested amendment to provide general revenues to correct the error.

**139. State Police Pension Revisions.** The House Finance Committee recommends adding \$2.6 million, including \$2.5 million from general revenues, to fund the impact of two revisions to State Police pension calculations. The first is a technical change to correct a drafting error in the 2025 legislation, to change the calculation for pension benefits from the highest five consecutive years of compensation to the highest three consecutive years for the State Police, similar to changes made for other employees in 2024. The second change would increase the benefit accrual rate from 2.0 percent to 3.0 percent after 20 years of service for members hired before July 1, 2007, and to 3.0 percent after 25 years of service for members hired on or after July 1, 2027. The maximum benefit of 65.0 percent would not change. This is intended to help recruitment and retention efforts.

**140. Turnover Savings.** The House Finance Committee recommends \$1.1 million of general revenue turnover savings in the Division of Sheriffs and the State Police. This includes \$0.4 million for the State Police, in anticipation of pending retirements, and \$0.7 million in the Division of Sheriffs based on ongoing vacancies experienced in FY 2026.

## Public Defender

**141. Lease Extension (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$73,370 from general revenues to reflect the updated estimate for the Office of the Public Defender's lease extension. Article 9 of the recommended budget includes legislation extending the lease for the main office at 160 Pine St. for five years. This would provide a total of \$0.9 million for office space for FY 2027.

## Environmental Management

**142. Capital - Big River Management Area from DOA (GBA).** The Governor recommends \$4.4

million from Rhode Island Capital Plan funds for infrastructure repairs and improvements in the Big River Management Area in the Department of Administration's capital budget. The Governor also proposes granting the Department of Environmental Management authority over the land and natural resources of the Big River Management Area and transferring a position from the Department of Administration. The Governor requested an amendment to transfer the asset protection portion of the project from the Department of Administration to Environmental Management, including \$0.6 million for FY 2027. The House Finance Committee concurs.

**143. Capital - Natural Resource Offices and Visitors' Center.** The Governor recommends \$5.2 million from Rhode Island Capital Plan funds for renovations and asset protection work at the University of Rhode Island's Alton Jones Campus to house a visitor's center, along with other Department offices. Based on spending delays in FY 2026, the House Finance Committee recommends shifting \$1.7 million from FY 2026 to the outyears, including \$1.0 million to FY 2027 and \$0.7 million to FY 2028.

**144. Foundry Lease (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.1 million from general revenues for the rental costs associated with the Department of Environmental Management leasing the Foundry building. The Department has occupied this space on Promenade Street since 1996. The current lease expires in July 2026. As of mid-May 2026, the lease agreement is being finalized, and the additional \$0.1 million represents an updated projection of annual lease costs, including facility improvements. The final 10-year lease will occupy approximately 115,733 square feet at an estimated annual cost of \$2.8 million.

**145. Replacement Forestry Hoses.** The House Finance Committee recommends adding \$50,000 from general revenues to purchase new forestry fire hoses. The Division of Agriculture and Forest Environment administers several forest fire programs to assist local departments and the public in fire control. Current hoses are approximately 40 years old. Recent fire events, such as the 2023 Exeter wildfire, have made the need for new forestry hoses apparent.

### **Coastal Resources Management Council**

**146. Permit and Enforcement Database (GBA).** The Governor inadvertently excluded \$50,000 from general revenues in his FY 2027 recommendation to implement a new permit and enforcement database for the Coastal Resources Management Council. This was originally included in the FY 2026 enacted budget as a placeholder until database costs are finalized. The House Finance Committee concurs with the Governor's requested amendment to correct the error.

### **Transportation**

**147. Capital - Bus Purchases.** The House Finance Committee does not concur with the Governor's recommendation to annually allocate \$3.5 million, totaling \$17.5 million in the five-year period from Rhode Island Capital Plan funds to be used for bus purchases. Rhode Island Capital Plan funds were previously allowed to be used for debt service in the early 1990s. The voters approved a constitutional amendment in 2006 to allow the funds to be used solely for capital projects beginning in FY 2008. The Assembly has maintained the use of these funds for direct, specific capital project costs.

The Committee includes legislation authorizing the Office of Energy Resources to coordinate with the Rhode Island Public Transit Authority to determine the total funding required to match federal funds to purchase electric buses. Of the agreed-upon amount, 50.0 percent shall be from Regional Greenhouse Gas Initiative auction proceeds, and the remaining 50.0 percent from authority sources.

**148. Capital - Bus Shelter Renovation and Replacement.** The House Finance Committee recommends \$15.0 million, \$3.0 million annually in a five-year period from Rhode Island Capital Plan funds for the

Rhode Island Public Transit Authority to add and replace bus shelters statewide. The Authority has 300 shelters that are more than 20 years old; the Federal Transit Administration’s standard is 15 years. It had requested a total of \$40.9 million from all sources, including \$30.0 million from new general obligation bonds to go before voters in 2026. The Governor’s recommendation does not fund this project.

**149. DOT - Gas Tax at Current Law and Revision to HMA Share.** The Governor proposed reducing the gas tax by two cents, with the reduction coming from the Department of Transportation’s allocation. He also proposed amending the allocation of the Highway Maintenance Account to increase the fixed annual allocation by \$9.3 million to \$14.3 million, in addition to the 10.0 percent of the funds that the Rhode Island Public Transit Authority receives. The House Finance Committee recommends maintaining the gas tax at the current law amount, which increases gas tax proceeds to the Department by \$8.8 million, and recognizes \$1.5 million from updated estimates. The House Finance Committee recommends amending the Highway Maintenance Account allocation to provide the Authority with 25.0 percent of the funds instead of the current 10.0 percent, with fixed-amount provisions. This decreases the Department’s share of the funds by \$3.3 million. Combined with updated estimates, the House Finance Committee includes an additional \$7.0 million, reflecting additional gas tax receipts, partially offset by the revision to the Highway Maintenance Account.

DOT	Item	Governor's		
		Proposal	HFC	Impact
	Gas Tax Reduction	\$ -	\$ 8,757,500	\$ 8,757,500
	Updated Gas Tax Estimate	-	1,542,459	1,542,459
	HMA Revision	(9,300,000)	(12,643,223)	(3,298,949)
<b>Total</b>		<b>\$ (9,300,000)</b>	<b>\$ (2,343,264)</b>	<b>\$ 7,001,010</b>

**150. GARVEE Debt - Federal Funds Correction.** The recommended budgets inadvertently overstated federal fund expenses for debt issued through the Grant Anticipation Revenue Vehicle Program by \$0.1 million in each FY 2026 and FY 2027. The program allows states to borrow funds that are repaid by the annual allocation of Federal Highway Administration construction funds. The House Finance Committee corrects this error.

**151. RIPTA - Gas Tax Yield and 25 Percent of HMA.** Under current law, the Rhode Island Public Transit Authority receives 10.0 percent and a fixed amount of \$5.0 million. The Governor proposed legislation amending the allocation of the Highway Maintenance Account to increase the fixed annual allocation by \$9.3 million to \$14.3 million, for a total of \$26.5 million. The House Finance Committee recommends amending the Highway Maintenance Account allocation to annually provide the Authority with 25.0 percent of the available funds and remove the fixed-amount provision. Based on updated estimates, the Authority’s share of the funds is \$30.7 million, or \$4.2 million more than the Governor’s recommendation. It also includes an additional \$0.8 million, reflecting an upward revision to the gas tax yield. The FY 2027 enacted budget includes a total of \$82.1 million from these sources to the Authority.

**152. Statewide Vacancy Reduction (-35.0 FTE).** The House Finance Committee recommends a 220.0 reduction in the statewide full-time equivalent position authorization to reflect long-standing unfunded vacancies in several large agencies. This will lower the authorization limit more closely with historical experience on filled and funded positions while maintaining flexibility for immediate needs. For the Department of Transportation, which has averaged approximately 60 vacancies over the past five years, this represents a reduction of 35.0 positions. There were 70 vacancies as of late March 2026.

**153. Turnpike and Bridge Authority - Gas Tax Yield.** The House Finance Committee recommends adjusting available gasoline tax proceeds in the Department of Transportation based on an increased transfer to the Rhode Island Turnpike and Bridge Authority of \$0.2 million to reflect an upward revision to the gasoline tax yield estimate. The FY 2027 enacted budget would include \$15.3 million for the Authority.

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## **Section III**

### **Special Reports**

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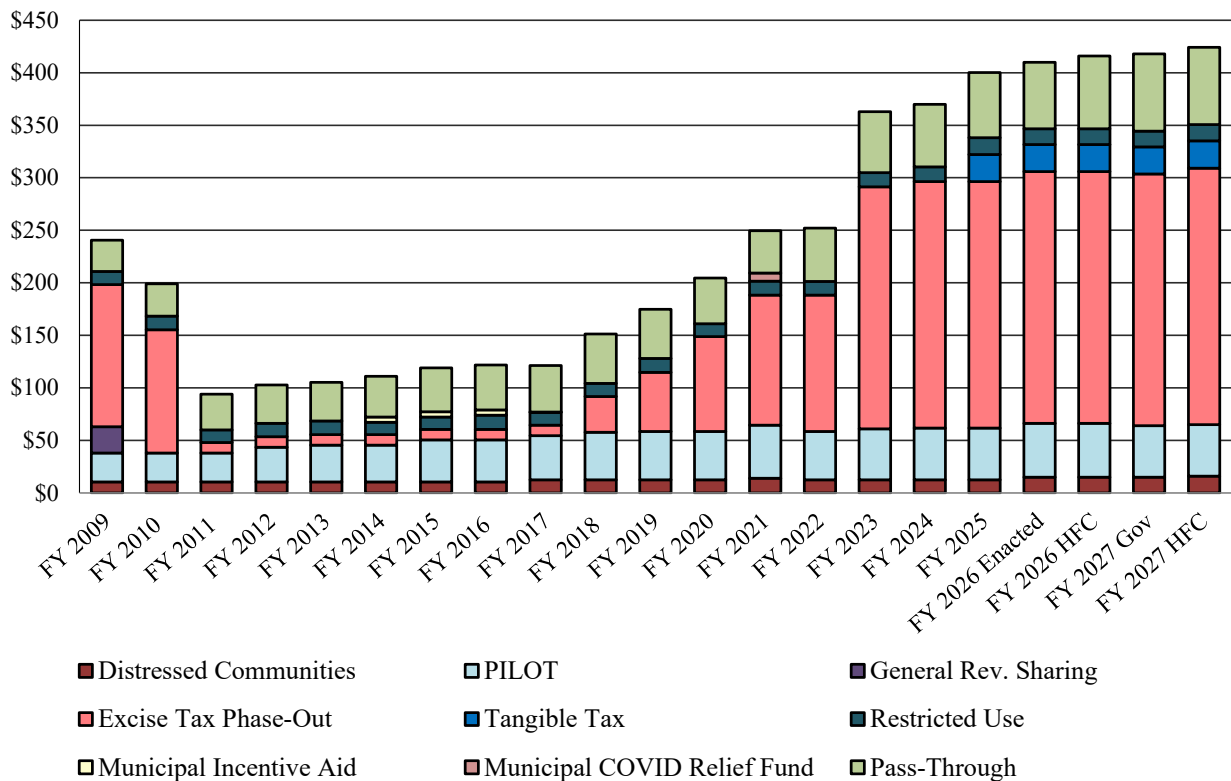


# State Aid to Local Governments

## Introduction

The House Finance Committee recommends state aid to cities and towns totaling \$346.6 million for FY 2026 and \$350.6 million for FY 2027. Funding for general aid programs is \$335.1 million for FY 2027, \$3.5 million more than the FY 2026 enacted budget and \$5.7 million more than the Governor recommended. For FY 2026, it is \$331.7 million. The budget for restricted use programs includes \$15.5 million for FY 2027, which is \$0.5 million more than enacted and the amount the Governor recommended; FY 2026 is unchanged. Local governments also receive revenues from other local taxes, which the state collects and passes through to the communities. This is estimated to be \$69.4 million for FY 2026 and \$73.6 million for FY 2027. The FY 2026 enacted assumption was \$66.2 million.

The following graph shows historical funding data, in millions, and includes the allocation by program from FY 2009 through the House Finance Committee recommendation for FY 2027.



The major changes included in the aid proposal are discussed on the following pages, followed by tables that show the recommended distribution of general aid and restricted aid programs by community. Though not a state aid program, there are also tables for the public service corporation, and local 2.0 percent meals and beverage and hotel tax collections, which are collected at the state level for efficiency purposes and returned to local governments.

**General.** The House Finance Committee recommendation for general state aid programs to local governments includes \$335.1 million for FY 2027 and \$331.7 million for FY 2026.

Fiscal Year	2026 Enacted	2026 Gov. Rev.	Revised Change	2026 HFC	2027 Governor	Gov. Chg. to Enacted	2027 HFC	HFC to Gov.
<b>General Aid</b>								
Distressed Communities	\$ 14.9	\$ 14.9	\$ -	\$ 14.9	\$ 14.9	\$ -	\$ 15.8	\$ 0.9
PILOT	51.3	51.3	-	51.3	49.0	(2.3)	49.0	-
Excise Tax Phase-Out	239.5	239.6	0.0	239.6	239.6	0.0	244.3	4.8
Tangible Tax Exemption	25.9	25.9	0.0	25.9	25.9	0.0	25.9	-
<b>Subtotal</b>	<b>\$ 331.7</b>	<b>\$ 331.7</b>	<b>\$ 0.0</b>	<b>\$ 331.7</b>	<b>\$ 329.4</b>	<b>\$ (2.3)</b>	<b>\$ 335.1</b>	<b>\$ 5.7</b>
<b>Restricted Use Aid</b>								
Library Resource Aid	\$ 12.1	\$ 12.1	\$ -	\$ 12.1	\$ 12.1	\$ -	\$ 12.5	\$ 0.5
Library Const. Aid	2.1	2.1	-	2.1	2.1	(0.0)	2.1	-
Prop. Val. Reimb.	0.7	0.7	-	0.7	0.8	0.1	0.8	-
<b>Subtotal</b>	<b>\$ 14.9</b>	<b>\$ 14.9</b>	<b>\$ -</b>	<b>\$ 14.9</b>	<b>\$ 15.0</b>	<b>\$ 0.1</b>	<b>\$ 15.5</b>	<b>\$ 0.5</b>
<b>Total Appropriated Aid</b>	<b>\$ 346.6</b>	<b>\$ 346.6</b>	<b>\$ 0.0</b>	<b>\$ 346.6</b>	<b>\$ 344.4</b>	<b>\$ (2.2)</b>	<b>\$ 350.6</b>	<b>\$ 6.2</b>
<b>Other Aid - Pass-Through</b>								
Public Service Corp.	\$ 14.8	\$ 15.7	\$ 0.8	\$ 15.7	\$ 13.2	\$ (1.6)	\$ 13.2	\$ -
Meals and Beverage Tax	41.4	43.2	1.8	43.2	45.1	3.7	45.1	-
Local Hotel Tax	9.9	10.5	0.5	10.5	15.3	5.3	15.3	-
<b>Total Other Aid</b>	<b>\$ 66.2</b>	<b>\$ 69.4</b>	<b>\$ 3.2</b>	<b>\$ 69.4</b>	<b>\$ 73.6</b>	<b>\$ 7.4</b>	<b>\$ 73.6</b>	<b>\$ -</b>

\$ in millions

- Distressed Communities Relief Fund.** For FY 2027, the House Finance Committee recommends \$15.8 million for the Distressed Communities Relief Fund. This is \$0.9 million more than the enacted level and the Governor’s recommendation. Communities’ aid distribution is based on updated qualifying tax levies. For both the first year of a community’s qualification as a distressed community and the year that a community no longer qualifies, it receives a transition payment of half its proportional share; there is a redistribution of funding among qualifying communities based on the recommended total. Updated Census data available after the Governor’s budget was submitted showed East Providence as a newly qualified community for FY 2027, and it will receive a transition payment equal to 50.0 percent of the current law requirement. Without additional resources, this payment would have resulted in decreased payments to the other eligible communities.
- Payment in Lieu of Taxes Program.** The House Finance Committee recommends \$49.0 million for FY 2027 to fully fund the payment in lieu of taxes program that reimburses municipalities for property taxes that would have been due on certain real property exempted from taxation by state law. This includes property owned by private nonprofit higher educational institutions, nonprofit hospitals, or any state-owned hospital, veterans’ residential facility, or correctional facility. Municipalities may be reimbursed up to 27.0 percent of the tax that would have been collected if the property had been taxable, subject to appropriation. This is consistent with the Governor’s recommended budget and \$2.3 million less than the enacted budget, which also fully funded the program, based on updated local data on forgone revenues. The City of Providence has the majority of eligible property and recently conducted a property revaluation, subsequently reducing property tax rates.
- Motor Vehicle Excise Tax Phase-Out.** The Governor recommends funding the Motor Vehicle Excise Tax Phase-out program at \$239.6 million for both FY 2026 and FY 2027. He proposes repealing the requirement that municipal reimbursement for the motor vehicle excise tax increase based on the annual change in sales tax collections, subject to a cap of 2.0 percent per year. The House Finance Committee recommends adding \$4.8 million to maintain current law, which provides a total of \$244.3 million for FY 2027.
- Tangible Tax Exemption.** The Governor recommends \$25.9 million, or \$5,241 more than enacted, from general revenues for FY 2026 and FY 2027, to reimburse municipalities for the cost of the exemption.

This is based on corrected data from the Division of Municipal Finance regarding fire districts. The 2023 Assembly enacted legislation to exempt \$50,000 from the tangible property tax beginning January 1, 2024.

Municipalities and fire districts are reimbursed for all foregone revenues and the value of all uniformly applied exemptions; however, individualized exemptions are not eligible for reimbursement. Each community is required to send its certified tax rolls to the Division of Municipal Finance by August 15 annually. The initial reimbursement was September 30, 2024, with subsequent reimbursements annually thereafter. The House Finance Committee recommends \$25.9 million, consistent with the Governor's revised FY 2026 and FY 2027 recommendations.

- ***Library Resource Sharing Aid.*** The House Finance Committee recommends \$12.5 million to fully fund library aid for FY 2027. Current law allows 25.0 percent reimbursement of second-prior-year expenditures, subject to appropriation. This is \$0.5 million more than the Governor's recommendation, which represents a 24.1 percent reimbursement.
- ***Library Construction Aid.*** The House Finance Committee recommends \$2.1 million to fully fund library construction aid requirements. The state reimburses libraries up to half of the total costs for eligible projects on an installment basis, for a period of up to 20 years. The payments do not begin until the state fiscal year following the completion, acceptance, and audit of the project.
- ***Property Valuation Reimbursement.*** The House Finance Committee recommends \$0.8 million from general revenues for FY 2027 to reimburse communities conducting property valuation updates. Current law requires that municipalities complete full revaluations every nine years, with statistical updates every third and sixth year following a full revaluation. This reflects anticipated expenses for maximum allowable reimbursements for communities scheduled to complete revaluations.
- ***Public Service Corporation Tax.*** The FY 2027 budget assumes the state will collect and distribute \$15.7 million and \$13.2 million in FY 2026 and FY 2027, respectively, from property tax revenues from public service corporations on behalf of municipalities and pass that back to them. Companies are required to declare the assessed property values to the Division of Taxation annually by March 1; payments are made in July. A final figure will be provided when the actual payments are made.
- ***Meals and Beverage Tax.*** The FY 2027 budget assumes the state will collect and distribute an estimated \$43.2 million and \$45.1 million from local meals and beverage taxes for FY 2026 and FY 2027, respectively. The distributions are estimated and subject to change.
- ***Local Hotel Tax.*** The FY 2027 budget assumes the state will collect and distribute an estimated \$10.5 million and \$15.3 million for FY 2026 and FY 2027, respectively.

## General Aid Total

Includes Distressed Communities, PILOT, Motor Vehicle Excise Tax, & Tangible Tax

<i>City or Town</i>	<i>FY2026 Enacted</i>	<i>FY2026 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY2026 HFC</i>	<i>FY2026 HFC to Gov. Rev.</i>
Barrington	\$ 6,114,764	\$ 6,115,416	\$ 653	\$ 6,115,416	\$ -
Bristol	4,504,556	4,506,337	1,782	4,506,337	-
Burrillville	5,291,575	5,287,551	(4,024)	5,287,551	-
Central Falls	2,788,238	2,789,517	1,279	2,789,517	-
Charlestown	1,059,388	1,048,495	(10,893)	1,048,495	-
Coventry	7,159,937	7,159,529	(409)	7,159,529	-
Cranston	28,033,908	28,047,574	13,666	28,047,574	-
Cumberland	6,706,428	6,710,150	3,722	6,710,150	-
East Greenwich	3,973,813	3,975,292	1,479	3,975,292	-
East Providence	13,858,339	13,863,490	5,151	13,863,490	-
Exeter	2,339,399	2,329,373	(10,026)	2,329,373	-
Foster	1,785,801	1,777,706	(8,095)	1,777,706	-
Glocester	2,632,923	2,623,265	(9,659)	2,623,265	-
Hopkinton	1,851,389	1,842,799	(8,591)	1,842,799	-
Jamestown	669,935	670,323	387	670,323	-
Johnston	11,981,411	11,980,298	(1,112)	11,980,298	-
Lincoln	6,279,663	6,280,731	1,068	6,280,731	-
Little Compton	419,086	419,316	230	419,316	-
Middletown	2,315,904	2,312,443	(3,461)	2,312,443	-
Narragansett	1,945,092	1,945,902	809	1,945,902	-
Newport	4,061,955	4,063,320	1,365	4,063,320	-
New Shoreham	181,783	181,883	101	181,883	-
North Kingstown	5,816,358	5,816,281	(78)	5,816,281	-
North Providence	11,999,709	12,005,600	5,892	12,005,600	-
North Smithfield	4,935,692	4,929,407	(6,285)	4,929,407	-
Pawtucket	20,233,592	20,243,693	10,101	20,243,693	-
Portsmouth	2,634,993	2,636,472	1,479	2,636,472	-
Providence	88,908,383	88,928,262	19,879	88,928,262	-
Richmond	1,589,417	1,590,308	891	1,590,308	-
Scituate	2,163,458	2,159,318	(4,140)	2,159,318	-
Smithfield	9,869,641	9,864,307	(5,333)	9,864,307	-
South Kingstown	4,408,995	4,401,027	(7,968)	4,401,027	-
Tiverton	1,935,917	1,925,850	(10,067)	1,925,850	-
Warren	2,312,654	2,312,170	(484)	2,312,170	-
Warwick	30,590,433	30,605,894	15,462	30,605,894	-
Westerly	6,531,167	6,534,702	3,535	6,534,702	-
West Greenwich	1,528,332	1,529,151	819	1,529,151	-
West Warwick	7,919,692	7,923,169	3,477	7,923,169	-
Woonsocket	11,706,694	11,706,632	(61)	11,706,632	-
<b>Subtotal</b>	<b>\$ 331,040,414</b>	<b>\$ 331,042,958</b>	<b>\$ 2,544</b>	<b>\$ 331,042,958</b>	<b>\$ -</b>
MV Phase Out - Fire					
Districts	454,918	455,191	273	455,191	-
Tangible Tax Distribution					
to Fire Districts	157,419	162,660	5,241	162,660	-
<b>Total</b>	<b>\$ 331,652,751</b>	<b>\$ 331,660,810</b>	<b>\$ 8,059</b>	<b>\$ 331,660,810</b>	<b>\$ -</b>

## General Aid Total

Includes Distressed Communities, PILOT, Motor Vehicle Excise Tax, & Tangible Tax

<i>City or Town</i>	<i>FY2026 Enacted</i>	<i>FY2027 Governor</i>	<i>FY2027 Gov. to Enacted</i>	<i>FY2027 HFC</i>	<i>FY2027 HFC to Governor</i>
Barrington	\$ 6,114,764	\$ 6,116,155	\$ 1,392	\$ 6,236,422	\$ 120,266
Bristol	4,504,556	4,390,094	(114,462)	4,449,508	59,414
Burrillville	5,291,575	5,268,950	(22,625)	5,371,967	103,017
Central Falls	2,788,238	2,768,023	(20,215)	2,810,667	42,644
Charlestown	1,059,388	1,048,495	(10,893)	1,069,098	20,603
Coventry	7,159,937	7,936,953	777,015	8,056,742	119,789
Cranston	28,033,908	28,116,633	82,725	28,572,303	455,670
Cumberland	6,706,428	6,710,150	3,722	6,834,250	124,099
East Greenwich	3,973,813	3,975,292	1,479	4,024,644	49,352
East Providence	13,858,339	13,859,402	1,063	15,033,300	1,173,898
Exeter	2,339,399	2,329,373	(10,026)	2,374,892	45,519
Foster	1,785,801	1,777,706	(8,095)	1,811,247	33,540
Glocester	2,632,923	2,623,265	(9,659)	2,671,659	48,394
Hopkinton	1,851,389	1,842,799	(8,591)	1,875,860	33,061
Jamestown	669,935	670,323	387	683,260	12,937
Johnston	11,981,411	11,980,298	(1,112)	12,192,082	211,784
Lincoln	6,279,663	6,280,731	1,068	6,396,685	115,954
Little Compton	419,086	419,316	230	426,983	7,666
Middletown	2,315,904	2,312,443	(3,461)	2,352,692	40,248
Narragansett	1,945,092	1,945,902	809	1,983,275	37,374
Newport	4,061,955	4,106,444	44,489	4,151,963	45,519
New Shoreham	181,783	181,883	101	185,237	3,354
North Kingstown	5,816,358	5,816,284	(74)	5,926,009	109,725
North Providence	11,999,709	11,895,077	(104,631)	12,091,530	196,453
North Smithfield	4,935,692	4,929,407	(6,285)	5,019,008	89,601
Pawtucket	20,233,592	20,152,504	(81,087)	20,489,348	336,843
Portsmouth	2,634,993	2,636,472	1,479	2,685,825	49,352
Providence	88,908,383	85,862,149	(3,046,234)	86,558,840	696,692
Richmond	1,589,417	1,590,308	891	1,620,015	29,707
Scituate	2,163,458	2,159,318	(4,140)	2,199,566	40,248
Smithfield	9,869,641	10,368,540	498,899	10,513,242	144,703
South Kingstown	4,408,995	4,381,632	(27,363)	4,461,650	80,018
Tiverton	1,935,917	1,925,850	(10,067)	1,961,307	35,457
Warren	2,312,654	2,312,170	(484)	2,354,815	42,644
Warwick	30,590,433	30,615,267	24,834	31,130,831	515,564
Westerly	6,531,167	6,504,621	(26,546)	6,622,491	117,871
West Greenwich	1,528,332	1,529,151	819	1,556,463	27,311
West Warwick	7,919,692	7,825,861	(93,831)	7,941,816	115,955
Woonsocket	11,706,694	11,609,211	(97,483)	11,799,434	190,223
<b>Subtotal</b>	<b>\$ 331,040,414</b>	<b>\$ 328,774,454</b>	<b>\$ (2,265,960)</b>	<b>\$ 334,496,924</b>	<b>\$ 5,722,472</b>
MV Phase Out - Fire Districts	454,918	455,191	273	464,295	9,104
Tangible Tax Distribution to Fire Districts	157,419	162,660	5,241	162,660	-
<b>Total</b>	<b>\$ 331,652,751</b>	<b>\$ 329,392,305</b>	<b>\$ (2,260,446)</b>	<b>\$ 335,123,878</b>	<b>\$ 5,731,576</b>

## Distressed Communities Relief

<i>City or Town</i>	<i>FY 2026 Enacted</i>	<i>FY 2026 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2026 HFC</i>	<i>FY 2026 HFC to Gov. Rev.</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	-	-	-	-	-
Central Falls	305,400	305,400	-	305,400	-
Charlestown	-	-	-	-	-
Coventry	804,459	804,459	-	804,459	-
Cranston	-	-	-	-	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	-	-	-	-	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	1,275,820	1,275,820	-	1,275,820	-
North Smithfield	-	-	-	-	-
Pawtucket	2,021,793	2,021,793	-	2,021,793	-
Portsmouth	-	-	-	-	-
Providence	8,185,589	8,185,589	-	8,185,589	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	1,295,536	1,295,536	-	1,295,536	-
Woonsocket	995,860	995,860	-	995,860	-
<b>Total</b>	<b>\$ 14,884,458</b>	<b>\$ 14,884,458</b>	<b>\$ -</b>	<b>\$ 14,884,458</b>	<b>\$ -</b>

## Distressed Communities Relief

<i>City or Town</i>	<i>FY 2026 Enacted</i>	<i>FY 2027 Governor</i>	<i>FY 2027 Gov. to Enacted</i>	<i>FY 2027 HFC</i>	<i>FY 2027 HFC to Governor</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-	-
Burrillville	-	-	-	-	-
Central Falls	305,400	283,906	(21,494)	283,906	-
Charlestown	-	-	-	-	-
Coventry	804,459	1,581,883	777,424	1,581,885	2
Cranston	-	-	-	-	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	-	-	-	940,553	940,553
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	1,275,820	1,165,297	(110,523)	1,165,299	2
North Smithfield	-	-	-	-	-
Pawtucket	2,021,793	1,930,433	(91,360)	1,930,435	2
Portsmouth	-	-	-	-	-
Providence	8,185,589	7,781,873	(403,716)	7,781,883	10
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	-	-	-	-	-
Westerly	-	-	-	-	-
West Greenwich	-	-	-	-	-
West Warwick	1,295,536	1,198,228	(97,308)	1,198,229	1
Woonsocket	995,860	942,838	(53,022)	942,839	1
<b>Total</b>	<b>\$ 14,884,458</b>	<b>\$ 14,884,458</b>	<b>\$ -</b>	<b>\$ 15,825,029</b>	<b>\$ 940,571</b>

## Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2026 Enacted</i>	<i>FY 2026 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2026 HFC</i>	<i>FY 2026 HFC to Gov. Rev.</i>
Barrington	\$ 18,467	\$ 18,467	\$ -	\$ 18,467	\$ -
Bristol	1,388,333	1,388,333	-	1,388,333	-
Burrillville	64,050	64,050	-	64,050	-
Central Falls	-	-	-	-	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	3,525,471	3,525,471	-	3,525,471	-
Cumberland	-	-	-	-	-
East Greenwich	961,042	961,042	-	961,042	-
East Providence	312,445	312,445	-	312,445	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	1,483,161	1,483,161	-	1,483,161	-
New Shoreham	-	-	-	-	-
North Kingstown	51	51	-	51	-
North Providence	-	-	-	-	-
North Smithfield	-	-	-	-	-
Pawtucket	2,622	2,622	-	2,622	-
Portsmouth	-	-	-	-	-
Providence	39,807,256	39,807,256	-	39,807,256	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	1,298,117	1,298,117	-	1,298,117	-
South Kingstown	188,759	188,759	-	188,759	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,746,778	1,746,778	-	1,746,778	-
Westerly	156,006	156,006	-	156,006	-
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	365,090	365,090	-	365,090	-
<b>Total</b>	<b>\$ 51,317,647</b>	<b>\$ 51,317,647</b>	<b>\$ -</b>	<b>\$ 51,317,647</b>	<b>\$ -</b>

## Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2026 Enacted</i>	<i>FY 2027 Governor</i>	<i>FY 2027 Gov. to Enacted</i>	<i>FY 2027 HFC</i>	<i>FY 2027 HFC to Governor</i>
Barrington	\$ 18,467	\$ 19,206	\$ 739	\$ 19,206	\$ -
Bristol	1,388,333	1,272,090	(116,244)	1,272,090	-
Burrillville	64,050	45,450	(18,601)	45,450	-
Central Falls	-	-	-	-	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	3,525,471	3,594,530	69,059	3,594,530	-
Cumberland	-	-	-	-	-
East Greenwich	961,042	961,042	(0)	961,042	-
East Providence	312,445	308,356	(4,088)	308,356	-
Exeter	-	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	1,483,161	1,526,284	43,124	1,526,284	-
New Shoreham	-	-	-	-	-
North Kingstown	51	55	4	55	-
North Providence	-	-	-	-	-
North Smithfield	-	-	-	-	-
Pawtucket	2,622	2,793	171	2,793	-
Portsmouth	-	-	-	-	-
Providence	39,807,256	37,144,858	(2,662,398)	37,144,858	-
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	1,298,117	1,802,349	504,232	1,802,349	-
South Kingstown	188,759	169,364	(19,395)	169,364	-
Tiverton	-	-	-	-	-
Warren	-	-	-	-	-
Warwick	1,746,778	1,756,150	9,373	1,756,150	-
Westerly	156,006	125,925	(30,081)	125,925	-
West Greenwich	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	365,090	320,690	(44,399)	320,690	-
<b>Total</b>	<b>\$ 51,317,647</b>	<b>\$ 49,049,142</b>	<b>\$ (2,268,505)</b>	<b>\$ 49,049,142</b>	<b>\$ -</b>

## Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2026 Enacted</i>	<i>FY 2026 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2026 HFC</i>	<i>FY 2026 HFC to Gov. Rev.</i>
Barrington	\$ 6,012,659	\$ 6,013,312	\$ 653	\$ 6,013,312	\$ -
Bristol	2,968,938	2,970,720	1,782	2,970,720	-
Burrillville	5,154,869	5,150,845	(4,024)	5,150,845	-
Central Falls	2,130,931	2,132,210	1,279	2,132,210	-
Charlestown	1,041,064	1,030,171	(10,893)	1,030,171	-
Coventry	5,989,764	5,989,355	(409)	5,989,355	-
Cranston	22,769,840	22,783,506	13,666	22,783,506	-
Cumberland	6,201,250	6,204,972	3,722	6,204,972	-
East Greenwich	2,466,135	2,467,614	1,479	2,467,614	-
East Providence	11,662,112	11,667,263	5,151	11,667,263	-
Exeter	2,285,981	2,275,955	(10,026)	2,275,955	-
Foster	1,685,114	1,677,019	(8,095)	1,677,019	-
Glocester	2,429,358	2,419,699	(9,659)	2,419,699	-
Hopkinton	1,661,653	1,653,062	(8,591)	1,653,062	-
Jamestown	646,463	646,850	387	646,850	-
Johnston	10,590,291	10,589,179	(1,112)	10,589,179	-
Lincoln	5,796,627	5,797,695	1,068	5,797,695	-
Little Compton	383,089	383,319	230	383,319	-
Middletown	2,015,884	2,012,423	(3,461)	2,012,423	-
Narragansett	1,867,870	1,868,679	809	1,868,679	-
Newport	2,274,590	2,275,955	1,365	2,275,955	-
New Shoreham	167,601	167,702	101	167,702	-
North Kingstown	5,486,327	5,486,249	(78)	5,486,249	-
North Providence	9,816,650	9,822,542	5,892	9,822,542	-
North Smithfield	4,486,322	4,480,037	(6,285)	4,480,037	-
Pawtucket	16,831,965	16,842,066	10,101	16,842,066	-
Portsmouth	2,466,135	2,467,614	1,479	2,467,614	-
Providence	34,814,208	34,834,087	19,879	34,834,087	-
Richmond	1,484,469	1,485,360	891	1,485,360	-
Scituate	2,016,563	2,012,423	(4,140)	2,012,423	-
Smithfield	7,240,474	7,235,141	(5,333)	7,235,141	-
South Kingstown	4,008,857	4,000,889	(7,968)	4,000,889	-
Tiverton	1,782,916	1,772,849	(10,067)	1,772,849	-
Warren	2,132,694	2,132,210	(484)	2,132,210	-
Warwick	25,762,721	25,778,183	15,462	25,778,183	-
Westerly	5,889,990	5,893,525	3,535	5,893,525	-
West Greenwich	1,364,754	1,365,573	819	1,365,573	-
West Warwick	5,794,218	5,797,695	3,477	5,797,695	-
Woonsocket	9,511,156	9,511,095	(61)	9,511,095	-
<b>Subtotal</b>	<b>\$ 239,092,501</b>	<b>\$ 239,095,043</b>	<b>\$ 2,542</b>	<b>\$ 239,095,043</b>	<b>\$ -</b>
<i>MV Phase Out - Fire Districts</i>	<i>454,918</i>	<i>455,191</i>	<i>273</i>	<i>455,191</i>	<i>-</i>
<b>Total</b>	<b>\$ 239,547,419</b>	<b>\$ 239,550,234</b>	<b>\$ 2,815</b>	<b>\$ 239,550,234</b>	<b>\$ -</b>

## Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY2026 Enacted</i>	<i>FY2027 Governor</i>	<i>FY2027 Gov. to Enacted</i>	<i>FY2027 HFC</i>	<i>FY2027 HFC to Governor</i>
Barrington	\$ 6,012,659	\$ 6,013,312	\$ 653	\$ 6,133,578	\$ 120,266
Bristol	2,968,938	2,970,720	1,782	3,030,134	59,414
Burrillville	5,154,869	5,150,845	(4,024)	5,253,862	103,017
Central Falls	2,130,931	2,132,210	1,279	2,174,854	42,644
Charlestown	1,041,064	1,030,171	(10,893)	1,050,774	20,603
Coventry	5,989,764	5,989,355	(409)	6,109,142	119,787
Cranston	22,769,840	22,783,506	13,666	23,239,176	455,670
Cumberland	6,201,250	6,204,972	3,722	6,329,071	124,099
East Greenwich	2,466,135	2,467,614	1,479	2,516,966	49,352
East Providence	11,662,112	11,667,263	5,151	11,900,608	233,345
Exeter	2,285,981	2,275,955	(10,026)	2,321,474	45,519
Foster	1,685,114	1,677,019	(8,095)	1,710,559	33,540
Glocester	2,429,358	2,419,699	(9,659)	2,468,093	48,394
Hopkinton	1,661,653	1,653,062	(8,591)	1,686,123	33,061
Jamestown	646,463	646,850	387	659,787	12,937
Johnston	10,590,291	10,589,179	(1,112)	10,800,963	211,784
Lincoln	5,796,627	5,797,695	1,068	5,913,649	115,954
Little Compton	383,089	383,319	230	390,985	7,666
Middletown	2,015,884	2,012,423	(3,461)	2,052,671	40,248
Narragansett	1,867,870	1,868,679	809	1,906,053	37,374
Newport	2,274,590	2,275,955	1,365	2,321,474	45,519
New Shoreham	167,601	167,702	101	171,056	3,354
North Kingstown	5,486,327	5,486,249	(78)	5,595,974	109,725
North Providence	9,816,650	9,822,542	5,892	10,018,993	196,451
North Smithfield	4,486,322	4,480,037	(6,285)	4,569,638	89,601
Pawtucket	16,831,965	16,842,066	10,101	17,178,907	336,841
Portsmouth	2,466,135	2,467,614	1,479	2,516,966	49,352
Providence	34,814,208	34,834,087	19,879	35,530,769	696,682
Richmond	1,484,469	1,485,360	891	1,515,067	29,707
Scituate	2,016,563	2,012,423	(4,140)	2,052,671	40,248
Smithfield	7,240,474	7,235,141	(5,333)	7,379,844	144,703
South Kingstown	4,008,857	4,000,889	(7,968)	4,080,907	80,018
Tiverton	1,782,916	1,772,849	(10,067)	1,808,306	35,457
Warren	2,132,694	2,132,210	(484)	2,174,854	42,644
Warwick	25,762,721	25,778,183	15,462	26,293,747	515,564
Westerly	5,889,990	5,893,525	3,535	6,011,396	117,871
West Greenwich	1,364,754	1,365,573	819	1,392,884	27,311
West Warwick	5,794,218	5,797,695	3,477	5,913,649	115,954
Woonsocket	9,511,156	9,511,095	(61)	9,701,317	190,222
<b>Subtotal</b>	<b>\$ 239,092,501</b>	<b>\$ 239,095,043</b>	<b>\$ 2,542</b>	<b>\$ 243,876,944</b>	<b>\$ 4,781,901</b>
<i>MV Phase Out - Fire Districts</i>	<i>454,918</i>	<i>455,191</i>	<i>273</i>	<i>464,295</i>	<i>9,104</i>
<b>Total</b>	<b>\$ 239,547,419</b>	<b>\$ 239,550,234</b>	<b>\$ 2,815</b>	<b>\$ 244,341,239</b>	<b>\$ 4,791,005</b>

## Tangible Tax Exemption

<i>City or Town</i>	<i>FY 2026 Enacted</i>	<i>FY 2026 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2026 HFC</i>	<i>FY 2026 HFC to Gov. Rev.</i>
Barrington	\$ 83,638	\$ 83,638	\$ -	\$ 83,638	\$ -
Bristol	147,284	147,284	-	147,284	-
Burrillville	72,656	72,656	-	72,656	-
Central Falls	351,907	351,907	-	351,907	-
Charlestown	18,324	18,324	-	18,324	-
Coventry	365,715	365,715	-	365,715	-
Cranston	1,738,596	1,738,596	-	1,738,596	-
Cumberland	505,178	505,178	-	505,178	-
East Greenwich	546,636	546,636	-	546,636	-
East Providence	1,883,783	1,883,783	-	1,883,783	-
Exeter	53,418	53,418	-	53,418	-
Foster	100,687	100,687	-	100,687	-
Glocester	203,566	203,566	-	203,566	-
Hopkinton	189,737	189,737	-	189,737	-
Jamestown	23,473	23,473	-	23,473	-
Johnston	1,391,119	1,391,119	-	1,391,119	-
Lincoln	483,036	483,036	-	483,036	-
Little Compton	35,997	35,997	-	35,997	-
Middletown	300,020	300,020	-	300,020	-
Narragansett	77,223	77,223	-	77,223	-
Newport	304,205	304,205	-	304,205	-
New Shoreham	14,181	14,181	-	14,181	-
North Kingstown	329,980	329,980	-	329,980	-
North Providence	907,238	907,238	-	907,238	-
North Smithfield	449,370	449,370	-	449,370	-
Pawtucket	1,377,212	1,377,212	-	1,377,212	-
Portsmouth	168,858	168,858	-	168,858	-
Providence	6,101,330	6,101,330	-	6,101,330	-
Richmond	104,948	104,948	-	104,948	-
Scituate	146,895	146,895	-	146,895	-
Smithfield	1,331,050	1,331,050	-	1,331,050	-
South Kingstown	211,379	211,379	-	211,379	-
Tiverton	153,001	153,001	-	153,001	-
Warren	179,960	179,960	-	179,960	-
Warwick	3,080,934	3,080,934	-	3,080,934	-
Westerly	485,171	485,171	-	485,171	-
West Greenwich	163,578	163,578	-	163,578	-
West Warwick	829,938	829,938	-	829,938	-
Woonsocket	834,588	834,588	-	834,588	-
<b>Subtotal</b>	<b>\$ 25,745,809</b>	<b>\$ 25,745,809</b>	<b>\$ -</b>	<b>\$ 25,745,809</b>	<b>\$ -</b>
Distribution to					
Fire Districts	157,419	162,660	5,241	162,660	-
<b>Total</b>	<b>\$ 25,903,228</b>	<b>\$ 25,908,469</b>	<b>\$ 5,241</b>	<b>\$ 25,908,469</b>	<b>\$ -</b>

## Tangible Tax Exemption

<i>City or Town</i>	<i>FY2026 Enacted</i>	<i>FY2027 Governor</i>	<i>FY2027 Gov. to Enacted</i>	<i>FY2027 HFC</i>	<i>FY2027 HFC to Governor</i>
Barrington	\$ 83,638	\$ 83,638	\$ -	\$ 83,638	\$ -
Bristol	147,284	147,284	-	147,284	-
Burrillville	72,656	72,656	-	72,656	-
Central Falls	351,907	351,907	-	351,907	-
Charlestown	18,324	18,324	-	18,324	-
Coventry	365,715	365,715	-	365,715	-
Cranston	1,738,596	1,738,596	-	1,738,596	-
Cumberland	505,178	505,178	-	505,178	-
East Greenwich	546,636	546,636	-	546,636	-
East Providence	1,883,783	1,883,783	-	1,883,783	-
Exeter	53,418	53,418	-	53,418	-
Foster	100,687	100,687	-	100,687	-
Glocester	203,566	203,566	-	203,566	-
Hopkinton	189,737	189,737	-	189,737	-
Jamestown	23,473	23,473	-	23,473	-
Johnston	1,391,119	1,391,119	-	1,391,119	-
Lincoln	483,036	483,036	-	483,036	-
Little Compton	35,997	35,997	-	35,997	-
Middletown	300,020	300,020	-	300,020	-
Narragansett	77,223	77,223	-	77,223	-
Newport	304,205	304,205	-	304,205	-
New Shoreham	14,181	14,181	-	14,181	-
North Kingstown	329,980	329,980	-	329,980	-
North Providence	907,238	907,238	-	907,238	-
North Smithfield	449,370	449,370	-	449,370	-
Pawtucket	1,377,212	1,377,212	-	1,377,212	-
Portsmouth	168,858	168,858	-	168,858	-
Providence	6,101,330	6,101,330	-	6,101,330	-
Richmond	104,948	104,948	-	104,948	-
Scituate	146,895	146,895	-	146,895	-
Smithfield	1,331,050	1,331,050	-	1,331,050	-
South Kingstown	211,379	211,379	-	211,379	-
Tiverton	153,001	153,001	-	153,001	-
Warren	179,960	179,960	-	179,960	-
Warwick	3,080,934	3,080,934	-	3,080,934	-
Westerly	485,171	485,171	-	485,171	-
West Greenwich	163,578	163,578	-	163,578	-
West Warwick	829,938	829,938	-	829,938	-
Woonsocket	834,588	834,588	-	834,588	-
<b>Subtotal</b>	<b>\$ 25,745,809</b>	<b>\$ 25,745,809</b>	<b>\$ -</b>	<b>\$ 25,745,809</b>	<b>\$ -</b>
Distribution to					
Fire Districts	157,419	162,660	5,241	162,660	-
<b>Total</b>	<b>\$ 25,903,228</b>	<b>\$ 25,908,469</b>	<b>\$ 5,241</b>	<b>\$ 25,908,469</b>	<b>\$ -</b>

## Library Aid

<i>City or Town</i>	<i>FY 2026 Enacted</i>	<i>FY 2026 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2026 HFC</i>	<i>FY 2026 HFC to Gov. Rev.</i>
Barrington	\$ 363,559	\$ 363,559	\$ -	\$ 363,559	\$ -
Bristol	228,644	228,644	-	228,644	-
Burrillville	226,290	226,290	-	226,290	-
Central Falls	37,420	37,420	-	37,420	-
Charlestown	70,183	70,183	-	70,183	-
Coventry	270,579	270,579	-	270,579	-
Cranston	845,964	845,964	-	845,964	-
Cumberland	379,507	379,507	-	379,507	-
East Greenwich	151,498	151,498	-	151,498	-
East Providence	514,759	514,759	-	514,759	-
Exeter	69,192	69,192	-	69,192	-
Foster	34,503	44,961	10,459	44,961	-
Glocester	99,782	99,782	-	99,782	-
Hopkinton	45,698	45,698	-	45,698	-
Jamestown	121,905	121,905	-	121,905	-
Johnston	137,708	137,708	-	137,708	-
Lincoln	272,688	272,688	-	272,688	-
Little Compton	48,338	48,338	-	48,338	-
Middletown	180,903	180,903	-	180,903	-
Narragansett	213,764	213,764	-	213,764	-
Newport	516,192	516,192	-	516,192	-
New Shoreham	112,867	112,867	-	112,867	-
North Kingstown	365,865	365,865	-	365,865	-
North Providence	246,816	246,816	-	246,816	-
North Smithfield	98,311	98,311	-	98,311	-
Pawtucket	526,294	526,294	-	526,294	-
Portsmouth	144,364	144,364	-	144,364	-
Providence*	2,681,739	2,671,280	(10,459)	2,671,280	-
Richmond	30,114	30,114	-	30,114	-
Scituate	145,945	145,945	-	145,945	-
Smithfield	382,758	382,758	-	382,758	-
South Kingstown	280,456	280,456	-	280,456	-
Tiverton	153,750	153,750	-	153,750	-
Warren	79,754	79,754	-	79,754	-
Warwick	927,993	927,993	-	927,993	-
Westerly	463,542	463,542	-	463,542	-
West Greenwich	74,315	74,315	-	74,315	-
West Warwick	231,839	231,839	-	231,839	-
Woonsocket	237,964	237,964	-	237,964	-
<b>Subtotal</b>	<b>\$ 12,013,758</b>	<b>\$ 12,013,758</b>	<b>\$ -</b>	<b>\$ 12,013,758</b>	<b>\$ -</b>
Institutional Libraries	81,264	81,264	-	81,264	-
<b>Total</b>	<b>\$ 12,095,022</b>	<b>\$ 12,095,022</b>	<b>\$ -</b>	<b>\$ 12,095,022</b>	<b>\$ -</b>

\*Includes the Statewide Reference Library Resource Grant.

## Library Aid

<i>City or Town</i>	<i>FY 2026 Enacted</i>	<i>FY 2027 Governor</i>	<i>FY 2027 Gov. to Enacted</i>	<i>FY 2027 HFC</i>	<i>FY 2027 HFC to Governor</i>
Barrington	\$ 363,559	\$ 376,927	\$ 13,368	\$ 391,531	\$ 14,604
Bristol	228,644	251,792	23,149	261,547	9,755
Burrillville	226,290	235,858	9,568	244,996	9,138
Central Falls	37,420	36,269	(1,151)	37,674	1,405
Charlestown	70,183	69,649	(534)	72,348	2,699
Coventry	270,579	276,371	5,792	287,078	10,707
Cranston	845,964	836,564	(9,400)	868,975	32,411
Cumberland	379,507	365,928	(13,579)	380,105	14,177
East Greenwich	151,498	153,754	2,256	159,711	5,957
East Providence	514,759	558,389	43,630	580,023	21,634
Exeter	69,192	69,070	(122)	71,746	2,676
Foster	34,503	44,766	10,264	46,500	1,734
Glocester	99,782	98,664	(1,118)	102,486	3,822
Hopkinton	45,698	46,228	530	48,019	1,791
Jamestown	121,905	121,561	(344)	126,271	4,710
Johnston	137,708	142,931	5,224	148,469	5,538
Lincoln	272,688	261,987	(10,701)	272,137	10,150
Little Compton	48,338	46,549	(1,789)	48,353	1,804
Middletown	180,903	178,976	(1,927)	185,911	6,935
Narragansett	213,764	232,183	18,419	241,179	8,996
Newport	516,192	497,037	(19,155)	516,294	19,257
New Shoreham	112,867	113,857	990	118,268	4,411
North Kingstown	365,865	365,353	(512)	379,508	14,155
North Providence	246,816	257,982	11,167	267,977	9,995
North Smithfield	98,311	99,527	1,216	103,383	3,856
Pawtucket	526,294	514,187	(12,107)	534,108	19,921
Portsmouth	144,364	140,557	(3,807)	146,003	5,446
Providence*	2,681,739	2,635,488	(46,251)	2,722,742	87,254
Richmond	30,114	30,870	756	32,067	1,197
Scituate	145,945	146,121	177	151,782	5,661
Smithfield	382,758	374,151	(8,607)	388,647	14,496
South Kingstown	280,456	275,273	(5,183)	285,938	10,665
Tiverton	153,750	155,476	1,726	161,500	6,024
Warren	79,754	76,419	(3,335)	79,380	2,961
Warwick	927,993	911,167	(16,826)	946,468	35,301
Westerly	463,542	456,644	(6,898)	474,336	17,692
West Greenwich	74,315	75,672	1,358	78,603	2,931
West Warwick	231,839	231,924	85	240,910	8,986
Woonsocket	237,964	251,637	13,673	261,386	9,749
<b>Subtotal</b>	<b>\$ 12,013,758</b>	<b>\$ 12,013,758</b>	<b>\$ -</b>	<b>\$ 12,464,354</b>	<b>\$ 450,596</b>
Institutional Libraries	81,264	81,264	-	81,550	286
<b>Total</b>	<b>\$ 12,095,022</b>	<b>\$ 12,095,022</b>	<b>\$ -</b>	<b>\$ 12,545,904</b>	<b>\$ 450,882</b>

\*Includes the Statewide Reference Library Resource Grant.

## Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2026 Enacted</i>	<i>FY 2026 Gov. Rev.</i>	<i>Revised Difference</i>	<i>FY 2026 HFC</i>	<i>FY 2026 HFC to Gov. Rev.</i>
Barrington	\$ 231,761	\$ 244,996	\$ 13,235	\$ 244,996	\$ -
Bristol	302,239	319,498	17,259	319,498	-
Burrillville	219,979	232,541	12,562	232,541	-
Central Falls	304,460	321,846	17,386	321,846	-
Charlestown	108,574	114,774	6,200	114,774	-
Coventry	484,257	511,910	27,653	511,910	-
Cranston	1,119,085	1,182,989	63,904	1,182,989	-
Cumberland	492,830	520,972	28,142	520,972	-
East Greenwich	195,114	206,256	11,142	206,256	-
East Providence	636,115	672,439	36,324	672,439	-
Exeter	96,155	101,646	5,491	101,646	-
Foster	60,686	64,152	3,466	64,152	-
Glocester	136,337	144,123	7,786	144,123	-
Hopkinton	114,046	120,558	6,512	120,558	-
Jamestown	75,096	79,384	4,288	79,384	-
Johnston	400,317	423,177	22,860	423,177	-
Lincoln	305,679	323,135	17,456	323,135	-
Little Compton	48,768	51,553	2,785	51,553	-
Middletown	229,147	242,233	13,086	242,233	-
Narragansett	196,915	208,160	11,245	208,160	-
Newport	338,968	358,324	19,356	358,324	-
New Shoreham	11,227	11,868	641	11,868	-
North Kingstown	375,629	397,079	21,450	397,079	-
North Providence	459,649	485,897	26,248	485,897	-
North Smithfield	170,412	180,143	9,731	180,143	-
Pawtucket	1,019,517	1,077,736	58,219	1,077,736	-
Portsmouth	240,253	253,972	13,719	253,972	-
Providence	2,576,067	2,723,172	147,105	2,723,172	-
Richmond	109,793	116,063	6,270	116,063	-
Scituate	141,077	149,134	8,057	149,134	-
Smithfield	298,962	316,034	17,072	316,034	-
South Kingstown	433,444	458,195	24,751	458,195	-
Tiverton	220,209	232,784	12,575	232,784	-
Warren	150,842	159,456	8,614	159,456	-
Warwick	1,122,322	1,186,411	64,089	1,186,411	-
Westerly	315,796	333,829	18,033	333,829	-
West Greenwich	89,357	94,459	5,102	94,459	-
West Warwick	420,171	444,165	23,994	444,165	-
Woonsocket	583,351	616,663	33,312	616,663	-
<b>Total</b>	<b>\$ 14,834,606</b>	<b>\$ 15,681,726</b>	<b>\$ 847,120</b>	<b>\$ 15,681,726</b>	<b>\$ -</b>

## Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2026 Enacted</i>	<i>FY 2027 Governor<sup>1</sup></i>	<i>FY 2027 Gov. to Enacted</i>	<i>FY 2027 HFC</i>	<i>FY 2027 HFC to Governor</i>
Barrington	\$ 231,761	\$ 206,352	\$ (25,409)	\$ 206,352	\$ -
Bristol	302,239	269,103	(33,136)	269,103	-
Burrillville	219,979	195,861	(24,118)	195,861	-
Central Falls	304,460	271,080	(33,380)	271,080	-
Charlestown	108,574	96,671	(11,903)	96,671	-
Coventry	484,257	431,165	(53,092)	431,165	-
Cranston	1,119,085	996,394	(122,691)	996,394	-
Cumberland	492,830	438,798	(54,032)	438,798	-
East Greenwich	195,114	173,723	(21,391)	173,723	-
East Providence	636,115	566,374	(69,741)	566,374	-
Exeter	96,155	85,613	(10,542)	85,613	-
Foster	60,686	54,033	(6,653)	54,033	-
Glocester	136,337	121,390	(14,947)	121,390	-
Hopkinton	114,046	101,542	(12,504)	101,542	-
Jamestown	75,096	66,863	(8,233)	66,863	-
Johnston	400,317	356,428	(43,889)	356,428	-
Lincoln	305,679	272,166	(33,513)	272,166	-
Little Compton	48,768	43,422	(5,346)	43,422	-
Middletown	229,147	204,025	(25,122)	204,025	-
Narragansett	196,915	175,326	(21,589)	175,326	-
Newport	338,968	301,805	(37,163)	301,805	-
New Shoreham	11,227	9,996	(1,231)	9,996	-
North Kingstown	375,629	334,446	(41,183)	334,446	-
North Providence	459,649	409,255	(50,394)	409,255	-
North Smithfield	170,412	151,728	(18,684)	151,728	-
Pawtucket	1,019,517	907,742	(111,775)	907,742	-
Portsmouth	240,253	213,913	(26,340)	213,913	-
Providence	2,576,067	2,293,639	(282,428)	2,293,639	-
Richmond	109,793	97,756	(12,037)	97,756	-
Scituate	141,077	125,610	(15,467)	125,610	-
Smithfield	298,962	266,185	(32,777)	266,185	-
South Kingstown	433,444	385,923	(47,521)	385,923	-
Tiverton	220,209	196,066	(24,143)	196,066	-
Warren	150,842	134,304	(16,538)	134,304	-
Warwick	1,122,322	999,275	(123,047)	999,275	-
Westerly	315,796	281,173	(34,623)	281,173	-
West Greenwich	89,357	79,560	(9,797)	79,560	-
West Warwick	420,171	374,106	(46,065)	374,106	-
Woonsocket	583,351	519,395	(63,956)	519,395	-
<b>Total</b>	<b>\$ 14,834,606</b>	<b>\$ 13,208,207</b>	<b>\$ (1,626,399)</b>	<b>\$ 13,208,207</b>	<b>\$ -</b>

<sup>1</sup> Estimate based on FY 2025 spending that will be updated in spring of 2026.

## Meals and Beverage Tax

<i>City or Town</i>	<i>FY2023</i>	<i>FY2024</i>	<i>FY2025</i>	<i>FY2026*</i>	<i>FY2027*</i>
Barrington	\$ 208,231	\$ 239,998	\$ 305,452	\$ 269,263	\$ 281,110
Bristol	688,838	673,752	778,893	767,603	801,378
Burrillville	242,125	261,203	270,629	282,469	294,898
Central Falls	249,793	289,628	316,308	307,068	320,579
Charlestown	210,220	228,306	241,374	248,146	259,064
Coventry	534,109	570,995	687,806	637,479	665,528
Cranston	2,636,740	2,759,034	3,326,286	3,068,495	3,203,509
Cumberland	645,745	682,290	788,513	746,455	779,299
East Greenwich	1,080,419	1,066,340	1,190,911	1,197,687	1,250,385
East Providence	1,356,423	1,463,542	1,737,436	1,608,541	1,679,317
Exeter	162,610	147,249	156,705	170,147	177,634
Foster	26,336	15,076	8,186	18,550	19,366
Glocester	108,909	148,492	144,605	146,403	152,845
Hopkinton	58,057	48,699	57,432	59,983	62,622
Jamestown	152,444	164,800	135,356	166,236	173,551
Johnston	991,264	1,020,596	1,210,756	1,150,701	1,201,332
Lincoln	953,065	946,221	1,091,911	1,064,131	1,110,953
Little Compton	48,651	52,610	45,636	53,884	56,254
Middletown	1,100,676	1,087,531	1,356,324	1,244,525	1,299,284
Narragansett	901,253	938,564	1,090,301	1,057,845	1,104,390
Newport	3,414,298	3,357,915	3,799,377	3,827,178	3,995,573
New Shoreham	537,580	528,938	569,020	597,648	623,945
North Kingstown	835,069	876,996	995,689	972,163	1,014,938
North Providence	624,707	765,400	929,411	805,398	840,835
North Smithfield	403,227	461,940	546,680	499,740	521,728
Pawtucket	1,175,628	1,240,191	1,622,753	1,414,667	1,476,912
Portsmouth	431,430	435,110	484,292	488,454	509,946
Providence	7,839,228	7,796,713	9,587,852	8,883,221	9,274,083
Richmond	192,249	208,252	308,269	256,317	267,594
Scituate	97,275	109,275	104,868	113,758	118,763
Smithfield	1,093,115	1,185,321	1,450,149	1,319,495	1,377,553
South Kingstown	1,182,444	1,095,605	1,380,726	1,297,687	1,354,785
Tiverton	416,158	430,854	477,718	481,166	502,337
Warren	533,600	544,510	627,155	611,238	638,133
Warwick	3,759,384	3,776,594	4,688,208	4,305,759	4,495,213
Westerly	1,203,418	1,324,212	1,511,794	1,464,208	1,528,633
West Greenwich	160,659	166,999	162,786	179,213	187,099
West Warwick	510,671	533,989	671,793	601,144	627,595
Woonsocket	732,610	763,730	1,000,397	856,325	894,003
<b>Total</b>	<b>\$ 37,498,657</b>	<b>\$ 38,407,469</b>	<b>\$ 45,859,759</b>	<b>\$ 43,240,389</b>	<b>\$ 45,142,966</b>

*\*Projections from Office of Revenue Analysis updated December 2025.*

## Local Hotel Tax

<i>City or Town</i>	<i>FY2023</i>	<i>FY2024</i>	<i>FY2025</i>	<i>FY2026*</i>	<i>FY2027*</i>
Barrington	\$ 1,656	\$ 2,329	\$ 2,764	\$ 3,086	\$ 4,229
Bristol	42,417	42,349	43,460	66,974	97,507
Burrillville	115	182	353	233	318
Central Falls	529	512	460	526	720
Charlestown	79,663	83,577	78,685	116,113	165,083
Coventry	44,854	46,878	54,252	78,626	115,551
Cranston	15,753	14,573	16,355	25,214	36,556
Cumberland	721	669	281	739	1,018
East Greenwich	1,575	1,982	2,965	2,996	4,137
East Providence	24,557	30,185	29,544	52,536	76,908
Exeter	289	434	589	607	831
Foster	185	136	368	1,266	1,857
Glocester	955	966	1,083	2,108	3,083
Hopkinton	742	1,191	1,202	1,939	2,722
Jamestown	52,998	29,166	33,105	61,086	86,532
Johnston	8,051	5,658	4,916	11,226	16,459
Lincoln	106,945	119,168	143,381	160,649	236,375
Little Compton	26,304	27,407	25,052	40,710	58,143
Middletown	652,414	679,725	711,406	1,071,645	1,568,474
Narragansett	244,814	248,617	253,333	380,362	544,395
Newport	1,776,123	1,740,225	1,860,853	2,924,191	4,281,367
New Shoreham	444,767	529,263	446,457	750,212	1,086,805
North Kingstown	53,118	80,496	76,700	108,963	157,562
North Providence	1,529	1,557	1,878	2,534	3,448
North Smithfield	2,413	2,316	3,599	4,048	5,940
Pawtucket	41,378	44,537	48,203	72,670	106,595
Portsmouth	18,334	18,161	20,794	28,093	39,567
Providence	1,266,448	1,298,472	1,457,020	1,840,194	2,698,487
Richmond	36,277	25,805	28,281	42,784	61,862
Scituate	5,710	4,697	3,142	7,000	10,289
Smithfield	107,842	102,257	106,237	162,018	238,251
South Kingstown	177,887	184,579	190,880	271,160	394,347
Tiverton	4,392	3,327	3,961	6,892	9,455
Warren	1,983	2,359	2,240	2,742	3,740
Warwick	587,468	619,063	648,539	927,150	1,362,183
Westerly	530,461	559,532	575,511	969,181	1,418,920
West Greenwich	49,815	54,305	58,135	93,392	137,418
West Warwick	69,239	74,829	78,528	115,431	169,665
Woonsocket	28,370	22,978	25,524	43,514	63,923
<b>Total</b>	<b>\$ 6,509,093</b>	<b>\$ 6,704,462</b>	<b>\$ 7,040,037</b>	<b>\$ 10,450,813</b>	<b>\$ 15,270,722</b>

*\*Projections from Office of Revenue Analysis updated December 2025.*



## FY 2027 Education Aid

The House Finance Committee recommends \$1,658.8 million in total aid for local school districts for FY 2027. Funding includes \$1,335.9 million in direct distributions to local school districts, \$69.3 million in categorical funding, \$1.1 million in other aid for distribution by the Department, \$130.2 million for the state's contribution to teacher retirement, and \$122.1 million for school construction costs.

Education Aid	FY 2026 Enacted	FY 2027 Governor	FY 2027 HFC	Change to Enacted	Change to Governor
<b>Operating Aid</b>					
Local Districts	\$ 989,039,477	\$ 999,411,916	\$ 1,012,521,604	\$ 23,482,127	\$ 13,109,688
Central Falls	54,567,882	53,683,500	55,246,303	678,421	1,562,803
Met School	12,966,926	14,669,329	14,998,564	2,031,638	329,235
Davies Career & Tech.	18,532,152	21,082,757	21,093,905	2,561,753	11,148
Charter Schools <sup>1</sup>	195,233,633	201,641,009	208,499,708	13,266,075	6,858,699
Nowell Academy	2,664,112	2,399,520	2,528,057	(136,055)	128,537
UCAP	2,296,446	1,949,354	-	(2,296,446)	(1,949,354)
YouthBuild Academy	1,818,245	1,962,532	2,264,502	446,257	301,970
Group Home Funding	3,536,000	3,570,000	3,570,000	34,000	-
<b>Subtotal</b>	<b>\$ 1,280,654,874</b>	<b>\$ 1,300,369,917</b>	<b>\$ 1,320,722,643</b>	<b>\$ 40,067,770</b>	<b>\$ 20,352,726</b>
<b>Formula Adjustments</b>					
Enrollment Transition <sup>2</sup>	\$ 8,360,107	\$ 11,010,683	\$ 11,558,267	\$ 3,198,160	\$ 547,584
Poverty Loss	4,784,011	3,644,224	3,652,758	(1,131,253)	8,534
<b>Adjusted Subtotal</b>	<b>\$ 1,293,798,992</b>	<b>\$ 1,315,024,824</b>	<b>\$ 1,335,933,668</b>	<b>\$ 42,134,677</b>	<b>\$ 20,908,844</b>
<b>Categorical Funding</b>					
High Cost Special Ed.	\$ 17,500,000	\$ 20,000,000	\$ 20,000,000	\$ 2,500,000	\$ -
Career and Technical	4,500,000	4,500,000	5,500,000	1,000,000	1,000,000
Early Childhood	28,884,568	28,884,568	28,884,568	-	-
Non-Public Transp.	4,662,543	4,662,543	6,653,351	1,990,808	1,990,808
Regional District Transp.	7,808,259	7,808,259	8,301,555	493,296	493,296
<b>Subtotal</b>	<b>\$ 63,355,370</b>	<b>\$ 65,855,370</b>	<b>\$ 69,339,474</b>	<b>\$ 5,984,104</b>	<b>\$ 3,484,104</b>
<b>Set-Aside Funds</b>					
Textbook Loans	\$ 60,000	\$ 60,000	\$ 60,000	\$ -	\$ -
School Breakfast	270,000	270,000	270,000	-	-
Reduced-Price Meal Subsidy	812,952	812,952	812,952	-	-
<b>Subtotal</b>	<b>\$ 1,142,952</b>	<b>\$ 1,142,952</b>	<b>\$ 1,142,952</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 1,358,297,314</b>	<b>\$ 1,382,023,146</b>	<b>\$ 1,406,416,094</b>	<b>\$ 48,118,781</b>	<b>\$ 24,392,948</b>
<b>Other Aid</b>					
Teacher Retirement	\$ 137,991,006	\$ 130,236,201	\$ 130,236,201	\$ (7,754,805)	\$ -
Construction Aid	119,887,755	102,869,291	122,128,556	2,240,801	19,259,265
<b>Statewide Total</b>	<b>\$ 1,616,176,074</b>	<b>\$ 1,615,128,638</b>	<b>\$ 1,658,780,851</b>	<b>\$ 42,604,777</b>	<b>\$ 43,652,213</b>

<sup>1</sup> Understated by \$8,542 in FY 2026 enacted budget

<sup>2</sup> Excluding Central Falls' allocation of \$0.4 million in FY 2026 and \$1.5 million in FY 2027

- **Funding Formula Assumptions.** The House Finance Committee's calculation of education aid uses March 15, 2026, student enrollment data, including projected charter school enrollments, a per-pupil core instruction amount of \$13,859, and state share ratio variables updated with June 30, 2025 data. The calculations include the Governor's proposal to increase the student success factor to 43.0 percent, and the House Finance Committee adds \$20.9 million from general revenues to reflect the March data update.

- Reporting. The House Finance Committee recommends a one-time reporting requirement for the Department of Elementary and Secondary Education to include with its FY 2028 budget request. It must provide a report comparing the funding system proposed in December 2025 by the Blue Ribbon Commission, convened by the Rhode Island Foundation, with the current system, using the most recent available data. The report shall also include, but not be limited to, recommendations for proposed weights for certain students and an analysis of the statutory recommendations.

The Department must also reevaluate Medicaid matching as an alternative measure of students in poverty as part of its FY 2028 request.

- Central Falls. The House Finance Committee recommends legislation returning the Central Falls School District to local governance with a defined local contribution. The Committee recommends \$55.2 million in direct state aid, including \$11.7 million in stabilization funding for FY 2027.
- Charter Schools. The House Finance Committee recommends an exception to the 14.0 percent maximum per-pupil reduction in local payments for mayoral academies serving students from less than four districts for FY 2027 only. The minimum holdback is 7.0 percent and unchanged.
- Career and Technical Education. The House Finance Committee recommends adding \$1.0 million from general revenues for career and technical education programs. There was an expectation that funding for these expenditures would grow annually as the funding formula was phased in; however, funding has increased only twice since it was first funded at \$3.0 million in FY 2013, excluding a \$2.0 million increase for FY 2025 to support new programs. This would provide \$5.5 million to provide ongoing support for these high-cost programs.
- Non-Public Transportation. The House Finance Committee recommends adding \$2.0 million from general revenues to fully fund non-public school transportation categorical funding, based on the Department's projections of actual reimbursements. This would provide \$6.7 million for FY 2027. The funding formula allows the state to provide resources to mitigate the excess costs associated with transporting students to out-of-district non-public schools through the statewide transportation system. The Governor's budget represents 70.1 percent of full funding.
- Regional Transportation. The House Finance Committee recommends adding \$0.5 million from general revenues to fully fund regional transportation categorical funding and provide \$8.3 million for FY 2027, based on the Department's projections of actual reimbursements. The state and regional school districts share the student transportation cost equally, net of any federal sources of revenue for these expenditures, subject to appropriation. The Governor's budget represents 94.1 percent of full funding.
- School Construction. The House Finance Committee concurs with the Governor's proposed changes to School Building Authority reimbursement practices, but recommends implementing them in FY 2028, allowing municipalities and local education agencies time to prepare for changes in their cash flow. This provides \$14.2 million more for FY 2027 and reduces out-year expenses by \$7.1 million each in FY 2028 and FY 2029. It also concurs with the Governor's proposal to eliminate the requirement that any current year difference between appropriations and entitlements under the traditional housing aid program be transferred to the School Building Authority Capital Fund, effective for FY 2026, by recognizing the \$5.9 million change in FY 2026 rather than FY 2027.

The House Finance Committee recommends \$122.1 million for traditional construction aid for FY 2027, reflecting the changes described above and including \$0.8 million less based on updated information from the School Building Authority regarding projects expected to be completed prior to July 2026.

## Total Funding to Districts

**A.** Column **A** reflects the formula aid calculation. It is based on March 15, 2026, student enrollment data adjusted for charter school growth and uses the current law core instruction amount of \$13,859. It also uses the success factor of 43.0 percent, increased from 40.0 percent in previous years.

**B.** Column **B** shows the enrollment transition fund. This fund provides two years of support to districts experiencing enrollment losses. Districts receive 40.0 percent of the state per-pupil funding lost in the first year and 25.0 percent in the second year.

**C.** Column **C** shows the poverty loss stabilization fund. The fund provides 50.0 percent of the difference that the formula aid calculation produces under the prior year's share ratio compared to the current year's share ratio, if the foundation formula aid calculation produces less than it would using the prior year's state share ratio, and the decrease in the state share ratio is greater than 2.0 percent.

**D.** Column **D** shows the amount of group home aid for FY 2027. Group home aid is paid in addition to the funding formula pursuant to the current law amount of \$17,000 per bed.

**E.** Column **E** shows the amount of high-cost special education funding. The funding formula allows for additional funding from the state for high-cost special education students when those costs exceed four times the combined per-pupil core instruction and student success factor amounts. Funds available for distribution are prorated if the total costs exceed the appropriation; this represents 78.7 percent of allowable expenses.

**F.** The funding formula allows the state to provide resources to mitigate the excess costs associated with transporting students to out-of-district non-public schools. The state assumes the costs of non-public out-of-district transportation for those districts participating in the statewide transportation system. This distribution is shown in Column **F** and is fully funded for FY 2027.

**G.** The funding formula allows the state to provide resources to mitigate the excess costs associated with transporting students within regional school districts. The state and regional school districts equally share the student transportation cost, net of any federal sources of revenue for these expenditures. This distribution is shown in Column **G** and is fully funded for FY 2027.

**H.** Column **H** shows the total amount of education aid recommended by the House Finance Committee for FY 2027.

**I.** Column **I** is the difference between the House Finance Committee's FY 2027 recommendation shown in Column **H** and the FY 2026 enacted budget.

**J.** Column **J** is the difference between the House Finance Committee's FY 2027 recommendation shown in Column **H** and the Governor's original recommended budget, which was based on earlier data and did not include full funding of the transportation categorical funds.

## Total Funding to Districts

<i>District</i>	<i>A</i> <i>FY 2027 HFC</i> <i>Formula Aid</i>	<i>B</i> <i>Enrollment</i> <i>Transition</i> <i>Fund</i>	<i>C</i> <i>Poverty Loss</i> <i>Stabilization</i> <i>Fund</i>	<i>D</i> <i>Group</i> <i>Home Aid</i>	<i>E</i> <i>High Cost</i> <i>Special</i> <i>Education</i>
Barrington	\$ 11,745,846	\$ 107,644	\$ -	\$ -	\$ 907,140
Burrillville	13,363,725	231,050	144,546	-	444,201
Charlestown	1,398,051	33,364	44,546	-	-
Coventry	29,337,925	579,147	-	136,000	862,375
Cranston	81,845,526	447,029	-	-	1,523,537
Cumberland	30,319,262	10,369	-	-	240,792
East Greenwich	5,117,236	77,878	-	-	781,846
East Providence	40,607,020	342,489	-	289,000	1,151,116
Foster	1,318,873	36,635	-	-	32,876
Glocester	2,996,594	37,526	-	-	126,365
Hopkinton	8,227,086	37,158	-	-	-
Jamestown	354,604	9,286	10,585	-	128,805
Johnston	25,577,597	75,159	-	-	1,223,688
Lincoln	19,613,340	222,319	884,436	136,000	234,751
Little Compton	416,691	9,706	-	-	-
Middletown	5,443,405	156,083	396,640	-	520,512
Narragansett	1,870,746	62,015	-	-	226,694
Newport	14,805,749	347,450	-	119,000	407,301
New Shoreham	197,563	2,804	-	-	-
North Kingstown	13,328,610	39,707	-	-	98,413
North Providence	31,751,160	252,941	-	136,000	843,496
North Smithfield	8,298,684	49,013	663,706	68,000	152,832
Pawtucket	113,689,892	2,087,351	-	340,000	1,700,758
Portsmouth	2,966,730	29,539	-	510,000	326,321
Providence	303,204,253	2,125,053	-	1,020,000	1,998,965
Richmond	5,693,350	61,201	354,386	-	-
Scituate	3,606,603	40,745	381,742	-	75,234
Smithfield	11,649,059	165,723	-	85,000	124,941
South Kingstown	4,979,129	94,461	97,410	-	233,026
Tiverton	5,068,911	89,535	133,237	-	740,142
Warwick	51,189,270	446,317	-	408,000	1,077,628
Westerly	7,973,330	265,197	-	-	435,241
West Warwick	43,459,960	770,464	-	-	461,599
Woonsocket	88,401,241	1,863,954	-	-	432,063
Bristol-Warren	10,470,480	216,939	103,608	170,000	1,042,237
Chariho	-	-	-	-	275,231
Exeter-West Greenwich	6,497,330	31,109	437,915	153,000	709,429
Foster-Glocester	5,736,773	103,906	-	-	202,921
Central Falls*	53,767,424	1,478,879	-	-	120,206
<b>Subtotal</b>	<b>\$ 1,066,289,028</b>	<b>\$ 13,037,146</b>	<b>\$ 3,652,758</b>	<b>\$ 3,570,000</b>	<b>\$ 19,862,682</b>
<i>Adjusted Chariho</i>	<i>\$ 15,318,487</i>	<i>\$ 131,723</i>	<i>\$ 398,932</i>	<i>\$ -</i>	<i>\$ 275,231</i>

\*Includes a \$10.8 million stabilization fund payment to Central Falls in FY 2026 and \$11.7 million in FY 2027.

## Total Funding to Districts

<i>District</i>	<i>F</i>	<i>G</i>	<i>H</i>	<i>I</i>	<i>J</i>
	<i>Non-Public Transportation</i>	<i>Regional Transportation</i>	<i>FY2027 HFC Total Aid</i>	<i>Change to Enacted</i>	<i>Change to Governor</i>
Barrington	\$ 259,132	\$ -	\$ 13,019,762	\$ 1,367,364	\$ 149,824
Burrillville	87,989	-	14,271,511	182,944	124,541
Charlestown	-	-	1,475,961	(40,778)	18,652
Coventry	238,807	-	31,154,253	1,661,150	368,946
Cranston	1,089,226	-	84,905,317	1,875,662	65,239
Cumberland	109,414	-	30,679,838	2,216,844	95,908
East Greenwich	84,964	-	6,061,924	(238,061)	34,511
East Providence	347,691	-	42,737,316	2,109,232	783,780
Foster	16,774	-	1,405,158	133,949	17,149
Glocester	42,049	-	3,202,534	21,344	67,130
Hopkinton	-	-	8,264,244	1,058,264	56,673
Jamestown	54,702	-	557,981	(23,076)	16,432
Johnston	285,823	-	27,162,268	1,714,303	537,391
Lincoln	279,538	-	21,370,384	(54,575)	235,488
Little Compton	-	-	426,398	104,809	9,701
Middletown	-	-	6,516,641	(245,562)	15,148
Narragansett	-	-	2,159,454	237,008	(17,612)
Newport	-	-	15,679,500	346,480	105,221
New Shoreham	-	-	200,367	101,861	376
North Kingstown	325,147	-	13,791,876	404,114	148,564
North Providence	261,800	-	33,245,398	1,629,144	657,126
North Smithfield	37,910	-	9,270,145	(292,058)	(100,449)
Pawtucket	309,233	-	118,127,233	4,804,715	2,186,090
Portsmouth	-	-	3,832,589	138,129	13,556
Providence	934,158	-	309,282,429	3,624,914	5,634,448
Richmond	-	-	6,108,937	(297,561)	33,504
Scituate	73,923	-	4,178,248	(272,768)	43,543
Smithfield	92,046	-	12,116,770	1,148,878	148,328
South Kingstown	169,152	-	5,573,179	(362,546)	95,380
Tiverton	-	-	6,031,825	54,154	56,414
Warwick	66,227	-	53,187,442	3,075,080	610,220
Westerly	-	-	8,673,768	(87,933)	84,512
West Warwick	139,470	-	44,831,493	2,007,977	795,743
Woonsocket	-	-	90,697,257	1,191,945	2,019,828
Bristol-Warren	576,122	2,403,896	14,983,281	98,254	365,011
Chariho	709,522	2,843,211	3,827,964	387,699	381,252
Exeter-West Greenwich	-	2,050,241	9,879,024	271,761	183,946
Foster-Glocester	-	1,004,207	7,047,806	433,042	89,683
Central Falls*	62,532	-	55,429,042	660,962	1,581,514
<b>Subtotal</b>	<b>\$ 6,653,351</b>	<b>\$ 8,301,555</b>	<b>\$ 1,121,366,519</b>	<b>\$ 31,147,062</b>	<b>\$ 17,712,713</b>
<i>Adjusted Chariho</i>	<i>\$ 709,522</i>	<i>\$ 2,843,211</i>	<i>\$ 19,677,106</i>	<i>\$ 1,107,624</i>	<i>\$ 490,081</i>

\*Includes a \$10.8 million stabilization fund payment to Central Falls in FY 2026 and \$11.7 million in FY 2027.

## Total Funding to Charter and State Schools

**A.** Column *A* reflects the formula aid calculation. It is based on March 15, 2026, student enrollment data adjusted for charter school growth and uses the current law core instruction amount of \$13,859. It also uses the success factor of 43.0 percent, increased from 40.0 percent in previous years.

**B.** Column *B* shows the amount of high-cost special education funding. The funding formula allows for additional funding from the state for high-cost special education students when those costs exceed four times the combined per-pupil core instruction and student success factor amounts. Funds available for distribution are prorated if the total costs exceed the appropriation; this represents 78.7 percent of allowable expenses.

**C.** Column *C* shows the stabilization funding for the state schools. The 2016 Assembly enacted a stabilization fund for the state schools in order to mitigate some of the losses in funding from the implementation of the funding formula and recognized the additional costs associated with running a stand-alone school that offers both academic and career and technical education.

**D.** Column *D* shows the total aid recommended by the House Finance Committee for FY 2027.

**E.** Column *E* shows the total FY 2026 enacted aid, including stabilization and categorical funding.

**F.** Column *F* is the difference between the House Finance Committee's FY 2027 recommendation shown in Column *D* and the FY 2026 enacted aid shown in Column *E*.

**G.** Column *G* shows the Governor's original recommended budget.

**H.** Column *H* is the difference between the House Finance Committee's FY 2027 recommendation shown in Column *D* and the Governor's recommended budget shown in Column *G*, which was based on earlier data.

## Total Funding to Charter and State Schools

<i>School</i>	<i>A</i> <i>FY2027</i> <i>HFC</i> <i>Formula Aid</i>	<i>B</i> <i>High Cost</i> <i>Special Ed.</i> <i>Categorical</i>	<i>C</i> <i>Stabilization</i>	<i>D</i> <i>FY2027</i> <i>HFC</i> <i>Total Aid</i>
Achievement First	\$ 51,708,843	\$ -	\$ -	\$ 51,708,843
Apprenticeship Exploration (New England Laborers) <sup>1</sup>	-	-	-	-
Beacon	5,150,017	-	-	5,150,017
Blackstone	5,342,442	-	-	5,342,442
Charette	2,576,403	-	-	2,576,403
Compass	987,178	-	-	987,178
Excel Academy	8,456,615	-	-	8,456,615
Greene School	1,628,975	-	-	1,628,975
Highlander	8,126,594	58,085	-	8,184,679
Hope Academy	4,918,101	4,831	-	4,922,932
International	4,874,242	-	-	4,874,242
Kingston Hill	1,228,284	-	-	1,228,284
Learning Community	9,718,795	9,439	-	9,728,234
Nuestro Mundo	5,850,401	-	-	5,850,401
Nurses Institute	7,073,565	-	-	7,073,565
Paul Cuffee	11,976,936	1,709	-	11,978,645
Providence Preparatory	3,779,749	-	-	3,779,749
RI Mayoral Academies				
Blackstone Prep.	32,464,206	23,830	-	32,488,036
RISE Mayoral Academy	12,523,158	-	-	12,523,158
Segue Institute	9,422,971	-	-	9,422,971
Southside Elementary	2,291,693	-	-	2,291,693
Times2 Academy	10,802,832	39,424	-	10,842,256
Trinity	4,795,897	-	-	4,795,897
Village Green	2,801,810	-	-	2,801,810
<b>Charter Schools Subtotal</b>	<b>\$ 208,499,707</b>	<b>\$ 137,318</b>	<b>\$ -</b>	<b>\$ 208,637,025</b>
Davies Career and Tech	10,736,285	-	10,357,620	21,093,905
Met School	11,419,323	-	3,579,241	14,998,564
Nowell Academy	2,528,057	-	-	2,528,057
Urban Collaborative <sup>2</sup>	-	-	-	-
Youth Build Academy	2,264,502	-	-	2,264,502
<b>Total</b>	<b>\$ 235,447,874</b>	<b>\$ 137,318</b>	<b>\$ 13,936,861</b>	<b>\$ 249,522,053</b>

<sup>1</sup>Apprenticeship Exploration School is converting to a district school in Cranston

<sup>2</sup>The last sending district for UCAP withdrew prior to FY 2027

## Total Funding to Charter and State Schools

<i>School</i>	<i>E</i> <i>FY2026</i> <i>Enacted</i> <i>Total Aid</i>	<i>F</i> <i>Change to</i> <i>Enacted</i>	<i>G</i> <i>FY2026 Gov.</i> <i>Recommended</i> <i>Total Aid</i>	<i>H</i> <i>Change to</i> <i>Governor</i>
Achievement First	\$ 47,135,853	\$ 4,572,990	\$ 48,549,737	\$ 3,159,106
Apprenticeship Exploration (New England Laborers) <sup>1</sup>	1,988,910	(1,988,910)	2,013,064	(2,013,064)
Beacon	4,925,759	224,258	4,966,677	183,340
Blackstone	5,189,245	153,197	5,307,779	34,663
Charette	2,581,926	(5,523)	2,571,020	5,383
Compass	950,421	36,757	983,258	3,920
Excel Academy	6,337,707	2,118,908	6,593,665	1,862,950
Greene School	1,654,216	(25,241)	1,677,088	(48,113)
Highlander	8,555,519	(370,840)	7,991,790	192,889
Hope Academy	4,689,784	233,148	4,723,134	199,798
International	4,733,806	140,436	4,801,586	72,656
Kingston Hill	1,173,919	54,365	1,217,428	10,856
Learning Community	9,306,474	421,760	9,561,076	167,158
Nuestro Mundo	5,357,457	492,944	5,724,502	125,899
Nurses Institute	6,678,286	395,279	7,046,835	26,730
Paul Cuffee	11,758,706	219,939	11,538,495	440,150
Providence Preparatory	3,606,772	172,977	3,747,083	32,666
RI Mayoral Academies				
Blackstone Prep.	29,988,208	2,499,828	31,066,689	1,421,347
RISE Mayoral Academy	10,224,092	2,299,066	11,571,030	952,128
Segue Institute	8,509,591	913,380	9,935,996	(513,025)
Southside Elementary	2,119,035	172,658	2,150,080	141,613
Times2 Academy	10,283,577	558,679	10,553,741	288,515
Trinity	4,563,624	232,273	4,684,630	111,267
Village Green	2,959,569	(157,759)	2,801,942	(132)
<b>Charter Schools Subtotal</b>	<b>\$ 195,272,456</b>	<b>\$ 13,364,569</b>	<b>\$ 201,778,325</b>	<b>\$ 6,858,700</b>
Davies Career and Tech	18,532,152	2,561,753	21,082,757	11,148
Met School	12,966,926	2,031,638	14,669,329	329,235
Nowell Academy	2,664,112	(136,055)	2,399,520	128,537
Urban Collaborative <sup>2</sup>	2,296,446	(2,296,446)	1,949,354	(1,949,354)
Youth Build Academy	1,818,245	446,257	1,962,532	301,970
<b>Total</b>	<b>\$ 233,550,337</b>	<b>\$ 15,971,716</b>	<b>\$ 243,841,817</b>	<b>\$ 5,680,236</b>

<sup>1</sup> Apprenticeship Exploration School is converting to a district school in Cranston

<sup>2</sup> The last sending district for UCAP withdrew prior to FY 2027

## Revenues Changes

The Governor recommends \$27.1 million and \$336.9 million more general revenues than estimated at the November 2025 Revenue Estimating Conference for FY 2026 and FY 2027, respectively. He also recommends internal fund transfers for FY 2026 that would increase resources available for expenditure from general revenues by \$6.3 million. The budget recommended by the House Finance Committee includes total FY 2026 revenues of \$6,067.0 million and \$6,074.3 million for FY 2027. This reflects its proposed law changes as well as the May 2026 conference estimates. Major revenue changes, including those not deposited as general revenues, are described below.

### Taxes

- **Research and Development Tax Provisions.** H.R. 1 reestablished the ability of businesses to fully expense domestic research and development costs beginning in tax year 2025. Since 2022, federal law has required amortizing those expenses over five years. Rhode Island's tax begins with federal taxable income, meaning it would be coupled with this new provision absent any changes. The FY 2026 enacted budget proactively decoupled the state from any tax year 2025 or earlier provisions that may be enacted after the budget was adopted, requiring their analysis for future action.

The Department of Revenue's October 2025 report on the impacts of H.R. 1's tax provisions identified a revenue loss of \$22.6 million for FY 2026 and FY 2027 from the research and development expensing provision as it applies to tax year 2026 and later. These losses were incorporated into the November 2025 consensus revenue estimates, which must be based on current law. The House Finance Committee concurs with the Governor's proposal to decouple the state from federal law beginning in tax year 2026, while maintaining the current five-year expensing practice. The budget recognizes the \$22.6 million in revenues for both FY 2026 and FY 2027.

- **Corporate Tax Deduction Decoupling.** The House Finance Committee recommends decoupling from two federal corporate tax deductions identified in the H.R. 1 report. These include the Qualified Business Stock Gains (QSBS) and the business interest limitation. The budget assumes this action will result in at least \$1.0 million in additional revenues.

- **Income Tax Rates.** The House Finance Committee recommends imposing a three-year, phased-in increase in the tax rate on income over \$1.0 million, effective beginning in tax year 2027. Rhode Island currently has three tax brackets, with rates adjusted annually for inflation; the highest rate is 5.99 percent and applies to incomes above \$186,450 for tax year 2026. For tax year 2027, the rate for incomes over \$1.0 million would increase to 6.99 percent. The top rate would be 7.99 percent for tax year 2028 and 8.99 percent for tax year 2029. The annualized impact would grow over time to \$142.3 million by FY 2030. For FY 2027, revenues would be \$22.4 million.

- **Social Security Tax.** Under current law, taxpayers who have reached full Social Security retirement age (67 or older) and have incomes below \$107,000 for individuals and \$133,750 for joint filers are exempt from paying state income tax on their Social Security income. The House Finance Committee concurs with the Governor's proposal to eliminate the current age threshold in 2027, but does not concur with his proposal to phase out the tax completely by 2029. The budget recognizes a revenue loss of \$3.0 million in FY 2027.

- **Child Tax Credit.** The Governor proposed replacing the current dependent exemption with a new refundable child tax credit for each dependent age 18 or younger, effective for tax year 2027. The maximum credit is estimated to be \$325 for FY 2027, and the Governor's budget assumes a revenue loss of \$14.7 million, which would annualize to \$29.7 million. The House Finance Committee recommends maintaining the current dependent exemption and adding a refundable child tax credit of \$330 that would phase out at

\$100,000 for single filers and \$125,000 for joint filers. This is estimated to cost \$23.1 million for FY 2027, which would annualize to \$46.6 million.

- **Pawtucket Tax Increment Financing Debt Service.** The Governor’s budget includes \$0.5 million in revenue from the December 2025 refinancing of the Pawtucket Redevelopment Agency’s bonds for the Tidewater Landing project. This refinancing generates \$15.1 million in total revenue over the life of the bonds through FY 2053. The House Finance Committee concurs.

- **Tax Amnesty.** The House Finance Committee concurs with the Governor’s proposal to grant the Division of Taxation authority to implement a 75-day tax amnesty program ending on February 15, 2027. Filers would apply to the Division, and participants will not be subject to penalties or prosecution and will pay the statutory interest rate, reduced by 25.0 percent. The program applies to taxable periods through December 31, 2025, and would not be available to taxpayers under criminal investigation or parties to any court proceedings for fraud related to state taxes. The last amnesty, which concluded in February 2018, collected \$22.0 million.

<b>Tax Amnesty Program</b>	
<b>Total Revenues</b>	<b>\$ 26,347,993</b>
<i>Personal Income</i>	8,797,480
<i>Sales and Use Tax</i>	4,362,121
<i>Business Corporations</i>	2,488,348
<i>Other Tax Types</i>	2,697,345
<i>Interest Payments</i>	8,002,699
<b>Implementation Costs</b>	<b>\$ (750,000)</b>
<b>Net Impact</b>	<b>\$ 25,597,993</b>

The budget assumes \$26.3 million in one-time revenues, including \$18.3 million in tax payments, and provides \$750,000 for the Division of Taxation’s associated expenses, including programming and marketing.

- **Primary Care Assessment Sunset.** The FY 2026 enacted budget established an assessment, similar to the child and adult immunization program assessments, to generate \$30.0 million annually to support primary care and other critical healthcare programs. Federal legislation contained in H.R. 1, adopted after this assessment, restricts the imposition of new provider taxes. More recent guidance suggested that the assessment could potentially jeopardize aspects of the Medicaid budget beyond lack of federal match. The House Finance Committee recommends sunsetting the assessment on October 1, 2026, to align with federal guidance. This results in a \$22.5 million revenue reduction. This is partially offset by the exclusion of \$9.2 million in assessment-related expenses, which were assumed in the May caseload estimate to be funded from state-only sources because of the known match limitations.

### Departmental Revenues

- **Hospital Licensing Fee Renewal.** The House Finance Committee recommends extending the three-tiered system for the community hospitals with FY 2027 payments totaling \$228.5 million based on 2023 revenue. This is unchanged from FY 2026. The license fee is generally set and renewed annually and, as such, was not included in the consensus revenue estimate for FY 2027. The license fee for Eleanor Slater Hospital is 5.25 percent based on 2023 revenues for payments totaling \$4.0 million; this is consistent with the enacted budget. The budget assumes total revenues of \$232.5 million from both.

- **Tax Amnesty.** As noted above, the FY 2027 budget grants the Division of Taxation the authority to implement a 75-day tax amnesty program ending on February 15, 2027. It assumes this will generate \$26.3 million, including \$8.1 million in departmental revenues, mostly interest on overdue payments.

- ***Child Support Pass-Through to Federal Max.*** Child support payments collected by the state on behalf of participants in federally funded Temporary Assistance for Needy Families programs are retained by the state to offset the cost of government assistance. Current state law allows \$50 in child support to pass through to the recipient family. The House Finance Committee recommends increasing the pass-through payment to \$100 for the first child and \$200 for families with two or more children, which is the maximum allowed by the federal government. The budget recognizes a revenue loss of \$0.6 million in FY 2027.

**Internal Fund Transfers.** These are resources going to the general fund in FY 2026 that, under accounting rules, must be shown as fund transfers rather than revenues; they have the same general effect of increasing available general revenue resources.

- ***Pawtucket Downtown Redevelopment.*** The House Finance Committee’s recommended budget includes the Governor’s proposal to transfer \$1.3 million from excess cash reserves from the Pawtucket Economic Activity Taxes restricted receipt account to general revenues by June 30, 2026. These funds were set aside in anticipation of a potential bond issuance that did not occur.

- ***Marijuana Trust Fund.*** The House Finance Committee’s recommended budget includes the Governor’s proposal to transfer \$5.0 million from Marijuana Trust Fund restricted receipts to general revenues by June 30, 2026, reallocating these funds to other eligible uses under the Rhode Island Cannabis Act.

- ***Hospital Financing Support SRDF (26-H 7408, Sub A).*** After the Governor submitted his budget, the Assembly adopted 2026-H 7408, Substitute A, as amended, authorizing the State Controller to transfer \$18.0 million from the Supplemental State Budget Reserve Account to general revenues for FY 2026. The funds were appropriated to the Rhode Island Health and Educational Building Corporation to establish a debt service reserve to support the sale of the Roger Williams Medical Center and Our Lady of Fatima Hospital.

- ***Restore SRDF to 1%.*** The 2023 Assembly created a Supplemental State Budget Reserve Account to provide additional reserves since the current Budget Reserve and Cash Stabilization Account, or “rainy day fund,” is constitutionally capped at 5.0 percent of revenues. The FY 2024 budget included a \$55.0 million transfer from general revenues to the account, thereby increasing total reserves from 5.0 percent to 6.0 percent of revenues. The total remained at the initial deposit of \$55.0 million until \$18.0 million was transferred in February 2026 to support the hospital financing debt service reserve. The House Finance Committee recommends replacing the transferred funds and additional resources for a total of \$24.0 million. This would restore the fund to its original value of approximately one percent of usable revenues.

### **Other Sources**

- ***Gas Tax.*** The disposition of gas tax proceeds is outlined in Section 31-36-20 of the General Laws. Upon receipt, all gas tax proceeds are deposited into the Intermodal Surface Transportation Fund from which statutory transfers are made to the Department of Transportation, Rhode Island Public Transit Authority, Rhode Island Turnpike and Bridge Authority, and the Department of Human Services for the elderly/disabled transportation program. The 2025 Assembly increased that to 41 cents, including the one-cent environmental protection fee, dedicating the new two cents to the Transit Authority.

The Governor proposed reducing the gas tax by two cents, effective July 1, 2026. This is estimated to reduce the Department of Transportation’s share of the gas tax proceeds by \$8.6 million. Supporting documents link this decrease to the two cents that have been supporting recently defeased bonds that served as the state match for projects financed through the Grant Anticipation Revenue Vehicle Program.

The House Finance Committee recommends maintaining the gas tax at the current law amount, which increases recommended gas tax proceeds to the Department by \$8.8 million, and recognizes \$1.5 million from updated estimates. This is partially offset by \$3.3 million less from the highway maintenance account described below.

- **Highway Maintenance Account.** Under current law, the Rhode Island Public Transit Authority receives 10.0 percent of the Highway Maintenance Account, in addition to a fixed \$5.0 million annually. The Governor proposed increasing the fixed annual allocation by \$9.3 million to \$14.3 million. Based on projected revenues, the total share would increase from \$17.2 million to \$26.5 million for FY 2027.

The House Finance Committee recommends revising the Highway Maintenance Account to allocate 25.0 percent of available funds annually to the Rhode Island Public Transit Authority, replacing the current combination of 10.0 percent and a fixed amount. Based on updated estimates, this would provide the Authority with an additional \$13.4 million in funds, \$4.2 million more than the Governor’s recommendation using earlier yield estimates.

	May 2026		Total	House Finance		Total	Chg. to Curr. Law	Chg. to Governor
	Current Law			Committee				
	Gas Tax	HMA		Gas Tax	HMA			
<b>DOT</b>	\$ 106.2	\$ 105.4	\$ 211.6	\$ 106.2	\$ 92.0	\$ 198.2	\$ (13.4)	\$ 7.0
<b>RIPTA</b>	\$ 51.5	\$ 17.3	\$ 68.7	\$ 51.5	\$ 30.7	\$ 82.1	\$ 13.4	\$ 4.2

*\$ in millions*

# Articles of 2026-H 7127, Substitute A

## Article 1

**Section 1. Appropriations.** This section of Article 1 contains the appropriations for FY 2027.

**Section 2. Line Item Appropriations.** This section establishes that each line in Section 1 of Article 1 constitutes an appropriation.

**Section 3. Transfer of Functions.** This section authorizes the Governor to transfer appropriations and full-time equivalent position authorizations associated with transfers of functions.

**Section 4. Contingency Fund.** This section allows for expenditures from the contingency account located within the Office of the Governor's budget for unexpected expenditures or for those departments and agencies where appropriations are insufficient. The Governor must approve all expenditures and transfers from this account.

**Section 5. Internal Service Funds.** This section authorizes the establishment of limited and specific internal service accounts to implement the cases in which state agencies provide services to other state agencies, institutions, and other governmental units on a cost reimbursement basis. It reflects the creation of a new fund for Accounts and Control, payroll services and expenses for the Enterprise Resource Planning System.

**Section 6. State Fleet Operations.** This section authorizes the director of the Department of Administration to centralize state fleet operations under its purview for light and medium duty vehicles.

**Section 7. Legislative Intent.** This section authorizes the chairpersons of the finance committees of the two chambers to provide a "statement of legislative intent" for specifying the purpose of the appropriations contained in Section 1 of this article.

**Section 8. Temporary Disability Insurance Funds.** This section appropriates all funds required for benefit payments from the Temporary Disability Insurance Fund and the Temporary Disability Insurance Reserve Fund.

**Section 9. Employment Security Funds.** This section appropriates all funds required for benefit payments to unemployed individuals from the Employment Security Fund.

**Section 10. Lottery.** This section appropriates to the Lottery Division any funds required for the payment of prizes and commissions.

**Section 11. Appropriation of CollegeBound Saver Funds.** This section appropriates the funds received by the Office of the General Treasurer from the CollegeBound Saver program for transfer to the Office of Postsecondary Commissioner to support student financial aid for FY 2027. The budget includes \$3.5 million from these sources for state grant programs.

**Section 12. Full-Time Equivalent Positions.** This section limits the maximum number of full-time equivalent positions authorized for the departments and agencies during any payroll period in FY 2027. In addition, this section provides that the Governor or designee, Speaker of the House or designee, and President of the Senate or designee, may jointly adjust the authorization. It limits appointments for state employees supported by non-state funds to the availability of those funds.

This section also prevents departments from employing contracted employees to work under state supervisors or from replacing work done by state employees without the Director of Administration's determination of need. Total authorization is for 15,995.2 full-time equivalent positions, 73.4 positions more than the enacted budget. This includes 544.8 higher education positions supported by third-party funds, consistent with the enacted level.

**Section 13. Multi-Year Appropriations.** This section makes multi-year appropriations for numerous projects included in the Capital Budget that are funded from Rhode Island Capital Plan funds over FY 2028 through FY 2031. The FY 2027 and multi-year appropriations supersede appropriations made for capital projects in Section 13 of Article 1 of the FY 2026 Appropriations Act.

**Section 14. Reappropriation - RICAP.** This section provides that any unexpended and unencumbered funds for Rhode Island Capital Plan Fund projects shall be reappropriated to the next year. However, any such reappropriations are subject to final approval by the General Assembly as part of the supplemental appropriations act. Unexpended funds of less than \$500 can be reappropriated at the discretion of the State Budget Officer.

**Section 15. Rhode Island Housing and Mortgage Finance Corporation.** This section requires that the Rhode Island Housing and Mortgage Finance Corporation provides an appropriate amount of resources to support the Neighborhood Opportunities Program. The Corporation is also required to provide to the director of the Department of Administration, Secretary of Housing, and both chairs of the House and Senate Finance Committees a report detailing the amount of funding and information such as the number of housing units provided.

**Section 16. Pawtucket Downtown Redevelopment.** This section provides the mechanism to allow taxes collected pursuant to the tax incentive financing statute to be appropriated to the Downtown Pawtucket Redevelopment Economic Activity Fund to finance development projects in the existing economic development district, in accordance with the law passed in 2019. The budget includes \$1.5 million from restricted receipts for FY 2027.

**Section 17. State Fiscal Recovery and Capital Projects Funds.** This section clarifies that appropriations of federal funds in section one shall not be construed to mean State Fiscal Recovery and Capital Projects funds enacted as part of the American Rescue Plan Act unless specifically designated as such. It contains a description of each project for which any appropriation is made.

**Section 18. Reappropriation - State Fiscal Recovery and Capital Projects Funds.** This section provides that any unexpended and unencumbered funds from the State Fiscal Recovery and Capital Projects funds shall be reappropriated to the following year. However, any such reappropriations are subject to final approval by the General Assembly as part of the supplemental appropriations act. This is similar to the treatment of Rhode Island Capital Plan funds.

**Section 19. State Fiscal Recovery and Capital Projects Funds Reporting and Compliance.** This section requires the Pandemic Recovery Office to monitor programs funded with State Fiscal Recovery and Capital Projects funds. It requires the Office to report quarterly to the Speaker of the House and Senate President, with copies to the House and Senate Finance Committee chairpersons, identifying programs at risk of significant underspending or noncompliance with federal or state requirements. The report, at a minimum, must include an assessment of how programs that are at risk can be remedied. The last quarterly report was due on January 31, 2025, with twice-yearly reporting beginning April 30, 2025, through October 31, 2026.

It retains the enacted authority for the Governor to reclassify program income or unspent funds at-risk of federal forfeiture to other eligible projects if the value of the proposal is less than \$1.0 million and less than

20.0 percent of total program appropriations. Proposals exceeding \$1.0 million or 20.0 percent of program appropriations must be referred to the Assembly to go into effect within 30 days unless rejected by joint action of the House and Senate.

**Section 20. Rural Health Transformation.** The section requires the Executive Office of Health and Human Services to report quarterly to the Speaker of the House and the President of the Senate, as well as the chairpersons of the House and Senate Finance Committees, on the Rural Health Transformation Program. This includes progress towards meeting program goals and identifying any risks or issues that may result in noncompliance with federal requirements.

**Section 21. Effective Date.** This section establishes that the article is effective as of July 1, 2026, except as otherwise provided within the article.

## **Article 2. State Funds**

**Section 1. Regional Greenhouse Gas Initiative.** This section authorizes the Office of Energy Resources to annually consult with the Rhode Island Public Transit Authority to determine the total funding required to match federal funds to purchase zero emission buses. Of the agreed-upon amount, 50.0 percent each shall be from authority resources, and the remaining 50.0 percent shall be allocated from Regional Greenhouse Gas Initiative funds. These receipts are derived from the sale of carbon emission credits through an auction process; four auctions are held annually. Revenues were \$19.3 million in FY 2023, \$27.7 million in FY 2024, and \$32.7 million in FY 2025.

**Section 2. Indirect Cost Recovery.** This section adds the Rhode Island Uninsured Protection Fund to the list of restricted receipt accounts exempt from indirect cost recovery charges, retroactive to July 1, 2025. This is a technical correction to be consistent with the FY 2026 enacted budget provision to exempt the Workers' Compensation Administration Fund. The Uninsured Protection Fund has traditionally been considered as part of the overall Workers' Compensation Administration Fund, but appears in a separate statute.

**Section 3. Highway Maintenance Account.** Under current law, the Rhode Island Public Transit Authority receives 10.0 percent of the Highway Maintenance Account, in addition to a fixed \$5.0 million annually. Section 3 amends the Highway Maintenance Account allocation to annually provide the Authority with 25.0 percent of the available funds and remove the fixed-amount provision. Based on updated estimates, the Authority's share of the funds is \$30.7 million. This is \$13.4 million more than current law and \$4.2 million more than the Governor's recommendation.

## **Article 3. Government Reform and Reorganization**

**Section 1. Office of Inspector General.** This section creates a new Office of Inspector General. The purpose of the office shall be to investigate the management and operation of agencies as they relate to the prevention and detection of fraud, waste, abuse, and mismanagement in the expenditure of public funds. The Inspector General would be able to initiate investigations into executive-branch state and quasi-state agencies, as well as municipal governments that utilize state funds. The public could initiate complaints with the Office, with whistleblower protections for those who bring them forward.

The legislation identifies qualifications, appointment and removal procedures, powers and duties, investigative procedures, and reporting requirements. The Inspector General shall be appointed by the Governor with the advice and consent of the Senate and shall serve for a five-year term. The legislation creates a five-member independent advisory commission that will submit a list of three qualified candidates to the Governor within 90 days of this article taking effect.

**Section 2. RIPTA Board Composition.** The Rhode Island Public Transit Authority is governed by a nine-member Board of Directors; eight are appointed by the Governor with the advice and consent of the Senate and one member shall be the director of the Department of Transportation, or the director’s designee. The director must serve as the chairperson of the Board. Section 2 empowers the Authority to elect its officers, including the chairperson of the Board and precludes the director of the Department of Transportation from serving as chairperson.

**Section 3. DOT Efficiency and Performance Audit.** This section requires the Office of Internal Audit and Program Integrity to conduct an efficiency and performance audit of the Department of Transportation, which must assess maintenance and operations efficiency, and asset management, including pavement, bridges, culverts, backlog replacement needs, and overtime patterns. The audit must be completed by January 1, 2027, and be submitted to the Governor, the General Assembly, the chairpersons of the House and Senate Finance Committees, and be made available on the Department of Administration’s website.

**Section 4. E- Permitting.** This section requires the Department of Business Regulation to submit a report with its FY 2028 budget request containing an analysis of the e-permitting program and suggested statutory revisions. The budget contains \$1.2 million for this program for FY 2026 and FY 2027.

**Sections 5, 6, and 17 through 19. Big River Management Area.** These sections grant the Department of Environmental Management authority over the land and natural resources of the Big River Management Area, as well as the authority to promulgate and enforce related rules and regulations. It also transfers contracting authority to land and waters acquired under the Big River-Wood River Reservoir Acquisition Act. These are currently administered by the Water Resources Board within the Department of Administration. The language clarifies that the Water Resources Board continues to exercise powers in freshwater resource management. Other sections reiterate the Department of Environmental Management’s administrative and contracting authority over the Water Resources Board regarding the Big River Management Area, as applicable.

The budget transfers a position from the Department of Administration to the Department of Environmental Management as part of this change.

**Section 7. State Police Pensions.** This section would make two changes to State Police pensions. The first is a technical change to correct a drafting error in the 2025 legislation that extended the 2024 change to the calculation for pension benefits from the highest five consecutive years of compensation to the highest three consecutive years for the State Police. The second change would increase the benefit accrual rate from 2.0 percent to 3.0 percent after 20 years of service for members hired before July 1, 2007, and to 3.0 percent after 25 years of service for members hired on or after July 1, 2027. The maximum benefit of 65.0 percent would not change.

**Sections 8 through 16. Sunsets.** These sections extend sunset provisions for the Rebuild Rhode Island Tax Credit, Tax Increment Financing, Tax Stabilization Incentive, First Wave Closing Fund, I-195 Redevelopment Fund, Wavemaker Fellowship, Main Street Streetscape Improvement Program, Innovation Initiative, and the Qualified Jobs Tax Credit by one year to December 31, 2027.

**Sections 20 and 21. Financial Assistance for Lakes Management.** These sections modify the Freshwater Lake Management Program to define “lake” and “pond,” used interchangeably, and authorize the Bays, Rivers and Watersheds Fund to support the program. The proposed language clarifies that the definition of lakes and ponds does not include commercial or industrial water bodies and deletes the reference to a Lake Management Fund, which was never established. Section 21 also adds references to the 2021 Climate Act, replacing the 2014 Resilient Rhode Island Act.

#### Article 4. Public Debt Management Act

The Public Corporation Debt Management Act requires that the Assembly approve all new non-general obligation debt authorizations, except in certain circumstances. Article 4 contains three authorizations totaling \$55.0 million to support one project at Rhode Island College and two projects at the University of Rhode Island. It would authorize \$20.6 million for renovations to student housing at Rhode Island College. It would also authorize \$20.0 million for repaving and hardscape improvements and \$14.4 million to provide space for automotive and administrative mail and printing services at the University of Rhode Island. Annual debt service would not exceed \$4.8 million for the three projects and would be supported by dedicated student housing and parking revenues, as well as general revenues and tuition and fees.

#### Article 5. Capital Development Program

Article 5 places \$600.0 million of new general obligation bond authorizations on the November 2026 ballot for voter approval through five separate questions as shown in the table below.

November 2026 Bond Referenda	Amount
<b>Question 1</b>	<b>\$ 275,000,000</b>
URI Integrated Health Building	165,000,000
RIC Adams Library	50,000,000
CCRI Workforce Innovation Center	60,000,000
<b>Question 2</b>	<b>\$ 120,000,000</b>
Housing and Homeownership	
<b>Question 3</b>	<b>\$ 100,000,000</b>
Site Development	55,000,000
Growth Industry Infrastructure	45,000,000
<b>Question 4</b>	<b>\$ 50,000,000</b>
State History Center	45,000,000
State Preservation Grants Program	5,000,000
<b>Question 5</b>	<b>\$ 55,000,000</b>
Brownfields Remediation & Economic Development	3,000,000
Facility Improvements	12,000,000
Local Recreation Projects	1,000,000
Marine Infrastructure Development	1,000,000
Resilient Rhody Infrastructure Fund	25,000,000
Narragansett Bay Watershed Restoration	7,000,000
Agriculture Land Preservation Commission	3,000,000
Open Space	3,000,000
<b>Total New Referenda</b>	<b>\$ 600,000,000</b>

Annual debt service on the entire \$600.0 million, supported by general revenues, would be \$49.6 million, assuming a 5.0 percent interest rate and a 20-year term. Additionally, the capital budget relies on multiple funding sources to cover full project costs for some items. For the State History Center, the budget provides \$4.5 million from Rhode Island Capital Plan funds.

## Article 6. Taxes and Fees

**Section 1. Tax Amnesty.** This section grants the Division of Taxation authority to implement a 75-day tax amnesty program ending on February 15, 2027. Filers would apply to the Division, and participants will not be subject to penalties or prosecution and will pay the statutory interest rate, reduced by 25.0 percent. The program applies to taxable periods through December 31, 2025, and would not be available to taxpayers under criminal investigation or parties to any court proceedings for fraud related to state taxes. The tax administrator would be required to provide a public analysis of the amnesty program by April 30, 2027, including revenues received by tax source, distinguishing between the tax collected and interest collected for each source. The budget assumes this will generate \$26.3 million in one-time revenues and provides \$750,000 for associated expenses, including programming and marketing.

**Section 2. Corporate Tax Deduction Decoupling.** This section decouples from two federal corporate tax deductions identified in the H.R. 1 report submitted in response to a requirement contained in the FY 2026 enacted budget. These include the Qualified Business Stock Gains, also known as QSBS, and the business interest limitation. The budget assumes this action will result in at least \$1.0 million in additional revenues.

**Sections 2 and 5. Income Tax Rates.** These sections impose a three-year phased-in tax rate increase on income over \$1.0 million, effective beginning in tax year 2027. Rhode Island currently has three tax brackets, with rates adjusted annually for inflation; the highest rate is 5.99 percent and applies to incomes above \$186,450 for tax year 2026. For tax year 2027, the rate for incomes over \$1.0 million would increase to 6.99 percent. The top rate would be 7.99 percent for tax year 2028 and 8.99 percent for tax year 2029. The annualized impact would grow over time to \$142.3 million by FY 2030. For FY 2027, revenues would be \$22.4 million.

Additionally, the legislation structures the increased rate as a surtax to allow flexibility for pass-through entities that elect to use the existing state workaround to the federal cap on state and local tax deductions. This mechanism allows for a payment and a 90.0 percent offsetting credit at the entity level, and the rate is currently set at 5.99 percent regardless of income level. With this change, pass-through entities whose owners would not benefit from the higher entity-level rate may continue to elect the 5.99 percent pass-through entity rate. Entities whose owners would benefit from the higher entity-level payment may elect the additional surcharge. Personal income taxpayers with taxable income above \$1.0 million remain subject to the additional tax.

**Sections 2 and 5. Research and Development Tax Provisions.** H.R. 1, signed into law on July 4, 2025, reestablished the ability of businesses to fully expense domestic research and development costs beginning in tax year 2025. Since 2022, federal law has required amortizing those expenses over five years. The FY 2026 enacted budget proactively decoupled the state from any tax year 2025 or earlier provisions that may be enacted after the budget was adopted, requiring their analysis for future action.

The Department of Revenue's October 2025 report on the impacts of H.R. 1's tax provisions identified a revenue loss of \$22.6 million for FY 2026 and FY 2027 from this provision as it applies to tax year 2026 and later. These losses were incorporated into the November 2025 consensus revenue estimates. Sections 2 and 5 would decouple the state from federal law beginning with tax year 2026, and the budget recognizes the revenues for both FY 2026 and FY 2027.

**Section 3. Pipe Tobacco.** This section would allow dealers whose annual cigar sales exceed 50.0 percent of their total sales to hold a distributor's license without requiring a second business address.

**Sections 4 and 5. Child Tax Credit.** The Governor proposed replacing the current dependent exemption with a new refundable child tax credit for each dependent age 18 or younger, effective for tax year 2027. The maximum credit is estimated to be \$325 for FY 2027, and the Governor's budget assumes a revenue

loss of \$14.7 million, which would annualize to \$29.7 million. These sections maintain the current dependent exemption and adding a refundable child tax credit of \$330 that would phase out at \$100,000 for single filers and \$125,000 for joint filers. This is estimated to cost \$23.1 million for FY 2027, which would annualize to \$46.6 million.

**Section 5. Social Security Tax.** Under current law, taxpayers who have reached full Social Security retirement age (now 67 years or older) with incomes below \$107,000 for an individual and \$133,750 for joint filers are exempt from paying state income tax on any of their Social Security income. This section would eliminate the age threshold beginning with tax year 2027.

## **Article 7. Education**

**Sections 1, 2, 4, and 8. Central Falls School District Authority.** Sections 1 and 4 repeal the enabling legislation for the Central Falls School District board of trustees and remove references to the “state-operated” school district, returning the district to local governance. Sections 2 and 8 define the city’s local share and allow the city to exceed the 4.0 percent levy maximum to meet its obligations to the school district.

**Sections 3 and 5. School Housing Aid Program.** Section 3 increases the threshold for which a school construction project requires an owner’s program manager and a commissioning agent from \$1.5 million to \$10.0 million, adjusted for inflation, for all projects completed after July 1, 2026. It also limits the cost for the owner’s program manager and commissioning agent to 3.0 percent of total project costs. These sections also shift responsibility for prime contractor prequalification from the School Building Authority to the Division of Purchases.

**Section 4. Funding Formula.** The student success factor is a single poverty weight included in the funding formula as a proxy for student supports. This section increases that factor from 40.0 percent to 43.0 percent of the core instruction amount for all students. The budget includes \$15.6 million to account for the effects of this change. This section also allows districts to exceed the 14.0 percent maximum per-pupil reduction in local payments for mayoral academies serving students from less than four districts for FY 2027 only. The minimum holdback is 7.0 percent and unchanged.

This section also introduces a one-time reporting requirement for the Department of Elementary and Secondary Education to include with its FY 2028 budget request. It must provide a report comparing the funding system proposed in December 2025 by the Blue Ribbon Commission, convened by the Rhode Island Foundation, with the current system, using the most recent available data.

The Department must also reevaluate Medicaid matching as an alternative measure of students in poverty as part of its FY 2028 request.

**Section 6. Promise Scholarship.** Currently, the Rhode Island Promise Scholarship program requires students to enroll in the fall immediately following high school graduation or upon attaining a high school diploma or equivalent by age 19. This section extends the timeframe for graduating high school seniors by one semester, provided the student enrolls immediately after graduation in a postsecondary institution and at the Community College in the first spring after high school graduation. It also allows students to defer enrollment for up to one semester after graduating from high school, upon submitting an approved written request.

**Section 7. Hope Scholarship.** The 2023 Assembly established a new Rhode Island Hope Scholarship pilot program to provide the final two years of free tuition and mandatory fees at Rhode Island College for qualifying Rhode Island students, implemented for four cohorts of students beginning in the fall of 2023. The 2024 Assembly extended the pilot for two years, including the last cohort entering their junior year in

the fall of 2029, to allow for a better evaluation of the program's impact on enrollment and timely graduation, with an evaluation due by July 1, 2030. This section would extend the pilot program for three additional years to allow time for compliance with the existing evaluation requirement without affecting recruitment.

**Section 9. School Building Authority Capital Fund.** This section eliminates the requirement that any current year difference between appropriations and entitlements under the traditional housing aid program be transferred to the School Building Authority Capital Fund, effective for FY 2026.

## **Article 8. Medical Assistance**

**Section 1. Hospital License Fee.** This section extends the current assumption of the three-tiered license fee system for community hospitals with FY 2027 payments totaling \$228.5 million based on 2023 revenue. This section also extends the fee for Eleanor Slater Hospital at a 5.25 percent rate based on 2023 revenues, totaling \$4.0 million. This is the same as the one-year rate set for FY 2026. The budget assumes total revenues of \$232.5 million from both payments, consistent with FY 2026.

Federal limits on provider taxes like this one were adopted in H.R. 1 and require a phase-down from the prior limit of 6.0 percent to 3.5 percent by FY 2032. The current rates will exceed federal caps in FY 2029 when the threshold is lowered to 5.0 percent.

**Section 2. Hospital Payments.** This section includes uncompensated care payments for FY 2027 that do not exceed \$38.9 million; this is \$25.0 million more than FY 2026. This includes \$12.9 million for Eleanor Slater Hospital, consistent with the enacted budget, and \$26.0 million, or \$25.0 million more than enacted, for the community hospitals.

**Section 3. Long-Term Care Services.** This section raises the resource threshold for Medicaid long-term care services from \$4,000 to \$8,000 for an individual and \$6,000 to \$12,000 for a couple. The budget adds \$9.2 million, including \$3.9 million from general revenues, to account for more eligible individuals.

**Section 4. AHEAD Model.** This section authorizes the Executive Office of the Health and Human Services, in coordination with the Office of the Health Insurance Commissioner, to implement the federal Achieving Healthcare Efficiency through Accountable Design (AHEAD) Model. It requires a report to the Governor and General Assembly by October 31, 2026, and annually thereafter, while the state is participating in the grant program. The report is to include a description of activities and funding for the grant year, the legislative authority required to make any changes to the Medicaid program, stakeholder interests and program participation, and the overall long-term benefits of implementing the alternative payment modes required by the federal model.

**Section 5. Family Care Community Partnerships.** This section establishes five Family Care Community Partnership catchment regions for the community-based prevention services provided to children and families through the Department of Children, Youth and Families. Federal law provides that any provider of a Medicaid service may deliver it, unless a state law includes allowable restrictions. This section codifies current practice and regions, allowing the Department to continue claiming Medicaid reimbursement. Only one lead provider will be permitted to operate in each region.

**Section 6. Medicaid Resolution.** This section includes the resolution language for Assembly approval for the Executive Office to apply for certain changes to the Medicaid program. Changes include increasing provider reimbursement rates identified as part of the Office of the Health Insurance Commissioner's Social and Human Service Programs Review Final Report, effective October 1, 2026, up to 100 percent of the Medicare rates. The section also maintains reimbursement of substance use disorder residential treatment services within that rate review and removes the separate state plan amendment authority for that service.

It also restricts the use of GLP-1 treatment medications to only those with type-2 diabetes. It also provides the authority to increase Tier C assisted living rates by 13 percent and to make changes to the nursing home behavioral health per diem payment, effective April 2027.

Section 6 also allows the Executive Office to seek any changes necessary to implement reimbursement rates resulting from the Children's Services Rate Setting project and changes to receive Medicaid reimbursements for targeted case management services through the Department of Children, Youth and Families. It also requires a review and assessment of Medicaid waiver or state plan amendments and supports for federally qualified health centers that implement a primary care-focused physician residency program, with recommendations due by November 1, 2026. Finally, this section allows the Executive Office to seek other changes that do not adversely impact Medicaid programs or incur costs that exceed the funding appropriated for FY 2027.

**Section 7. Hospital at Home.** This section authorizes the continuation and expansion of the current Hospital at Home pilot program as part of the Rural Health Transformation Program.

### **Article 9. State Leases**

This article includes joint resolutions seeking General Assembly approval of four long-term lease agreements for the Secretary of State, the Department of Environmental Management, the Office of the Public Defender, and the Department of Human Services, all of which are at least 5-year renewals of existing agreements. Legislative approval is required for lease agreements for terms of five years or longer and exceeding \$500,000 in value. The budget includes \$4.0 million from all sources to fund the FY 2027 cost of these leases.

The article would also allow the Office of Postsecondary Commissioner to enter into a new lease agreement to lease 2,385 square feet of space at the Tower Street Community Center. Currently, the Westerly Education Center is at capacity, and this lease will allow it to expand its training. The agreement would be for a ten-year lease and includes an upfront payment of \$1.5 million from federal funds through the Department of Housing and Urban Development. The remaining annual lease payments would not exceed \$50,000 and would be paid through the Education Center's restricted receipts.

### **Article 10. Health and Human Services**

**Sections 1 through 5. Early Intervention.** This section extends early intervention services so that children may remain until September 1 after their third birthday. A two-year planning process is expected, with implementation in May 2028. The section also includes a plan to be developed with the Department of Elementary and Secondary Education.

**Section 6. Child Support Pass-Through.** This section increases the child support pass-through from \$50 to the maximum federally allowable level. Child support payments collected by the state on behalf of participants in federally funded Temporary Assistance for Needy Families programs are retained by the state to offset the cost of government assistance. The federal government grants states the authority to pass through up to \$100 for the first child and \$200 for families with two or more children to the custodial parent. The FY 2027 budget includes \$0.3 million from federal funds and a \$0.6 million general revenue loss to account for this change.

**Section 6. Child Care Eligibility.** This section increases income eligibility from 261 percent of the federal poverty level to 285 percent, effective January 1, 2027; creates a protective services category for children in foster and kinship care; and extends the child care for child care workers pilot program for two years through July 31, 2030. The FY 2027 budget includes \$2.5 million from federal funds for the eligibility increase and \$0.1 million for necessary system changes.

**Section 7. Child Care Rates.** This section increases infant reimbursement rates for subsidized child care to licensed child care centers by five percent starting July 1, 2026. The FY 2027 budget includes \$0.4 million from federal funds for the change.

**Sections 8 and 9. 9-8-8 Suicide and Crisis Lifeline.** These sections establish the Rhode Island 9-8-8 Suicide and Crisis Prevention Lifeline and designate the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals as the state agency responsible for program oversight. The lifeline is part of the national network, and the center must operate 24 hours a day, 7 days a week. The center must meet federal guidelines to participate in the network. The director designates the lifeline's state administrator, who can either be a department employee or a contractor.

The Department of Behavioral Healthcare, Developmental Disabilities and Hospitals will develop the rules and regulations and, prior to promulgating them, consult with the Department of Children, Youth and Families for services provided to children, youth, and their families. Data on service utilization for these populations will be shared with the Department of Children, Youth and Families.

There are also requirements for data collection, evaluation, and other quality-improvement activities to be completed by the administrator. Other state agencies and departments will provide the information necessary for the Department to comply with federal and state reporting requirements. The FY 2027 budget includes \$4.6 million, of which \$1.0 million is from general revenues. FY 2026 support totals \$4.4 million, all from federal funds.

**Section 10. Foster Care Youth Benefits.** This section requires that, beginning January 1, 2027, social security and other benefits for youth in the state's care be conserved for the benefit of the youth. The Department of Children, Youth and Families will be responsible for conserving the youth's benefits with advisement of the Office of the General Treasurer and will begin reporting to the General Assembly by January 1, 2029. The FY 2027 budget includes \$1.3 million from other sources, including \$1.0 million from general revenues, to replace the Supplemental Security Income previously used for foster care payments and other services for youth.

**Section 11. Pay for Success.** This section extends the five-year Pay for Success pilot program another year until July 1, 2027. The 2021 Assembly authorized a five-year pilot program in which the Executive Office of Health and Human Services contracts with nonprofit investors and service providers to provide permanent supportive housing and additional wraparound services to a cohort of 125 individuals experiencing homelessness. The article also adds the term "person-centered" to the description of the housing and supportive services interventions to align with more updated guidance. The FY 2022 budget provided \$6.0 million from general revenues to capitalize a restricted receipt fund authorized consistent with legislation and authorized expenditures up to \$1.5 million from that restricted account if certain contracted metrics are achieved. As of the end of FY 2026, the full \$6.0 million will have been spent.

Currently, for the yearly progress reports, the Executive Office collaborates with the Rhode Island Coalition to End Homelessness to evaluate the program, and this section extends that to other qualified organizations. The reporting period is also extended by a year, until January 30, 2028.

## **Article 11. Energy**

**Section 1. Green Buildings.** This section transfers administrative authority for the Green Building Advisory Council and the Green Buildings Act from the Department of Administration to the State Building Office within the Department of Business Regulation. It also requires the Department of Administration to produce a report regarding the costs and benefits of obtaining LEED certification for state facilities, for which the budget includes \$50,000 from general revenues.

**Section 2. Road Repair by Public Utility Companies.** This section amends the curblineto-curblinerepair standard for public utilities that alter or excavate a roadway to only the full width of the affected travel lane for the entire length of the excavation or in accordance with state or municipal utility permit requirements. It further requires that public utilities or utility facilities recover all costs in accordance with generally accepted accounting principles, with capital costs recovered over time. This supersedes a 2025 Public Utilities Commission ruling that any repaving must be treated as an operating expense recoverable immediately through rates. The change to the recovery period minimizes the immediate impact on ratepayers, and the change to the standard of repair is expected to reduce all costs passed on to ratepayers.

**Section 3. Electric Distribution Companies.** This section requires electric distribution companies that own or operate transmission facilities within the state to be members of ISO New England, Inc., or its successor organization. This is expected to reduce ratepayer costs by eliminating a financial incentive for distribution companies, which is available only when membership is voluntary.

**Sections 4 and 9. Financial Incentives.** These sections repeal the long-term contracting incentive to electric distribution companies for newly developed renewable energy resources.

**Section 5. Net Metering.** Net metering allows customers with eligible renewable energy systems to receive bill credits for all power generated up to 125 percent of the on-site consumption during a billing period. Public entities, including municipalities and quasi-state entities, may enter into virtual net metering arrangements with renewable energy developers for up to 10 megawatts per project site. The 2023 Assembly adopted legislation requiring that for projects initiated after April 15, 2023, the renewable net-metering credit will be reduced by 20.0 percent, subject to a program capacity limit of 275 megawatts.

This section lowers the program cap to 175 megawatts; community remote net metering projects are excluded from the cap. It extends the construction deadline by 18 months to December 31, 2032. It establishes a voluntary, one-time, irrevocable election allowing eligible net-metering systems to opt in, on or before the later of 90 days after the Public Utilities Commission approves a tariff, or 60 days after execution of an interconnection agreement, to a fixed renewable net-metering credit rate of \$0.19 per kilowatt-hour. The fixed credit rate will increase by 2.75 percent on a compound annual basis starting January 1, 2028, and on January 1 of each year thereafter, for a term of 25 years from the date of election.

**Sections 6 through 8. Renewable Energy.** The Renewable Energy Fund is supported by a surcharge of 0.3 mills per kilowatt-hour on all customers and an alternative compliance payment of \$90 per megawatt-hour for renewable energy obligations. The alternative compliance payments are made by entities that sell electrical energy to end-use consumers in the state in lieu of obtaining renewable energy from the electric grid.

These sections also define zero-emission resources to include nuclear resources and large-scale hydroelectric facilities, establish a tier alternative compliance payment fee of \$40 per megawatt-hour for renewable energy obligations for new renewable and zero-emission resources and \$11 per megawatt-hour for renewable energy obligations for existing; all the receipts will be deposited into the fund. Section 7 maintains the requirement to meet the 100 percent renewable energy standards by 2033, but allows zero-emission resources to be used to meet that standard, not to exceed 20.0 percent.

Section 8 requires the Public Utilities Commission to conduct a comprehensive review of the state's progress in meeting the Renewable Energy Standard and submit its findings to the Governor, the Speaker of the House, the President of the Senate, and the chairpersons of several committees by December 31, 2027. The report must detail renewable energy and zero-emission resources used to comply with the Renewable Energy Standard and estimated cost of complying with the standard; greenhouse gas emissions reduction requirements and the impact on meeting mandated carbon reduction goals; and any statutory changes needed to reach the established targets. The Commission is also required to provide

recommendations for an intervenor compensation program to cover legal fees, expert witness fees, and other costs associated with an intervenor in a Commission proceeding.

**Sections 10 through 12. Office of Energy Resources.** These sections transfer administration of the Weatherization Assistance Program from the Department of Human Services to the Office of Energy Resources, which is responsible for other related grants and programs. The program provides low-income individuals, particularly the elderly, persons with disabilities, families with children, high-energy residential users, and households with a high energy burden, with weatherization improvements to lower utility costs.

The article also authorizes the Department to offer advisory assistance to the Office in order to maintain continuity to eligible households. The budget includes \$10.9 million from federal funds and the current 4.0 full-time equivalent positions as part of the Office’s budget for FY 2027.

**Section 13. State Facilities Benchmarking and Performance Standards Program.** This section establishes the State Facilities Benchmarking and Performance Standards Program to measure and report energy usage for state-owned state-occupied facilities. It defines these as state-owned buildings primarily used as offices for state employees that have at least 25,000 square feet of space. The Office of Energy Resources and the Department of Administration are authorized to determine which state-owned state-occupied facilities are not suitable for achieving greenhouse gas emission reductions because of operational or physical limitations. This section also establishes a Voluntary Energy Benchmarking Program for municipal properties and requires an annual report on its progress, submitted to the Governor and the General Assembly by May 1, 2028.

It requires an annual report on the energy usage of state facilities, beginning March 31, 2029. The Office of Energy Resources would be responsible for compiling and publishing the report, which must include each facility’s energy use by fuel and total emissions. It requires the Office, in consultation with agencies, to develop performance standards by March 31, 2030, which agencies must meet.

## **Article 12. Health Care**

**Sections 1 and 2. Pharmacists.** These sections expand pharmacists’ authority to independently prescribe specific drugs, devices, and laboratory tests. This includes drugs for medication-assisted treatment for opioid-use disorder, nicotine/tobacco cessation products, inhalers, insulin and diabetes medication, and drugs to treat hypertension. The pharmacist may also order and review any clinical laboratory tests necessary to prescribe and manage these expanded responsibilities. The expansion is voluntary.

**Section 3. Dental Hygienists.** This section expands the scope of practice for preventive care services that dental hygienists are permitted to perform. This includes dental hygiene assessment, diagnosis, and treatment planning for services. It allows hygienists to prescribe, administer, and dispense fluoride supplements, topical anticaries treatments, and antimicrobials as determined by the Rhode Island Board of Examiners for Dentistry. The section also allows dental hygienists to prescribe medication specifically for the prevention of dental disease.

The section also allows public health dental hygienists to supervise a dental assistant to facilitate services in public health settings, including nursing homes and long-term care facilities, community health centers, mobile and portable dental health programs, schools, and home settings. It also permits reimbursement for public health dental hygienists from “other insurance” or a third-party payor such as Medicare.

**Section 4. Nurse Licensure Compact.** This section extends the Nurse Licensure Compact sunset date by two years, to January 1, 2029.

**Section 5. Continuing Medical Education.** This section requires that at least 1 of the 40 continuing education credits required every 2 years for licensed physicians be nutrition-related.

**Section 6. Physician Assistant Licensure Compact.** This section allows the state to join the Physician Assistant Licensure Compact, enabling medical professionals to practice across state lines through a reciprocal relationship. It contains the conditions for a state to join, including participating in the commission's data system, and a licensee to participate in the compact.

This section mirrors the legislation required for a state to join the PA Compact. As of March 2026, there are 23 compact member states, with the compact commission projected to start granting privileges to practice in early 2027.

**Section 7. Interstate Medical Licensure Compact.** This section prohibits the dissemination of any state and federal criminal history records information received by the Department of Health or Board of Medical Licensure and Discipline to the Interstate Medical Licensure Compact.

**Sections 8 and 9. MomsPRN and PediPRN.** These sections define MomsPRN and PediPRN in statute and authorize the Department of Health to manage all funds available for the maintenance of these services. They further clarify the purpose of both programs: teleconsultation lines that assist service providers in making referrals for children and mothers with mental health concerns.

**Sections 10 through 12. Certificate of Need.** The Department of Health, in conjunction with the Health Services Council, is responsible for reviewing and approving new healthcare equipment and new institutional health services as part of the certificate of need process. The Council functions as the advisory body to the Department of Health for all matters related to initial health care facility licensure, the implementation or procurement of new medical services and equipment, and any changes in ownership or control of any health care facility.

These sections amend the definition of healthcare facility to remove several from the review process and require review only of hospitals, nursing facilities, hospice providers, inpatient rehabilitation hospital centers, and emergency-care facilities. They amend the list of new or expanded services to include cardiac catheterization, open-heart surgery, organ transplantation, linear accelerators, and neonatal intensive care.

They increase the capital expenditure review threshold to \$50.0 million, up from the current value of about \$7.0 million. Current law sets the total to \$5.3 million, subject to inflation, beginning in FY 2013. They exempt all state healthcare projects from this process; currently, only voter-approved bond issues for state healthcare facilities are exempt. They also increase the amount the Department can spend on experts, including actuaries, accountants, or attorneys, when reviewing an application from \$20,000 to \$50,000.

They also prohibit the closure or significant reduction of services of a birthing center, which would now require notice, an application, financial disclosure, a public hearing, and approval by the Department of Health.

**Section 13. Pharmacy Benefit Managers.** This section creates new requirements for pharmacy benefit managers to disclose to the Office of the Health Insurance Commissioner: the percentage of rebates received from manufacturers, the value of rebates passed on to clients, administrative fees received, and information on pricing, operating practices, and utilization.

It requires the Office to publish online transparency information on each manager, although the entities may request that the Office designate certain information as trade secrets. This section also requires the Office to analyze the collected information to produce a report on the role of pharmacy benefit managers by October 1, 2027, including comparisons to regulations in other states and recommendations to improve

oversight. It authorizes the Office to levy up to \$175,000 on health insurance companies for contractors to produce the report.

**Section 14. Primary Care Rate Assessment.** The FY 2026 enacted budget includes a primary care health assessment, a monthly per-member-per-month fee applied to all covered lives to support primary care and other healthcare programs, starting January 1, 2026. Section 14 sunsets the assessment on October 1, 2026, to align with restrictions imposed by H.R. 1 on new provider taxes or assessments not implemented as of July 4, 2025.

**Sections 15 and 16. Health Spending Accountability and Transparency Program.** These sections codify the Health Insurance Commissioner’s authority to set annual healthcare cost growth targets, currently authorized under Executive Order 19-03, as well as all-payer primary care investment targets. Annual targets shall be set every five years, effective July 1, 2027; cost growth targets for 2026 and 2027 shall be established according to the existing framework. Compliance is currently voluntary. These sections empower the Commissioner to impose performance improvement plans and financial penalties if an insurance provider fails to meet the cost growth target twice in three years. The value of penalties and oversight would be subject to regulation by the Office of the Health Insurance Commissioner.

These sections also require the Commissioner to publish an annual report on healthcare spending and quality and to hold a subsequent public hearing. If an entity fails to meet either an annual cost growth or investment target, it may be compelled to participate. The budget contains \$350,000 from general revenues for contracted data collection and analysis to support this work.

**Section 17. Individual Marketplace Affordability Program.** This section authorizes the Rhode Island Health Benefit Exchange to establish the Individual Market Affordability program, which is intended to provide assistance to individuals who purchase health insurance on the Exchange. The legislation authorizes the Exchange to determine the annual affordability percentages for each upcoming coverage year based on the appropriations. The first coverage year would be 2027, and the legislation requires that for that year, affordability percentages prioritize households with incomes below 200 percent of the federal poverty level who are no longer receiving federal enhanced premium assistance subsidies. The budget includes \$19.0 million, the full estimated annual cost for the program, requiring that unspent funds be reappropriated to the following year.

The Governor’s budget recommended \$9.5 million from general revenues, based on fully covering 2027 premium costs for the first six months of FY 2027. The House Finance Committee’s recommendation is estimated to cover the same group and includes full 12-month coverage for FY 2027 because coverage determination must be based on appropriations and spans two fiscal years.

**Section 18. Ladders to Licensure.** This section amends the Ladders to Licensure program established by the 2024 Assembly to increase the number of licensed health professionals. The changes reduce the current requirement from three to four partnerships to at least two. The FY 2027 budget includes the enacted level of \$750,000 for the program.

### **Article 13. Revised Appropriations**

**Section 1. Appropriations.** This section contains the revised appropriations for FY 2026.

**Section 2. Line Item Appropriations.** This section establishes that each line in Section 1 of Article 13 constitutes an appropriation.

**Section 3. Internal Service Funds.** This section authorizes the establishment of limited and specific internal service accounts to implement the cases in which state agencies provide services to other state agencies, institutions, and other governmental units on a cost reimbursement basis.

**Section 4. Full-Time Equivalent Positions.** This section limits the maximum number of full-time equivalent positions authorized for the departments and agencies during any payroll period in FY 2026. In addition, this section provides that the Governor or designee, Speaker of the House or designee, and President of the Senate or designee may jointly adjust the authorization. It also limits appointments for state employees supported by non-state funds to the availability of those funds. Total authorization is for 15,946.8 full-time equivalent positions, 25.0 more positions than enacted. This includes 544.8 higher education positions supported by third-party funds, consistent with the enacted level.

**Section 5. State Fiscal Recovery and Capital Projects Funds.** This section maintains the enacted language that clarifies that appropriations of federal funds in section one shall not be construed to mean State Fiscal Recovery and Capital Projects Funds enacted as part of the American Rescue Plan Act unless specifically designated as such. The section also contains a description of each of the projects for which any appropriation is made. It has been revised to add projects resulting from reclassifications or those carried forward from prior years.

**Section 6. Marijuana Trust Fund Transfer.** This section requires the transfer of \$5.0 million from the Marijuana Trust Fund to state general revenues by June 30, 2026.

**Section 7. Effective Date.** This section provides that the article shall take effect upon passage.

#### **Article 14. Effective Date**

Article 14 provides that the act shall take effect on July 1, 2026, except where a provision within an article specifies a retroactive or prospective effective date.



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## **Section IV**

# **Adjustments to Governor's Revised Budget**

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	<b>FY 2026 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
	<b>Revenue Changes</b>					
<b>1</b>	Hospital Financing Support SRDF (26-H 7408, Sub A)	[18,000,000]	-	-	-	[18,000,000]
<b>2</b>	May Revenue Estimate	154,600,000	-	-	-	154,600,000
<b>3</b>	Restore SRDF to 1%	[-24,000,000]	-	-	-	[-24,000,000]
<b>4</b>	Infrastructure Bank Transfer	(2,000,000)	-	-	-	(2,000,000)
<b>5</b>	RIHEBC Transfer	(2,500,000)	-	-	-	(2,500,000)
	<i>Other Fund Sources</i>		(54,295,347)	(6,693,511)	(48,714,803)	(109,703,661)
	<b>Total</b>	<b>150,100,000</b>	<b>(54,295,347)</b>	<b>(6,693,511)</b>	<b>(48,714,803)</b>	<b>40,396,339</b>
	<b>Administration</b>					
<b>6</b>	ARPA - Pandemic Recovery Office (GBA)	-	(514)	-	-	(514)
<b>7</b>	Capital - 560 Jefferson Boulevard	-	-	-	(1,000,000)	(1,000,000)
<b>8</b>	Capital - Communities Facilities	-	-	-	(600,000)	(600,000)
<b>9</b>	Capital - Cranston Street Armory	-	-	-	(500,000)	(500,000)
<b>10</b>	Capital - IT Enterprise Operations Center	-	-	-	(6,000,000)	(6,000,000)
<b>11</b>	Capital - Medical Examiners Office (GBA)	-	-	-	750,000	750,000
<b>12</b>	Capital - Pastore Center Buildings Demolition (GBA)	-	-	-	(750,000)	(750,000)
<b>13</b>	Capital - Washington Country Government Center	-	-	-	(150,000)	(150,000)
<b>14</b>	CPF - Community Learning Center Municipal Grant Program (GBA)	-	(12,455,065)	-	-	(12,455,065)
<b>15</b>	FEMA Contingency Reserve (GBA)	(700,000)	-	-	-	(700,000)
<b>16</b>	Hospital Financing Support - (26-H 7408, Sub A)	18,000,000	-	-	-	18,000,000
<b>17</b>	Personnel and Operating (Q3)	(1,300,000)	-	-	-	(1,300,000)
<b>18</b>	Rent and Utilities Assistance (GBA)	-	(11,555,807)	-	-	(11,555,807)
<b>19</b>	Wrongful Conviction	(900,000)	-	-	-	(900,000)
	<b>Office of Energy Resources</b>					
<b>20</b>	Project Timing Revisions	-	(7,500,000)	-	(7,500,000)	(15,000,000)
	<b>Business Regulation</b>					
<b>21</b>	E-Permitting (Q3)	150,000	-	-	-	150,000
<b>22</b>	Rural Health Transformation Program (2.0 FTE) (GBA)	-	414,675	-	-	414,675
<b>23</b>	Technical Corrections (GBA)	-	-	(350,000)	-	(350,000)

	<b>FY 2026 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
24	Turnover Savings (Q3)	(250,000)	-	-	-	(250,000)
	<b>Executive Office of Commerce</b>					
25	Capital - I-195 Redevelopment District	-	-	-	17,443	17,443
	<b>Housing</b>					
26	Capital - Asset Protection	-	-	-	(300,000)	(300,000)
27	Office Relocation Expenses	(287,000)	-	-	-	(287,000)
28	State Shelter Utilities to Available ARPA (Q3)	(400,000)	-	-	-	(400,000)
	<b>Labor and Training</b>					
29	Governor's Workforce Board (GBA)	-	-	481,350	-	481,350
30	Rural Health Transformation Program (GBA)	-	361,584	-	-	361,584
	<b>Department of Revenue</b>					
31	Integrated Tax System Support (Q3)	520,000	-	-	-	520,000
32	Taxation Turnover Savings (Q3)	(520,000)	-	-	-	(520,000)
	<b>Secretary of State</b>					
33	Capital - Rhode Island Archives and History Center	-	-	-	60,000	60,000
34	Voter List Maintenance Mailing Excess	(300,000)	-	-	-	(300,000)
	<b>Executive Office of Health and Human Services</b>					
35	EC4 Projects - Equity Zones (GBA)	-	-	54,546	-	54,546
36	H.R.1 - Community Engagement (Q3)	-	(1,000,000)	-	-	(1,000,000)
37	H.R.1 Preventive Health Care Provider Access Fund	1,000,000	-	-	-	1,000,000
38	HIV Treatment and Prevention Programs (Q3)	1,516,750	(457,569)	-	-	1,059,181
39	Home and Community Based Support - ARPA (GBA)	-	(1,733,062)	(5,489,276)	-	(7,222,338)
40	Housing Grant Overstatement (Q3)	-	(81,869)	-	-	(81,869)
41	Ladders to Licensure (Q3)	(186,156)	-	-	-	(186,156)
42	May Caseload Conference - Medicaid	(6,674,356)	(16,248,237)	22,593	-	(22,900,000)

	<b>FY 2026 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>43</b>	Personnel and Operations (Q3)	(827,429)	1,100,000	-	-	272,571
<b>44</b>	RIBridges - Data Breach Settlement (GBA)	(7,000,000)	-	7,000,000	-	-
<b>45</b>	Rural Health Transformation Grant - Application Contractors (Q3)	766,000	-	-	-	766,000
<b>46</b>	Rural Health Transformation Program (5.0 FTE) (GBA)	-	5,649,573	-	-	5,649,573
<b>47</b>	Technology Expenses Timing and Match (Q3)	(769,165)	2,322,640	-	-	1,553,475
<b>48</b>	Thundermist Family Residence Program Match	(500,000)	-	-	-	(500,000)
	<b>Children, Youth and Families</b>					
<b>49</b>	Blizzard Overtime (GBA)	11,600	-	-	-	11,600
<b>50</b>	Capital - Child Welfare System Project Reallocation (GBA)	-	7,616,853	-	-	7,616,853
<b>51</b>	Capital - Psychiatric Residential Treatment Facility (GBA)	-	(6,335,628)	-	774,813	(5,560,815)
<b>52</b>	Capital - Residential Treatment Facility (GBA)	-	6,335,635	-	(774,880)	5,560,755
<b>53</b>	Federal Match Shortfall (Q3)	3,000,000	(3,000,000)	-	-	-
<b>54</b>	Juvenile Justice Grant (GBA)	-	497,654	-	-	497,654
	<b>Health</b>					
<b>55</b>	Healthcare Quality & Safety Positions (GBA)	-	60,320	90,481	-	150,801
<b>56</b>	Immunization and Other Programs (Q3)	-	(1,500,000)	(8,500,000)	-	(10,000,000)
<b>57</b>	Rural Health Transformation Program (GBA)	-	2,345,713	447,896	-	2,793,609
<b>58</b>	New Health Lab Operating Costs (GBA)	-	-	(949,650)	-	(949,650)
	<b>Human Services</b>					
<b>59</b>	Child Support Federal Credit Adjustment (GBA)	-	617,546	-	-	617,546
<b>60</b>	Incredible Beginnings Program (GBA)	-	80,000	-	-	80,000
<b>61</b>	May Caseload Conference - Cash Assistance	(11,280)	(11,543,537)	-	-	(11,554,817)
<b>62</b>	Office of Healthy Aging - Home & Community Care Utilization (Q3)	550,000	735,046	-	-	1,285,046
<b>63</b>	Office of Veterans Services Turnover & Operating (Q3)	(550,000)	-	-	-	(550,000)

	<b>FY 2026 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>64</b>	Organ Transplant Fund (GBA)	-	-	15,000	-	15,000
	<b>BHDDH</b>					
<b>65</b>	Behavioral Health Data Exchange Pilot - CCBHC (GBA)	-	-	379,549	-	379,549
<b>66</b>	Blizzard - Overtime Expenses (GBA)	146,456	-	-	-	146,456
<b>67</b>	ESH Billings - Community Medicaid	2,500,000	(2,500,000)	-	-	-
<b>68</b>	ESH Billings - Medicare Reserve Days	4,800,000	(4,800,000)	-	-	-
<b>69</b>	ESH Billings - Other Billing Issues	2,700,000	(2,700,000)	-	-	-
<b>70</b>	Hospital License Fee Correction	(109,029)	(85,487)	-	-	(194,516)
<b>71</b>	May Caseload Conference - Private Services for Individuals with Developmental Disabilities	201,247	86,847	-	-	288,094
<b>72</b>	Rural Health Transformation Program (2.0 FTE) (GBA)	-	452,647	-	-	452,647
	<b>Governor's Commission on Disabilities</b>					
<b>73</b>	Livable Home Modification Corrected (GBA)	(305,032)	-	-	-	(305,032)
	<b>Elementary and Secondary Education</b>					
<b>74</b>	Capital - Davies HVAC	-	-	-	(1,000,000)	(1,000,000)
<b>75</b>	Davies CTE Adjustment (GBA)	-	-	150,000	-	150,000
<b>76</b>	EC4 Timeline Adjustment (GBA)	-	-	(56,000)	-	(56,000)
<b>77</b>	Ed Aid - Formula Error (GBA)	4,356	-	-	-	4,356
<b>78</b>	Internal Service Fund Adjustments (GBA)	298,867	-	-	-	298,867
<b>79</b>	Rural Health Transformation Program (GBA)	-	1,051,421	-	-	1,051,421
<b>80</b>	School Building Authority Capital Fund to FY 2027	(5,868,581)	-	-	-	(5,868,581)
	<b>Higher Education</b>					
<b>81</b>	Capital - CCRI Renovation and Modernization Phase I	-	-	-	(2,762,602)	(2,762,602)

	<b>FY 2026 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>82</b>	Capital - CCRI Renovation and Modernization Phase II - IV	-	-	-	(400,000)	(400,000)
<b>83</b>	Capital - Flanagan Campus Renovations	-	-	-	(1,849,954)	(1,849,954)
<b>84</b>	Capital - PFAS Removal	-	-	-	(4,536,345)	(4,536,345)
<b>85</b>	Water Treatment Plant	-	-	-	(4,536,345)	(4,536,345)
<b>86</b>	Hope - May Update	(265,341)	-	-	-	(265,341)
<b>87</b>	Promise - May Update	20,047	-	-	-	20,047
<b>87</b>	RI DATA Shift to Available Federal Funds (Q3)	(232,329)	-	-	-	(232,329)
	<b>Atomic Energy Commission</b>					
<b>88</b>	Nuclear Education Program Funds (GBA)	-	7,936	-	-	7,936
<b>89</b>	Reactor Fees (GBA)	-	-	10,000	-	10,000
	<b>Historical Preservation &amp; Heritage Commission</b>					
<b>90</b>	Turnover (Q3)	(200,000)	-	-	-	(200,000)
	<b>Attorney General</b>					
<b>91</b>	Capital - Building Renovations and Repairs	-	-	-	(2,525,000)	(2,525,000)
	<b>Corrections</b>					
<b>92</b>	Accreditation	(303,152)	-	-	-	(303,152)
<b>93</b>	Blizzard Expenses (GBA)	1,624,488	-	-	-	1,624,488
<b>94</b>	Capital - HVAC Replacement	-	-	-	(18,494,418)	(18,494,418)
<b>95</b>	SCAAP (Q3)	1,001,453	(1,001,453)	-	-	-
<b>96</b>	Staff Travel	(70,106)	-	-	-	(70,106)
<b>97</b>	Unachieved Efficiency Savings (Q3)	1,575,000	-	-	-	1,575,000
	<b>Military Staff</b>					
<b>98</b>	Capital - Army National Guard Asset Protection	-	600,000	-	(1,900,000)	(1,300,000)
<b>99</b>	Capital - Aviation Readiness Center	-	-	-	(7,000,000)	(7,000,000)
	<b>Public Safety</b>					
<b>100</b>	ARPA Support for Survivors of Domestic Violence (GBA)	-	41	-	-	41
<b>101</b>	Capital - RISCON Microwave Tower Replacement (GBA)	-	-	-	245,048	245,048

	<b>FY 2026 Changes to Governor</b>	<b>Gen. Rev.</b>	<b>Federal</b>	<b>Restricted</b>	<b>Other</b>	<b>Total</b>
<b>102</b>	Capital - Southern Safety Complex (GBA)	-	-	-	12,243,977	12,243,977
<b>103</b>	Turnover and Operations (Q3)	(900,000)	-	-	-	(900,000)
	<b>Environmental Management</b>					
<b>104</b>	Blizzard Overtime and Emergency Repair Expenses (GBA)	90,338	-	-	-	90,338
<b>105</b>	Capital - Natural Resource Offices and Visitors' Center	-	-	-	(1,700,000)	(1,700,000)
<b>106</b>	Capital - Newport Piers	-	-	-	(887,328)	(887,328)
<b>107</b>	Personnel Adjustments (Q3)	1,448,290	-	-	-	1,448,290
	<b>Transportation</b>					
<b>108</b>	Capital - Train Station Asset Protection	-	-	-	(900,000)	(900,000)
<b>109</b>	Capital - RIPTA Kingston Station Mobility Hub (GBA)	-	-	-	(1,131,933)	(1,131,933)
<b>110</b>	DOT - HMA and Gas Tax Yield	-	-	-	3,742,205	3,742,205
<b>111</b>	GARVEE Debt - Federal Funds Correction	-	(133,250)	-	-	(133,250)
<b>112</b>	Gas Tax - Turnpike and Bridge Authority Yield	-	-	-	182,903	182,903
<b>113</b>	Motor Fuel Bonds - Defeased (GBA)	-	-	-	(4,942,565)	(4,942,565)
<b>114</b>	RIPTA - Gas Tax Yield and HMA	-	-	-	873,833	873,833
	<b>Total</b>	<b>12,495,936</b>	<b>(54,295,347)</b>	<b>(6,693,511)</b>	<b>(48,714,803)</b>	<b>(97,207,725)</b>

## FY 2026 Revised Changes to Governor

### Revenue Changes

- 1. Hospital Financing Support SRDF (26-H 7408, Sub A).** After the Governor submitted his budget, the Assembly adopted 2026-H 7408, Substitute A, as amended, authorizing the State Controller to transfer \$18.0 million from the Supplemental State Budget Reserve Account to general revenues for FY 2026. The funds were appropriated to the Rhode Island Health and Educational Building Corporation to fund a debt service reserve as financing support to assist in the sale of the Roger Williams Medical Center and Our Lady of Fatima Hospital.
- 2. May Revenue Estimate.** The Revenue Estimating Conference concluded on May 8 and revised the FY 2026 estimate to \$5,950.4 million based on collection trends through April and the revised economic forecast. The estimate is \$154.6 million more than the November estimate and the Governor's budget.
- 3. Restore SRDF to 1%.** The 2023 Assembly created a Supplemental State Budget Reserve Account to provide additional reserves since the current Budget Reserve and Cash Stabilization Account, or "rainy day fund," is constitutionally capped at 5.0 percent of revenues. The FY 2024 budget included a transfer of \$55.0 million from general revenues to the account, essentially increasing total reserves from 5.0 percent to 6.0 percent of revenues. The total remained at the initial deposit of \$55.0 million until \$18.0 million was transferred in February 2026 to support the hospital financing debt service reserve. The House Finance Committee recommends replacing the transferred funds and additional resources for a total of \$24.0 million. This would restore the fund to its original value of approximately one percent of usable revenues.
- 4. Infrastructure Bank Transfer.** The House Finance Committee does not concur with the Governor's proposal for a one-time transfer of \$2.0 million from the Infrastructure Bank to state general revenues by June 30, 2026.
- 5. RIHEBC Transfer.** The House Finance Committee does not concur with the Governor's proposal for a one-time transfer of \$2.5 million from the Rhode Island Health and Educational Building Corporation to state general revenues.

### Administration

- 6. ARPA - Pandemic Recovery Office (GBA).** The Pandemic Recovery Office oversees all programs financed by State Fiscal Recovery or Capital Projects funds and is responsible for ensuring compliance with all rules, regulations, and guidance. The FY 2026 revised budget overstates available State Fiscal Recovery funds by \$514. The House Finance Committee concurs with the Governor's requested amendment to align expenses with available funds.
- 7. Capital - 560 Jefferson Boulevard.** The House Finance Committee includes \$1.0 million in savings from Rhode Island Capital Plan funds, reflecting updated expenses for installing a generator and a new roof at 560 Jefferson Boulevard. The FY 2026 revised budget included \$2.8 million; the project is anticipated to be completed by June.
- 8. Capital - Communities Facilities.** The 2024 Assembly provided \$0.6 million for FY 2025 from Rhode Island Capital Plan funds for exterior and interior renovations, door and window replacement, and heating system upgrades at the Briggs School in Warwick. The project has been delayed further, and the House Finance Committee shifts the approved funding from FY 2026 to FY 2027.
- 9. Capital - Cranston Street Armory.** The recommended budget includes \$0.1 million annually in the five-year plan, and \$0.6 million in FY 2026 from Rhode Island Capital Plan funds for asset protection

projects in the Cranston Street Armory. The House Finance Committee recommends savings of \$0.5 million, reflecting anticipated expenses for FY 2026. Expenses have averaged \$0.1 million annually in the last two fiscal years.

**10. Capital - IT Enterprise Operations Center.** The recommended capital budget includes \$16.7 million from Rhode Island Capital Plan funds from FY 2026 through FY 2031 for various projects at the information technology operations center in Warwick. These include replacing the chiller and boiler, the roof, and the rooftop heating, ventilation, and air conditioning units. Reflecting a project delay, the Governor's recommended budget shifted \$2.0 million from FY 2026 to FY 2028. Based on the Department's updated expenses, the House Finance Committee shifts \$6.0 million from FY 2026 and adds \$3.0 million each for FY 2027 and FY 2028.

**11. Capital - Medical Examiners Office (GBA).** The recommended capital budget includes a total of \$2.3 million from Rhode Island Capital Plan funds from FY 2026 through FY 2031, including new expenditures of \$1.3 million to replace the roof on the recently renovated Medical Examiners' Office in Cumberland. Although the current roof is less than 16 years old and recommended repairs were made after a formal evaluation, the issues have persisted. The House Finance Committee concurs with the Governor's requested amendment to add \$750,000 in FY 2026 to install a new heating, ventilation, and air conditioning system on the new roof in conjunction with the replacement project.

**12. Capital - Pastore Center Buildings Demolition (GBA).** The revised budget includes \$6.3 million from Rhode Island Capital Plan funds to an ongoing project to demolish several buildings at the Pastore Center, including Pinel, Eastman House, Gloria McDonald, Welcome Arnold, and the old laundry facility. The House Finance Committee concurs with the Governor's requested amendment to recognize \$750,000 in savings; demolition is expected to be completed in FY 2026.

**13. Capital - Washington County Government Center.** The revised budget includes \$0.3 million from Rhode Island Capital Plan funds for asset protection and \$0.1 million for an ongoing feasibility study for the Washington County Government Center. The House Finance Committee includes savings of \$150,000, reflecting anticipated expenses for FY 2026.

**14. CPF - Community Learning Center Municipal Grant Program (GBA).** The revised budget includes \$83.2 million from the Capital Projects Fund to cities and towns to renovate or build community learning centers that comply with work, education, and health monitoring requirements set by the U.S. Department of the Treasury. Combined with prior year expenses, this would bring the total to \$14.0 million more than the approved allocation of \$81.7 million. The House Finance Committee concurs with the Governor's requested amendment to correct the overstatement and add \$1.5 million in funding that became available for a total of \$83.2 million.

**15. FEMA Contingency Reserve (GBA).** The FY 2026 revised budget includes \$2.6 million from general revenues as a contingency reserve for COVID-19-related expenses, in the event that reimbursements from the Federal Emergency Management Agency differ from budgeted assumptions. The House Finance Committee concurs with the Governor's later request to reduce funding by \$0.7 million, reflecting the anticipated need.

**16. Hospital Financing Support - (26-H 7408, Sub A).** After the Governor submitted his budget, the Assembly adopted legislation in 2026-H 7408, Substitute A, as amended, authorizing the State Controller to transfer \$18.0 million from the Supplemental State Budget Reserve Account to general revenue for FY 2026. The funds were appropriated to the Rhode Island Health and Educational Building Corporation to fund a debt service reserve as financing support to assist in the sale of the Roger Williams Medical Center and Our Lady of Fatima Hospital.

**17. Personnel and Operating (Q3).** The House Finance Committee recommends additional general revenue turnover savings of \$2.0 million in the Office of Management and Budget, Division of Equity, Diversity and Inclusion, Statewide Planning, and Legal Services, primarily reflecting ongoing vacancies above revised budget assumptions. This is partially offset by adding \$0.7 million for contracted services identified in the Department’s third quarter report, including \$0.5 million for expenses associated with the development of the Rural Health Transformation Program.

**18. Rent and Utilities Assistance (GBA).** The FY 2026 revised budget inadvertently overstated federal stimulus fund expenses awarded for rent and utilities assistance, and housing stability services, including housing navigation and legal services. The House Finance Committee concurs with the Governor’s requested amendment to include \$6.8 million or \$11.6 million less than the revised budget, to align expenses with available funds. Authority to incur expenses ended in December 2025, and the Pandemic Recovery Office submitted the final report to the U.S. Department of the Treasury in January.

**19. Wrongful Conviction.** The revised budget includes \$0.9 million from general revenues for wrongful conviction awards, \$0.1 million less than enacted for FY 2026. The 2021 Assembly adopted legislation to compensate individuals who were wrongfully convicted of crimes and incarcerated. Compensation for each year served is up to \$50,000. The Office of the Attorney General does not anticipate any expenses for FY 2026, and the House Finance Committee recommends reducing budgeted expenses accordingly. The FY 2027 budget includes \$0.9 million for these expenses.

### **Office of Energy Resources**

**20. Project Timing Revisions.** Based on projected spending and delays, the House Finance Committee recommends reducing budgeted expenses by \$15.0 million from all sources, including \$7.5 million from other funds, passed through the Department of Transportation for the National Electric Vehicle Infrastructure Program. It also includes \$7.5 million less from federal funds for the home efficiency rebate program, for which the Office has not received approval to launch.

### **Business Regulation**

**21. E-Permitting (Q3).** The House Finance Committee recommends a total of \$1.2 million from general revenues, \$0.2 million more than enacted and recommended based on spending through the third quarter, to support uniform construction, land use planning, fire safety, and zoning permitting for all Rhode Island municipalities.

**22. Rural Health Transformation Program (2.0 FTE) (GBA).** The House Finance Committee concurs with the Governor’s requested amendment to add \$142.7 million from federal funds to several state agencies for the first year of the state’s award from the Rural Health Transformation Program included in H.R. 1. The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care. The amendment includes \$21.8 million and 2.0 new positions for the Office of the Health Insurance Commissioner to oversee the program, including \$0.4 million for FY 2026 and \$21.4 million for FY 2027. These funds will primarily support contractors and competitive awards to encourage hospitals and primary care practices to transition to alternative and value-based payment models.

**23. Technical Corrections (GBA).** The House Finance Committee concurs with the Governor’s requested amendment to provide a total of \$309,420 from restricted receipts for Fire Academy instructors. This is \$350,000 less than his initial recommendation, which overstated the cost of converting instructors from contractors to seasonal employees in order to provide them with workers’ compensation coverage.

**24. Turnover Savings (Q3).** The Governor’s revised recommendation includes turnover savings equivalent to an average of 5.4 vacancies for the Department of Business Regulation. As of the end of April, the Department has averaged 9.9 vacancies. The House Finance Committee recommends \$0.3 million of additional turnover savings based on the Department’s third quarter report.

### **Executive Office of Commerce**

**25. Capital - I-195 Redevelopment District Parks (GBA).** The House Finance Committee concurs with the Governor’s requested amendment to increase Rhode Island Capital Plan funding by \$17,443 for FY 2026 to restore unspent prior year funds for infrastructure and development projects for the I-195 Redevelopment District’s parks. Work includes a food-and-beverage service pavilion, utility infrastructure, landscaping, and replacement of trash receptacles and benches. The Commission approved the concept design of the pavilion in 2023, and the project broke ground in September 2024.

### **Housing**

**26. Capital - Asset Protection.** The Governor’s capital recommendation is for a new \$3.1 million allocation from Rhode Island Capital Plan funds for asset protection work at three state-owned shelter facilities, including \$0.3 million for FY 2026 and \$1.7 million for FY 2027. The Executive Office has utilized one-time State Fiscal Recovery funds to obtain, maintain, and operate these facilities, which are rented to organizations that can provide a maximum of 490 beds and associated services daily. The House Finance Committee excludes the newly proposed funds for the current year only and concurs with the remainder of the recommendation.

**27. Office Relocation Expenses.** The House Finance Committee does not concur with the Governor’s recommendation for \$0.3 million from general revenues for the Executive Office to adapt its office space within the Powers Building. The 2024 Assembly provided a total of \$410,000 for FY 2025 to purchase equipment for new staff members and to support office location transitions. The Executive Office spent \$133,970.

**28. State Shelter Utilities to Available ARPA (Q3).** The House Finance Committee recommends shifting \$0.4 million of state-owned shelter utilities costs from general revenues to available State Fiscal Recovery funds, consistent with the Executive Office’s third quarter report. These expenses will be supported within the existing allocations for the Homelessness Infrastructure and Homelessness Assistance Program projects.

### **Labor and Training**

**29. Governor’s Workforce Board (GBA).** The Governor requested an amendment to increase restricted receipts by \$0.5 million for FY 2026 to support contractor training administered by the Department of Labor and Training. This increase reflects higher-than-anticipated collections from levies on residential construction permits issued in Rhode Island, a portion of which is transferred to a restricted receipt account within the Department to provide grants for contractor training programming. This would provide a total of \$1.0 million for FY 2026. The House Finance Committee concurs.

**30. Rural Health Transformation Program (GBA).** The House Finance Committee concurs with the Governor’s requested amendment to add \$142.7 million from federal funds to several state agencies for the first year of the state’s award from the Rural Health Transformation Program included in H.R. 1. The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care. For the Department of Labor and Training, the amendment includes \$0.4 million for FY 2026 and \$7.0 million for FY 2027, primarily to support the Real

Jobs Rhode Island program in providing pre-employment healthcare-related training opportunities in rural communities, as well as existing staff responsible for administering grant programming.

### **Department of Revenue**

**31. Integrated Tax System Support (Q3).** The Governor’s recommended budget includes the enacted funding level of \$6.1 million from general revenues for maintenance, support, and the vendor services contract for the integrated tax system, including payments under the contingency contract. This is \$0.5 million less than the Department requested and is expected to spend based on its third quarter report, which accounts for increases in cloud storage costs, software licenses, and maintenance and operations. There are offsetting personnel savings. The House Finance Committee recommends adding \$520,000 from general revenues to cover the expected cost.

**32. Taxation Turnover Savings (Q3).** The House Finance Committee recommends general revenue turnover savings of \$520,000 for the Division of Taxation based on current vacancies and the Department of Revenue’s third quarter report. These savings offset increased costs of the integrated tax system.

### **Secretary of State**

**33. Capital - Rhode Island Archives and History Center.** The Governor recommends \$45.0 million from new general obligation bond funds to go before the voters in November 2026 and shifts \$4.5 million from approved Rhode Island Capital Plan funds from FY 2027 to FY 2028 to develop a new State History Center facility. The approved plan also provided \$0.5 million in FY 2025 for a feasibility study encompassing site selection, architectural, and design work; only \$5,433 was spent in FY 2025, and the Governor’s budget eliminated the remaining funds. The Secretary of State subsequently reported additional expenses in FY 2026 from the approved funds, and the House Finance Committee recommends restoring \$60,000 to reflect actual expenses.

**34. Voter List Maintenance Mailing Excess.** The enacted FY 2026 budget includes \$0.8 million from general revenues for the Secretary of State to conduct a statewide mailing to update the state’s voter registration list for future elections. As of April, all aspects of the mailing are complete at a cost of \$0.5 million. The House Finance Committee recommends reducing the budget by \$0.3 million to reflect actual expenses.

### **Executive Office of Health and Human Services**

**35. EC4 Projects - Equity Zones (GBA).** The House Finance Committee concurs with the Governor’s requested amendment to add \$54,546 from restricted receipts as part of an agreement with the Office of Energy Resources to collaborate with the state’s Equity Zones to focus on climate change and health. The agreement totals \$100,000, with the balance in FY 2027.

**36. H.R.1 - Community Engagement (Q3).** The Governor’s revised recommendation includes \$2.0 million from federal funds to help individuals meet the work, education, or volunteering requirements under the community engagement section of H.R. 1. This involves coordination with the Departments of Human Services and Labor and Training. There is also a media campaign, focus groups, and translation services. The Executive Office’s third-quarter report shows spending of \$0.7 million, leaving a balance of \$1.2 million. The House Finance Committee recommends shifting \$1.0 million from the available balance from FY 2026 to FY 2027.

**37. H.R.1 Preventive Health Care Provider Access Fund.** The House Finance Committee recommends providing \$1.0 million from general revenues as grant funds to providers whose patients have

lost access to preventive health care, such as cancer screenings, because of restrictions imposed by H.R. 1. Any unspent funds are automatically reappropriated to FY 2027.

**38. HIV Treatment and Prevention Programs (Q3).** The House Finance Committee recommends adding \$1.5 million from general revenues and reducing rebate receipts by \$0.5 million to adjust funding for HIV Treatment and Prevention Services. This reflects the Executive Office's third-quarter report, which recognizes reduced federal awards, higher pharmacy expenses, and lower-than-projected rebates.

**39. Home and Community Based Support - ARPA (GBA).** The House Finance Committee concurs with the Governor's requested amendments to reduce restricted receipts and federal funds by \$7.2 million, to correct an overstatement of expenses for home and community-based services through a time-limited federal program. This brings adjusted funding to a total of \$6.5 million, and expenses must occur by June 30, 2026.

**40. Housing Grant Overstatement (Q3).** The House Finance Committee recommends reducing federal Pathways to Removing Obstacles grant funds by \$81,869 to correct an overstatement of available resources and reflect projected spending in the Executive Office of Health and Human Services' third quarter report. The award is through the Executive Office of Housing, with spending in both agencies.

**41. Ladders to Licensure (Q3).** The House Finance Committee recommends reducing expenses for the Ladders to Licensure program by \$186,156 from general revenues to reflect projected spending in the Executive Office's third quarter report. The Governor's recommendation reduced the enacted amount of \$750,000 to \$606,000. This change brings the total to \$419,844.

**42. May Caseload Conference - Medicaid.** The House Finance Committee recommends decreasing medical assistance expenses by \$22.9 million for FY 2026 to reflect the May Caseload Estimating Conference estimate. This includes \$6.7 million less from general revenues, \$16.2 million less from federal funds, and \$22,593 more from restricted receipts, incorporating updated expenditure and enrollment data.

**43. Personnel and Operations (Q3).** The House Finance Committee recommends \$0.3 million more for personnel and operation expenses in the current year to reflect the Executive Office's third quarter report. This includes \$0.8 million less from general revenues and \$1.1 million more from federal funds, primarily from shifting expenses to Medicaid funds. There are other adjustments to expenditures supported by other federal sources.

**44. RIBridges - Data Breach Settlement (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$7.0 million from restricted receipts from Deloitte Settlement funds for the 2024 RIBridges data breach, offsetting general revenue expenses for FY 2026.

**45. Rural Health Transformation Grant - Application Contractors (Q3).** The House Finance Committee recommends adding \$766,000 from general revenues to reflect the Executive Office's third quarter report for contracted expenses to assist in preparing the Rural Health Transformation program application. Expenses such as these, incurred prior to the grant being awarded, are not eligible for federal reimbursement.

**46. Rural Health Transformation Program (5.0 FTE) (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$142.7 million from federal funds for the first year of the state's award from the Rural Health Transformation Program included in H.R. 1. For FY 2026 and FY 2027, funds will be budgeted among three health and human service agencies, and the Departments of Business Regulation, Elementary and Secondary Education, and Labor and Training. The total award is \$156.2 million, with the remaining \$13.4 million anticipated in the FY 2028 recommended budget; it must be spent by September 30, 2027.

The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care. For the Executive Office of Health and Human Services, the amendment includes \$5.6 million for FY 2026 and \$68.8 million for FY 2027. It also adds five positions in both years.

**47. Technology Expenses Timing and Match (Q3).** The House Finance Committee recommends adjusting technology expenses for the Medicaid Management Information System and its replacement, the Medicaid Enterprise System to reflect the Executive Office's third quarter report. This includes \$0.8 million less from general revenues and \$2.3 million more from federal funds to reflect current year spending and a higher Medicaid match rate than assumed in the budget for the Medicaid Enterprise System.

**48. Thundermist Family Residence Program Match (Q3).** The FY 2026 enacted budget includes \$500,000 from general revenues for Thundermist's Family Residence Program contingent upon the federally qualified health center receiving federal support for the program, which it did not receive. The House Finance Committee recommends reducing funding accordingly. Future funding for the program is included with the Rural Health Transformation grant.

### **Children, Youth and Families**

**49. Blizzard Overtime (GBA).** The Governor requested an amendment to add \$1.9 million from general revenues for expenses related to the February 2026 winter storm. For the Department of Children, Youth and Families, this includes \$11,600 for overtime expenses at the Training School. The House Finance Committee concurs.

**50. Capital - Child Welfare System Project Reallocation (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reallocate federal funds for the Comprehensive Child Welfare Information System Project, which would add \$7.6 million in FY 2026 and provide \$3.6 million less in FY 2027. This change would align the budgeted amounts across years to reflect the state match and recognize unspent FY 2025 federal funds that were not included in the Department's request or original recommendation. In addition to federal funds, the project includes funding from the Large Systems Initiative Fund, budgeted within the Department of Administration, and general revenues for information technology personnel.

**51. Capital - Psychiatric Residential Treatment Facility (GBA).** The Governor recommends \$28.1 million from Rhode Island Capital Plan Funds to renovate three buildings at the newly acquired Fruit Hill property in North Providence for use as a Psychiatric Residential Treatment Facility. The operating budget assigned federal funds to this project that belong with the Exeter project. The Governor requested an amendment to correct the operating budget error and shift \$0.8 million from FY 2027 to FY 2026 based on an updated schedule. The House Finance Committee concurs.

**52. Capital - Residential Treatment Facility (GBA).** The Governor's capital recommendation includes \$42.1 million, including \$34.8 million from Rhode Island Capital Plan funds and \$7.3 million from State Fiscal Recovery funds, for the Residential Treatment Facility project in Exeter. The FY 2026 revised budget includes \$0.8 million more from Rhode Island Capital Plan funds than the capital budget. The operating budget also inadvertently shows federal funds for this project with the St. Mary's project. The Governor requested an amendment to correct the overstatement to be consistent with the capital recommendation and to assign the federal funds correctly. The House Finance Committee concurs.

**53. Federal Match Shortfall (Q3).** The Department of Children, Youth and Families' third-quarter report projected a \$6.0 million overspend from general revenues, which it attributed to a decrease in federal funds claimed for its service array, including Medicaid and Title IV-E, primarily for home- and community-based services. The Budget Office's third-quarter report projects a general revenue deficit of \$4.4 million,

reflecting the Department's recent approval for additional federal claiming authorized under the Family First Prevention Services Act. It also indicates that the Department is working with the Medicaid office at the Executive Office of Health and Human Services to resolve the other claiming issues. The House Finance Committee recommends providing \$3.0 million from general revenues to replace federal funds while the claiming issues are being resolved.

**54. Juvenile Justice Grant (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$0.5 million from federal funds, reflecting a juvenile justice grant awarded in 2024, which was excluded from the recommendation. The grant program supports planning and developing a community-based continuum of prevention and intervention services aimed at preventing youth from entering the juvenile justice system or moving deeper into it. The Department is partnering with nonprofits to evaluate the current services and interventions for at-risk youth and design evidence-based interventions to strengthen the system.

### Health

**55. Healthcare Quality and Safety Positions (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$150,801 from all sources to correct for understated personnel costs within the Division of Healthcare Quality and Safety. This includes \$60,320 from federal funds and \$90,481 from restricted receipts.

**56. Immunization and Other Programs (Q3).** Based on the third quarter report, the House Finance Committee recommends reducing expenses from all sources for vaccine purchases by \$10.0 million based on decreased vaccine costs. It also recommends shifting some general revenue expenses among programs to align with spending projections.

**57. Rural Health Transformation Program (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$142.7 million from federal funds to several state agencies for the first year of the state's award from the Rural Health Transformation Program included in H.R. 1. The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care. For the Department of Health, the amendment includes \$2.3 million for FY 2026 and \$26.3 million for FY 2027. Of this, \$0.6 million supports approximately four positions, as well as new training programs, equipment, vehicles, and contracts for information technology revitalization and other projects.

**58. New Health Lab Operating Costs (GBA).** The House Finance Committee concurs with the Governor's requested amendment to reduce expenditures for the operations of the new health laboratory by \$0.9 million from the Department of Health's indirect cost recovery account to correct for overstated costs in FY 2026.

### Human Services

**59. Child Support Federal Credit Adjustment (GBA).** The Governor's recommendation includes \$2.6 million from federal credits to reflect expected current year child support collections. A portion of all collections is recognized as federal funds and recorded as expenditure credits. Expected receipts total \$2.6 million in FY 2026 and appear as a decrease to the enacted budget. The Governor subsequently requested an amendment to attribute \$0.6 million from federal funds to FY 2025, reflecting lower federal credits for FY 2026. This results in a \$0.6 million increase in federal funding in the current year. The House Finance Committee concurs with the requested amendment.

**60. Incredible Beginnings Program (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$80,000 from federal funds to reflect a new grant to support

Incredible Beginnings, an extension of the Incredible Years program, which supports early childhood educators.

**61. May Caseload Conference - Cash Assistance.** The House Finance Committee recommends reducing FY 2026 expenditures by \$11.6 million, including \$11,280 less from general revenues, to reflect the May Caseload Estimating Conference estimates for Rhode Island Works, subsidized child care, supplemental security income, and general public assistance bridge programs.

**62. Office of Healthy Aging - Home and Community Care Utilization (Q3).** The House Finance Committee recommends \$1.3 million more, including \$0.6 million from general revenues, for Medicaid services at the Office of Healthy Aging based on updated spending projections in the Office's third quarter report.

**63. Office of Veterans Services Turnover and Operations (Q3).** The House Finance Committee recommends \$0.6 million less from general revenues for expenses of the Office of Veterans Services based on updated spending projections in the Office's third quarter report. The report showed savings from the completion of the records digitization project, as well as savings at the Veterans Home, primarily in staffing.

**64. Organ Transplant Fund (GBA).** The House Finance Committee concurs with the Governor's requested amendment to restore the \$15,000 from restricted receipts for the Organ Transplant Fund inadvertently excluded from his revised recommendation for FY 2026.

#### **BHDDH**

**65. Behavioral Health Data Exchange Pilot - CCBHC (GBA).** The Department received a \$558,300 grant from Chickasaw Federal Health for a Behavioral Health Data Exchange Pilot Project to create an electronic clinic reporting system so that Certified Community Behavioral Health Clinics can report outcomes for Medicaid beneficiaries in depression remission, social needs screening, and diabetes management. The pilot program includes five of the six clinics; Gateway is not participating. The Governor requested an amendment to add \$379,549 for FY 2026 and \$178,781 for FY 2027 from restricted receipts. The House Finance Committee concurs.

**66. Blizzard - Overtime Expenses (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$146,456 from general revenues for overtime expenses incurred at the three 24-hour operations, including the hospital facilities and state group homes, for expenses related to the February 2026 winter storm.

**67. ESH Billings - Community Medicaid.** The House Finance Committee recommends adding \$2.5 million from general revenues to offset Medicaid funds budgeted for patients at Eleanor Slater Hospital but not available, according to the Department's third quarter projections. The patients are eligible for Medicaid but are not approved for services at the long-term acute care hospital, meaning the Department cannot bill Medicaid for the services. The problem appears to be limited to FY 2026 as proper approvals are in place for FY 2027.

**68. ESH Billings - Medicare Reserve Days.** The House Finance Committee recommends adding \$4.8 million from general revenues to offset unavailable federal funds for patients at Eleanor Slater Hospital, according to the Department's third quarter projections. Billing relates to patients who may be eligible for both Medicaid and Medicare; however, each patient must agree to use their Medicare "reserve" days or the Department must bill the patient who opts out of using this coverage before it can bill Medicaid for hospital expenses. There are patients who have opted out of using the reserve days, and the Department has not done the proper billing to ensure Medicaid is the payor of last resort, resulting in state-only expenses for this population.

**69. ESH Billings - Other Billing Issues.** The House Finance Committee recommends adding \$2.7 million from general revenues to offset other federal fund shortfalls. The Department's third quarter report does not provide an explanation for this component of the shortfall. Accounting system issues have complicated tracking and review of these expenses by the Department and fiscal staff.

**70. Hospital License Fee Correction.** The House Finance Committee recommends reducing expenses included in the Governor's recommendation to pay the license fee by \$0.2 million from all sources to reflect the correct fee due under law, which is \$4.0 million in both FY 2026 and FY 2027.

**71. May Caseload Conference - Private Services for Individuals with Developmental Disabilities.** The House Finance Committee recommends increasing community-based service expenses for individuals with developmental disabilities by \$0.3 million for FY 2026 to reflect the results of the May Caseload Estimating Conference. This includes increases of \$0.2 million from general revenues and \$0.1 million from federal funds based on current utilization trends.

**72. Rural Health Transformation Program (2.0 FTE) (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$142.7 million from federal funds to several state agencies for the first year of the state's award from the Rural Health Transformation Program included in H.R. 1. The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care.

For the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals, the amendment includes \$0.5 million for FY 2026 and \$4.1 million for FY 2027. It also adds two positions in both years. Funding will support recovery centers, crisis and stabilization services, and Westerly Hospital's geriatric psychiatry unit.

#### **Governor's Commission on Disabilities**

**73. Livable Home Modification Corrected (GBA).** The revised budget overstated FY 2025 unspent general revenues for the Livable Home Modification by \$0.3 million. The House Finance Committee concurs with the Governor's requested amendment to include \$1.1 million for FY 2026, including \$0.6 million from the required reappropriation. Funds will be used to support home modifications and accessibility enhancements to allow individuals to remain in community settings.

#### **Elementary and Secondary Education**

**74. Capital - Davies HVAC.** The House Finance Committee recommends shifting \$1.0 million from Rhode Island Capital Plan funds for the heating, ventilation, and air conditioning system at Davies Career and Technical School from FY 2026 to FY 2027. This is based on updated information from the school and will align planned expenditures with major work associated with the wing renovation project.

**75. Davies CTE Adjustment (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$150,000 from restricted receipts for Davies Career and Technical School. This represents the updated allocation of career and technical education categorical funding for the school and would provide a total of \$425,000 in FY 2026.

**76. EC4 Timeline Adjustment (GBA).** The Governor's recommendation includes \$231,000 from restricted receipts to reflect the Executive Climate Change Coordinating Council's FY 2026 spending plan. He later requested an amendment to reduce this amount by \$56,000 to align planned spending with a delayed timeline. This would provide \$175,000 to enhance climate resilience, energy efficiency, and decarbonization in high-need public schools, consistent with the FY 2025 grant awards. The House Finance Committee concurs with the amended recommendation.

**77. Ed Aid - Formula Error (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$4,356 from general revenues to correct a calculation error in the education aid formula that understated funding included in the FY 2026 enacted budget.

**78. Internal Service Fund Adjustments (GBA).** The Governor recommends \$0.9 million from general revenues for centralized facilities management services provided by the Department of Administration for the Department's occupancy of the Shepard Building in Providence. He subsequently requested an amendment to add \$0.3 million from general revenues, including \$0.1 million for anticipated billings for facilities management and \$0.2 million to reflect electricity and natural gas charges not previously included in the Department's budget. The House Finance Committee concurs with the amended recommendation.

**79. Rural Health Transformation Program (GBA).** The House Finance Committee concurs with the Governor's requested amendment to add \$142.7 million from federal funds to several state agencies for the first year of the state's award from the Rural Health Transformation Program included in H.R. 1. The program will support workforce development, technology innovation, improved health for rural residents, innovative access, and sustainable access to care. For the Department of Elementary and Secondary Education, the amendment includes \$1.1 million for FY 2026 and \$4.8 million for FY 2027. Funding will primarily support Career and Technical Education programs and workforce development.

**80. School Building Authority Capital Fund to FY 2027.** The House Finance Committee concurs with the Governor's proposal to eliminate the annual transfer of savings from traditional project delays to the School Building Authority Capital Fund transfer, but recommends recognizing the \$5.9 million in general revenue savings by shifting the funds from FY 2026, rather than his proposed reduction in FY 2027.

### Higher Education

**81. Capital - CCRI Renovation and Modernization Phase I.** The House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for the Community College's renovation and modernization phase I project based on updated plans. This includes removing \$2.8 million from FY 2026, \$1.0 million from FY 2027, and \$0.5 million from FY 2028, and adding \$3.7 million to FY 2029, and \$0.5 million to FY 2030.

**82. Capital - CCRI Renovation and Modernization Phase II - IV.** The House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for the Community College's renovation and modernization phase II - IV project based on updated plans. This includes removing \$0.4 million from FY 2026 and \$2.5 million from FY 2031, and adding \$0.2 million to FY 2027 and FY 2029, and \$2.5 million to FY 2030.

**83. Capital - Flanagan Campus Renovations.** The House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for the Community College's Flanagan Campus renovations project based on updated plans. This includes removing \$1.8 million from FY 2026 and \$3.3 million from FY 2027, and adding \$2.8 million to FY 2028, \$2.1 million to FY 2029, and \$0.3 million to FY 2030.

**84. Capital - PFAS Removal Water Treatment Plant.** Based on updated spending plans, the House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for the University of Rhode Island to construct a water treatment plant for per- and polyfluoroalkyl substances. This includes removing \$4.5 million from FY 2026 and \$3.5 million from FY 2027, and adding \$8.0 million to FY 2028.

**85. Hope - May Update.** Based on the May update for Rhode Island College's Hope Scholarship for FY 2026, the House Finance Committee recommends \$5.0 million or \$0.3 million less from general revenues than the Governor's revised recommendation.

**86. Promise - May Update.** Based on the May update for the Community College of Rhode Island Promise Scholarship for FY 2026, the House Finance Committee recommends adding \$20,047 from general revenues to the Governor's revised recommendation for a total of \$7.5 million.

**87. RI DATA Shift to Available Federal Funds (Q3).** Based on the Office of Postsecondary Commissioner's third-quarter report, the House Finance Committee recommends \$0.2 million less from general revenues for staffing costs for RI DATA staff. This reflects turnover savings and shifting general revenue expenses to available federal funds.

#### **Atomic Energy Commission**

**88. Nuclear Education Program Funds (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$7,936 from available federal nuclear education program funds from the United States Nuclear Regulatory Commission. This funding is available to support student projects focused on nuclear education.

**89. Reactor Fees (GBA).** The House Finance Committee concurs with the Governor's requested budget amendment to add \$10,000 from reactor fee restricted receipts to reflect anticipated usage for FY 2026. The Atomic Energy Commission charges reactor fees for commercial use of the reactor, which are deposited in a restricted receipt account for the maintenance of the Commission's equipment.

#### **Historical Preservation and Heritage Commission**

**90. Turnover (Q3).** The House Finance Committee recommends \$0.2 million less from general revenues for staffing costs at the Historical Preservation and Heritage Commission based on updated spending projections in the Commission's third-quarter report. The Commission has maintained a high level of vacancies in recent years.

#### **Attorney General**

**91. Capital - Building Renovations and Repairs.** The House Finance Committee recommends revising the programming of Rhode Island Capital Plan funds for asset protection projects at the Attorney General's 180 South Main Street office based on updated spending expectations. This includes shifting \$2.5 million from FY 2026 to later years by adding \$1.5 million to FY 2027 and \$1.0 million to FY 2028. This would provide \$2.7 million for FY 2027 and \$1.9 million for FY 2028.

#### **Corrections**

**92. Accreditation.** The Governor recommends \$0.3 million from general revenues associated with the reallocation of 3.0 existing full-time equivalent positions for a new initiative to achieve American Correctional Association accreditation. The 2025 Assembly did not concur with this initiative when proposed last year; however, staff continues to perform this work. The House Finance Committee does not concur with the allocation and assumes turnover savings equivalent to the redundant positions.

**93. Blizzard Expenses (GBA).** The Governor requested an amendment to add \$1.6 million from general revenues for expenses related to the February winter storm. For the Department of Corrections, this reflects \$1.2 million in overtime expenses, typically resulting from double-time-and-a-half pay for correctional officers, as well as \$0.4 million in operating costs, such as snowplowing and equipment rentals.

**94. Capital - HVAC Replacement.** The Governor’s capital recommendation includes \$39.9 million from Rhode Island Capital Plan funds to replace the heating, ventilation, and air conditioning systems at the Intake Service Center. This is \$1.2 million less than approved, including \$0.5 million more for FY 2027 as well as \$1.7 million less for FY 2026, an error he subsequently requested an amendment to correct. The House Finance Committee recommends total project funding of \$41.6 million, including \$18.5 million less for FY 2026, \$14.3 million more for FY 2027, and \$5.9 million for FY 2028, which corrects the error and reflects an updated project timeline.

**95. SCAAP (Q3).** The House Finance Committee recommends shifting \$1.0 million in personnel expenses to general revenues from federal State Criminal Alien Assistance Program grant funds to reflect that grants were not awarded in FY 2026. The Department indicates that grants will be awarded in FY 2027, and award amounts may reflect forgone FY 2026 support.

**96. Staff Travel.** The Governor’s revised budget includes \$70,106 more from general revenues than enacted for the Department of Corrections for out-of-state travel, primarily by agency leadership. The House Finance Committee does not concur and maintains the enacted amount of \$105,343.

**97. Unachieved Efficiency Savings (Q3).** Last year, the Governor recommended the Department’s constrained proposal to consolidate the Minimum and Medium Security populations for FY 2026, for estimated general revenue savings of \$6.1 million; however, a subsequent feasibility study estimated at least \$67.1 million in associated capital costs. In April 2025, the Department testified that it would identify overtime efficiencies in lieu of the consolidation proposal. The enacted budget includes \$1.6 million in efficiency savings to be identified by the Department. The Department has not identified any efficiencies, and its third quarter report indicates that these savings are therefore unachievable. The House Finance Committee recommends funding to offset the unachieved savings.

#### **Military Staff**

**98. Capital - Army National Guard Asset Protection.** The Governor requested an amendment to increase federal funds for Army National Guard asset protection projects by \$0.6 million for FY 2026 and \$3.5 million for FY 2027 to replace water supply infrastructure at the Army National Guard Readiness Center in Coventry and to connect the facility to the Kent County Water Authority municipal water system. This reflects new information that it would receive federal funding with no state match requirement. The House Finance Committee concurs with the amended recommendation and also recommends shifting \$1.9 million from Rhode Island Capital Plan Funds from FY 2026 to FY 2027 to reflect timing of expenses for other asset protection projects.

**99. Capital - Aviation Readiness Center.** The Governor’s capital budget recommendation includes \$7.5 million for FY 2026 and \$7.6 million for FY 2027 from Rhode Island Capital Plan funds to construct a National Guard Readiness Center that supports the training, administrative, and logistical requirements of the 1-126 Aviation Unit of the Rhode Island Army National Guard. The Military Staff subsequently reported that a construction contract was not awarded until spring 2026, and therefore, the project is not expected to break ground until FY 2027. The House Finance Committee recommends shifting \$7.0 million from Rhode Island Capital Plan funds from FY 2026 to FY 2028 to reflect that updated schedule.

#### **Public Safety**

**100. ARPA Support for Survivors of Domestic Violence (GBA).** The House Finance Committee concurs with the Governor’s requested budget amendment to add \$41 to reflect remaining available State Fiscal Recovery funds to support survivors of domestic violence. The 2022 Assembly provided a total of

\$10.5 million from State Fiscal Recovery funds to provide awards to nonprofits to provide housing, clinical, and mental health services to victims of domestic violence and assault.

**101. Capital - RISCON Microwave Tower Replacement (GBA).** The approved capital plan includes \$0.2 million from Rhode Island Capital Plan funds for the Rhode Island Statewide Communications Network’s microwave system replacement in FY 2026. The Governor’s capital plan inadvertently excludes the funding, and he requested an amendment to restore it. The House Finance Committee concurs.

**102. Capital - Southern Safety Complex (GBA).** The approved capital plan includes \$41.4 million from Rhode Island Capital Plan funds for the construction of a new Southern Barracks in West Greenwich, which is currently underway. The Governor’s capital plan unintentionally omits \$12.2 million of funds that were carried forward from FY 2025. The House Finance Committee concurs with the Governor’s requested amendment to correct the error.

**103. Turnover and Operations (Q3).** The House Finance Committee recommends \$0.9 million of general revenue savings based on the Department of Public Safety’s third quarter report. This includes \$0.5 million in costs associated with the blizzard that are unlikely to be reimbursable by federal sources, offset by \$1.4 million in general revenue turnover savings in the Division of Sheriffs, which is experiencing significantly higher vacancies than the Governor’s budget assumes.

### **Environmental Management**

**104. Blizzard Overtime and Emergency Repair Expenses (GBA).** In February 2026, a major winter storm occurred in the state, resulting in total costs of \$23.3 million. This impacted ten agencies, including the Department of Environmental Management. The Department incurred additional overtime and emergency repairs, not eligible for federal reimbursement, including in the divisions of Parks and Recreation, Coastal Resources, Fish and Wildlife, and Forestry and Agriculture. The Governor requested an amendment to add \$90,338 from general revenues to cover these expenses. The House Finance Committee concurs.

**105. Capital - Natural Resource Offices and Visitors’ Center.** The Governor recommends \$5.2 million from Rhode Island Capital Plan funds for renovations and asset protection work at the University of Rhode Island’s Alton Jones Campus to house a visitor’s center, along with other Department of Environmental Management offices. Based on spending delays in FY 2026, the House Finance Committee recommends shifting \$1.7 million from FY 2026 to the outyears, including \$1.0 million to FY 2027 and \$0.7 million to FY 2028.

**106. Capital - Newport Piers.** The Governor’s recommendation includes the approved \$2.3 million from Rhode Island Capital Plan funds, of which \$1.0 million is in FY 2026 and \$0.5 million is in FY 2027, for infrastructure improvements, asset protection, and facility repairs and renovations at the Newport Piers, operated and managed by the Department of Environmental Management. The House Finance Committee recommends shifting \$0.9 million from FY 2026 to FY 2028 based on project delays.

**107. Personnel Adjustments (Q3).** The House Finance Committee recommends adding \$1.4 million from general revenues for personnel and seasonal staffing costs based on the Budget Office’s third quarter report. This primarily impacts the Division of Law Enforcement and the seasonal recreation program within the Division of Parks and Recreation. The Department had identified much of this shortfall in its revised budget request, citing a Personnel Appeal Board decision regarding pay scales that resulted in unbudgeted expenses.

## Transportation

**108. Capital - Train Station Asset Protection.** The revised budget includes \$2.4 million, \$0.9 million more than the approved plan from Rhode Island Capital Plan funds for various projects, including gutter and roof repairs, lighting installations, and platform renovations at four train stations: Woonsocket, Kingston, Wickford Junction, and Westerly. Three of the stations are currently active, while the Woonsocket station serves as a bus depot. Based on historical expenses and delays, the House Finance Committee recommends shifting the \$0.9 million in new funding to FY 2030.

**109. Capital - RIPTA Kingston Station Mobility Hub (GBA).** The Governor's recommended capital budget inadvertently overstated Rhode Island Capital Plan funds for the transit hub project at the Kingston train station by \$1.1 million. The House Finance Committee concurs with his requested amendment to provide \$0.3 million for FY 2026 and \$0.8 million as the match toward the approved \$5.7 million project.

**110. DOT - HMA and Gas Tax Yield.** Based on an upward revision to the gas tax yield and updated estimates to highway maintenance funds, the Department will receive an additional \$3.6 million compared to the Governor's FY 2026 revised budget. The House Finance Committee recognizes the additional resources for FY 2026. It also adds \$0.1 million to account for the state's share of the Highway Maintenance Account.

**111. GARVEE Debt - Federal Funds Correction.** The recommended budgets inadvertently overstated federal fund expenses for debt issued through the Grant Anticipation Revenue Vehicle Program by \$0.1 million in each FY 2026 and FY 2027. The program allows states to borrow funds that are repaid by the annual allocation of Federal Highway Administration construction funds. The House Finance Committee corrects this error.

**112. Gas Tax - Turnpike and Bridge Authority Yield.** The House Finance Committee recommends adjusting available gasoline tax proceeds in the Department of Transportation based on an increased transfer to the Rhode Island Turnpike and Bridge Authority of \$0.2 million to reflect an upward revision to the gasoline tax yield estimate. The FY 2026 final budget would include \$15.4 million for the Authority.

**113. Motor Fuel Bonds - Defeased (GBA).** Two cents of the gas tax was pledged by the 2003 Assembly to provide the state match for projects financed through the Grant Anticipation Revenue Vehicle Program. The bonds were defeased in December 2025, and the revised budget includes \$8.7 million for the annual debt service, which overstates the need. The House Finance Committee concurs with the Governor's requested amendment to reduce budgeted expenses by \$4.9 million to bring the actual remaining debt service to \$3.7 million for FY 2026.

**114. RIPTA - Gas Tax Yield and HMA.** The House Finance Committee recommends a transfer of \$68.2 million from gasoline tax proceeds and highway maintenance funds to the Rhode Island Public Transit Authority based on current estimates. This is \$0.9 million more than the revised budget, including \$0.6 million to reflect an upward revision to the gasoline tax yield estimate and an additional \$0.3 million for its share of the Highway Maintenance Account.



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## **Section V**

### **Summary Tables**

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## Expenditures from All Funds

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>General Government</b>				
Administration	\$ 430,628,941	\$ 615,620,455	\$ 410,362,416	\$ 423,246,160
Office of Energy Resources	76,312,027	62,585,536	86,655,825	86,655,825
Business Regulation	39,094,954	41,582,826	35,868,911	57,097,415
Cannabis Control Commission	7,303,563	7,286,530	7,964,425	7,619,341
Executive Office of Commerce	58,832,824	91,129,765	54,812,983	53,562,983
Housing	45,079,456	163,760,560	52,363,302	52,683,302
Labor and Training	632,267,683	658,941,921	693,131,740	700,165,245
Revenue	873,248,086	857,652,897	857,291,680	863,023,256
Legislature	61,424,920	69,899,506	64,066,257	62,766,257
Lieutenant Governor	1,519,219	1,532,262	1,574,369	1,574,369
Secretary of State	15,291,522	15,020,041	16,259,559	16,379,847
General Treasurer	25,974,916	26,893,862	26,318,147	26,318,147
Board of Elections	4,474,931	4,981,278	9,147,157	9,147,157
Rhode Island Ethics Commission	2,419,632	2,460,415	2,556,898	2,556,898
Governor's Office	9,334,918	9,369,511	9,630,312	9,630,312
Human Rights	2,772,687	2,784,080	2,801,879	2,801,879
Public Utilities Commission	15,508,274	15,668,120	16,017,352	16,017,352
Office of Inspector General	-	-	-	1,300,000
<b>Subtotal - General Government</b>	<b>\$ 2,301,488,553</b>	<b>\$ 2,647,169,565</b>	<b>\$ 2,346,823,212</b>	<b>\$ 2,392,545,745</b>
<b>Human Services</b>				
Health and Human Services	\$ 4,226,436,784	\$ 4,203,750,784	\$ 4,408,951,714	\$ 4,608,242,206
Children, Youth and Families	394,390,394	422,518,562	405,887,233	410,009,342
Health	295,526,774	304,008,946	277,471,021	307,427,486
Human Services	837,388,626	796,451,252	800,099,703	789,028,104
BHDDH	716,698,599	745,932,809	755,707,755	780,966,936
Child Advocate	2,264,613	2,185,010	2,405,487	2,405,487
Deaf and Hard of Hearing	929,154	976,952	954,081	954,081
Commission on Disabilities	1,806,042	2,402,934	1,829,581	1,831,276
Mental Health Advocate	1,117,164	932,441	1,111,709	1,111,709
<b>Subtotal - Human Services</b>	<b>\$ 6,476,558,150</b>	<b>\$ 6,479,159,690</b>	<b>\$ 6,654,418,284</b>	<b>\$ 6,901,976,627</b>
<b>Education</b>				
Elementary and Secondary	\$ 2,009,450,142	\$ 2,005,658,767	\$ 2,007,385,663	\$ 2,056,944,740
Higher Education	1,597,894,736	1,606,192,319	1,637,030,722	1,636,071,121
Arts Council	4,242,454	4,210,701	4,513,141	4,513,141
Atomic Energy	1,714,495	1,711,213	1,726,858	1,726,858
Historical Preservation	3,448,631	3,326,513	3,651,691	3,410,696
<b>Subtotal - Education</b>	<b>\$ 3,616,750,458</b>	<b>\$ 3,621,099,513</b>	<b>\$ 3,654,308,075</b>	<b>\$ 3,702,666,556</b>

## Expenditures from All Funds

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>Public Safety</b>				
Attorney General	\$ 52,487,807	\$ 50,401,307	\$ 51,846,935	\$ 53,371,935
Corrections	366,351,458	352,486,769	350,675,878	363,411,848
Judicial	159,224,433	160,371,965	165,514,856	166,149,856
Military Staff	41,647,731	80,202,180	58,396,032	63,796,032
Emergency Management	43,657,584	57,047,129	63,576,710	64,576,710
Public Safety	197,868,181	226,924,942	174,797,031	176,657,031
Public Defender	18,263,714	18,274,809	18,850,924	18,924,294
<b>Subtotal-Public Safety</b>	<b>\$ 879,500,908</b>	<b>\$ 945,709,101</b>	<b>\$ 883,658,366</b>	<b>\$ 906,887,706</b>
<b>Natural Resources</b>				
Environmental Management	\$ 164,424,187	\$ 163,074,846	\$ 165,868,480	\$ 167,629,599
CRMC	14,860,746	14,668,481	19,191,896	19,241,896
<b>Subtotal-Natural Resources</b>	<b>\$ 179,284,933</b>	<b>\$ 177,743,327</b>	<b>\$ 185,060,376</b>	<b>\$ 186,871,495</b>
<b>Transportation</b>				
Transportation	\$ 882,795,591	\$ 1,199,978,102	\$ 1,134,754,347	\$ 1,146,366,232
<b>Subtotal-Transportation</b>	<b>\$ 882,795,591</b>	<b>\$ 1,199,978,102</b>	<b>\$ 1,134,754,347</b>	<b>\$ 1,146,366,232</b>
<b>Total</b>	<b>\$ 14,336,378,593</b>	<b>\$ 15,070,859,298</b>	<b>\$ 14,859,022,660</b>	<b>\$ 15,237,314,361</b>

## Expenditures from General Revenues

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>General Government</b>				
Administration	\$ 249,311,650	\$ 249,430,541	\$ 247,978,609	\$ 257,354,879
Office of Energy Resources	-	275,313	-	-
Business Regulation	25,769,781	25,546,550	26,381,481	26,591,345
Cannabis Control Commission	-	-	-	-
Executive Office of Commerce	33,532,824	33,549,695	29,520,382	28,270,382
Housing	6,464,465	6,967,125	8,343,617	7,333,617
Labor and Training	18,179,242	18,877,241	18,332,180	18,332,180
Revenue	413,452,869	414,469,234	413,010,117	418,741,693
Legislature	58,734,623	67,160,602	61,280,709	59,980,709
Lieutenant Governor	1,519,219	1,532,262	1,574,369	1,574,369
Secretary of State	12,861,732	12,548,882	13,841,085	13,961,373
General Treasurer	4,600,223	5,387,264	4,417,820	4,417,820
Board of Elections	4,474,931	4,981,278	9,147,157	9,147,157
Rhode Island Ethics Commission	2,419,632	2,460,415	2,556,898	2,556,898
Governor's Office	9,334,918	9,369,511	9,630,312	9,630,312
Human Rights	2,249,158	2,285,857	2,358,433	2,358,433
Public Utilities Commission	-	-	-	-
Office of Inspector General	-	-	-	1,300,000
<b>Subtotal - General Government</b>	<b>\$ 842,905,267</b>	<b>\$ 854,841,770</b>	<b>\$ 848,373,169</b>	<b>\$ 861,551,167</b>
<b>Human Services</b>				
Health and Human Services	\$ 1,490,421,244	\$ 1,464,561,684	\$ 1,549,504,451	\$ 1,579,706,831
Children, Youth and Families	262,775,058	265,767,083	268,265,257	276,562,975
Health	40,825,075	41,964,523	42,552,271	43,894,271
Human Services	136,022,692	137,169,725	151,791,028	158,072,352
BHDDH	318,778,838	337,311,293	334,100,085	342,304,712
Child Advocate	2,264,613	2,185,010	2,405,487	2,405,487
Deaf and Hard of Hearing	786,233	767,663	835,904	835,904
Commission on Disabilities	1,386,032	1,995,652	1,422,299	1,423,994
Mental Health Advocate	1,117,164	932,441	1,111,709	1,111,709
<b>Subtotal - Human Services</b>	<b>\$ 2,254,376,949</b>	<b>\$ 2,252,655,074</b>	<b>\$ 2,351,988,491</b>	<b>\$ 2,406,318,235</b>
<b>Education</b>				
Elementary and Secondary	\$ 1,659,208,810	\$ 1,654,942,004	\$ 1,660,788,322	\$ 1,704,508,411
Higher Education	327,246,516	331,208,282	341,249,967	346,354,454
Arts Council	2,414,685	2,416,128	2,610,565	2,610,565
Atomic Energy	1,278,282	1,282,191	1,316,004	1,316,004
Historical Preservation	1,969,751	1,817,033	2,097,428	1,856,433
<b>Subtotal - Education</b>	<b>\$ 1,992,118,044</b>	<b>\$ 1,991,665,638</b>	<b>\$ 2,008,062,286</b>	<b>\$ 2,056,645,867</b>

## Expenditures from General Revenues

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>Public Safety</b>				
Attorney General	\$ 38,244,427	\$ 38,389,891	\$ 39,369,297	\$ 39,369,297
Corrections	324,014,603	329,496,750	335,029,054	334,641,305
Judicial	133,516,539	135,551,052	139,466,764	140,101,764
Military Staff	3,424,058	3,508,092	3,634,593	3,634,593
Emergency Management	7,457,256	7,644,182	8,375,436	8,375,436
Public Safety	132,842,119	141,298,690	136,717,145	138,528,183
Public Defender	18,178,679	18,189,774	18,765,889	18,839,259
<b>Subtotal-Public Safety</b>	<b>\$ 657,677,681</b>	<b>\$ 674,078,431</b>	<b>\$ 681,358,178</b>	<b>\$ 683,489,837</b>
<b>Natural Resources</b>				
Environmental Management	\$ 58,380,368	\$ 60,091,920	\$ 60,615,642	\$ 60,783,761
CRMC	3,904,812	4,174,013	4,324,771	4,374,771
<b>Subtotal-Natural Resources</b>	<b>\$ 62,285,180</b>	<b>\$ 64,265,933</b>	<b>\$ 64,940,413</b>	<b>\$ 65,158,532</b>
<b>Transportation</b>				
Transportation	\$ -	\$ -	\$ -	\$ -
<b>Subtotal-Transportation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 5,809,363,121</b>	<b>\$ 5,837,506,846</b>	<b>\$ 5,954,722,537</b>	<b>\$ 6,073,163,638</b>

## Expenditures from Federal Grants

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>General Government</b>				
Administration	\$ 47,598,341	\$ 100,306,281	\$ 15,387,136	\$ 15,387,610
Office of Energy Resources	31,554,214	16,535,259	32,548,662	32,548,662
Business Regulation	786,088	1,288,263	896,734	22,265,374
Cannabis Control Commission	-	-	-	-
Executive Office of Commerce	20,000,000	50,870,825	21,292,601	21,292,601
Housing	15,596,037	116,985,345	19,300,731	19,300,731
Labor and Training	41,996,527	44,486,826	41,925,276	48,958,781
Revenue	493,061	400,000	300,000	300,000
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	2,000,000	2,000,000	2,000,000	2,000,000
General Treasurer	833,127	829,769	833,984	833,984
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	523,529	498,223	443,446	443,446
Public Utilities Commission	753,555	771,107	759,025	759,025
Office of Inspector General	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 162,134,479</b>	<b>\$ 334,971,898</b>	<b>\$ 135,687,595</b>	<b>\$ 164,090,214</b>
<b>Human Services</b>				
Health and Human Services	\$ 2,709,529,994	\$ 2,692,455,589	\$ 2,844,819,555	\$ 3,010,272,939
Children, Youth and Families	118,620,365	127,803,781	113,201,292	111,409,919
Health	152,861,675	162,124,456	147,739,496	175,234,003
Human Services	689,957,887	645,451,129	635,891,749	618,523,826
BHDDH	385,365,078	382,206,906	403,828,487	420,704,260
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	340,067	340,092	340,092	340,092
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 4,056,675,066</b>	<b>\$ 4,010,381,953</b>	<b>\$ 4,145,820,671</b>	<b>\$ 4,336,485,039</b>
<b>Education</b>				
Elementary and Secondary	\$ 256,918,301	\$ 276,916,993	\$ 259,228,296	\$ 264,067,284
Higher Education	5,642,208	11,704,544	5,377,602	6,877,602
Arts Council	1,022,711	1,093,573	1,160,576	1,160,576
Atomic Energy	-	7,936	-	-
Historical Preservation	822,451	807,253	893,987	893,987
<b>Subtotal - Education</b>	<b>\$ 264,405,671</b>	<b>\$ 290,530,299</b>	<b>\$ 266,660,461</b>	<b>\$ 272,999,449</b>

## Expenditures from Federal Grants

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>Public Safety</b>				
Attorney General	\$ 3,568,559	\$ 3,348,549	\$ 3,221,855	\$ 3,221,855
Corrections	1,758,102	2,575,391	2,717,452	1,517,452
Judicial	6,294,895	5,424,840	5,417,996	5,417,996
Military Staff	28,982,412	67,832,266	45,498,537	48,998,537
Emergency Management	34,906,616	47,746,964	51,235,300	52,235,300
Public Safety	27,053,323	30,282,894	16,123,197	16,232,384
Public Defender	85,035	85,035	85,035	85,035
<b>Subtotal-Public Safety</b>	<b>\$ 102,648,942</b>	<b>\$ 157,295,939</b>	<b>\$ 124,299,372</b>	<b>\$ 127,708,559</b>
<b>Natural Resources</b>				
Environmental Management	\$ 44,708,519	\$ 48,187,396	\$ 51,204,137	\$ 51,204,137
CRMC	3,331,166	3,108,657	3,151,314	3,151,314
<b>Subtotal-Natural Resources</b>	<b>\$ 48,039,685</b>	<b>\$ 51,296,053</b>	<b>\$ 54,355,451</b>	<b>\$ 54,355,451</b>
<b>Transportation</b>				
Transportation	\$ 474,582,143	\$ 610,092,483	\$ 779,180,935	\$ 779,050,185
<b>Subtotal-Transportation</b>	<b>\$ 474,582,143</b>	<b>\$ 610,092,483</b>	<b>\$ 779,180,935</b>	<b>\$ 779,050,185</b>
<b>Total</b>	<b>\$ 5,108,485,986</b>	<b>\$ 5,454,568,625</b>	<b>\$ 5,506,004,485</b>	<b>\$ 5,734,688,897</b>

## Expenditures from Restricted Receipts

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>General Government</b>				
Administration	\$ 24,124,275	\$ 62,736,351	\$ 26,405,480	\$ 27,405,480
Office of Energy Resources	39,089,028	37,704,824	38,536,799	38,536,799
Business Regulation	5,486,102	6,840,782	7,560,116	7,210,116
Cannabis Control Commission	7,303,563	7,286,530	7,964,425	7,619,341
Executive Office of Commerce	-	-	-	-
Housing	23,018,954	39,808,090	23,018,954	24,348,954
Labor and Training	35,411,768	38,689,401	37,022,458	37,022,458
Revenue	11,084,929	8,515,457	10,047,432	10,047,432
Legislature	2,690,297	2,738,904	2,785,548	2,785,548
Lieutenant Governor	-	-	-	-
Secretary of State	429,790	411,159	418,474	418,474
General Treasurer	19,906,235	20,058,316	20,435,722	20,435,722
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	14,754,719	14,897,013	15,258,327	15,258,327
Office of Inspector General	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 183,299,660</b>	<b>\$ 239,686,827</b>	<b>\$ 189,453,735</b>	<b>\$ 191,088,651</b>
<b>Human Services</b>				
Health and Human Services	\$ 26,485,546	\$ 46,733,511	\$ 14,627,708	\$ 18,262,436
Children, Youth and Families	1,744,971	1,870,604	1,670,684	61,261
Health	93,076,141	83,862,960	86,779,254	87,899,212
Human Services	6,010,641	7,556,305	6,362,964	6,377,964
BHDDH	12,054,683	25,406,681	12,279,183	12,457,964
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	142,921	209,289	118,177	118,177
Commission on Disabilities	79,943	67,190	67,190	67,190
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 139,594,846</b>	<b>\$ 165,706,540</b>	<b>\$ 121,905,160</b>	<b>\$ 125,244,204</b>
<b>Education</b>				
Elementary and Secondary	\$ 50,745,881	\$ 61,443,157	\$ 61,650,354	\$ 61,650,354
Higher Education	12,736,631	12,686,729	12,816,833	12,816,833
Arts Council	115,058	-	-	-
Atomic Energy	25,036	35,036	25,036	25,036
Historical Preservation	511,827	511,827	511,827	511,827
<b>Subtotal - Education</b>	<b>\$ 64,134,433</b>	<b>\$ 74,676,749</b>	<b>\$ 75,004,050</b>	<b>\$ 75,004,050</b>

## Expenditures from Restricted Receipts

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>Public Safety</b>				
Attorney General	\$ 8,149,821	\$ 8,662,867	\$ 8,105,783	\$ 8,105,783
Corrections	1,303,091	1,495,866	1,253,091	1,253,091
Judicial	15,787,999	15,721,305	16,755,096	16,755,096
Military Staff	66,000	66,000	66,000	66,000
Emergency Management	428,308	641,417	417,066	417,066
Public Safety	14,313,880	14,778,066	14,788,601	14,713,601
Public Defender	-	-	-	-
<b>Subtotal-Public Safety</b>	<b>\$ 40,049,099</b>	<b>\$ 41,365,521</b>	<b>\$ 41,385,637</b>	<b>\$ 41,310,637</b>
<b>Natural Resources</b>				
Environmental Management	\$ 24,775,624	\$ 26,710,589	\$ 27,287,646	\$ 27,287,646
CRMC	624,768	335,811	335,811	335,811
<b>Subtotal-Natural Resources</b>	<b>\$ 25,400,392</b>	<b>\$ 27,046,400</b>	<b>\$ 27,623,457</b>	<b>\$ 27,623,457</b>
<b>Transportation</b>				
Transportation	\$ 6,066,037	\$ 1,899,965	\$ 4,459,559	\$ 4,459,559
<b>Subtotal-Transportation</b>	<b>\$ 6,066,037</b>	<b>\$ 1,899,965</b>	<b>\$ 4,459,559</b>	<b>\$ 4,459,559</b>
<b>Total</b>	<b>\$ 458,544,467</b>	<b>\$ 550,382,002</b>	<b>\$ 459,831,598</b>	<b>\$ 464,730,558</b>

## Expenditures from Other Funds

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>General Government</b>				
Administration	\$ 109,594,675	\$ 203,147,282	\$ 120,591,191	\$ 123,098,191
Office of Energy Resources	5,668,785	8,070,140	15,570,364	15,570,364
Business Regulation	7,052,983	7,907,231	1,030,580	1,030,580
Cannabis Control Commission	-	-	-	-
Executive Office of Commerce	5,300,000	6,709,245	4,000,000	4,000,000
Housing	-	-	1,700,000	1,700,000
Labor and Training	536,680,146	556,888,453	595,851,826	595,851,826
Revenue	448,217,227	434,268,206	433,934,131	433,934,131
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	-	60,000	-	-
General Treasurer	635,331	618,513	630,621	630,621
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Human Rights	-	-	-	-
Public Utilities Commission	-	-	-	-
Office of Inspector General	-	-	-	-
<b>Subtotal - General Government</b>	<b>\$ 1,113,149,147</b>	<b>\$ 1,217,669,070</b>	<b>\$ 1,173,308,713</b>	<b>\$ 1,175,815,713</b>
<b>Human Services</b>				
Health and Human Services	\$ -	\$ -	\$ -	\$ -
Children, Youth and Families	11,250,000	27,077,094	22,750,000	21,975,187
Health	8,763,883	16,057,007	400,000	400,000
Human Services	5,397,406	6,274,093	6,053,962	6,053,962
BHDDH	500,000	1,007,929	5,500,000	5,500,000
Child Advocate	-	-	-	-
Deaf and Hard of Hearing	-	-	-	-
Commission on Disabilities	-	-	-	-
Mental Health Advocate	-	-	-	-
<b>Subtotal - Human Services</b>	<b>\$ 25,911,289</b>	<b>\$ 50,416,123</b>	<b>\$ 34,703,962</b>	<b>\$ 33,929,149</b>
<b>Education</b>				
Elementary and Secondary	\$ 42,577,150	\$ 12,356,613	\$ 25,718,691	\$ 26,718,691
Higher Education	1,252,269,381	1,250,592,764	1,277,586,320	1,270,022,232
Arts Council	690,000	701,000	742,000	742,000
Atomic Energy	411,177	386,050	385,818	385,818
Historical Preservation	144,602	190,400	148,449	148,449
<b>Subtotal - Education</b>	<b>\$ 1,296,092,310</b>	<b>\$ 1,264,226,827</b>	<b>\$ 1,304,581,278</b>	<b>\$ 1,298,017,190</b>

## Expenditures from Other Funds

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>Public Safety</b>				
Attorney General	\$ 2,525,000	\$ -	\$ 1,150,000	\$ 2,675,000
Corrections	39,275,662	18,918,762	11,676,281	26,000,000
Judicial	3,625,000	3,674,768	3,875,000	3,875,000
Military Staff	9,175,261	8,795,822	9,196,902	11,096,902
Emergency Management	865,404	1,014,566	3,548,908	3,548,908
Public Safety	23,658,859	40,565,292	7,168,088	7,182,863
Public Defender	-	-	-	-
<b>Subtotal-Public Safety</b>	<b>\$ 79,125,186</b>	<b>\$ 72,969,210</b>	<b>\$ 36,615,179</b>	<b>\$ 54,378,673</b>
<b>Natural Resources</b>				
Environmental Management	\$ 36,559,676	\$ 28,084,941	\$ 26,761,055	\$ 28,354,055
CRMC	7,000,000	7,050,000	11,380,000	11,380,000
<b>Subtotal-Natural Resources</b>	<b>\$ 43,559,676</b>	<b>\$ 35,134,941</b>	<b>\$ 38,141,055</b>	<b>\$ 39,734,055</b>
<b>Transportation</b>				
Transportation	\$ 402,147,411	\$ 587,985,654	\$ 351,113,853	\$ 362,856,488
<b>Subtotal-Transportation</b>	<b>\$ 402,147,411</b>	<b>\$ 587,985,654</b>	<b>\$ 351,113,853</b>	<b>\$ 362,856,488</b>
<b>Total</b>	<b>\$ 2,959,985,019</b>	<b>\$ 3,228,401,825</b>	<b>\$ 2,938,464,040</b>	<b>\$ 2,964,731,268</b>

## Full-Time Equivalent Positions

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>General Government</b>				
Administration	684.6	683.6	682.6	657.6
Office of Energy Resources	17.0	17.0	21.0	21.0
Business Regulation	155.0	157.0	157.0	159.0
Cannabis	26.0	26.0	28.0	26.0
Executive Office of Commerce	5.0	5.0	5.0	5.0
Housing	38.0	38.0	38.0	31.0
Labor and Training	461.7	461.7	461.7	441.7
Revenue	605.5	605.5	605.5	605.5
Legislature	298.5	298.5	298.5	298.5
Lieutenant Governor	8.0	8.0	8.0	8.0
Secretary of State	62.0	62.0	62.0	63.0
General Treasurer	92.0	92.0	93.0	93.0
Board of Elections	13.0	13.0	13.0	13.0
Rhode Island Ethics Commission	12.0	12.0	12.0	12.0
Governor's Office	45.0	45.0	45.0	45.0
Human Rights	15.0	15.0	15.0	15.0
Public Utilities Commission	57.0	57.0	57.0	57.0
Inspector General	-	-	-	12.0
<b>Subtotal - General Government</b>	<b>2,595.3</b>	<b>2,596.3</b>	<b>2,602.3</b>	<b>2,563.3</b>
<b>Human Services</b>				
Health and Human Services	243.0	248.0	252.0	257.0
Children, Youth and Families	713.5	719.5	719.5	719.5
Health	572.6	572.6	572.6	572.6
Human Services	1,079.0	1,089.0	1,128.0	1,128.0
BHDDH	1,223.4	1,225.4	1,223.4	1,225.4
Child Advocate	13.0	13.0	13.0	13.0
Deaf and Hard of Hearing	4.0	4.0	4.0	4.0
Commission on Disabilities	5.0	5.0	5.0	5.0
Mental Health Advocate	6.0	6.0	6.0	6.0
<b>Subtotal - Human Services</b>	<b>3,859.5</b>	<b>3,882.5</b>	<b>3,923.5</b>	<b>3,930.5</b>
<b>Education</b>				
Elementary and Secondary	342.1	342.1	343.1	342.1
Higher Education*	4,517.3	4,517.3	4,517.3	4,627.3
Arts Council	10.0	10.0	10.0	10.0
Atomic Energy	8.6	8.6	8.6	8.6
Historical Preservation	15.6	15.6	15.6	14.0
<b>Subtotal - Education</b>	<b>4,893.6</b>	<b>4,893.6</b>	<b>4,894.6</b>	<b>5,002.0</b>

*\*The Governor proposes to exempt URI from the FTE limit in Article 1 eff. FY 2026. For comparability, the recommended total is adjusted to include the enacted value of 2,671.0 for URI.*

## Full-Time Equivalent Positions

	FY 2026 Enacted	FY 2026 Committee	FY 2027 Recommended	FY 2027 Committee
<b>Public Safety</b>				
Attorney General	268.1	268.1	268.1	268.1
Corrections	1,461.0	1,461.0	1,461.0	1,411.0
Judicial	749.3	749.3	749.3	752.3
Military Staff	93.0	93.0	93.0	93.0
Emergency Management	38.0	38.0	38.0	38.0
Public Safety	634.0	635.0	638.0	638.0
Public Defender	104.0	104.0	105.0	105.0
<b>Subtotal-Public Safety</b>	<b>3,347.4</b>	<b>3,348.4</b>	<b>3,352.4</b>	<b>3,305.4</b>
<b>Natural Resources</b>				
Environmental Management	439.0	439.0	440.0	440.0
CRMC	32.0	32.0	32.0	32.0
<b>Subtotal-Natural Resources</b>	<b>471.0</b>	<b>471.0</b>	<b>472.0</b>	<b>472.0</b>
<b>Transportation</b>				
Transportation	755.0	755.0	757.0	722.0
<b>Subtotal-Transportation</b>	<b>755.0</b>	<b>755.0</b>	<b>757.0</b>	<b>722.0</b>
<b>Total Positions</b>	<b>15,921.8</b>	<b>15,946.8</b>	<b>16,001.8</b>	<b>15,995.2</b>



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