

House Fiscal Advisory Staff

Governor's FY 2012 Budget at Second Glance March 23, 2011



Submitted to the 2011 House of Representatives

House Committee on Finance

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Governor's FY 2012 Budget at Second Glance

The *Governor's FY 2012 Budget at Second Glance* amends the *Governor's FY 2012 Budget at First Glance* provided to the House on March 9. It includes new information and changes to the earlier information. New and changed material is printed in dark blue ink. This *Second Glance* also includes a section summarizing the articles contained in 2011-H 5894. It also includes full reports of the Education and Local Aid proposals contained in the FY 2012 budget as well as the FY 2011 revised. Staff will provide a final Budget at a Glance next week as part of the full Staff Budget Analysis, which will also be available electronically later this week.

On March 8, Governor Chafee released his FY 2012 budget recommendations in a televised address to the General Assembly. The Governor's official FY 2012 Budget submittal was not introduced at that time. The General Assembly extended the deadline for his budget submittal by 35 days from February 3 to March 10. Bound copies of all supporting documents have not been provided at this time, with the capital budget still outstanding. The Budget Office made an electronic version of that document available on March 16.

FY 2012	General Revenue	Federal	Restricted	Other	All Funds
FY 2011 Enacted	\$ 2,942,118,704	\$ 2,903,497,922	\$ 180,035,096	\$ 1,838,494,088	\$ 7,864,145,810
Governor	3,169,836,026	2,557,164,416	209,472,234	1,724,828,932	7,661,301,608
Change to Enacted	\$ 227,717,322	\$ (346,333,506)	\$ 29,437,138	\$ (113,665,156)	\$ (202,844,202)
Percent Change	7.7%	-11.9%	16.4%	-6.2%	-2.6%

Budget Issues

- **FY 2012 Gap.** House Fiscal Staff estimates that in preparing the FY 2012 budget, the Governor faced a projected revenue-expenditure gap of \$300 million, which would grow to about \$400 million by FY 2016. This was somewhat lower than Staff's FY 2011 forecast in the enacted FY 2011, mainly because of revisions at the November 2010 Revenue and Caseload Estimating Conference. The Governor's budget appears to have resolved this gap largely with increased revenues and one-time savings.
- **Budget Assumptions.** 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.
- **Out-Year Projections.** The out-years appear to be significantly unbalanced. The forecast included with the Budget estimates a \$126.0 million gap for FY 2013, 3.9 percent of useable revenues, that grows to \$411.4 million in FY 2016, 12.0 percent of useable revenues. The FY 2013 gap is largely due to the use of one-time items in the resolution of the current budget gap and the phase in of the business tax reductions. That amount more than triples largely because expenditure growth rates outpace the revenue growth projections. *These estimates appear to be somewhat optimistic, but staff is still evaluating the figures.*
- **Rainy Day Fund Repayment.** The Budget further delays the \$22.0 million repayment of the Budget Stabilization and Cash Reserve Account for funds borrowed in FY 2009 to close the projected budget gap. Rhode Island General Law requires that any amounts used must be replaced in the following year. Governor Carcieri proposed legislation last year to delay the repayment to FY 2012; the Assembly

allowed for a one year delay and appropriated funds for repayment in FY 2011. Governor Chafee would delay that to FY 2013.

Taxes and Revenues

Sales Taxes

- **Sales and Use Tax from 7.0 Percent to 6.0 Percent.** The Budget proposes to decrease the current 7.0 percent sales and use tax on items currently taxed to 6.0 percent and assumes a revenue loss of \$117.7 million. Separate proposals to extend the 6.0 percent tax to additional items and institute a new 1.0 percent tax on other currently exempt items generates \$282.6 million in new revenues to offset this reduction with the impact of all proposals adding \$164.9 million in new revenues.
- **Expansion of Sales Tax Base.** The Budget includes \$197.6 million from the imposition of a 6.0 percent sales and use tax on certain services that were previously exempt from the sales tax. Some of the services included are theater and museum admissions, car washes, veterinary services, repairs, laundry and dry cleaning and hair cuts. It includes \$0.9 million from the disallowance of a sales tax exemption towards the purchase of a car as a trade-in allowance on the value of a stolen or totaled vehicle. It also includes \$0.8 million from the imposition of a 6.0 percent sales and use tax on medical marijuana. The table below summarizes the general categories and impacts.

Sales Tax Base Modernization at 6.0 Percent	Estimated Revenue
Goods	
Prewritten Computer Software delivered Electronically	\$ 7,578,075
Non-Prescription Drugs including Medical Marijuana	9,314,223
All Other Goods	5,109,741
Services	
Building services, incl. Landscaping, House Cleaning & Pest Control	23,336,753
Employment Agencies	19,083,406
Personal Care Services (Salons)	18,117,434
Business Support Services	9,473,322
Facilities Support Services	8,524,376
Taxicabs, Scenic and Sightseeing Transportation	9,276,683
Moving, Storage, incl. Warehouse, & Freight Services	8,247,240
Garbage Collection, including Remediation Services	6,729,745
All Other Services	19,780,181
Recreation and Entertainment	
Amusement Parks, Campgrounds	9,965,763
Membership Clubs	4,388,153
All Other Recreation and Entertainment	6,445,646
Labor on Maintenance and Repairs	
Motor Vehicles, including Car Washes	18,231,874
All Other Labor on Maintenance and Repairs	8,884,166
All Other	5,107,454
Total	\$ 197,594,235

- **Meals and Beverage and Hotels.** The Governor’s budget assumes taxpayers would not see a change to the amount of total taxes paid on hotel and meals and beverages. The 1.0 percent difference

as a result of lowering the general sales tax, estimated to be \$21.3 million, will still be collected but go into separate restricted funds to support two new initiatives. The revenue from 1.0 percent on meals and beverages would be used to encourage municipalities to address unfunded liabilities for pensions and Other Post Employment Benefits. Revenues from the 1.0 percent on hotels would be used for tourism related improvements.

- **1.0 Percent Sales Tax on Certain Items Currently Exempt.** The Budget includes \$85.0 million in revenues from the imposition of a 1.0 percent sales and use tax on certain exempt items, such as clothing, aircraft and boats and for purchases made by nonprofit entities. It also includes a revenue loss of \$1.8 million for noncompliance with the Streamlined Sales and Use Tax Agreement which allows the state to receive payments from certain internet sellers not otherwise obligated to collect sales taxes. The Governor proposes that this expansion be repealed upon passage of federal legislation requiring remote sellers to collect sales tax on behalf of states that impose such taxes.

Sales Tax Base Expansion at 1.0 Percent	Estimated Revenue
Purchases Used for Manufacturing Purposes	\$ 38,882,322
Sales to Charitable, Educational or Religious Organizations	10,600,111
Clothing and Footwear	6,656,864
Precious Metal Bullion	3,304,052
Manufacturers' Machinery and Equipment	2,769,835
Agricultural Products for Human Consumption	2,593,582
Trade-In Value of Boats & Private Passenger Autos	2,496,123
Heating Fuels in Homes and Residential Premises	2,168,789
All Other	17,368,784
<i>Subtotal</i>	\$ 86,840,462
Noncompliance with Streamlined Sales Tax Agreement	\$ (1,840,011)
Total from 1.0 Percent Tax	\$ 85,000,451

Business Taxes

The Governor's budget includes four separate proposals relating to taxes on businesses that have a combined impact of a \$0.9 million revenue loss in FY 2012 growing to \$14.5 million in FY 2016. These are summarized in the table below and described separately in the paragraphs that follow.

Business Tax Proposal	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Corp. Income Tax Rate Reduction	\$(8,525,365)	\$(20,005,564)	\$ (33,967,968)	\$ (35,345,444)	\$ (36,466,135)
Jobs Development Act Phase-out	4,845,502	9,345,814	15,367,882	15,991,083	16,498,109
Corp. Minimum Tax Restructure	(6,117,310)	(6,166,843)	(6,241,142)	(6,290,675)	(6,364,975)
Combined Reporting	8,891,640	9,993,357	10,955,116	11,399,371	11,760,808
Total Impact	\$ (905,533)	\$ (6,833,236)	\$ (13,886,112)	\$ (14,245,665)	\$ (14,572,193)

- **Corporate Income Tax Rate Reduction Phase-In.** The Budget proposes to decrease the Corporate Income Tax rate from 9.0 percent by 0.5 percent per year until reaching 7.5 percent for tax year 2014. The Budget assumes a revenue loss of \$8.5 million in FY 2012, \$20.0 million in FY 2013, \$34.0 million in FY 2014, \$35.3 million in FY 2015 and \$36.5 million in FY 2016.
- **Jobs Development Act Phase-Out.** The Budget assumes \$4.8 million in revenues from phasing out the elimination of the Jobs Development Act rate reduction beginning in tax year 2012 by one-third. The Jobs Development Act provides for rate reductions of one quarter of one percent (0.25 percent) for

each 50 new jobs created by eligible companies for three years past the base year. The reduction cannot be more than six percent.

- **Corporate Minimum Tax Restructure.** The Budget proposes to restructure the Corporate Minimum Tax to subject limited partnerships and limited liability partnerships to the Corporate Minimum Tax. The Governor proposes to replace the corporate minimum and minimum franchise taxes with a tiered system. Businesses would be taxed based on their Rhode Island gross receipts. The maximum amount of tax paid would be \$2,000 for a business with gross receipts of \$5.0 million or more. The Budget assumes a revenue loss of \$6.1 million in FY 2012.
- **Combined Reporting.** The Budget includes \$8.9 million in revenues from requiring business corporation tax filers to file as a “unitary business” or single enterprise, commonly referred to as combined reporting, effective January 1, 2012.

Other Taxes and Fees

- **Motion Picture Tax Credit Elimination.** The Governor recommends the elimination of the Motion Picture Tax Credit and assumes increased revenues of \$1.6 million. Effective July 1, 2011, no new credits can be issued unless an initial certification had already been granted.
- **Compassion Center 4.0 Percent Surcharge.** The Budget assumes \$0.6 million in new revenues from a 4.0 percent surcharge on net patient revenues of three compassion centers to be [selected in March](#). [These centers have since been selected](#).
- **Hospital Licensing Fee.** The Governor’s budget includes \$141.8 million from general revenues, consistent with the enacted level, from extending the hospital licensing fee into FY 2012. The licensing fee appears annually in the Appropriations Act.
- **Beach Parking Fees.** The Governor recommends increasing the daily and annual parking fees at state beaches, with the total value of the increase accruing to the state. The FY 2012 Budget includes an additional \$1.9 million generated by raising the fees for residents and non-residents, including senior citizens. These fees were last increased in April 2002. The table below summarizes the changes.

	Current	Proposed
Season Pass		
Resident	\$ 30.00	\$ 60.00
Senior Resident	\$ 15.00	\$ 30.00
Non-Resident	\$ 60.00	\$ 120.00
Senior Non-Resident	\$ 30.00	\$ 60.00
Daily Parking - Weekday		
Resident	\$ 6.00	\$ 10.00
Senior Resident	\$ 3.00	\$ 5.00
Non-Resident	\$ 12.00	\$ 20.00
Senior Non-Resident	\$ 6.00	\$ 10.00
Daily Parking - Weekend		
Resident	\$ 7.00	\$ 15.00
Senior Resident	\$ 3.50	\$ 7.00
Non-Resident	\$ 14.00	\$ 25.00
Senior Non-Resident	\$ 7.00	\$ 12.00

- ***Veterans' Home Resident Assessment.*** The Governor's budget assumes revenues of \$0.8 million from the state increasing the monthly fee assessed to residents of the Veterans' Home from 80 percent to 100 percent of countable income. The resident will continue to retain a portion of any monthly payments received up to \$150 plus other allowable disregards, and the state will retain the balance. The state will deposit 80 percent into the General Fund and the remaining 20 percent will be deposited into the Department of Veterans' Affairs' restricted receipt account to be used for activities and operations at the Home.
- ***Telecommunications Education Access Fund.*** The Governor recommends legislation to reduce the assessment for the Telecommunications Education Access Fund from \$0.26 to \$0.15 per line effective July 1, 2011 and expand it to include wireless lines. This is expected to generate an additional \$0.7 million in revenue in FY 2012 to substitute for the current state support. It should be noted that, although the wireless customers are not currently charged for this expense, they do pay a different \$0.26 charge that goes to general revenues. It had initially been imposed to support geo-coding the state for 911 calls. This proposal was submitted by Governor Carcieri as part of his FY 2010 revised budget but was not enacted by the Assembly.
- ***Securities Sales Representative License Fee.*** The Budget includes \$1.2 million in additional revenues in FY 2012 from increasing the licensing fee for a securities sales representative from \$60 to \$75. The Department of Business Regulation annually licenses approximately 79,000 securities sales representatives from across the country.
- ***Federally Covered Adviser License Fee.*** The Budget includes \$41,000 in additional revenues in FY 2012 from increasing the licensing fee for a federally covered adviser from \$250 to \$300. The Department of Business Regulation licenses approximately 820 federally covered advisers annually.
- ***Estate Filing Fee.*** The Budget includes \$108,915 in revenues from increasing the estate filing fee from \$25 to \$50.
- ***Fire Code Inspection Fee.*** The Budget adds \$40,000 from increasing the fire code inspection fee from \$100 to \$125 in FY 2012.
- ***DMV Check Return Fee.*** The Budget includes \$18,720 in revenues from the assessment of a \$25 fee on returned checks.
- ***DMV Driving Records Abstracts.*** The Budget includes \$3.0 million in revenues from requiring insurance companies to use driving record abstracts at least every three years for rating and underwriting policies. The cost to obtain the record is \$17.50, including the \$1.50 technology surcharge. There is an additional convenience fee if records are obtained online.
- ***Background Check Fee.*** The Budget includes \$110,000 in revenues from instituting fees for background checks on adults who wish to care for a child.
- ***Motor Vehicles Registration, Licenses and Fees to Transportation.*** The Budget assumes a five year phase-in of a plan to dedicate all motor vehicles registration, licenses and fees currently used as general revenues for transportation uses. The loss to general revenues would be \$12.0 million in FY 2012, \$24.4 million in FY 2013, \$37.2 million in FY 2014, \$50.5 million in FY 2015 and \$64.2 million in FY 2016.

Enhanced Collections

- ***Tax Delinquents Postings.*** The Division of Taxation currently posts a list of the top 100 tax delinquents. The FY 2012 Budget assumes \$1.8 million in revenues by dividing the list into the top 100 individuals and the top 100 businesses who are delinquent in paying taxes.
- ***Lottery Winnings Setoff for Taxes Owed.*** The FY 2012 Budget assumes \$141,457 in revenues from garnishing lottery winnings over \$600 when unpaid state taxes are owed. There are currently two other setoffs; child support and benefit overpayments from the Department of Labor and Training.
- ***Department Revenues Set off Tax Refund Offset.*** The Budget includes \$0.2 million in FY 2012 from the Department of Corrections revenues based on the Governor's proposal to allow the Division of Taxation to offset tax refunds owed to state agencies. Currently, the Department has outstanding debts of \$3.8 million for home confinement, probation, parole, and electronic monitoring programs.

Other Revenues

- ***Resource Recovery Transfer.*** The Governor proposes to transfer \$3.5 million from insurance settlement proceeds from the Rhode Island Resource Recovery Corporation to state general revenues in FY 2012. The Corporation was last required to make a transfer of \$7.5 million in FY 2009. It spread the payment over two years, including \$4.5 million in FY 2009 and \$3.0 million in FY 2010.

Local Government

- ***Central Falls Stabilization Payment.*** The Governor recommends \$1.8 million in FY 2011 and \$4.9 million in FY 2012 to eliminate the projected deficits for Central Falls.
- ***Central Falls Receivership.*** The Budget includes general revenue expenditures of \$0.9 million in both FY 2011 and FY 2012 for various costs, primarily for legal services pertaining to the non-judicial receivership for Central Falls, as the constitutionality of the "[Providing Financial Stability Act](#)" is being questioned.
- ***Distressed Communities Relief Fund.*** The Governor provides \$15.6 million, an additional \$5.2 million for the Distressed Communities Relief Fund for the FY 2011 revised budget but reverts to the enacted level of \$10.4 million in FY 2012. [In order to receive the additional funding, communities must provide a five-year budget forecast to the Division of Municipal Finance by June 30, 2011. The forecast must include a scenario reflecting pensions and Other Post-Employment Benefits obligations at 100 percent of the Annual Required Contribution for both general and unrestricted school funds.](#)

Communities' FY 2012 aid distribution is based on updated qualifying tax levies. Updated data shows that North Providence qualifies for distressed aid in FY 2012 and Burrillville no longer qualifies. Communities entering and exiting the program receive 50.0 percent of what would otherwise be full funding under the formula.

- ***Municipal Accountability, Stability and Transparency Fund.*** The Governor proposes the establishment of the Municipal Accountability, Stability and Transparency Fund to encourage municipalities to address unfunded liabilities for pensions and Other Post Employment Benefits. He estimates \$19.3 million will be available from a 1.0 percent sales tax on meals and beverages; with the rollback of the regular sales tax rate, the total tax on meals and beverages would be unchanged from the

current level. The funds will be distributed based on per capita income and local tax burdens using FY 2009 data from the General Revenue Sharing program.

Municipalities must meet set criteria in order to be eligible to receive funding. In FY 2012, all municipalities must provide a five-year forecast to the Division of Municipal Finance including options for fully funding annually required post employment benefit liabilities, provide fiscal impact statements for changes in health care plans, submit financial data on time, join the Municipal Uniform Chart of Accounts and fulfill other requirements. By FY 2014, municipalities not in compliance will receive a decrease in the state's contribution towards the employer cost of teacher retirement expenses.

- ***Municipal Pension Study.*** The Budget includes \$250,000 from general revenues for a study of municipal pensions.
- ***Payment in Lieu of Taxes Program.*** The Budgets include \$27.6 million in FY 2011 and FY 2012 to level fund the Payment in Lieu of Taxes program at the FY 2011 enacted level. This program reimburses cities and towns for property taxes that would have been due on real property owned by nonprofit educational institutions, nonprofit hospitals, or any state-owned hospital, veterans' residential facility or correctional facility, which is exempt from taxation by state law. Reimbursement is 27.0 percent of the forgone tax, subject to appropriation. Distributions to communities reflect updated data and a ratable reduction to the appropriation.
- ***Motor Vehicles Excise Tax.*** The FY 2011 and FY 2012 budgets level fund the Motor Vehicles Excise Tax program at the enacted amount of \$10.0 million. The 2010 Assembly enacted legislation mandating a \$500 exemption for which the state will reimburse municipalities an amount subject to appropriation. The legislation allows municipalities to provide an additional exemption; however, that additional exemption will not be subject to reimbursement.
- ***Library Resource Sharing Aid.*** The Governor recommends \$8.8 million in both FY 2011 and FY 2012 to level fund library operating aid at the FY 2011 enacted level. The recommendation for FY 2012 is \$1.3 million or 12.7 percent less than allowed under current law, which requires 25.0 percent reimbursement of second prior year expenditures. His distributions reflect data that are a year old. Therefore, the distribution is subject to change upon available data and will be ratable reduced to the appropriation.
- ***Library Construction Aid.*** The Governor provides the enacted amount of \$2.5 million for library construction aid in FY 2011 and \$2.8 million in FY 2012. The recommendation reflects current funding requirements for both years based on updated cost information, interest rates, and construction schedules for approved projects. The state reimburses libraries up to half 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 Governor provides full funding of \$0.8 million in FY 2011 and \$1.1 million in FY 2012 to reimburse communities conducting property valuation updates.
- ***Airport Impact Aid.*** The Governor provides the enacted level of \$1.0 million in both FY 2011 and FY 2012 to the Economic Development Corporation so that the Airport Corporation can provide impact aid payments to the seven communities that host the six state airports. The community payments are made proportionally based on the number of total landings and takeoffs.

Education Aid

- **Funding Formula.** The Governor funds the first year of the education funding formula adopted by the 2010 Assembly. The calculation for FY 2012 uses June 30, 2010 student enrollment data adjusted for FY 2012 projected charter school enrollments, a per pupil core instruction amount of \$8,333 and census data released in December 2010. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years. Supporting documents note that the aid amounts are subject to further revision in the coming months.
- **FY 2012 Formula Education Aid.** The Governor recommends \$714.5 million for school formula aid for school districts including Central Falls, the Metropolitan Career and Technical School, Davies Career and Technical School and charter schools pursuant to the new funding formula. This is \$16.3 million more than enacted and includes \$32.0 million from federal education jobs funds that districts will receive for use in FY 2011 and FY 2012 in lieu of general revenues.
- **Education Jobs Funds.** The Governor's budget uses \$32.0 million from federal education jobs funds that districts will receive for use in FY 2011 and FY 2012 in lieu of general revenues for FY 2012 school formula aid.
- **Regionalization Bonus.** The new education funding formula allows for additional funding from the state for a limited two-year bonus for regionalized districts. The Governor recommends \$0.9 million to fund this.
- **Transportation.** The new education funding formula allows for additional funding from the state to districts for transportation costs. The Governor recommends \$1.1 million for FY 2012. The state will provide funding to mitigate the excess costs associated with transporting students to out-of-district non-public schools and within regional school districts.
- **School Construction Aid.** The Governor recommends \$72.5 million to fund projected costs of school housing aid to local districts for FY 2012, which is \$4.5 million more than the FY 2011 entitlement. Aid is based on wealth with minimum reimbursements of either 30.0 or 35.0 percent of approved costs for FY 2012. The new funding formula legislation includes a two-year phased increase in the state's minimum housing aid participation to provide that no local district receives less than a 40.0 percent state reimbursement by FY 2013 for projects completed after June 30, 2010. The minimum had been 30.0 percent.
- **Charter School Construction Aid.** The Governor proposes legislation to set the state reimbursement for charter school construction projects at the average share ratio of the sending districts. Unless sponsored by a school district, charter schools are currently eligible for a 30.0 percent reimbursement. There is no impact on the FY 2012 budget and the supporting documents do not estimate the impact of this change on future budgets.
- **Group Home Aid.** The Governor's budget reflects group home aid consistent with current law that requires that aid be paid for all beds opened as of December 31, 2010. The FY 2012 budget is \$255,000 less than the FY 2011 enacted budget.
- **Textbook Reimbursement.** The Governor recommends eliminating funding for reimbursements allowed under the textbook loan program for FY 2012; the enacted budget includes \$240,000. The

state reimburses districts for the cost of providing textbooks to non-public school students in the areas of English/language arts and history/social studies in kindergarten through 12th grade.

- ***FY 2011 Education Aid.*** Based on the final allocation of fiscal stabilization funds between elementary and secondary education and higher education, there is \$0.7 million less available for distribution to school districts for FY 2011. The Governor's budget reduces FY 2011 education aid to each district in proportion to the amounts allocated to reflect this change.
- ***Education Costs for Adjudicated Youth.*** The Governor's budget shifts \$2.1 million of general revenue expenditures to local cities and towns by requiring them to pay for the education of juveniles at the training school, Camp E-Hun-Tee, and Ocean Tides. The education aid formula does not appear to account for these students.

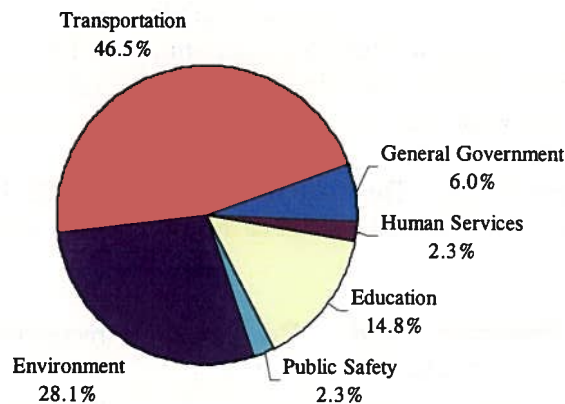
Housing and Economic Development

- ***Neighborhood Opportunities Program.*** The Governor's FY 2012 budget removes the \$1.5 million from Rhode Island Capital Plan funds in the enacted budget and requires that the Rhode Island Housing and Mortgage Finance Corporation fund the program at that level. The Housing Resource Commission administers the program, which currently provides operating subsidies to affordable housing projects. In prior years, the funds were used for the development costs of housing units.
- ***Housing Resource Grant.*** The Governor recommends \$2.1 million for the Housing Resource Commission grant in FY 2011 and FY 2012 for emergency shelter grants and for the lead hazard reduction program.
- ***Tourism Asset Protection Fund.*** The Governor recommends establishing a Tourism Asset Protection Fund for tourism related improvements. The Fund is supported by the retention of a 1.0 percent sales tax on the rental of rooms and lodging; with the proposed rollback of the regular sales tax rate, the total sales tax would be unchanged from the current level. Use of the funds is at the discretion of the Department of Administration and the FY 2012 budget assumes they will be used for the restoration of Fort Adams.
- ***Economic Development Corporation - Operations.*** The Budget reflects a 13.0 percent or \$0.6 million reduction from the \$4.6 million enacted from general revenues to support general operations of the Economic Development Corporation.
- ***Slater Technology Fund.*** The Budget includes \$2.0 million for the Slater Technology Fund, which is a state-backed venture capital fund that invests in new ventures.
- ***Experimental Program to Stimulate Competitive Research (EPSCoR).*** The Budget includes the enacted level of \$1.5 million for participation in the National Science Foundation's Experimental Program to Stimulate Competitive Research.
- ***Convention Center Authority.*** The Budget includes \$23.1 million for the Convention Center Authority to cover debt service requirements.

Capital

- **Outlays and Funding.** The FY 2012 through FY 2016 recommended plan includes \$3,259.8 million of outlays on \$8,657.0 million of project estimates. Average outlays would be \$652.0 million per year for the five-year period with \$822.2 million required at the end of the period to complete the projects.
- **Debt Levels.** The capital budget includes conflicting information regarding the source of funding for \$42.6 million in projects that is still being evaluated. This information is necessary for accurate presentation of standard measures of debt levels. Those measures will be included in subsequent versions of this report.

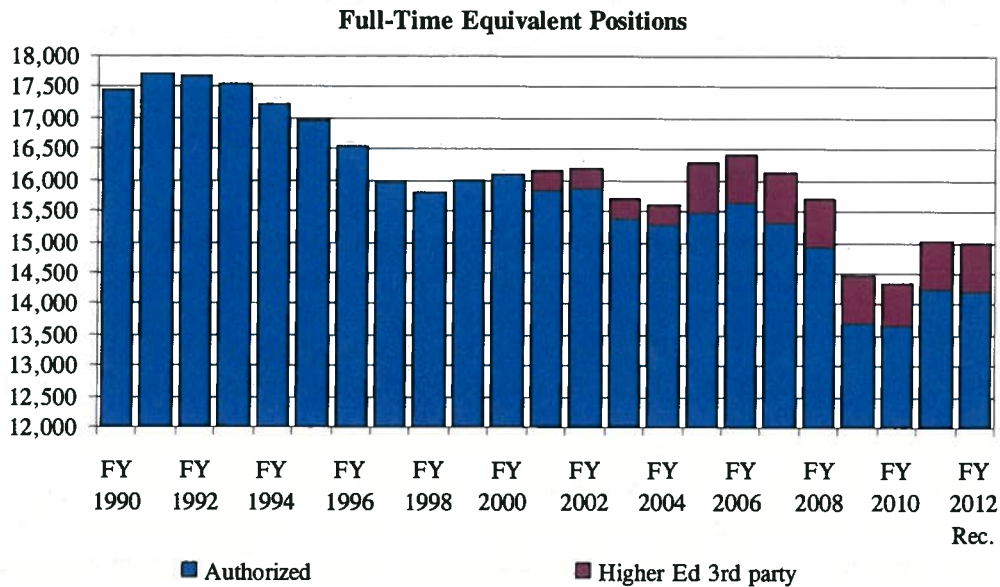
FY 2012 - FY 2016 Capital Projects by Function



- **Rhode Island Capital Plan Funds.** The capital budget proposes the use of \$48.3 million for technology upgrades. This is a significant departure from current practice, which limits these funds for use on a physical asset.
- **Integrated Tax System.** The Capital Budget includes \$25.0 million from Rhode Island Capital Plan funds, with use of \$5.0 million each beginning in FY 2013 to create an integrated tax system, which would store all taxpayer information in one centralized computer system. The system would include the following functions: single registration of taxpayers, consolidated filing of employers' taxes, automated data capture, view of financial history and consolidated billing of business tax liabilities and others.
- **Technology Initiatives.** The Governor's capital budget includes \$14.5 million Rhode Island Capital Plan funds for technology initiatives, including \$2.5 million in FY 2013.
- **Financial Accounting Network System Implementation.** The Governor's capital budget includes a total of \$11.5 million from Rhode Island Capital Plan funds, including \$2.5 million in FY 2012. The Department indicates that the implementation of these modules would increase efficiencies across state agencies and provide for improved reporting for reimbursements.

- **Corporate Tax Model.** The Budget includes \$125,000 from Rhode Island Capital Plan funds in FY 2012 for the purchase the purchase of the Corporate Tax Model.

State Government



- **Staffing.** The Governor recommends 14,990.6 full-time equivalent positions, including 785.0 higher education positions supported by research or other third-party funds. The recommendation is 163.0 positions more than enacted, primarily from the addition of 82.5 teaching and student support positions at Rhode Island College and the Community College of Rhode Island and 129.0 additional positions in the Human Service and Education agencies, including 90.0 new federally funded positions and 39.0 new positions at the Department of Veterans Affairs.

These increases are offset by the elimination of positions funded through the American Recovery and Reinvestment Act and the elimination of vacant positions in the Department of Children, Youth and Families. As of February 26, 2011 there were 13,771.7 positions filled, leaving 844.7 non-research vacancies. In FY 2010, the state averaged 13,588.5 filled positions reflecting an average of 647.5 non-research vacancies.

- **Employee Pension Contributions.** The Governor proposes that effective July 1, 2011, all state employees and teachers contribute 11.75 percent towards pension benefits. State employees currently contribute 8.75 percent and teachers contribute 9.5 percent and those rates are set in statute. The additional funds, estimated to be \$40.8 million, will be used to pay down the unfunded liability in the system. There would be no reduction in the employer share, and the budget assumes no savings from this proposal.

- **Statewide Savings.** The Budget includes unidentified statewide personnel and operating savings of \$20.7 million from nearly all agencies. Similar savings totaling \$3.7 million are included in the FY 2011 revised budget.

- **Unemployment Insurance Benefits.** The Governor's budget includes \$590.8 million for the payment of unemployment insurance benefits in FY 2011, including \$95.9 million from federal stimulus funds and \$494.9 million from the Employment Security Trust Fund. He also includes \$224.8

million in FY 2012, entirely from the Trust Fund, reflecting the expiration of stimulus funds and anticipation of more claimants exhausting their benefits.

- ***Unemployment Insurance Loan Interest Payment.*** The Governor's budget includes \$10.0 million from the 0.3 percent increase to the Job Development Fund assessment on employers for the interest payment on the state's outstanding federal unemployment insurance loans. The state was able to borrow interest free through January 1, 2011 and the required interest payment, due in November 2011, is based upon interest accrued from January 1 through September 30, 2011. The state has borrowed \$244.0 million through March 16, 2011 and the Department of Labor and Training estimates the required interest payment will be about \$10 million.

- ***Employment Security Trust Fund.*** The Governor's budget includes Article 4 to make changes to the state's unemployment insurance system to progressively increase the balance of the Trust Fund over the next four years. He proposes changes beginning January 1, 2012 with incremental changes each year through FY 2015. The FY 2012 budget assumes additional revenues of \$15.4 million into the Trust Fund from two changes increasing the taxable wage base for savings of \$7.1 million and six changes to benefits and eligibility for savings of \$8.3 million.

- ***Historic Tax Credit Trust Fund Debt Service.*** The Budget includes \$22.6 million from general revenues to fund debt service for historic tax credits. This is \$14.4 million less than the \$37.0 million current service estimate, but the higher level would likely be needed in FY 2013 and beyond.

- ***Contingency Fund.*** The Budget includes the enacted amount of \$250,000 from the contingency fund.

- ***Rhode Island Financial Accounting Network System.*** The Budget proposes to use \$11.5 million in Rhode Island Capital Plan funds over a four-year period for information technology upgrades to the state's accounting system. The voters approved a constitutional amendment in 2006 to allow the capital account to be used solely for capital projects.

- ***State Leases.*** The Budget eliminates the requirement that departments obtain legislative approval before entering into a long-term lease agreement, five years or more or lease agreements that are more than \$0.5 million.

- ***Matching Public Funds.*** The Governor's FY 2011 revised budget for the Board of Elections includes \$0.4 million less from general revenues for Matching Public Funds for the November 2010 general election and related audit fees due to lower than anticipated candidate requests.

Health and Human Services

- ***Enhanced Medicaid Rate Expiration.*** The Governor's FY 2012 budget backfills the loss of \$215.1 million in federal funds from the June 30, 2011 expiration of the enhanced Medicaid match included in the American Recovery and Reinvestment Act.

- ***Cash Assistance and Medical Benefits Caseload.*** The Governor's budget adds \$57.7 million, including \$193.2 million from general revenues for updated cash assistance and medical benefit costs adopted at the November Caseload Estimating Conference. This includes \$161.2 million that will be needed from general revenues for the return to the regular Medicaid rate July 1, 2011. He includes \$55.9 million more for medical benefits and \$1.7 million more for cash assistance program expenses.

- **Hospital Payments.** The Governor's FY 2012 budget does not continue to include the community hospital's outpatient upper payment limit reimbursement.
- **Hospital Rates in Managed Care.** The Governor's budget limits any increases in rates paid to the community hospitals for inpatient and outpatient services through the state's managed care plans, beginning January 1, 2012, to indexes published by the Centers for Medicare and Medicaid Services.
- **Nursing Home Rate Reduction.** The Governor's budget includes a five percent reduction to the rate paid to nursing homes beginning October 1, 2011 for savings of \$12.8 million, including \$6.1 million from general revenues. He also revises the nursing home principles of reimbursement.
- **Pharmaceutical Assistance.** The Governor recommends eliminating the Pharmaceutical Assistance to the Elderly program, which provides assistance to Medicare Part D recipients who have reached the "donut hole" and social security disability insurance recipients prior to Medicare Part D eligibility. Federal healthcare reform eliminates the "donut hole" by 2020. The Governor includes \$0.3 million from federal Older Americans Act funds to remodel the state program and provide assistance to certain needy elders.
- **Older Americans Act Grant.** The Governor's budget includes general revenue savings of \$0.7 million from shifting eligible expenses to available federal funds.
- **Money Follows the Person Federal Grant.** The Governor's budget shifts \$2.5 million of general revenue home and community care expenses to the new federally funded money follows the person grant in the Department of Human Services' budget. The five-year, \$24.6 million grant allows the state to avoid having individuals remain in long term facilities by using community based services instead.
- **Non-emergency Medical Transportation.** The Governor's budget includes general revenue savings of \$0.7 million in FY 2011 and \$2.2 million in FY 2012 by reducing the mileage paid for wheelchair van transportation from \$1.75 to \$0.51 per mile, implementing a flat rate of \$22 per trip for non-wheelchair van transportation, and recognizing mileage for non-wheelchair van transportation for out-of-state trips only. The changes went into effect February 1, 2011.
- **Community Health Centers.** The Governor's budget continues the \$1.2 million payment to support the community health centers that was included in the enacted budget.
- **Children's Health Account.** The Governor's budget increases the annual assessment on insurers for certain home and community based treatment services from \$6,000 to \$7,500 and further defines the services to be assessed for general revenue savings of \$4.2 million.
- **Selective Contracting for Home Health Services.** The Governor's budget utilizes selective contracting for personal care attendant and homemaker services and assumes savings of \$0.4 million, including \$0.2 million from general revenues.
- **State Only Acute Care Hospital Payments.** The Governor's budget does not provide any state only funding to the community hospitals in FY 2012.
- **Early Intervention.** The Governor's budget shifts early intervention program costs to available federal funds for general revenues savings of \$0.7 million in FY 2011 and \$0.5 million in FY 2012.

- **Rhode Island Works Grant and Administration Funding.** The Governor's budget shifts Rhode Island Works program expenses to available federal temporary assistance to needy families block grant funds for savings of \$1.6 million in FY 2012.
- **Department of Veterans' Affairs.** The Governor's budget includes a new Department of Veterans' Affairs under the umbrella of the Executive Office of Health and Human Services.
- **Veterans' Home Resident Assessment.** The Governor's budget adds \$0.2 million from restricted receipts from increasing the monthly fee assessed to veterans residing in the Veterans' Home from 80 percent to 100 percent of their countable income. The resident will continue to retain a portion of any monthly payments received up to \$150 plus allowable disregards. The state will retain the balance and deposit 20 percent into the Department of Veterans' Affairs restricted receipt account to be used for activities and operations at the Home.
- **Veterans' Home Census.** The Governor proposes to increase the census to 245 residents to either reduce or eliminate the waiting list in FY 2013. He adds 35.0 new positions in the last four months of FY 2012 in anticipation of the increased census.
- **Medical Examiner's Office.** The Governor's budget proposes to restrict circumstances under which an autopsy must be performed by the Medical Examiner's Office and includes general revenue savings of \$0.4 million.
- **HIV/AIDS.** The Governor's budget includes \$1.3 million more than enacted from general revenues to provide total funding of \$11.4 million for HIV/AIDS drugs and supportive services.
- **Health Services Council.** The Governor's budget eliminates the Health Services Council in the Department of Health that, for a fee, reviews and approves initial health care facility licensure, new medical services and equipment and any changes in ownership or control of any health care facility. He includes savings of \$0.4 million; there is also a corresponding loss of revenue.
- **Tobacco Cessation.** Excluding salary and benefit expenses, the Governor's revised budget adds \$0.2 million more than enacted from general revenues for the promotion of tobacco cessation programs.
- **Developmental Disabilities Services.** The Governor's budget assumes a continued restructuring of rates paid for community based services provided to adults with developmental disabilities and that the services provided meet the individual's needs. He assumes savings of \$4.6 million, including \$2.2 million from general revenues.
- **Developmental Disabilities Group Home Consolidation.** The Governor's budget consolidates six state-run group homes affecting approximately 30 individuals for savings of \$1.7 million, \$0.8 million from general revenues. The homes have not yet been identified.
- **Health Care Reform: Community Mental Health Treatment Services.** The Governor's budget takes advantage of opportunities under federal health care reform and includes general revenue savings of \$12.7 million from providing mental health treatment services through a new health home model. The federal government will pay 90 percent of the costs of Medicaid funded services for two years.
- **Health Care Reform: CEDARR Services.** The Governor's budget includes general revenue savings of \$1.3 million in the Department of Human Services' budget from the state taking advantage of opportunities under federal health care reform. He proposes to provide home and community based

treatment services to disabled children through a new health home model with the federal government paying 90 percent of the costs of Medicaid funded services for two years.

- ***Community Medication Assistance Program.*** The Governor's budget limits access to the community medication assistance program that provides medications to behavioral health clients assuming savings of \$1.2 million, including \$0.6 million from general revenues. He includes updated eligibility criteria for new clients, redefines eligibility for existing clients and institutes a prior authorization process and other pharmaceutical restrictions.
- ***Substance Abuse Detoxification Services.*** The Governor's budget reduces the state's contract with Stanley Street Treatment and Resources (SSTAR) to provide substance abuse treatment services to the uninsured by \$1.0 million.
- ***Adolescent Substance Abuse Treatment Services.*** The Governor's budget includes general revenue savings of \$0.9 million from the state being the payor of last resort for adolescent substance abuse treatment services and requiring providers to first bill third party payors. He includes \$0.2 million to continue to provide services to uninsured or underinsured individuals through the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals.
- ***DCYF Caseload.*** The Governor's budget includes general revenue savings of \$14.6 million in the child welfare and behavioral health programs by reducing residential placements. Initiatives include moving children from residential placements within 60 days, increasing community based supports, and implementing Phase II of the System of Care Transformation.
- ***Training School - Girls Facility.*** The Governor's budget includes general revenue savings of \$1.5 million from the consolidation of the girl's training school into the existing boy's facility. The savings are based on the elimination of 15.0 full-time equivalent positions and reduced overtime expenses.
- ***National Standards for Child Abuse.*** The Governor's budget includes general savings of \$0.6 million from aligning the state standards for child removals with the national definition of child abuse and neglect as codified in the Child Abuse and Prevention Act. This will reduce the number of children removed from the home, as well as the number of investigations.
- ***Case Referrals.*** The Governor's budget includes general revenue savings of \$0.5 million from eliminating court ordered visitation for domestic cases, court ordered transportation, and off hour domestic court case testimony by social workers. It also eliminates cases referred from the Family and Truancy Courts when there is no evidence of abuse, neglect, or other child welfare issues.
- ***Contract and Rate Reductions.*** The Governor's budget reduces various contracts and provider rates for general revenue savings of \$3.4 million. This includes contracts with agencies that provide program evaluations and outcomes for youth in residential care and the juvenile justice program, agencies that provide services to youth over age 18, and agencies whose residential rates are higher than the average.
- ***Education Costs for Adjudicated Youth.*** The Governor's budget shifts \$2.1 million of general revenue expenditures to local cities and towns by requiring them to pay for the education of juveniles at the training school, Camp E-Hun-Tee, and Ocean Tides.

- **State Crime Lab.** The Governor recommends the enacted level of \$775,000 in general revenue support for the State Crime Lab but transfers funding control from the Department of Health to the University of Rhode Island.

Education

- **Asset Protection.** The Governor recommends total funding of \$53.0 million for the five-year period from FY 2012 through FY 2016.
- **Public Higher Education.** The Governor's budget includes \$995.0 million for Public Higher Education including debt service. This includes \$173.4 million from general revenues, which is \$9.8 million above the enacted FY 2011 level and \$19.1 million less than the Board requested. The Governor's intent is that the Community College not raise tuition; the University and College will either have marginal tuition and fee increases or expenditure reductions.
- **Higher Education Staffing.** The Governor recommends 65.0 new full-time positions at the Community College, including 3.0 positions for workforce development coordination and 62.0 positions for teaching and student support. The Governor recommends 17.5 new faculty positions at Rhode Island College.
- **College Access Challenge Grant.** The Governor recommends \$1.5 million over two fiscal years from federal funds for the college access challenge grant that is aimed at increasing the number of low-income students who are prepared to enter post-secondary education.
- **College Crusade.** The Budget continues the \$0.5 million of state support for the College Crusade of Rhode Island.
- **State Crime Lab.** The Governor recommends the enacted level of \$775,000 in general revenue support for the State Crime Lab but transfers funding control from the Department of Health to the University of Rhode Island.
- **Race to the Top.** The Governor's recommended budget includes \$35.6 million over FY 2011 and FY 2012 from federal Race to the Top funds. The Budget also includes 22.0 new full-time equivalent positions to work on this grant. This funding is awarded to states to work on education reform efforts including building state and local capacity, standards and curriculum, instructional improvement and educator effectiveness.
- **Need Based Scholarships and Grants.** The Governor's FY 2011 revised budget includes an additional \$0.6 million from general revenues for need based grants and scholarships to provide maintenance of effort for the federal college access challenge grant in the Office of Higher Education's budget. For FY 2012, he recommends \$5.3 million from general revenues, which is \$1.2 million less than his FY 2011 revised recommendation and \$0.6 million less than enacted.
- **Physics First.** The Governor's FY 2012 budget eliminates the \$250,000 used to provide technology kits and equipment to the high schools participating in the physics first program. This program teaches physics in the freshman year.

Public Safety

- **RIBCO Base Increase.** The Budget adds \$3.3 million for FY 2011 and \$3.5 million for FY 2012 above enacted general revenues to adjust wage base expenditures for uniformed correctional officers based on a recent arbitration award, the effect of which was underestimated in the enacted budget.
- **Prison Population.** The Budget assumes a population of 3,416, which is 34 fewer than the FY 2011 enacted budget.
- **Indigent Defense Program.** The Budget includes \$3.5 million from general revenues for the Judiciary's indigent defense program, which is consistent with FY 2010 expenses.
- **Tobacco Enforcement Litigation.** The Budget adds \$1.0 million from general revenues for FY 2011 and FY 2012 to secure the services of outside counsel for an enforcement litigation case brought by the leading United States tobacco product manufacturers against the states. It alleged the states' lack of efforts in enforcing the "Master Settlement Agreement" for non-participating manufacturers.
- **Correctional Officer Training Class.** The Budget includes \$0.7 million from general revenues for recruitment and training for one new officer class for FY 2012. This class is anticipated to start in the fall of 2011 with graduation in January 2012.
- **Sheriffs to Department of Public Safety.** The Budget reflects the transfer of \$16.7 million and staffing of 180.0 full-time positions for the Sheriffs program from the Department of Administration to the Department of Public Safety.
- **Trooper Training Academy.** The Budget includes general revenue expenses of \$2.7 million for the 54th Trooper Training Academy and the salary and benefit expenses of 30.0 recruits expected to graduate in December 2011.
- **State Police Pensions.** The Governor's revised budget adds \$0.6 million for a one-time payment for the state's contribution for retirement benefits for state troopers to account for time spent at the training academy. The Retirement System recently completed a review of the statutes addressing the state police retirement benefits and the current contract with the Rhode Island Troopers Association and determined that training academy time should be included in computing service toward retirement benefits. Neither the state nor the troopers made retirement contributions on the salaries paid during this time; both have been billed for their respective shares of these contributions.
- **Dispatch Unit and Port Security.** The Budget does not include the transfer of the dispatch and port security surveillance units from the Department of Environmental Management to the Department of Public Safety. The 2010 Assembly included legislation that required the unit be transferred by January 1, 2011.
- **Indirect Cost Recovery.** The Governor restores the \$0.5 million from general revenues for indirect cost savings included in the Military's enacted budget.
- **Emergency Management Flood Relief.** The Governor recommends \$24.0 million over the two year period for expenditures incurred from the March 2011 floods. This includes \$23.4 million from federal funds and \$0.6 million from general revenues to be used as the state match.

Environment

- ***Beach Parking Fees.*** The Governor recommends increasing the daily and annual parking fees at state beaches and includes an additional \$1.9 million from doing so. The Department collects fees for daily and seasonal parking at seven facilities across the state and reimburses the four host communities of Charlestown, Westerly, Narragansett and South Kingstown 27.0 percent of all daily parking fees collected from Memorial Day to Labor Day. The proposal would also lower the reimbursement rate to 16.0 percent in order for the municipalities to continue to receive the same amount, with the additional revenues deposited as general revenues.
- ***Fort Adams Improvements.*** The Governor recommends an additional \$0.2 million from Rhode Island Capital Plan funds for improvements at Forts Adams state park in Newport during FY 2011.
- ***Coastal and Estuary Habitat Restoration Program and Trust Fund.*** The Budget includes \$250,000 from restricted receipts for the Coastal Resources Management Council's Coastal and Estuary Habitat Restoration Program and Trust Fund for projects that restore degraded habitats along the state's coastal and estuarine environments.
- ***Bays, Rivers and Watersheds.*** The Budget includes \$250,000 from the Oil Spill Prevention, Administration and Response Fund for the Bays, Rivers and Watersheds Coordination Team. The Team is responsible for coordinating the efforts of all of the environmental agencies in the state to restore and develop both freshwater and marine waters and watersheds.
- ***Statewide Emergency Water Interconnect Study.*** The Capital Budget includes \$2.4 million for FY 2012 from previously approved general obligation bonds to establish statewide emergency water interconnections between the state's 30 largest water supply systems.
- ***Groundwater Protection/Acquisition Program.*** The Capital Budget includes \$3.9 million for FY 2012 from previously authorized general obligation bonds to purchase water development rights from private landowners for well sites identified as high capacity.
- ***Bristol County Water Treatment.*** The Capital Budget includes \$15.6 million from authorized general obligation bonds for facilities upgrades including the Shad Factory Pipeline to ensure adequate water for the Authority's water users and maintain Rhode Island rights to water from the connected Massachusetts reservoirs.
- ***Fort Adams Rehabilitation.*** The five-year capital plan includes \$2.7 million for rehabilitation projects at Fort Adams state park in Newport. Projects include the rehabilitation of the historic soldier's quarters as well as the restoration of the prison area. Funding is provided from Rhode Island Capital Plan funds for the ongoing improvements, but also includes \$1.7 million from the newly proposed Tourism Asset Protection Fund. This new funding would be used for upgrades to the areas surrounding the Fort for America's Cup pre-regatta races, which the Governor is seeking to have held in Newport.
- ***Pier Upgrades.*** The Budget includes \$3.8 million from Rhode Island Capital Plan funds through FY 2016 for repairs to the state's piers in Galilee and Newport. Funding is used for replacement of bulkheads and the surrounding structures as well as repairs to the walkways and decks.

- ***Recreational Facilities Improvements.*** The Budget includes \$5.8 million from Rhode Island Capital Plan funds from FY 2012 through FY 2016 for repairs to the state's recreational facilities. Improvements include the maintenance and upkeep of existing facilities as well as construction projects such as new bathroom facilities, roof replacements and roadway repairs.
- ***Blackstone Valley Bike Path/State Park.*** The Budget includes \$1.5 million from Rhode Island Capital Plan funds through FY 2013 for the construction of the Blackstone Valley Bike Path and State Park. The Blackstone Valley Bike Path is scheduled to be a 17.1 mile by 12-foot wide scenic bike-path that will connect to the East Bay Bike Path, eventually making a continuous 31.9 mile route for alternative transportation.

Transportation

- ***Winter Maintenance.*** The Department of Transportation's FY 2011 budget includes an additional \$12.6 million of gasoline tax proceeds that would be made available by lowering debt service payments on its general obligation bonds, which are paid from the same source. The Department incurred higher than budgeted winter maintenance expenses during FY 2011, and the proposal would alleviate a projected shortfall in gasoline tax proceeds of \$12.6 million.
- ***Fees for Transportation.*** The FY 2012 Budget includes an additional \$12.0 million for transportation expenses by transferring 20.0 percent of certain transportation related fees previously deposited as general revenues to the Department of Transportation for use as the state match for general obligation bonds. The Governor's proposal increases the transfer of these fees by 20.0 percent each year until FY 2016, when 100.0 percent of the fees will be dedicated to the Department. The purpose of the proposal is to eventually lower the amount of debt service paid by the Department with gasoline tax proceeds, which will then allow these proceeds to be used for other purposes.
- ***Salt Storage Facilities.*** The Budget includes \$9.3 million from Rhode Island Capital Plan funds from FY 2012 through FY 2016 for the construction of salt storage facilities at Department of Transportation maintenance facilities where salt is currently being stored uncovered.
- ***Maintenance Facilities.*** The Budget includes \$2.3 million from Rhode Island Capital Plan funds through FY 2016 for various improvement projects at Department of Transportation maintenance facilities throughout the state.
- ***Winter Maintenance.*** The Budget includes \$21.5 million for winter maintenance operations at the Department of Transportation in FY 2011. This is \$11.9 million more than enacted to reflect higher than budgeted winter maintenance costs.
- ***Rhode Island Public Transit Authority.*** The Budget includes a gasoline tax transfer of \$41.8 million to the Authority for FY 2012. This is consistent with the enacted budget and is based on the Administration's estimate of the per penny gasoline tax yield. Funding is used for personnel and operating expenses at the Authority, which would need to be reduced to account for the reduction in proceeds.

Article Explanations

Explanations of Budget Articles

2011-H 5894

Article 1

Section 1. Appropriations. This section of Article 1 contains the appropriations for FY 2012.

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

Section 3. Transfer of Functions. This section of Article 1 authorizes the Governor to transfer appropriations and full-time equivalent position authorizations associated with transfers of functions.

Section 4. Contingency Fund. This section of Article 1 allows for expenditures from the contingency account located within the Office of the Governor's budget for unexpected and unbudgeted statewide expenditures. The Governor must approve all expenditures and transfers from this account.

Section 5. Internal Service Funds. Section 5 of Article 1 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 6. Legislative Intent. This section of Article 1 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 7. Temporary Disability Insurance Funds. Section 7 of Article 1 appropriates all funds required for benefit payments from the Temporary Disability Insurance Fund and the Temporary Disability Insurance Reserve Fund for FY 2012. This section appears annually.

Section 8. Employment Security Funds. Section 8 of Article 1 appropriates all funds required for benefit payments to the unemployed from the Employment Security Fund for FY 2012. This section appears annually.

Section 9. University and College Funds. This section of Article 1 had appeared annually to appropriate all funds for Higher Education. It appears to duplicate authority already granted in state law. The 2005, 2006, 2007, 2008, and 2009 Assemblies removed this section from the FY 2006, FY 2007, FY 2008, FY 2009, and FY 2010 appropriations bills as unnecessary. It was included in the FY 2011 Act.

Section 10. Lottery. This section of Article 1 appropriates to the Lottery Division any funds required for the payment of prizes and commissions. Prizes are not included as expenditures in the budget.

Section 11. Full-Time Equivalent Positions. This section of Article 1 limits the maximum number of full-time equivalent positions authorized for the departments and agencies during any payroll period in FY 2012. It also provides that no contracted employee can be hired nor may any agency contract for services replacing work done by state employees without public hearings and recommendations by the Budget Officer and the State Director of Personnel and determination of need by the Director of

Explanations of Budget Articles

Administration. In addition, state employees whose funding is from non-state funds that are time limited shall receive appointments limited to the availability of the non-state funding source. 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.

Total staffing is 14,990.6 full-time equivalent positions, which are 149.0 more than the FY 2011 enacted budget.

Section 12. Multi Year Appropriations. Section 12 of Article 1 makes multi-year appropriations for a number of capital projects included in the FY 2012 through FY 2016 Capital Budget that are funded from Rhode Island Capital Plan funds. The FY 2012 and multi-year appropriations supersede appropriations made for capital projects in Section 12 of Article 1 of the FY 2011 Appropriations Act.

Section 13. Reappropriations. This section of Article 1 provides that any unexpended and unencumbered funds for Rhode Island Capital Plan fund projects may be reappropriated at the recommendation of the Governor in FY 2012. The Governor shall submit a report of the reappropriations to the Chairs of the House and Senate Finance Committees stating the final enacted amount, the amount spent and the amount reappropriated by August 15, 2011.

Four of the previous five budgets included language that allowed for automatic reappropriation of unexpended balances from Rhode Island Capital Plan fund projects over \$500. Balances of less than \$500 can be reappropriated at the discretion of the State Budget Officer. The provision for the Budget Officer's discretion over balances less than \$500 appeared for the first time in FY 2006.

Section 14. Extension of Previous Authorizations. This section authorizes the extension of the issuance of \$1.2 million of Preservation, Recreation and Heritage general obligation bonds until June 30, 2014, and \$5.0 million of Emergency Water Interconnect general obligation bonds and \$21.9 million of Open Space Recreation, Bay and Watershed Protection general obligation bonds until November 2, 2013.

Section 15. Resource Recovery Transfer. This section would mandate the transfer of \$3.5 million from insurance settlement proceeds from the Resource Recovery Corporation to general revenues by June 30, 2012.

Section 16. This section of Article 1 requires that the Rhode Island Housing Mortgage Finance Corporation provides \$1.5 million from its resources to fund the Neighborhood Opportunities Program for FY 2012.

Section 17. Effective Date. This section of Article 1 establishes July 1, 2011 as the effective date of the article.

Article 2. FY 2011 Revised Appropriations

Section 1. FY 2011 Appropriations. This section of Article 2 contains the revised appropriations for FY 2011.

Explanations of Budget Articles

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

Section 3. Internal Service Funds. Section 3 of Article 2 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 of Article 2 limits the maximum number of full-time equivalent positions authorized for the departments and agencies during any payroll period in FY 2011. This section also provides that no contracted employee can be hired nor may any agency contract for services replacing work done by state employees without public hearings and recommendations by the Budget Office and State Director of Personnel and determination of need by the Director of Administration. In addition, state employees whose funding is from non-state funds that are time limited shall receive appointments limited to the availability of the non-state funding source. This section also contains the usual provision that the Governor or designee, Speaker of the House or designee, and President of the Senate or designee may jointly adjust the authorization.

Total staffing is 15,007.6 full-time equivalent positions, 180.0 more than the FY 2011 enacted budget.

Section 5. Effective Date. This section establishes that this article is effective upon passage.

Article 3. Budget Reserve

The FY 2011 enacted budget includes a one-time expenditure of \$22.0 million to pay back the Rhode Island Capital Plan Fund for funds borrowed from the state budget reserve and cash stabilization account in FY 2009. Rhode Island General Law requires that any amounts used must be replaced in the following year. This article amends current law to delay the repayment to FY 2013.

Article 4. Unemployment Insurance

This article makes two changes to increase the taxable wage base and six changes to benefit rates and eligibility in order to progressively increase the balance of the Employment Security Trust Fund over the next four years, making incremental changes each year. Tax changes begin January 1, 2012 and benefit and eligibility changes begin July 1, 2012. The article assumes additional revenues of \$15.4 million into the Trust Fund in FY 2012, including \$7.1 million from tax changes and \$8.3 million from benefit and eligibility changes.

Article 5. Education Aid

Article 5 makes changes to FY 2011 and FY 2012 education aid to districts. Section 1 reduces FY 2011 education aid to districts by \$0.7 million to reflect less available state fiscal stabilization funds based on the final allocation between elementary and secondary education and higher education and to adjust group home beds consistent with current law requirements. Section 2 appears to include the Governor's proposal for FY 2012 to use \$32.0 million from federal education jobs funds that districts will receive for use in FY 2011 and FY 2012 in lieu of general revenues for FY 2012.

Explanations of Budget Articles

Article 6. Host Beach Community Reimbursement

This article will decrease the reimbursement rate for the distribution of beach revenue collections to the four host beach communities of Charlestown, Westerly, Narragansett and South Kingstown from 27.0 percent to 16.0 percent. The Department of Environmental Management collects fees for daily and seasonal parking at seven facilities across the state and reimburses the host communities. The budget assumes the Department would raise the fees through its administrative rules process, and the article decreases the reimbursement rate to maintain communities' payments while capturing the additional \$1.9 million of revenue for state use.

Article 7. Telecommunications Access Fund

Article 7 reduces the assessment for the Telecommunications Education Access Fund from \$0.26 to \$0.15 per line effective July 1, 2011 and expands it to include wireless lines. This is expected to generate an additional \$0.7 million in revenue to substitute for the current state support. This Fund is designed to provide financial assistance for qualified libraries and schools to acquire, install, and use telecommunications technologies to access the Internet. It should be noted that, although wireless customers are not currently charged for this, they do pay a different \$0.26 charge that goes to the General Fund. It had initially been imposed to support geo-coding for the state's E-911 calls.

The Governor's FY 2012 budget includes \$350,000 less general revenues than enacted based on the enhanced restricted receipt revenues. He also includes \$74,160 for the state's indirect cost recovery.

Article 8. Longevity Payments

Article 8 would eliminate longevity payments for non-union, non-classified employees of the Board of Regents. Any longevity payments earned as of June 30, 2010 would be frozen in the base salary. Under current law, non-classified employees of the Board of Regents at the Department of Elementary and Secondary Education are entitled to an additional 5.0 percent of salary after 10 years of state service and 10.0 percent after 20 years of state service.

Article 9. Government Restructuring

Section 1. Public Safety Communications Dispatch. This section of the article reverses the transfer of the dispatch functions of the Division of Enforcement from the Department of Environmental Management to the Department of Public Safety approved by the 2010 Assembly, effective January 1, 2011.

Sections 2 and 3. Supplemental Nutrition Program for Women, Infants and Children. This article reverses the transfer of the Women, Infants and Children supplemental nutrition program from the Department of Health to the Department of Human Services approved by the 2010 Assembly. The United States Department of Agriculture determined that the Department of Human Services did not meet the federal standard for oversight of this program.

Section 4. Rhode Island State Crime Lab. Section 4 of Article 9 shifts the funding and responsibilities for the Rhode Island State Crime Lab from the Department of Health to the Rhode

Explanations of Budget Articles

Island State Forensics Program at the University of Rhode Island. The Governor includes the enacted level of \$775,000 from general revenues to support the lab.

Article 10. Education

Article 10 makes technical changes to the statewide transportation statutes to clarify the intent of the legislation. It also allows districts to use small vans to transport students if the vans meet certain safety requirements. Article 10 also authorizes the School for the Deaf to rent or lease space in its school building and retain the rental fees in a restricted receipt account to support its operations.

This article also creates a restricted receipt account for local tuition payments to the Davies Career and Technical School from local school districts in accordance with the new education funding formula.

Finally, Article 10 eliminates the requirement that the state reimburse certain costs allowed under the textbook loan program. The Budget assumes savings of \$240,000 from this.

Article 11. Children's Health Account

This article changes the method of the annual assessment applied to all insurers for home health services, children and adolescent intensive treatment services and Comprehensive Evaluation, Diagnosis, Assessment, Referral and Re-evaluation services by charging the assessment for each individual service provided. Currently, the assessment is charged on the aggregate costs of services within one of the three expense categories. The article also increases the maximum assessment from \$6,000 to \$7,500 per child per service per year.

Article 12. School Housing Aid for Charter Schools

Article 12 would set the state reimbursement for charter school construction projects at the three year weighted average share ratio of the sending districts for any project completed after June 30, 2011. Unless sponsored by a school district, charter schools are currently eligible for reimbursement at 30.0 percent. There is no fiscal impact for FY 2012; FY 2013 would be the first year with a fiscal impact.

Article 13. Retirement

Article 13 would require that effective July 1, 2011, all state employees and teachers contribute 11.75 percent towards pension benefits. State employees currently contribute 8.75 percent and teachers contribute 9.5 percent and those rates are set in statute. There would be no reduction in the employer share and the budget assumes no savings from this proposal.

Article 14. Tourism Asset Protection Fund

Article 14 establishes the Tourism Asset Protection Fund to be used for tourism related improvements. The Fund is supported by the retention of a 1.0 percent sales tax on the rental of rooms and lodging; with the proposed rollback of the regular sales tax rate, the total sales tax would be unchanged from the current level. Use of the funds is at the discretion of the Department of Administration and the FY 2012 budget assumes \$1.7 million will be used for the restoration projects at Fort Adams and \$0.9

Explanations of Budget Articles

million is budgeted in the Department of Administration for unspecified capital expenditures. The article takes effect upon passage.

Article 15. Land Sales

This article would require the proceeds in excess of \$1.0 million from land sales to be deposited into the Rhode Island Capital Plan Fund. The voters approved a constitutional amendment in 2006 to allow the capital account to be used solely for capital projects beginning in FY 2009. The article takes effect upon passage and does not appear to have an impact on the FY 2012 budget.

Article 16. Medicaid Global Waiver

Article 16 is a resolution to notify the Assembly and seek approval to make nine changes to the Medicaid global waiver for programs through the Department of Human Services, the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals, and the Department of Children, Youth and Families. The changes affect reimbursement methodologies for services provided by nursing homes, hospitals, and agencies serving adults with developmental disabilities. The article also makes changes to programs provided to adults with mental health and substance abuse issues and children through the Department of Children, Youth and Families. These changes are considered category 2 and assumes requiring statutory changes or changes to the state's rules and regulations. The Governor's budget assumes savings of \$21.4 million from all funds, \$12.9 million from general revenues.

Article 17. General Public Assistance-Hardship Contingency Fund

This article provides \$420,000 from general revenues that the Director of the Department of Human Services may provide for hardship contingency payments for FY 2012. This is \$58,000 less than the enacted level.

Article 18. Hospital Uncompensated Care

This article extends the uncompensated care payments to the community hospitals with the state making a payment for FY 2013 that does not exceed \$125.4 million.

Article 19. Hospital Licensing Fee

This article extends the hospital licensing fee in FY 2012 at a rate of 5.465 percent of hospitals' net patient services revenue for the hospital fiscal year ending on or after September 30, 2009. It also includes the due date for the filing of hospital returns with the Division of Taxation to be before June 18, 2012 and for hospital payments of the fee to be on or before July 16, 2012. The budget includes \$141.8 million in revenue for FY 2012.

Article 20. Fees

Section 1. Department of Business Regulation. This section of Article 20 amends Rhode Island General Law to increase fees for the application and/or the renewal of two specific professional

Explanations of Budget Articles

licenses. The security sales representative licensing fee would increase by \$15 from \$60 to \$75 and the federal covered advisor licensing fee by \$50 per year from \$250 to \$300. These increases will yield \$1.2 million in additional revenues for FY 2012.

Section 2. Commercial Drivers License. Section 2 of Article 20 authorizes the Board of Governors for Higher Education to establish a fee of up to \$100 for the Community College of Rhode Island to administer a skill test examination for a commercial driver's license. Currently, there is a \$50 fee for a skill test examination administered by the division, which is dedicated to the Community College of Rhode Island to offset administrative costs of conducting the driving skills examination.

Section 3. Department of Public Safety. This article increases the fee for fire inspections by \$25 from \$100 to \$125. The increase of the fee will provide \$40,000 of additional anticipated revenues in FY 2012 based on 1,600 annual fire inspections. This article is effective July 1, 2011.

Article 21. MBTA Indemnification

This article would provide for the full indemnification of the Massachusetts Bay Transit Authority for its operation of the South County Commuter Rail. The Rhode Island Public Rail Corporation currently indemnifies Amtrak for the state's use of its tracks south of Providence through an existing insurance policy, which partially includes the Authority. The article would add the Authority to the existing policy and fully indemnify it against any claim, which is expected to reduce the total cost of federally funded insurance for the project.

Article 22. Transportation Funding

This article provides for a five-year phased transfer of certain transportation related fees previously deposited as general revenues to the Intermodal Surface Transportation Fund beginning in FY 2012. The share of fees dedicated to this fund increases by 20.0 percent each year until FY 2016, when 100 percent of the fees will be dedicated to transportation. The article would reduce available general revenue by \$12.0 million in FY 2012, \$24.4 million in FY 2013, \$37.2 million in FY 2014, \$50.5 million in FY 2015 and \$64.2 million in FY 2016. The Governor's budget assumes these resources would eventually be used to match federal funds in lieu of the current practice of issuing general obligation bond debt.

Article 23. Transfer of Sheriffs to Department of Public Safety

This article transfers the funding, positions, and responsibilities of the Division of Sheriffs from the Department of Administration to the Department of Public Safety. This consolidation had been initially proposed as part of Governor Carcieri's recommendation for the creation of the Department of Public Safety in FY 2009 and again in FY 2011. Unlike previous versions, this proposal maintains the 10-year appointment of the Executive High Sheriff, the Sheriffs and the Chief Deputy Sheriffs. This article will take effect on July 1, 2011.

Explanations of Budget Articles

Article 24. Revenues

Section 1. Lottery Set-Off. This section of Article 24 would allow for the garnishing of lottery winnings over \$600 when unpaid state taxes are owed. The FY 2012 Budget assumes \$141,457 in revenues from passage of this.

Section 2. Motion Picture Tax Credit. This section of Article 24 ends the issuance of any tax credit for the Motion Picture Tax Credit effective July 1, 2011, unless an initial certification had already been granted. The Governor's FY 2012 budget assumes increased revenues of \$1.6 million that amount would grow to \$15.0 million in FY 2016. The 2005 Assembly had enacted statutes to provide a 25.0 percent credit for state certified production costs directly attributable to motion picture activity within Rhode Island, with primary filming locations within Rhode Island and minimum total production budgets of \$300,000. The 2008 Assembly capped the amount of motion picture tax credits that could be issued at \$15.0 million per tax year.

Section 3. Estate Filing Fee. This section increases the estate filing fee from \$25 to \$50. The FY 2012 Budget assumes increased revenues of \$108,915.

Section 4. Letter of Good Standing. This section of Article 24 increases the fee to obtain a letter of good standing from the Division of Taxation from \$25 to \$50. The FY 2012 Budget assumes increased revenues of \$122,925.

Section 5. Compassion Center Surcharge. This article imposes a 4.0 percent surcharge on net patient revenues generated at new Compassion Centers to be established. In FY 2012, it is estimated to generate \$0.6 million which will be deposited into the general fund.

Section 6. Delinquent Taxpayers. This section of Article 24 would require the Division of Taxation to list the top 100 individuals and the top 100 businesses who are delinquent in paying taxes in excess of 90 days. The Division of Taxation currently posts a list of the top 100 tax delinquents. The FY 2012 Budget assumes revenues of \$1.8 million from passage of this section.

Section 7. Returned Check Fee. This section of Article 24 authorizes the Division of Motor Vehicles to assess a fee up to \$50 on returned checks. The Division of Motor Vehicles indicates that it incurs \$3.71 in various fees whenever a check is returned as a result of insufficient funds. The FY 2012 Budget includes \$18,720 in revenues, which assumes a fee of \$25.

Section 8. Driving Record Abstracts. This section requires that insurance companies use driving record abstracts at least every three years for rating and underwriting policies. Currently, insurance companies have the option of using credit reports or driving record abstracts. The Governor's FY 2012 budget includes \$3.0 million in revenues from this requirement. The cost to obtain the record is \$17.50, including the \$1.50 technology surcharge. There is an additional convenience fee if records are obtained online.

Section 9. Collections of Debts. This section of Article 24 allows the Division of Taxation to offset tax refunds for outstanding liability owed to state agencies. State agencies can enter into a contract agreement for debt collection, provided that Taxation is exempt from any injuries, actions, liabilities or

Explanations of Budget Articles

proceedings resulting from the collection. The Division of Taxation can charge a reasonable fee, negotiated with the contracting state agencies, for its collection efforts. The Governor's FY 2012 budget includes \$0.2 million in revenues based on estimates for Department of Corrections only.

Article 25. Business Taxes

This article subjects limited partnerships and limited liability partnerships to the Corporate Minimum Tax. These filers are currently exempt from the tax but are required to pay a filing fee with the Secretary of State. It phases out the Corporate Income Tax rate from 9.0 percent by 0.5 percent per year until reaching 7.5 percent for tax year 2014 and replaces the corporate minimum and minimum franchise taxes with a tiered system. The articles also phases out the Jobs Development Act rate reduction over three years beginning in tax year 2012 by one-third and requires corporate tax filers to file as a "unitary business" or single enterprise, commonly referred to as combined reporting, effective January 1, 2012. The article has a combined impact of a \$0.9 million revenue loss in FY 2012 growing to \$14.5 million in FY 2016.

Business Tax Proposal	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Corp. Income Tax Rate Reduction	\$(8,525,365)	\$(20,005,564)	\$(33,967,968)	\$(35,345,444)	\$(36,466,135)
Jobs Development Act Phase-out	4,845,502	9,345,814	15,367,882	15,991,083	16,498,109
Corp. Minimum Tax Restructure	(6,117,310)	(6,166,843)	(6,241,142)	(6,290,675)	(6,364,975)
Combined Reporting	8,891,640	9,993,357	10,955,116	11,399,371	11,760,808
Total Impact	\$(905,533)	\$(6,833,236)	\$(13,886,112)	\$(14,245,665)	\$(14,572,193)

Article 26. Sales Tax

This article decreases the current 7.0 percent sales and use tax on items currently taxed to 6.0 percent. It imposes a 1.0 percent sales and use tax on certain exempt items, such as clothing, aircraft and boats, purchases made by nonprofit entities and the Economic Development Corporation Project Status designees. It expands the sales tax to certain services that were previously exempt from the sales tax. Some of the services included are household services, including landscaping and pest control, employment agencies and personal care services. It disallows the sales tax exemption towards the purchase of a car as a trade-in allowance on the value of a stolen or totaled vehicle. It also imposes of a 6.0 percent sales and use tax on medical marijuana. The article has a combined impact of \$164.9 million in additional revenues in FY 2012 growing to \$173.3 million in FY 2016.

Article 27. Pharmaceutical Assistance to the Elderly

This article eliminates the Pharmaceutical Assistance to the Elderly program and creates the Supplemental Prescription Assistance Program, which will assist individuals who will be adversely impacted by the elimination of the program. Federal reform will eliminate the Medicare Part D "donut hole" and the need for supplemental coverage by 2020. The Budget includes \$0.3 million for the new program, \$1.7 million less than enacted, including \$1.4 million less from general revenues.

Explanations of Budget Articles

Article 28. Veterans' Home

This article provides for an increase in the monthly maintenance fee assessed to all residents of the Veterans' Home from 80.0 to 100 percent of the resident's income, after discounting the \$150.00 per month personal needs allowance and other income disregards established in current law. The article assumes an additional \$1.0 million in revenues, including \$0.8 million in general revenues into the General Fund and \$0.2 million into the restricted receipt account for operating expenses at the Home.

Article 29. Certificate of Need

This article eliminates the Health Services Council, which is a statutory advisory council appointed by the Governor, Speaker of the House and President of the Senate. The Department of Health provides staff support to the Council and, for a fee, reviews and approves initial health care facility licensure, new medical services and equipment and any changes in ownership or control of any health care facility. The budget assumes offsetting revenue and expenditure adjustments.

Article 30. Nursing Home Reimbursement Rates

This article eliminates the current nursing home principles of reimbursement and replaces it with a methodology to pay a base rate to each nursing home continuing to recognize patient acuity and the minimum occupancy requirements. The methodology to calculate the base rates has not been determined.

The Governor's budget assumes \$12.8 million in savings, including \$6.0 million from general revenues, from a five percent reduction to nursing home expenses that is not specified in the article.

Article 31. Abused and Neglected Children

This article amends the definition of child abuse and neglect to conform with federal standards in the Child Abuse and Prevention Act. Currently, the Department may remove a child from the home if Child Protective Investigators feel that a child has suffered abuse or neglect and that continued care and custody by the parents may result in further harm to the child. This article amends current law to define child abuse as any recent act or failure to act on the part of a parent or caretaker which results in death, serious physical or emotional harm, sexual abuse or exploitation. The budget assumes savings of \$0.6 million from general revenues from reduced investigations and removals from homes.

Article 32. Delinquent and Dependent Children

Article 32 requires Local Education Agencies to finance the educational expenses of children in the juvenile justice system. Currently, cities and towns finance educational expenses for children in residential programs with on-site school programs. The city or town deemed responsible shall pay the per-pupil special education cost to the Department of Children, Youth and Families or to the facility providing the education for general revenue savings of \$2.1 million. This includes programs at the Thomas C. Slater Training School, Camp E-Hun-Tee, the North American Family Institute, and Ocean Tides.

Explanations of Budget Articles

Article 33. Hospital Payments

Article 33 restricts the rates used by the Department of Human Services to pay hospitals for both inpatient and outpatient services through the managed care plans, which cannot be higher than national growth rates set by the Centers for Medicare and Medicaid Services. The current restriction on outpatient rates is set to expire on January 1, 2012 with the inpatient restriction expiring January 1, 2013.

This article also specifies that fee-for-service outpatient rates will be equal to what Medicare pays for similar services. The article is effective upon passage. The Governor's budget assumes savings of \$5.6 million from this change, including \$2.7 million from general revenues.

Article 34. Tolling

This article authorizes the Department of Transportation to participate in the Federal Highway Administration Interstate System Construction Toll Pilot Program. Currently, no state has the authority to place tolls on roads constructed with federal funds unless it is participating in the pilot study. The article would also enable the Department to commission a study on instituting tolls on interstate and non-interstate highways and bridges, while examining regional impacts of tolls in conjunction with Massachusetts and Connecticut. The authorizations contained in the article are included because the enabling legislation of the Department does not specifically allow it to apply for the pilot program or commission the study.

Article 35. Vehicle Registration

Current law allows car dealers to purchase temporary registration plates in a packet of 10 at a fee of \$200, which equates to \$20 each. This article allows the Division of Motor Vehicles to assess a fee up to \$25 for each temporary registration plate. The amount charge above \$20 would be retained by a vendor for a convenience fee. The article also deletes the requirement that the state issues a general reissuance plate beginning on September 1, 2011 and no less than every 10 years. The Budget Office estimated that \$1.6 million would be generated from the recapture of unregistered vehicles. The cost for the plate printing, notification, staffing and mailing is estimated at \$4.9 million, resulting in a net cost of \$3.3 million.

Article 36. Lease Approval

This article eliminates the requirement that state agencies obtain legislative approval before entering into a long-term lease agreement, five years or more or lease agreements that are more than \$0.5 million. The article takes effect upon passage.

Article 37. Unclassified Positions

This article includes a new unclassified deputy director for each department. This position will be appointed by the person or group of persons having power by virtue of the constitution, a statute, lawfully delegated authority or the Governor. Positions in the unclassified service generally include

Explanations of Budget Articles

the employees of elected officials, courts, independent agencies or public authorities and various policy making positions.

Article 38. Retiree Health Care Trust Fund

Article 38 amends the retiree health care trust fund statute based on recommendations made by the Other Post Employment Benefits (OPEB) Board. It clarifies that the board may collect contributions from quasi-public agencies that are part of the Trust Fund. It also removes the Board's authority to interpret or decide claims for benefits or resolve disputes and gives the Board the right to research, question, investigate and make recommendations of findings to the Department of Administration. It also delays the submission of the first report of the Board to February 2012; it had been January 2011. It also changes the requirement for actuarial valuation and experience study from every year to every two years. Finally, it modifies the method of payment of administration costs from the Fund.

Article 39. Municipal Accountability, Stability and Transparency

Article 39 establishes the Municipal Accountability, Stability and Transparency Fund to encourage municipalities to address unfunded liabilities for pensions and other post-employment benefits. The Fund would be supported from a 1.0 percent sales tax on meals and beverages; with the rollback of the regular sales tax rate, the total tax on meals and beverages would be unchanged from the current level.

Municipalities must meet set criteria in order to be eligible to receive funding from the Municipal Accountability, Stability and Transparency Fund. In FY 2012, all municipalities must provide a five-year forecast to the Division of Municipal Finance including options for fully funding annually required post employment benefit liabilities, provide fiscal impact statements for changes in health care plans, submit financial data on time, join the Municipal Uniform Chart of Accounts and fulfill other requirements. By FY 2014, municipalities not in compliance will receive a decrease in the state's contribution towards the employer cost of teacher retirement expenses.

The Budget includes \$19.3 million from a 1.0 percent sales tax on meals and beverages and will be distributed based on per capita income and local tax burdens using FY 2009 data from the General Revenue Sharing Program. Municipalities that are in compliance will receive a payment in March of each fiscal year.

Article 40. Distressed Communities

The FY 2011 budget provides an additional \$5.2 million for the Distressed Communities Relief Fund. This article requires that distressed communities submit a five year budget forecast to the Division of Municipal Finance by June 20, 2011 in order to obtain the additional funding. The forecast must include a scenario reflecting pensions and other post-employment benefits obligations at 100 percent of the annual required contribution for both general and unrestricted school funds. Currently, eight communities receive funding from this program.

Explanations of Budget Articles

Article 41. Restricted Receipts

Articles 14 and 39 establish the Tourism Asset Protection and the Municipal Accountability, Stability and Transparency funds. This article exempts them from the 10.0 percent indirect cost recovery charge.

Article 42. Tax Anticipation Notes

Article 42 allows the state to borrow a maximum of \$350.0 million during FY 2012 for cash flow purposes in anticipation of tax receipts. The note must be repaid by June 30, 2012.

Article 43. Effective Dates

Article 43 provides that the act shall take effect upon passage, except where a provision within the article specifies a retroactive or prospective effective date.

Explanations of Budget Articles

Local Aid

State Aid to Local Governments

Introduction

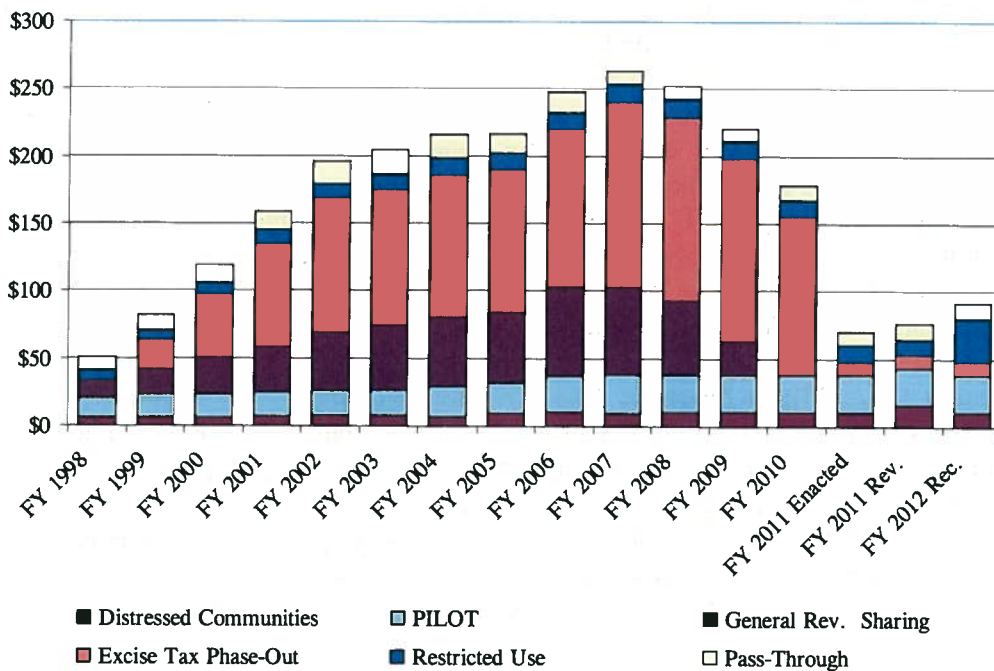
The Governor recommends state aid to cities and towns totaling \$65.2 million in FY 2011 and \$80.0 million in FY 2012. Funding in FY 2012 includes \$48.0 million for general aid programs and \$32.1 million for restricted use programs, including \$19.3 million for a new Municipal Accountability, Stability and Transparency Fund, which is supported from a 1.0 percent sales tax on meals and beverages. Funds will be used to encourage municipalities to address unfunded liabilities for pensions and other post-employment benefits and will be distributed based on per capita income and local tax burdens using FY 2009 data from the General Revenue Sharing program. The current 1.0 percent tax on meals and beverages is collected by the Division of Taxation and is distributed to the municipality where the meals and beverages are delivered.

Local communities will also receive \$11.4 million in public service corporation property taxes that the state collects and passes through to the communities.

The general aid for FY 2011 is \$5.2 million more than the enacted to reflect an increase for the Distressed Communities Relief Fund. In order to receive the additional funding, communities must submit a five-year budget forecast to the Division of Municipal Finance by June 20, 2011. The forecast must include a scenario reflecting pensions and other post-employment benefits obligations at 100 percent of the annual required contribution for both general and unrestricted school funds.

The Governor recommends the Distressed Communities Relief Fund at the enacted level of \$10.4 million. Communities' aid distribution is based on updated qualifying tax levies. Updated data shows that North Providence qualifies for distressed aid in FY 2012 and Burrillville no longer qualifies.

The following graph shows historical funding data, in millions. The graph below also shows the allocation of funding for state aid programs from FY 1998 through FY 2011.



The major changes in the aid proposal are discussed on the following pages, followed by tables that show recommended distribution of general aid by community as well as each general aid programs by community. There are also tables showing the distribution of Municipal Accountability, Stability and Transparency and library operating aid, which are considered restricted and not included in the general aid totals and public service corporations' tax collections, a local levy collected at the state level and returned to local governments for tax collection efficiency purposes.

- **General.** The Governor recommends \$53.2 million in FY 2011 and \$48.0 million in FY 2012 for general state aid to local governments.

Fiscal Year	2000	2005	2006	2007	2008	2009	2010	2011 Enacted	2011 Gov. Rev.	Rev. Diff.	2012 Gov. Rec.	Rec. Diff.
General Aid - State Sources												
Distressed Communities*	\$ 6.6	\$ 9.5	\$ 10.6	\$ 10.2	\$ 10.4	\$ 10.4	\$ 10.4	\$ 10.4	\$ 15.6	\$ 5.2	\$ 10.4	\$ -
PILOT	16.1	22.7	27.0	27.8	27.8	27.6	27.6	27.6	27.6	-	27.6	-
General Rev. Sharing	27.6	52.4	65.0	65.1	55.1	25.0	-	-	-	-	-	-
Excise Tax Phase-Out	47.3	105.0	117.6	136.2	135.3	135.4	117.2	10.0	10.0	-	10.0	-
Subtotal	\$ 97.5	\$ 189.7	\$ 220.2	\$ 239.3	\$ 228.6	\$ 198.3	\$ 155.1	\$ 48.0	\$ 53.2	\$ 5.2	\$ 48.0	\$ -
Restricted Use Aid - State Sources												
State Aid for Libraries	\$ 5.7	\$ 8.1	\$ 8.4	\$ 8.7	\$ 8.8	\$ 8.8	\$ 8.8	\$ 8.8	\$ 8.8	\$ -	\$ 8.8	\$ -
Library Const. Aid	1.6	2.5	2.6	2.8	2.8	2.6	2.6	2.5	2.5	-	2.8	0.3
Police & Fire Incentive	0.9	1.1	1.1	0.7	0.7	-	-	-	-	-	-	-
Prop. Reval. Reimb.	0.0	0.6	0.6	2.0	1.1	1.1	1.6	1.0	0.8	(0.2)	1.1	0.1
MAST Fund											19.3	19.3
Subtotal	\$ 8.2	\$ 12.3	\$ 12.7	\$ 14.2	\$ 13.4	\$ 12.5	\$ 13.0	\$ 12.3	\$ 12.1	\$ (0.2)	\$ 32.1	\$ 19.8
Total - State Sources	\$ 105.7	\$ 202.0	\$ 233.0	\$ 253.5	\$ 241.9	\$ 210.8	\$ 168.2	\$ 60.2	\$ 65.2	\$ 5.0	\$ 80.0	\$ 19.8
Other Aid - Pass-Through												
Public Service Corp.	\$ 12.8	\$ 14.6	\$ 14.6	\$ 10.3	\$ 10.3	\$ 9.2	\$ 10.2	\$ 10.2	\$ 11.4	\$ 1.2	\$ 11.4	\$ 1.2

*FY 2007 reflects recapture of \$230,272 overpayment from FY 2006.

- **Distressed Communities Relief Fund.** The Governor provides \$15.6 million in FY 2011, which reflects an increase of \$5.2 million in funding for the Distressed Communities Relief Fund. In order to receive the additional funding, communities must submit a five-year budget forecast to the Division of Municipal Finance by June 20, 2011. The forecast must include a scenario reflecting pensions and Other Post-Employment Benefits obligations at 100.0 percent of the annual required contribution for both general and unrestricted school funds.

The FY 2012 recommendation reverts to the enacted level of \$10.4 million. Communities' aid distribution is based on updated qualifying tax levies. Current law mandates that when a new community qualifies, that community receives 50.0 percent of current law requirements the first year it qualifies. The remaining 50.0 percent is distributed to the other distressed communities proportionately. When a community falls out of the program, it receives a one-time transition payment of 50.0 percent of the prior year's full funding. For FY 2012, North Providence qualifies for distressed aid and Burrillville no longer qualifies.

- **Payment in Lieu of Taxes Program.** The Governor recommends \$27.6 million in FY 2011 and FY 2012 to fund the Payment in Lieu of Taxes program at the enacted amount. This program reimburses cities and towns for property taxes that would have been due on real property owned by nonprofit educational institutions, nonprofit hospitals, or any state-owned hospital, veterans' residential facility or correctional facility, which is exempt from taxation by state law. The recommendation for FY 2012 is \$10.6 million less than the current law allowance of 27.0 percent and represents a reimbursement of 19.5 percent of the value. Distributions to communities reflect updated data.

- **Motor Vehicle Excise Tax Phase-Out.** The Governor recommends level funding the program in FY 2011 and FY 2012 at the enacted amount. The Assembly provided for total funding of \$117.2 million to fund the program at 88.0 percent of the amount that would have been due in FY 2010. It also provided \$10.0 million for FY 2011. It also restored the authority for fire districts to levy a motor vehicle excise tax and included no reimbursement for those entities.
- **Library Resource Sharing Aid.** The Governor recommends \$8.8 million in both FY 2011 and FY 2012 for library operating aid. His community distributions reflect last year's data and the distribution is subject to change upon available data. Current law allows for a ratable reduction to the appropriation.
- **Library Construction Aid.** The Budget provides \$2.5 million in FY 2011 and \$2.8 million in FY 2012 for library construction aid. The state reimburses libraries up to half of the total cost for eligible projects on an installment basis for a period of up to 20 years.
- **Property Valuation Reimbursement.** The Budget provides \$0.8 million in FY 2011 and \$1.1 million in FY 2012 to fully fund reimbursements to communities conducting property valuation updates.
- **Municipal Accountability, Stability and Transparency Fund.** The Governor proposes the establishment of the Municipal Accountability, Stability and Transparency Fund to encourage municipalities to address unfunded liabilities for pensions and other-post employment benefits. The Budget includes \$19.3 million and will be available from a 1.0 percent sales tax on meals and beverages with his proposal to rollback the regular sales tax to 6.0 percent, taxpayers would not see a change in the tax paid in meals and beverage. The funds will be distributed based on per capita income and local tax burdens using FY 2009 data from the General Revenue Sharing Program.

The 2003 Assembly enacted a one percent additional tax on gross receipts from sale of food and beverages sold in or from eating and drinking establishments effective August 1, 2003. Meals are defined as sold ready for immediate consumption, regardless of when or where consumed. Eating establishments are defined to include all entities preparing these foods, including caterers. The tax is collected by the state Division of Taxation and distributed at least quarterly to the city or town where the meals and beverages are delivered. Municipalities received \$18.7 million in FY 2008, \$18.8 million in FY 2009 and \$19.0 million in FY 2010 from the collection of meals and beverage tax. Tables at the end of this report show recent distributions to municipalities from this tax.

The Governor proposes to double this to 2.0 percent and dedicates half of it to the new initiative. Municipalities must meet set criteria in order to be eligible to receive funding from the Municipal Accountability, Stability and Transparency Fund. In FY 2012, all municipalities must provide a five-year forecast to the Division of Municipal Finance including options for fully funding annually required post employment benefit liabilities, provide fiscal impact statements for changes in health care plans, submit financial data on time, join the Municipal Uniform Chart of Accounts and fulfill other requirements. By FY 2014, municipalities not in compliance will receive a decrease in the state's contribution towards the employer cost of teacher retirement expenses. Payments to municipalities that are in compliance would be in March of each fiscal year.

- **Public Service Corporation Tax.** The FY 2011 and FY 2012 budgets assume the state will collect \$11.4 million of property taxes from public service corporations on behalf of municipalities and pass that back to them. The 2009 Assembly adopted the Governor's recommendation to freeze the tax rate applied to the tangible personal property of public service corporations at the FY 2008 rate.

State Aid

State aid can be classified into *general* state aid and *restricted use* aid. *General* aid payments made to municipalities can be used for general budget use or as reimbursement for costs incurred. Examples include: general revenue sharing, payments in lieu of taxes, distressed communities relief, and vehicle excise tax phase-out payments. The general purpose of these programs is to relieve pressure on local property taxes by providing revenues from the state's broad based taxes to local governments.

Restricted use aid includes payments made to a municipality for a specific purpose or payments to non-governmental entities providing a public service. These include library aid and police and fire incentive pay plan sharing. The largest source of restricted aid is education aid, which is not included here.

Pass-through aid in the form of the Public Service Corporation tax is a third category often listed as state aid. However, it is not paid for from state sources, but is actually a local levy collected at the state level and returned to local governments for tax collection efficiency purposes. It is not part of the state budget or funds.

General State Aid

Distressed Communities Relief Program. The Distressed Communities Relief program was established in 1990 to provide assistance to the communities with the highest property tax burdens relative to the wealth of the taxpayers. The 2005 Assembly increased eligibility for FY 2006 to any community falling into the lowest 20.0 percent for at least three of four indices to be eligible for assistance under the Distressed Communities Relief program.

Rankings	Central			Cranston	East		North		West	
	Burrillville	Falls	Coventry		Providence	Providence	Pawtucket	Providence	Warwick	Woonsocket
FY 2009										
Levy/Full Value	19	14	10	2	-	7	12	1	3	13
Per Capita Income 2000	7	1	11	10	-	19	4	2	6	3
Personal Income/Full Value	6	1	10	9	-	7	3	4	5	2
Full Value Per Capita	6	1	10	9	-	7	3	4	5	2
Qualifying Rankings	3	3	0	1	-	3	3	4	4	3
Qualifying Rankings	1	3	3	3	-	3	3	4	4	4
FY 2010										
Levy/Full Value	22	17	5	3	-	6	13	1	2	8
Per Capita Income 2000	7	1	11	10	-	19	4	2	6	3
Personal Income/Full Value	6	2	9	7	-	4	3	12	5	1
Full Value Per Capita	7	1	10	9	-	6	3	4	5	2
Qualifying Rankings	3	3	1	2	-	3	3	3	4	3
FY 2011										
Levy/Full Value	20	24	5	4	8	11	14	1	3	7
Per Capita Income 2000	7	1	11	10	5	19	4	2	6	3
Personal Income/Full Value	6	2	7	9	11	4	3	12	5	1
Full Value Per Capita	8	1	9	10	6	7	3	4	5	2
Qualifying Rankings	3	3	1	1	3	2	3	3	4	3
FY 2012										
Levy/Full Value	22	25	5	8	11	7	15	1	3	6
Per Capita Income 2000	6	1	11	9	7	10	4	2	5	3
Personal Income/Full Value	9	1	8	15	10	4	3	11	5	2
Full Value Per Capita	7	1	9	11	8	6	3	4	5	2
Qualifying Rankings	2	3	2	1	2	3	3	3	4	4

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, that community receives 50.0 percent of current law requirements the first year it qualifies. The remaining 50.0 percent is distributed to the other distressed communities proportionately. When a community falls out of the

program, it receives a one-time transition payment of 50.0 percent of the prior year requirement exclusive of any reduction for first year qualification.

Dedicated funding for the program was from \$0.30 of the \$2.00 real estate transfer tax collected for each \$500 or fractional part of the purchase price of property sold, \$5.0 million from state appropriations, and 0.19 percent of all net terminal income from video lottery. Distribution from only video lottery terminal revenues are shared equally among qualifying communities. The 2007 Assembly adopted the Governor's recommendation to convert the real estate conveyance portion to general revenues and make the program subject to appropriation.

The 2010 Assembly provided \$10.4 million in both FY 2010 and FY 2011 for the Fund. Communities' aid distribution for FY 2011 is based on updated qualifying tax levies. For FY 2011, East Providence qualifies for distressed aid and North Providence is disqualified.

A majority of the funds, \$9.6 million is distributed on a weighted allocation and \$0.8 million is shared equally among the communities. The Governor provides \$15.6 million in FY 2011, which reflects an increase of \$5.2 million from the fund. He proposes legislation in Article 40, which requires that distressed communities submit a five-year budget forecast to the Division of Municipal Finance by June 20, 2011. The forecast must include a scenario reflecting pensions and other post-employment benefits obligations at 100 percent of the annual required contribution for both general and unrestricted school funds. Currently, eight communities receive funding from this program.

He also provides \$10.4 million for FY 2012, which reverts to the FY 2011 enacted level. For FY 2012, North Providence qualifies for distressed aid and Burrillville no longer qualifies.

Payment in Lieu of Taxes (PILOT). This program reimburses cities and towns for property taxes, which would have been due on real property owned by nonprofit educational institutions, nonprofit hospitals, or any state-owned hospital, veterans' residential facility or correctional facility, which is exempt from taxation by state law. Reimbursement is based on 27.0 percent of the tax that would have been collected if the property had been taxable, subject to appropriation.

The Governor recommends level funding the program in FY 2011 and FY 2012 at the enacted amount.

General Revenue Sharing. Beginning in FY 1994, a portion of total state tax revenues from the second prior fiscal year have been earmarked as state aid to cities and towns and distributed based on per capita income and local tax burdens for public purposes. In the FY 1999 budget, the General Assembly began increasing the percentage of revenues dedicated to the General Revenue Sharing program as a mechanism for reimbursing municipalities for lost local revenues from the ten-year phase-out of the inventory tax. The law also provided that the percentage of second prior year tax collections dedicated to the program would increase on an annual basis through FY 2011 to a total of 4.7 percent.

The 2005 Assembly provided that 6.25 percent of the state share of video lottery net terminal income solely attributable to new machines at Lincoln and Newport be dedicated to the program, up to a maximum of \$10.0 million to non-distressed communities based on the proportion of the general revenue sharing distribution for that year. The 2006 Assembly converted that dedication to 0.10 percent of all net terminal income up to a maximum of \$10.0 million to non-distressed communities.

The 2006 Assembly fixed the FY 2007 appropriation at \$64.7 million to which the video lottery terminal revenues would be added for FY 2007 only and did not concur with the Governor's proposal to freeze the amount at 3.0 percent of the second prior year's general tax revenues, ending the phase-up

to 4.7 percent. For FY 2008 the amount would be based upon 3.7 percent of the second prior year's general tax revenues.

The 2007 Assembly concurred with the Governor's proposal to freeze communities' FY 2008 aid payments at the FY 2007 level, and fix future amounts at 3.0 percent of tax revenues ending the phase-up.

The 2008 Assembly provided \$55.1 million for the General Revenue Sharing program and changed the reference year data used for the distribution formula to be the same as used for FY 2008. This assured that each community received the same amount of aid in FY 2009 as it did in FY 2008.

The Governor's FY 2009 revised budget proposed suspending of the state's appropriation for the General Revenue Sharing payments to communities in FY 2009. He then submitted an amendment to restore \$31.0 million with the availability of federal stimulus funds. The Assembly did not concur and provided \$25.0 million to fund the program in FY 2009, distributed proportionally on the same basis as the original enactment.

The FY 2010 budget does not include any funding for the General Revenue Sharing Program, consistent with the Governor's recommendation. The 2009 Assembly concurred with the Governor's recommendation to subject the program permanently to appropriation; delete the requirement for a distribution of 3.0 percent of second prior year state tax revenues for FY 2010 and each year thereafter.

The Governor does not reinstate this program in FY 2011 and FY 2012.

Motor Vehicle Excise Tax Phase-Out. The 1998 General Assembly enacted legislation to eliminate the property tax on motor vehicles and trailers over a period of seven years. It was modified in subsequent legislative sessions to substantially extend the phase-out period. It began with a \$1,500 exemption for FY 2000 tax bills that increased by \$1,000 per year to the FY 2005 amount of \$4,500. Cities and towns are held harmless for the exemptions and are reimbursed on the basis of 100 percent collections. They also received adjustments for freezing tax rates at the FY 1998 level through FY 2003. Fire districts were no longer allowed to levy motor vehicle excise taxes, and were fully reimbursed for the lost revenues.

The 2005 Assembly increased the exemption amount from \$4,500 to \$5,000 per vehicle for FY 2006 and dedicated certain future revenues from video lottery terminals to phase out the tax. The 2006 Assembly increased the exemptions to \$6,000 and converted that dedication to 1.22 percent of *all* net terminal income up to \$10.0 million per year and provided that the amount of the vehicle value exemption increase to the nearest \$250 increment, and the amount cannot be less than the prior year's exemption.

The 2007 Assembly provided \$135.5 million to fund the car tax phase-out for FY 2008 with a \$6,000 exemption consistent with current law and updated data. The 2008 Assembly provided \$139.6 million to fund the car tax phase-out for FY 2009, and adopted the Governor's recommendation to permanently reduce the Motor Vehicle Excise Tax reimbursements to 98.0 percent of the calculated value beginning with FY 2008. The 2009 Assembly provided \$135.3 million to fund the program and maintained the \$6,000 exemption.

The Governor included legislation in his 2010 revised budget to eliminate the third and the fourth quarter reimbursements to municipalities. The proposed legislation would allow municipalities to levy a supplemental tax to capture the loss of the reimbursement for FY 2010, subject to certification from

the Department of Revenue, an affirmative vote of at least four-fifths of the full membership of the municipal's governing body. Exemptions in FY 2011 and thereafter, would be subject to the annual appropriations act.

The Assembly had not taken action on the Governor's budget and the third quarter payment, which was due on February 1, was made. The Assembly provided for total funding of \$117.2 million to fund the program at 88.0 percent of the amount that would have been due in FY 2010.

For fiscal year 2011 and thereafter, the Assembly enacted legislation that mandates a \$500 exemption for which the state will reimburse municipalities an amount subject to appropriation. The legislation further allows municipalities to provide an additional exemption that would not be subject to reimbursement. The Assembly removed the statutory limitation on taxing the difference in the event that the value of a vehicle is higher than assessed in the prior fiscal year. It allowed motor vehicle rates and ratios of assessment to be less than earlier levels, which were frozen. The Assembly also restored the authority for fire districts to levy a motor vehicles excise tax and excluded them from reimbursements.

The Governor recommends \$10.0 million each for FY 2011 revised and FY 2012, consistent with the enacted budget. Communities' aid distribution reflects updated data.

Restricted Use State Aid

State Support for Public Libraries. State law requires that the state provide financial support to public libraries, which remained relatively stable for the period from FY 1991 through FY 1997. In FY 1998, the General Assembly appropriated an additional \$1.0 million to begin increasing funding to meet the requirement of 25.0 percent for the grants-in-aid program by FY 2000. The statute requires an amount equal to 25.0 percent of second prior fiscal year local expenditures for library services as grants-in-aid. The same requirement applies to institutional libraries, but that funding is not shown in these tables as local aid. Additionally, the state is required to fund 100 percent of the administrative and operating costs of the Rhode Island Library Network.

The 2003 Assembly amended the legislation to allow Providence Public Library endowment funding to be considered local effort with the annual amount that may be included for endowment funds capped at 6.0 percent of the three-year average market value of the endowment, calculated at the end of the calendar year. The 2004 Assembly further amended the laws to extend that to all libraries.

The 2008 Assembly concurred with the Governor's recommendation to provide \$8.8 million for FY 2009 library operating aid. The Assembly also enacted legislation to reduce the maintenance of effort requirement for municipalities to provide library services to at least 80.0 percent of the previous year for just FY 2009. The 2009 Assembly enacted legislation to continue allowing communities to meet the 80.0 percent maintenance of effort for libraries to qualify for state library aid.

The Governor recommends \$8.8 million each in FY 2011 and in FY 2012 for library aid. His distribution for FY 2012 reflects last year's data and is subject to change upon available data. Current law allows for a ratable reduction to the appropriation.

Library Construction Aid. The Rhode Island General Laws establish a library construction aid program, which is administered by the Office of Library and Information Services. The statute provides the authority to make grants-in-aid to a municipality or a free public library for the

construction or capital improvements of any free public library designed to provide better services to the public.

The state grants-in-aid are limited to a maximum of 50.0 percent of the total eligible costs as determined by the Office of Library and Information Services. The grants are paid on an installment basis for a period up to 20 years. The payments do not begin until the state fiscal year following the completion, acceptance, and audit of the project. During the repayment period, the state share can include the costs of interest on the state share of the project costs if the municipality or free public library was required to borrow the state's share of the project costs.

Reimbursable costs also include any cost of borrowing for the state share during the construction period. Examples of costs not eligible for state funds include the cost of fundraising by the municipality or the free library or the costs of public relations. In a case where the library is a component of local government, payments are made to the municipality. Payments for free public libraries are made directly to the libraries.

Library construction aid is considered indirect aid for two reasons. Firstly, payments are not necessarily made to a local government; some are made directly to free public libraries. Thus, funding cannot entirely be considered traditional local aid. Secondly, funds are targeted for specific use and are not for general support of the local government or free library budget.

The Governor provides full funding of \$2.5 million in FY 2011 and \$2.8 million in FY 2012 to fund library construction aid.

State and Municipal Police Incentive Pay. The Rhode Island General Laws establish the Municipal Police Incentive Pay program. The purpose is to provide financial compensation to members of the state, city and town police departments, sheriffs and deputy sheriffs, members of the Rhode Island marshals' unit, Rhode Island capitol police, park police and conservation officers of the Division of Enforcement in the Department of Environmental Management, and the state fire marshal and deputy fire marshals who have earned college credits in the field of police work.

The amount of the incentive is based on a point system, which is related to the individual's level of educational attainment. The state payments go directly to the municipalities which, in turn, make payments to the participants in the program.

Prior to FY 2009, the state paid a stipend to police officers who have earned college credits in the field of police work. In response to Governor Carcieri's proposal to eliminate the programs, the 2009 Assembly maintained it in the general laws; however, provided no funding. Municipalities are still required to reimburse police officers for eligible expenses incurred in earning the credits, which were \$0.5 million in FY 2009 and \$0.7 million in FY 2010.

The Governor does not reinstate this program in FY 2011 and FY 2012.

Municipal Firefighters Incentive Pay. The Rhode Island General Laws establish a Municipal Firefighters Incentive Pay program. The purpose of this program is to provide financial compensation to members of the municipal fire departments and fire districts, the Cumberland Rescue Department and emergency service technicians of the Town of Lincoln who have furthered their education at the college level.

The amount of the incentive is based on a point system, which is related to the individual's level of educational attainment. The state payments go directly to the municipalities which, in turn, make payments to the participants in the program.

Prior to FY 2009, the state paid a stipend to firefighters who have earned college credits in the field of fire science. In response to Governor Carcieri's proposal to eliminate the program, the 2009 Assembly maintained it in the general laws; however, provided no funding. Current law does not require that municipalities reimburse firefighters for eligible expenses; however, some municipalities do so voluntarily and were \$45,000 in FY 2009

The Governor does not reinstate this program in FY 2011 and FY 2012.

Property Valuation Reimbursement. Section 44-5-11.6 of the Rhode Island General Laws requires that municipalities update property valuations using statistical techniques every third and sixth year after a full revaluation. The statute also requires that the state reimburse municipalities for 100 percent of the costs for the first update at a rate not to exceed \$20 per parcel. Reimbursement for future updates declines based on a defined schedule in the General Laws.

The Governor recommends FY 2011 revised expenditures of \$0.8 million, \$0.2 million less than enacted and \$1.1 million for FY 2012 to fully fund reimbursements.

Pass-Through Revenues

Public Service Corporation Tax. The FY 2011 and FY 2012 budgets assume the state will collect \$11.4 million of property taxes from public service corporations on behalf of municipalities and pass that back to them. The Assembly concurred with the Governor's proposal included in 2009-H 5019 Substitute A, as amended to freeze the tax rate applied to the tangible personal property of public service corporations at the FY 2008 rates. Freezing the rate at the FY 2008 level is estimated to save the municipalities a total of \$645,000. Annual tax collections have dropped from \$16.6 million in FY 2004 to \$10.2 million in FY 2010.

Under Section 44-13-13 of the Rhode Island General Laws, the tangible personal property of telegraph, cable, and telecommunications corporations and express corporations used exclusively in conducting business for the corporation is exempt from local taxation, but is subject to taxation by the state. Tangible personal property includes lines, cables, ducts, pipes, machines and machinery, and equipment.

By March 1st of each year, companies are required to declare the value of their tangible personal property to the Division of Taxation. The Division of Taxation uses this data to calculate the taxes due from each company. The calculation is based on the average assessment ratios in the state and the average property tax rate. Funds are collected by the Division and distributed as prescribed in statute. The statewide average assessment ratio is the total statewide assessment divided by the total book value. The average property tax is calculated as the total statewide levy divided by the statewide assessment. Funds collected by the state from this tax are distributed to cities and towns on the basis of the ratio of city or town population to the population of the state as a whole. It should be noted that, while this category of state aid is displayed in the tables later in this report, the funds are not appropriated by the General Assembly.

Other Local Revenues

Meals and Beverage. The 2003 Assembly enacted a one percent additional tax on gross receipts from sale of food and beverages sold in or from eating and drinking establishments effective August 1, 2003. Meals are defined as sold ready for immediate consumption, regardless of when or where consumed. Eating establishments are defined to include all entities preparing these foods, including caterers. The Division of Taxation collects the tax and distributes it to the city or town where the meals and beverages were delivered.

Hotel Tax. The 2004 Assembly enacted a one percent additional tax on occupancy charges effective January 1, 2005. The tax is paid by anyone receiving monetary charge for occupancy of any space furnished in buildings or structures with a minimum of three rooms that are kept, used, maintained, advertised as or held out to the public to be a space where living quarters are supplied for pay to transient use (generally less than 31 days). The Division of Taxation collects the tax for all except the city of Newport and distributes it to the city or town where the occupancy occurred.

For additional information, the tables at the end of this section show recent distribution from these sources.

Distribution by Community

General Aid Total

Includes Distressed Communities, PILOT, and Motor Vehicles Excise Tax

<i>Community</i>	<i>FY 2010</i>	<i>FY 2011 Enacted</i>	<i>FY 2011 Revised</i>	<i>FY 2011 Rev. to Enacted</i>
Barrington	\$ 2,629,125	\$ 327,240	\$ 294,192	\$ (33,048)
Bristol	1,917,934	695,172	697,446	2,274
Burrillville	2,968,830	763,769	989,970	226,201
Central Falls	1,530,232	371,587	467,121	95,534
Charlestown	441,247	40,332	41,218	886
Coventry	2,537,938	221,760	225,597	3,837
Cranston	14,016,054	5,169,525	5,191,475	21,950
Cumberland	2,438,691	213,801	216,622	2,821
East Greenwich	1,173,419	130,306	131,077	771
East Providence	5,375,720	1,295,314	1,650,388	355,074
Exeter	859,087	78,760	82,437	3,677
Foster	760,337	68,426	69,750	1,324
Glocester	1,052,490	93,327	94,919	1,592
Hopkinton	727,489	64,211	65,621	1,410
Jamestown	375,993	36,592	36,685	93
Johnston	4,341,586	388,129	382,377	(5,752)
Lincoln	2,523,037	231,852	236,662	4,810
Little Compton	246,033	25,292	23,548	(1,744)
Middletown	972,216	89,716	89,262	(454)
Narragansett	1,041,634	97,870	95,791	(2,079)
Newport	2,283,508	973,174	971,841	(1,333)
New Shoreham	79,784	7,639	8,132	493
North Kingstown	2,429,969	229,199	234,003	4,804
North Providence	5,668,202	1,324,652	1,317,007	(7,645)
North Smithfield	1,933,202	169,671	173,847	4,176
Pawtucket	10,554,192	2,566,975	3,364,174	797,199
Portsmouth	1,342,618	106,594	109,483	2,889
Providence	45,814,082	25,920,050	28,670,683	2,750,633
Richmond	713,145	58,139	60,200	2,061
Scituate	1,364,267	123,750	127,207	3,457
Smithfield	3,486,729	707,938	711,000	3,062
South Kingstown	2,015,515	293,327	296,393	3,066
Tiverton	1,212,910	108,006	108,700	694
Warren	950,807	82,216	82,773	557
Warwick	12,964,537	2,030,455	2,114,127	83,672
Westerly	2,721,993	339,542	340,736	1,194
West Greenwich	526,676	49,116	49,532	415
West Warwick	3,641,566	1,152,861	1,618,602	465,741
Woonsocket	5,636,230	1,318,582	1,716,499	397,917
Subtotal	\$ 153,269,025	\$ 47,964,867	\$ 53,157,095	\$ 5,192,228
Fire Districts	1,875,837	-	-	-
Total	\$ 155,144,862	\$ 47,964,867	\$ 53,157,095	\$ 5,192,228

General Aid Total

Includes Distressed Communities, PILOT, and Motor Vehicles Excise Tax

<i>Community</i>	<i>FY 2011 Enacted</i>	<i>FY 2012 Recommended</i>	<i>FY 2012 Rec. to Enacted</i>	<i>FY 2012 Rec. to FY 2011 Rev.</i>
Barrington	\$ 327,240	\$ 290,438	\$ (36,802)	\$ (3,754)
Bristol	695,172	713,610	18,438	16,164
Burrillville	763,769	554,681	(209,088)	(435,289)
Central Falls	371,587	397,762	26,175	(69,359)
Charlestown	40,332	41,218	886	-
Coventry	221,760	225,597	3,837	-
Cranston	5,169,525	4,959,452	(210,073)	(232,023)
Cumberland	213,801	216,616	2,815	(6)
East Greenwich	130,306	130,752	446	(325)
East Providence	1,295,314	1,330,451	35,137	(319,937)
Exeter	78,760	82,437	3,677	-
Foster	68,426	69,729	1,303	(21)
Glocester	93,327	94,919	1,592	-
Hopkinton	64,211	65,621	1,410	-
Jamestown	36,592	36,685	93	-
Johnston	388,129	382,377	(5,752)	-
Lincoln	231,852	236,662	4,810	-
Little Compton	25,292	23,548	(1,744)	-
Middletown	89,716	89,262	(454)	-
Narragansett	97,870	95,791	(2,079)	-
Newport	973,174	916,474	(56,700)	(55,367)
New Shoreham	7,639	8,132	493	-
North Kingstown	229,199	229,852	653	(4,151)
North Providence	1,324,652	1,395,562	70,910	78,555
North Smithfield	169,671	173,847	4,176	-
Pawtucket	2,566,975	2,561,954	(5,021)	(802,220)
Portsmouth	106,594	109,483	2,889	-
Providence	25,920,050	26,029,369	109,319	(2,641,314)
Richmond	58,139	60,200	2,061	-
Scituate	123,750	127,207	3,457	-
Smithfield	707,938	726,516	18,578	15,516
South Kingstown	293,327	306,088	12,761	9,695
Tiverton	108,006	108,700	694	-
Warren	82,216	82,773	557	-
Warwick	2,030,455	2,191,425	160,970	77,298
Westerly	339,542	338,015	(1,527)	(2,721)
West Greenwich	49,116	49,532	415	-
West Warwick	1,152,861	1,124,125	(28,736)	(494,477)
Woonsocket	1,318,582	1,388,007	69,425	(328,492)
Subtotal	\$ 47,964,867	\$ 47,964,867	\$ -	\$ (5,192,228)
Fire Districts	-	-	-	-
Total	\$ 47,964,867	\$ 47,964,867	\$ -	\$ (5,192,228)

Distressed Communities Relief

<i>City or Town</i>	<i>FY 2010</i>	<i>FY 2011 Enacted</i>	<i>FY 2011 Revised</i>	<i>FY 2011 Rev. to Enacted</i>
Barrington	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-
Burrillville	508,393	487,620	708,688	221,068
Central Falls	289,687	267,573	363,633	96,060
Charlestown	-	-	-	-
Coventry	-	-	-	-
Cranston	-	-	-	-
Cumberland	-	-	-	-
East Greenwich	-	-	-	-
East Providence	-	757,605	1,114,116	356,511
Exeter	-	-	-	-
Foster	-	-	-	-
Glocester	-	-	-	-
Hopkinton	-	-	-	-
Jamestown	-	-	-	-
Johnston	-	-	-	-
Lincoln	-	-	-	-
Little Compton	-	-	-	-
Middletown	-	-	-	-
Narragansett	-	-	-	-
Newport	-	-	-	-
New Shoreham	-	-	-	-
North Kingstown	-	-	-	-
North Providence	1,021,041	510,516	510,516	-
North Smithfield	-	-	-	-
Pawtucket	1,497,807	1,517,555	2,321,986	804,431
Portsmouth	-	-	-	-
Providence	5,294,787	5,111,263	7,954,890	2,843,627
Richmond	-	-	-	-
Scituate	-	-	-	-
Smithfield	-	-	-	-
South Kingstown	-	-	-	-
Tiverton	-	-	-	-
Warren	-	-	-	-
Warwick	-	-	-	-
Westerly	-	-	-	-
West Greenwich	-	-	-	-
West Warwick	946,361	925,685	1,394,669	468,984
Woonsocket	826,383	806,641	1,208,188	401,547
Total	\$ 10,384,458	\$ 10,384,458	\$ 15,576,686	\$ 5,192,228

Distressed Communities Relief

<i>City or Town</i>	<i>FY 2011 Enacted</i>	<i>FY 2012 Recommended</i>	<i>FY 2012 Rec. to Enacted</i>	<i>FY 2012 Rec. to FY 2011 Rev.</i>
Barrington	\$ -	\$ -	\$ -	\$ -
Bristol	-	-	-	-
Burrillville	487,620	243,867	(243,753)	(464,821)
Central Falls	267,573	293,509	25,936	(70,124)
Charlestown	-	-	-	-
Coventry	-	-	-	-
Cranston	-	-	-	-
Cumberland	-	-	-	-
East Greenwich	-	-	-	-
East Providence	757,605	757,468	(137)	(356,648)
Exeter	-	-	-	-
Foster	-	-	-	-
Glocester	-	-	-	-
Hopkinton	-	-	-	-
Jamestown	-	-	-	-
Johnston	-	-	-	-
Lincoln	-	-	-	-
Little Compton	-	-	-	-
Middletown	-	-	-	-
Narragansett	-	-	-	-
Newport	-	-	-	-
New Shoreham	-	-	-	-
North Kingstown	-	-	-	-
North Providence	510,516	624,043	113,527	113,527
North Smithfield	-	-	-	-
Pawtucket	1,517,555	1,534,272	16,717	(787,714)
Portsmouth	-	-	-	-
Providence	5,111,263	5,143,906	32,643	(2,810,984)
Richmond	-	-	-	-
Scituate	-	-	-	-
Smithfield	-	-	-	-
South Kingstown	-	-	-	-
Tiverton	-	-	-	-
Warren	-	-	-	-
Warwick	-	-	-	-
Westerly	-	-	-	-
West Greenwich	-	-	-	-
West Warwick	925,685	900,192	(25,493)	(494,477)
Woonsocket	806,641	887,201	80,560	(320,987)
Total	\$ 10,384,458	\$ 10,384,458	\$ -	\$ (5,192,228)

Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2010</i>	<i>FY 2011 Enacted</i>	<i>FY 2011 Revised</i>	<i>FY 2011 Rev. to Enacted</i>
Barrington	\$ 48,732	\$ 85,188	\$ 48,984	\$ (36,204)
Bristol	610,478	579,478	580,241	763
Burrillville	70,809	66,485	66,573	88
Central Falls	21,220	19,133	19,158	25
Charlestown	-	-	-	-
Coventry	-	-	-	-
Cranston	3,560,464	4,234,275	4,239,850	5,575
Cumberland	119	109	109	-
East Greenwich	7,861	7,589	7,599	10
East Providence	54,586	91,068	91,188	120
Exeter	-	-	-	-
Foster	476	417	417	-
Glocester	-	-	-	-
Hopkinton	-	-	-	-
Jamestown	-	-	-	-
Johnston	-	-	-	-
Lincoln	-	-	-	-
Little Compton	-	-	-	-
Middletown	-	-	-	-
Narragansett	-	-	-	-
Newport	755,574	832,133	833,229	1,096
New Shoreham	-	-	-	-
North Kingstown	6,509	5,795	5,803	8
North Providence	458,386	455,764	456,364	600
North Smithfield	50,330	-	-	-
Pawtucket	349,427	376,910	377,406	496
Portsmouth	-	-	-	-
Providence	19,679,744	19,072,758	19,097,871	25,113
Richmond	-	-	-	-
Scituate	-	-	-	-
Smithfield	457,696	428,500	429,064	564
South Kingstown	139,325	124,067	124,230	163
Tiverton	-	-	-	-
Warren	-	-	-	-
Warwick	1,026,754	956,335	957,595	1,260
Westerly	124,648	109,895	110,040	145
West Greenwich	-	-	-	-
West Warwick	-	-	-	-
Woonsocket	157,271	134,510	134,688	178
Total	\$ 27,580,409	\$ 27,580,409	\$ 27,580,409	\$ -

Payment in Lieu of Taxes

<i>City or Town</i>	<i>FY 2011 Enacted</i>	<i>FY 2012 Recommended</i>	<i>FY 2012 Rec. to Enacted</i>	<i>FY 2012 Rec. to FY 2011 Rev.</i>
Barrington	\$ 85,188	\$ 45,230	\$ (39,958)	\$ (3,754)
Bristol	579,478	596,405	16,927	16,164
Burrillville	66,485	96,105	29,620	29,532
Central Falls	19,133	19,923	790	765
Charlestown	-	-	-	-
Coventry	-	-	-	-
Cranston	4,234,275	4,007,827	(226,448)	(232,023)
Cumberland	109	103	(6)	(6)
East Greenwich	7,589	7,274	(315)	(325)
East Providence	91,068	127,899	36,831	36,711
Exeter	-	-	-	-
Foster	417	396	(21)	(21)
Glocester	-	-	-	-
Hopkinton	-	-	-	-
Jamestown	-	-	-	-
Johnston	-	-	-	-
Lincoln	-	-	-	-
Little Compton	-	-	-	-
Middletown	-	-	-	-
Narragansett	-	-	-	-
Newport	832,133	777,862	(54,271)	(55,367)
New Shoreham	-	-	-	-
North Kingstown	5,795	1,652	(4,143)	(4,151)
North Providence	455,764	421,392	(34,372)	(34,972)
North Smithfield	-	-	-	-
Pawtucket	376,910	362,900	(14,010)	(14,506)
Portsmouth	-	-	-	-
Providence	19,072,758	19,267,541	194,783	169,670
Richmond	-	-	-	-
Scituate	-	-	-	-
Smithfield	428,500	444,580	16,080	15,516
South Kingstown	124,067	133,925	9,858	9,695
Tiverton	-	-	-	-
Warren	-	-	-	-
Warwick	956,335	1,034,893	78,558	77,298
Westerly	109,895	107,319	(2,576)	(2,721)
West Greenwich	-	-	-	-
West Warwick	-	-	-	-
Woonsocket	134,510	127,183	(7,327)	(7,505)
Total	\$ 27,580,409	\$ 27,580,409	\$ -	\$ -

Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2010</i>	<i>FY 2011 Enacted</i>	<i>FY 2011 Revised</i>	<i>FY 2011 Rev. to Enacted</i>
Barrington	\$ 2,580,393	\$ 242,052	\$ 245,208	\$ 3,156
Bristol	1,307,456	115,694	117,205	1,511
Burrillville	2,389,629	209,664	214,709	5,045
Central Falls	1,219,325	84,881	84,330	(551)
Charlestown	441,247	40,332	41,218	886
Coventry	2,537,938	221,760	225,597	3,837
Cranston	10,455,590	935,250	951,625	16,375
Cumberland	2,438,572	213,692	216,513	2,821
East Greenwich	1,165,558	122,717	123,478	761
East Providence	5,321,134	446,641	445,084	(1,557)
Exeter	859,087	78,760	82,437	3,677
Foster	759,861	68,009	69,333	1,324
Glocester	1,052,490	93,327	94,919	1,592
Hopkinton	727,489	64,211	65,621	1,410
Jamestown	375,993	36,592	36,685	93
Johnston	4,341,586	388,129	382,377	(5,752)
Lincoln	2,523,037	231,852	236,662	4,810
Little Compton	246,033	25,292	23,548	(1,744)
Middletown	972,216	89,716	89,262	(454)
Narragansett	1,041,634	97,870	95,791	(2,079)
Newport	1,527,934	141,041	138,612	(2,429)
New Shoreham	79,784	7,639	8,132	493
North Kingstown	2,423,460	223,404	228,200	4,796
North Providence	4,188,775	358,372	350,127	(8,245)
North Smithfield	1,882,872	169,671	173,847	4,176
Pawtucket	8,706,958	672,510	664,782	(7,728)
Portsmouth	1,342,618	106,594	109,483	2,889
Providence	20,839,552	1,736,029	1,617,922	(118,107)
Richmond	713,145	58,139	60,200	2,061
Scituate	1,364,267	123,750	127,207	3,457
Smithfield	3,029,033	279,438	281,936	2,498
South Kingstown	1,876,190	169,260	172,163	2,903
Tiverton	1,212,910	108,006	108,700	694
Warren	950,807	82,216	82,773	557
Warwick	11,937,783	1,074,120	1,156,532	82,412
Westerly	2,597,345	229,647	230,696	1,049
West Greenwich	526,676	49,116	49,532	415
West Warwick	2,695,205	227,176	223,933	(3,243)
Woonsocket	4,652,576	377,431	373,623	(3,808)
Municipalities	\$ 115,304,158	\$ 10,000,000	\$ 10,000,000	\$ -
Fire Districts	1,875,837	-	-	-
Total	\$ 117,179,995	\$ 10,000,000	\$ 10,000,000	\$ -

Motor Vehicle Excise Phase-Out

<i>City or Town</i>	<i>FY 2011 Enacted</i>	<i>FY 2012 Recommended</i>	<i>FY 2012 Rec. to Enacted</i>	<i>FY 2012 Rec. to FY 2011 Rev.</i>
Barrington	\$ 242,052	\$ 245,208	\$ 3,156	\$ -
Bristol	115,694	117,205	1,511	-
Burrillville	209,664	214,709	5,045	-
Central Falls	84,881	84,330	(551)	-
Charlestown	40,332	41,218	886	-
Coventry	221,760	225,597	3,837	-
Cranston	935,250	951,625	16,375	-
Cumberland	213,692	216,513	2,821	-
East Greenwich	122,717	123,478	761	-
East Providence	446,641	445,084	(1,557)	-
Exeter	78,760	82,437	3,677	-
Foster	68,009	69,333	1,324	-
Glocester	93,327	94,919	1,592	-
Hopkinton	64,211	65,621	1,410	-
Jamestown	36,592	36,685	93	-
Johnston	388,129	382,377	(5,752)	-
Lincoln	231,852	236,662	4,810	-
Little Compton	25,292	23,548	(1,744)	-
Middletown	89,716	89,262	(454)	-
Narragansett	97,870	95,791	(2,079)	-
Newport	141,041	138,612	(2,429)	-
New Shoreham	7,639	8,132	493	-
North Kingstown	223,404	228,200	4,796	-
North Providence	358,372	350,127	(8,245)	-
North Smithfield	169,671	173,847	4,176	-
Pawtucket	672,510	664,782	(7,728)	-
Portsmouth	106,594	109,483	2,889	-
Providence	1,736,029	1,617,922	(118,107)	-
Richmond	58,139	60,200	2,061	-
Scituate	123,750	127,207	3,457	-
Smithfield	279,438	281,936	2,498	-
South Kingstown	169,260	172,163	2,903	-
Tiverton	108,006	108,700	694	-
Warren	82,216	82,773	557	-
Warwick	1,074,120	1,156,532	82,412	-
Westerly	229,647	230,696	1,049	-
West Greenwich	49,116	49,532	415	-
West Warwick	227,176	223,933	(3,243)	-
Woonsocket	377,431	373,623	(3,808)	-
Municipalities	\$ 10,000,000	\$ -	\$ -	\$ -
Fire Districts	-	-	-	-
Total	\$ 10,000,000	\$ -	\$ -	\$ -

Library Aid

<i>City or Town</i>	<i>FY 2010</i>	<i>FY 2011 Enacted</i>	<i>FY 2011 Revised</i>	<i>FY 2011 Rev. to Enacted</i>
Barrington	\$ 321,077	\$ 323,140	\$ 323,140	\$ -
Bristol	58,525	106,449	106,449	-
Burrillville	91,281	124,196	124,196	-
Central Falls	76,209	76,712	76,712	-
Charlestown	45,556	46,444	46,444	-
Coventry	189,995	198,364	198,364	-
Cranston	567,846	564,855	564,855	-
Cumberland	242,267	242,455	242,455	-
East Greenwich	106,867	107,800	107,800	-
East Providence	472,150	454,240	454,240	-
Exeter	32,881	32,685	32,685	-
Foster	33,174	34,283	34,283	-
Glocester	67,171	68,546	68,546	-
Hopkinton	28,196	28,903	28,903	-
Jamestown	74,753	76,368	76,368	-
Johnston	105,464	96,481	96,481	-
Lincoln	176,403	179,391	179,391	-
Little Compton	25,583	26,702	26,702	-
Middletown	130,962	123,398	123,398	-
Narragansett	120,292	113,169	113,169	-
Newport	355,526	364,548	364,548	-
New Shoreham	93,402	94,072	94,072	-
North Kingstown	236,452	246,625	246,625	-
North Providence	174,633	154,613	154,613	-
North Smithfield	57,152	61,584	61,584	-
Pawtucket	415,117	398,156	398,156	-
Portsmouth	100,332	99,917	99,917	-
Providence*	2,299,939	2,276,903	2,276,903	-
Richmond	26,120	21,874	21,874	-
Scituate	92,783	92,532	92,532	-
Smithfield	244,438	254,642	254,642	-
South Kingstown	199,346	205,999	205,999	-
Tiverton	91,028	90,485	90,485	-
Warren	49,036	51,162	51,162	-
Warwick	669,452	657,409	657,409	-
Westerly	281,816	287,122	287,122	-
West Greenwich	23,819	24,649	24,649	-
West Warwick	188,581	171,415	171,415	-
Woonsocket	207,774	195,110	195,110	-
Total	\$ 8,773,398	\$ 8,773,398	\$ 8,773,398	\$ -

*Includes the Statewide Reference Library Resource Grant.

Library Aid

<i>City or Town</i>	<i>FY 2011 Enacted</i>	<i>FY 2012 Recommended**</i>	<i>FY 2012 Rec. to Enacted</i>	<i>FY 2012 Rec. to FY 2011 Rev.</i>
Barrington	\$ 323,140	\$ 323,140	\$ -	\$ -
Bristol	106,449	106,449	-	-
Burrillville	124,196	124,196	-	-
Central Falls	76,712	76,712	-	-
Charlestown	46,444	46,444	-	-
Coventry	198,364	198,364	-	-
Cranston	564,855	564,855	-	-
Cumberland	242,455	242,455	-	-
East Greenwich	107,800	107,800	-	-
East Providence	454,240	454,240	-	-
Exeter	32,685	32,685	-	-
Foster	34,283	34,283	-	-
Glocester	68,546	68,546	-	-
Hopkinton	28,903	28,903	-	-
Jamestown	76,368	76,368	-	-
Johnston	96,481	96,481	-	-
Lincoln	179,391	179,391	-	-
Little Compton	26,702	26,702	-	-
Middletown	123,398	123,398	-	-
Narragansett	113,169	113,169	-	-
Newport	364,548	364,548	-	-
New Shoreham	94,072	94,072	-	-
North Kingstown	246,625	246,625	-	-
North Providence	154,613	154,613	-	-
North Smithfield	61,584	61,584	-	-
Pawtucket	398,156	398,156	-	-
Portsmouth	99,917	99,917	-	-
Providence*	2,276,903	2,276,903	-	-
Richmond	21,874	21,874	-	-
Scituate	92,532	92,532	-	-
Smithfield	254,642	254,642	-	-
South Kingstown	205,999	205,999	-	-
Tiverton	90,485	90,485	-	-
Warren	51,162	51,162	-	-
Warwick	657,409	657,409	-	-
Westerly	287,122	287,122	-	-
West Greenwich	24,649	24,649	-	-
West Warwick	171,415	171,415	-	-
Woonsocket	195,110	195,110	-	-
Total	\$ 8,773,398	\$ 8,773,398	\$ -	\$ -

*Includes the Statewide Reference Library Resource Grant.

**Distribution reflects last year's and is subject to update data.

Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2010</i>	<i>FY 2011 Enacted</i>	<i>FY 2011 Revised</i>	<i>FY 2011 Rev. to Enacted</i>
Barrington	\$ 163,557	\$ 163,557	\$ 182,103	\$ 18,546
Bristol	218,500	218,500	243,277	24,777
Burrillville	153,609	153,609	171,027	17,418
Central Falls	184,066	184,066	204,938	20,872
Charlestown	76,425	76,425	85,091	8,666
Coventry	327,405	327,405	364,531	37,126
Cranston	770,853	770,853	858,263	87,410
Cumberland	309,629	309,629	344,739	35,110
East Greenwich	125,913	125,913	140,191	14,278
East Providence	473,467	473,467	527,156	53,689
Exeter	58,785	58,785	65,451	6,666
Foster	41,563	41,563	46,276	4,713
Glocester	96,740	96,740	107,709	10,969
Hopkinton	76,201	76,201	84,842	8,641
Jamestown	54,671	54,671	60,871	6,200
Johnston	274,183	274,183	305,274	31,091
Lincoln	203,223	203,223	226,267	23,044
Little Compton	34,940	34,940	38,902	3,962
Middletown	168,565	168,565	187,679	19,114
Narragansett	159,103	159,103	177,144	18,041
Newport	257,457	257,457	286,651	29,194
New Shoreham	9,822	9,822	10,935	1,113
North Kingstown	256,008	256,008	285,038	29,030
North Providence	315,181	315,181	350,921	35,740
North Smithfield	103,255	103,255	114,963	11,708
Pawtucket	709,481	709,481	789,933	80,452
Portsmouth	166,766	166,766	185,676	18,910
Providence	1,688,352	1,688,352	1,879,801	191,449
Richmond	70,230	70,230	78,194	7,964
Scituate	100,396	100,396	111,780	11,384
Smithfield	200,452	200,452	223,182	22,730
South Kingstown	271,518	271,518	302,307	30,789
Tiverton	148,396	148,396	165,223	16,827
Warren	110,471	110,471	122,997	12,526
Warwick	834,442	834,442	929,063	94,621
Westerly	223,333	223,333	248,658	25,325
West Greenwich	49,449	49,449	55,056	5,607
West Warwick	287,661	287,661	320,280	32,619
Woonsocket	420,333	420,333	467,996	47,663
Total	\$ 10,194,401	\$ 10,194,401	\$ 11,350,385	\$ 1,155,984

Public Service Corporation Tax

<i>City or Town</i>	<i>FY 2011 Enacted</i>	<i>FY 2012 Recommended</i>	<i>FY 2012 Rec. to Enacted</i>	<i>FY 2012 Rec. to FY 2011 Rev.</i>
Barrington	\$ 163,557	\$ 182,103	\$ 18,546	\$ -
Bristol	218,500	243,277	24,777	-
Burrillville	153,609	171,027	17,418	-
Central Falls	184,066	204,938	20,872	-
Charlestown	76,425	85,091	8,666	-
Coventry	327,405	364,531	37,126	-
Cranston	770,853	858,263	87,410	-
Cumberland	309,629	344,739	35,110	-
East Greenwich	125,913	140,191	14,278	-
East Providence	473,467	527,156	53,689	-
Exeter	58,785	65,451	6,666	-
Foster	41,563	46,276	4,713	-
Glocester	96,740	107,709	10,969	-
Hopkinton	76,201	84,842	8,641	-
Jamestown	54,671	60,871	6,200	-
Johnston	274,183	305,274	31,091	-
Lincoln	203,223	226,267	23,044	-
Little Compton	34,940	38,902	3,962	-
Middletown	168,565	187,679	19,114	-
Narragansett	159,103	177,144	18,041	-
Newport	257,457	286,651	29,194	-
New Shoreham	9,822	10,935	1,113	-
North Kingstown	256,008	285,038	29,030	-
North Providence	315,181	350,921	35,740	-
North Smithfield	103,255	114,963	11,708	-
Pawtucket	709,481	789,933	80,452	-
Portsmouth	166,766	185,676	18,910	-
Providence	1,688,352	1,879,801	191,449	-
Richmond	70,230	78,194	7,964	-
Scituate	100,396	111,780	11,384	-
Smithfield	200,452	223,182	22,730	-
South Kingstown	271,518	302,307	30,789	-
Tiverton	148,396	165,223	16,827	-
Warren	110,471	122,997	12,526	-
Warwick	834,442	929,063	94,621	-
Westerly	223,333	248,658	25,325	-
West Greenwich	49,449	55,056	5,607	-
West Warwick	287,661	320,280	32,619	-
Woonsocket	420,333	467,996	47,663	-
Total	\$ 10,194,401	\$ 11,350,385	\$ 1,155,984	\$ -

Municipal Accountability, Stability and Transparency Fund

<i>City or Town</i>	<i>FY 2011 Enacted</i>	<i>FY 2012 Recommended</i>	<i>FY 2012 Rec. to Enacted</i>	<i>FY 2012 Rec. to FY 2011 Rev.</i>
Barrington		\$ 72,326	\$ 72,326	\$ 72,326
Bristol		294,761	294,761	294,761
Burrillville		209,443	209,443	209,443
Central Falls		502,285	502,285	502,285
Charlestown		121,199	121,199	121,199
Coventry		301,545	301,545	301,545
Cranston		1,613,317	1,613,317	1,613,317
Cumberland		463,656	463,656	463,656
East Greenwich		52,546	52,546	52,546
East Providence		796,908	796,908	796,908
Exeter		26,908	26,908	26,908
Foster		92,220	92,220	92,220
Glocester		168,633	168,633	168,633
Hopkinton		67,130	67,130	67,130
Jamestown		43,570	43,570	43,570
Johnston		759,095	759,095	759,095
Lincoln		285,094	285,094	285,094
Little Compton		31,451	31,451	31,451
Middletown		291,055	291,055	291,055
Narragansett		262,187	262,187	262,187
Newport		548,824	548,824	548,824
New Shoreham		27,192	27,192	27,192
North Kingstown		264,514	264,514	264,514
North Providence		712,975	712,975	712,975
North Smithfield		195,042	195,042	195,042
Pawtucket		1,624,044	1,624,044	1,624,044
Portsmouth		194,571	194,571	194,571
Providence		4,607,237	4,607,237	4,607,237
Richmond		44,080	44,080	44,080
Scituate		134,538	134,538	134,538
Smithfield		554,964	554,964	554,964
South Kingstown		301,889	301,889	301,889
Tiverton		192,059	192,059	192,059
Warren		149,238	149,238	149,238
Warwick		1,448,194	1,448,194	1,448,194
Westerly		225,182	225,182	225,182
West Greenwich		66,361	66,361	66,361
West Warwick		436,976	436,976	436,976
Woonsocket		1,147,019	1,147,019	1,147,019
Total		\$ 19,330,231	\$ 19,330,231	\$ 19,330,231

Meals and Beverage

<i>City or Town</i>	<i>FY 2007</i>	<i>FY 2008</i>	<i>FY 2009</i>	<i>FY 2010</i>
Barrington	\$ 98,239	\$ 120,946	\$ 119,179	\$ 135,553
Bristol	317,467	326,980	318,548	303,168
Burrillville	164,519	166,000	166,966	172,887
Central Falls	85,985	88,041	82,663	88,173
Charlestown	114,399	104,650	98,886	97,087
Coventry	314,523	329,394	332,829	333,263
Cranston	1,341,782	1,326,355	1,317,327	1,321,908
Cumberland	338,770	335,042	346,547	350,310
East Greenwich	377,559	407,431	389,810	428,133
East Providence	701,393	696,324	710,794	729,001
Exeter	49,935	69,053	63,081	71,128
Foster	16,697	17,951	17,846	17,376
Glocester	55,379	55,278	57,561	54,010
Hopkinton	47,563	44,218	39,880	43,754
Jamestown	101,472	39,650	65,241	80,395
Johnston	446,385	414,290	406,973	429,028
Lincoln	575,953	661,664	585,041	609,715
Little Compton	28,748	27,347	27,577	39,576
Middletown	542,101	540,447	566,748	561,285
Narragansett	369,441	414,678	473,967	460,758
Newport	1,616,630	1,627,568	1,552,832	1,526,834
New Shoreham	240,249	247,449	208,610	225,939
North Kingstown	442,199	414,128	430,806	419,321
North Providence	390,616	372,595	365,348	344,523
North Smithfield	150,356	141,091	155,376	160,440
Pawtucket	621,741	627,568	640,642	633,198
Portsmouth	152,304	149,324	159,493	166,628
Providence	3,913,788	3,962,837	3,912,275	3,961,890
Richmond	101,876	105,128	101,458	102,635
Scituate	45,629	55,494	55,036	52,460
Smithfield	488,580	495,297	480,155	513,546
South Kingstown	476,951	514,694	516,680	536,657
Tiverton	149,415	157,507	146,356	151,924
Warren	231,982	231,596	205,217	202,368
Warwick	2,200,480	2,165,813	2,199,207	2,151,135
Westerly	617,927	378,006	589,951	593,704
West Greenwich	77,232	75,038	79,531	95,914
West Warwick	346,372	354,150	330,731	322,737
Woonsocket	477,662	488,266	491,063	494,686
Total	\$ 18,830,298	\$ 18,749,285	\$ 18,808,231	\$ 18,983,046

Hotel Tax

<i>City or Town</i>	<i>FY 2007</i>	<i>FY 2008</i>	<i>FY 2009</i>	<i>FY 2010</i>
Barrington	\$ -	\$ -	\$ -	\$ -
Bristol	16,167	17,449	14,152	12,395
Burrillville	-	-	-	-
Central Falls	-	-	-	-
Charlestown	17,730	8,925	9,611	6,622
Coventry	32,063	34,194	29,751	29,063
Cranston	12,026	10,792	8,952	7,708
Cumberland	-	-	-	-
East Greenwich	272	170	162	133
East Providence	18,344	14,604	12,292	12,544
Exeter	-	-	-	-
Foster	200	241	214	136
Glocester	1,035	1,042	802	700
Hopkinton	-	-	-	6
Jamestown	4,216	3,077	3,696	3,635
Johnston	4,553	4,515	2,640	3,471
Lincoln	39,679	38,735	34,223	33,457
Little Compton	2,340	1,324	108	4,512
Middletown	221,249	247,240	228,601	233,101
Narragansett	25,315	32,556	30,975	30,542
Newport	-	-	-	-
New Shoreham	125,443	105,134	96,644	92,485
North Kingstown	8,152	8,257	6,661	5,751
North Providence	-	-	-	-
North Smithfield	849	1,108	2,665	844
Pawtucket	26,767	24,649	22,645	20,151
Portsmouth	4,242	3,577	3,963	2,769
Providence	656,046	722,109	677,432	644,561
Richmond	1,832	2,465	1,472	1,439
Scituate	1,738	1,721	1,744	1,621
Smithfield	31,143	27,621	37,773	39,029
South Kingstown	27,955	35,037	48,297	45,334
Tiverton	-	-	-	-
Warren	-	-	-	-
Warwick	431,422	407,500	364,010	352,362
Westerly	86,150	78,544	68,603	71,162
West Greenwich	17,366	10,155	25,996	31,174
West Warwick	64,459	51,147	42,626	40,852
Woonsocket	22,681	22,467	17,317	16,805
Total	\$ 1,901,433	\$ 1,916,354	\$ 1,794,024	\$ 1,744,364

*Six months

Education Aid

Education Aid

Summary

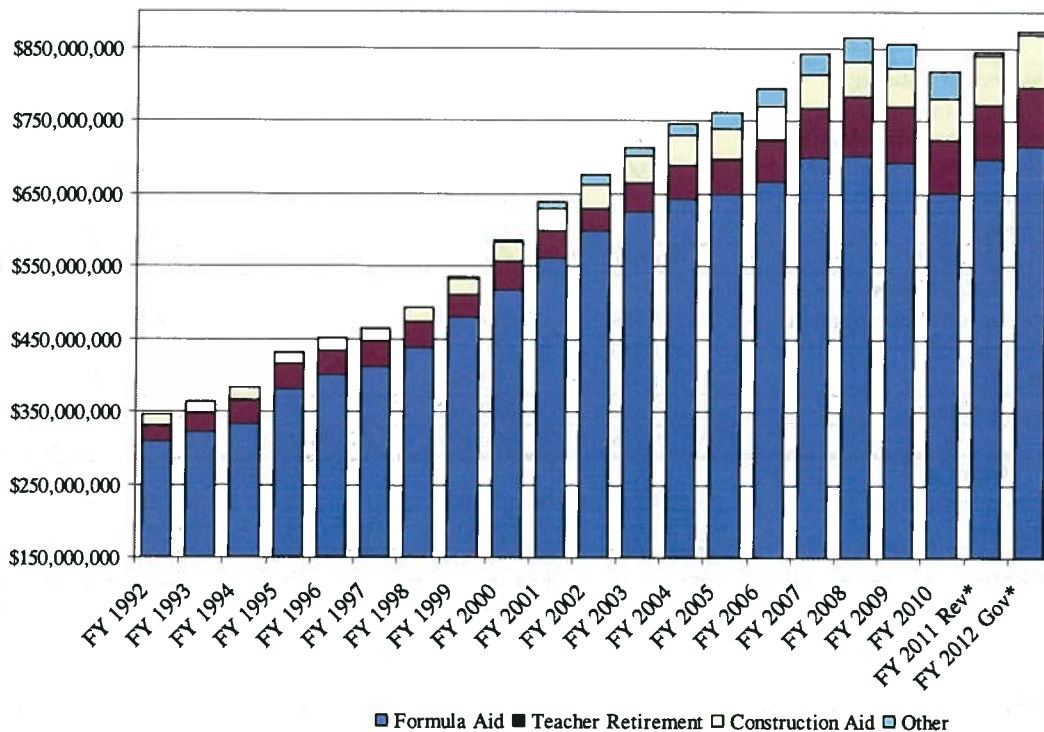
The 2010 Assembly adopted a new funding formula to be effective with the FY 2012 budget. This formula would distribute aid to all districts, charter schools and the state schools: Davies Career and Technical School and the Metropolitan Career and Technical School. It is based on the principle that the money follows the student and includes a core instruction amount per pupil that every student will receive a single poverty weight as a proxy for student supports, and a new state share ratio that considers the district's ability to generate revenues and its poverty concentration. There is no minimum share in the formula.

The funding plan also allows for additional support from the state to districts for high-cost special education students, high-cost career and technical programs, early childhood education programs, transportation costs and a limited two-year bonus for regionalized districts. Group home aid will continue to be paid pursuant to current law, in addition to aid paid through the new funding formula.

There will be redistribution of aid among communities with some getting less aid than prior years. In an effort to mitigate any losses to communities, the formula will be phased in over a ten-year period.

The legislation also includes a two-year phased increase in the state's minimum housing aid participation to provide that no local receives less than a 40.0 percent state reimbursement by FY 2013 for construction projects completed after June 30, 2010. The previous minimum had been 30.0 percent.

State Education Aid



*Davies begins appearing with education aid

The Governor recommends \$843.3 million from general revenues for FY 2012 total aid for local school districts. Including federal education jobs funds distributed to districts for use in FY 2011 and FY 2012, the Governor's recommendation totals \$875.2 million, which is \$26.7 million more than enacted. Funding for FY 2012 includes \$714.5 million in direct distributions to local school districts, \$2.6 million in categorical funding, \$3.0 million for other formula aid for distribution by the Department of Elementary and Secondary Education for specific programming, \$82.7 million for the state's contribution to teacher retirement, and \$72.5 million for school construction costs.

Education Aid by Component

The Governor recommends \$875.2 million for FY 2012 education aid from all sources of funds for distribution to districts including Central Falls, Davies Career and Technical Center, charter schools and the Metropolitan Career and Technical School. This includes teacher retirement and school housing aid as well as other formula aid for distribution by the Department of Elementary and Secondary Education. This is \$26.7 million more than enacted for FY 2011.

The following table compares the FY 2012 recommended funding for the major components of education aid to the FY 2011 enacted. It is followed by an explanation of each of the items in the table.

Education Aid	FY 2011 Enacted	FY 2012 Governor	Education Jobs Fund Offset	Total FY 2012 Recommended	Total Change to Enacted
Operating Aid					
Local Districts	\$ 580,823,345	\$ 568,910,955	\$ 27,540,076	\$ 596,451,031	\$ 15,627,686
Central Falls	42,865,645	38,484,766	1,969,619	40,454,385	(2,411,260)
Met School	13,025,640	11,571,987	593,721	12,165,708	(859,932)
Davies Career & Technical*	14,859,739	13,310,129	673,955	13,984,084	(875,655)
Charter Schools	37,770,667	41,604,009	1,209,467	42,813,476	5,042,809
Group Homes Funding	8,856,000	8,601,000	-	8,601,000	(255,000)
Subtotal	\$ 698,201,036	\$ 682,482,846	\$ 31,986,838	\$ 714,469,684	\$ 16,268,648
Categorical Funding					
High Cost Special Education	\$ -	\$ -	\$ -	\$ -	\$ -
High Cost Career and Technical	-	-	-	-	-
Early Childhood	700,000	700,000	-	700,000	-
Transportation	-	1,087,840	-	1,087,840	1,087,840
Regionalization Bonus	-	851,899	-	851,899	851,899
Subtotal	\$ 700,000	\$ 2,639,739	\$ -	\$ 2,639,739	\$ 1,939,739
Set-Aside Funds					
Progressive Support & Intervention	\$ 2,687,559	\$ 2,687,512	\$ -	\$ 2,687,512	\$ (47)
Textbook Loans	240,000	-	-	-	(240,000)
School Breakfast	300,000	270,000	-	270,000	(30,000)
Subtotal	\$ 3,227,559	\$ 2,957,512	\$ -	\$ 2,957,512	\$ (270,047)
Total	\$ 702,128,595	\$ 688,080,097	\$ 31,986,838	\$ 720,066,935	\$ 17,938,340
Other Aid					
Teacher Retirement	\$ 75,598,212	\$ 82,671,070	\$ -	\$ 82,671,070	\$ 7,072,858
Construction Aid	70,774,727	72,507,180	-	72,507,180	1,732,453
Statewide Total	\$ 848,501,534	\$ 843,258,347	\$ 31,986,838	\$ 875,245,185	\$ 26,743,651

*Not previously displayed with education aid; enacted represents general revenues and stabilization funds to be consistent with all other districts

The funding formula calculation for FY 2012 uses June 30, 2010 student enrollment data adjusted for FY 2012 projected charter school enrollments, a per pupil core instruction amount of \$8,333 and census data released in December 2010. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less

state funding will have that loss phased in over ten years. Budget Office supporting documents indicate that the Department of Elementary and Secondary Education will provide updated March 2011 student enrollment data at the beginning of April. Districts will be billed quarterly for students attending charter and state schools.

Operating Aid

Local Districts. The Governor recommends \$596.5 million for formula aid to locally operated school districts. This is \$15.6 million more than enacted. This reflects the first year of the funding formula and \$27.5 million from federal education jobs funds that districts will receive for use in FY 2011 and FY 2012 in lieu of general revenues.

Central Falls Operations. The Governor recommends \$40.5 million for formula aid for the Central Falls School District. This is \$2.4 million or 5.6 percent less than FY 2011 enacted aid and includes use of \$2.0 million from federal education jobs funds that Central Falls will receive for use in FY 2011 and FY 2012 in lieu of general revenues. Central Falls had been fully state supported. Beginning with FY 2012, Central Falls will be funded pursuant to the new funding formula.

The new legislation requires the city to contribute to its education budget. It includes a transition fund to stabilize the Central Falls school district until the city can begin paying its local share. Because the transition funds are paid upon verification that the city has paid its share of the local contribution and the Governor assumes that Central Falls will be unable to contribute any funds towards education for FY 2012, he does not include any funds for the state's transition payment nor does he assume a local contribution will be made.

Metropolitan Career and Technical School. The Governor recommends \$12.2 million for formula aid for the Metropolitan Career and Technical School. This is \$0.9 million or 6.6 percent less than the FY 2011 enacted level and includes use of \$0.6 million from federal education jobs funds that the Met School will receive for use in FY 2011 and FY 2012 in lieu of general revenues. Prior to FY 2012, the Met School was fully state supported. Beginning in FY 2012, the Met School will be funded pursuant to the new education funding formula. It will be funded like other districts with the state share being that of the sending district for each student plus the local contribution being the local per pupil cost of each sending district, which must pay that to the School. The estimated local contribution is \$4.6 million once the formula is fully phased in. Tables at the end of this report include estimated enrollment by sending district for FY 2012.

Davies Career and Technical School. The Governor recommends \$14.0 million from general revenues for formula aid to support the Davies Career and Technical School. This is \$0.9 million or 5.9 percent less than the FY 2011 enacted level and includes use of \$0.7 million from federal education jobs funds that Davies will receive for use in FY 2011 and FY 2012 in lieu of general revenues. Prior to FY 2012, Davies was fully state supported. Beginning in FY 2012, Davies will be funded pursuant to the new education funding formula. It will be funded like other districts with the state share being that of the sending district for each student plus the local contribution being the local per pupil cost of each sending district, which must pay that to the School.

The local share for FY 2012 is estimated at \$0.7 million and is shown in the school's budget as restricted receipt expenditures. Davies' operating budget will continue to be submitted as part of the Department's budget and Davies' employees are still state employees. Tables at the end of this report include estimated enrollment by sending district for FY 2012.

Charter Schools. The Governor recommends \$42.8 million for formula aid to charter schools. This is \$5.0 million or 13.4 percent more than the FY 2011 enacted level and includes funding for one new charter school to open for the 2011-2012 school year. The FY 2011 revised budget includes an additional \$0.3 million in aid based on October 1, 2010 enrollment data. The FY 2012 budget also includes use of \$1.2 million from federal education jobs funds that charter schools will receive for use in FY 2011 and FY 2012 in lieu of general revenues. Beginning in FY 2012, charter schools will be funded pursuant to the new education funding formula. Charter schools will be funded like other districts. The state share is that of the sending district for each student and the local contribution is the local per pupil cost of each sending district which must pay that to the school.

Charter schools are public schools authorized by the state through the Board of Regents to operate independently from many state and local district rules and regulations. The 2010 Assembly increased the statewide total to no more than 35 charters; it had previously been no more than 20 charters serving no more than 4.0 percent of the state's school age population. At least half of the 35 total charters shall be reserved for charter school applications designed to increase the educational opportunities for at-risk pupils. There are currently 15 charter schools in Rhode Island. The Governor's budget assumes one new school will open. The Nurses Institute currently has preliminary approval from the Regents. The Regents are scheduled to make their final decision at either the May or June board meeting.

Tables at the end of this report include estimated enrollment by sending district for FY 2012.

Group Homes. Consistent with current law, the budget adjusts group home aid to reflect actual beds, and includes \$8.6 million, which is \$285,000 less than the final FY 2011 allocation and \$255,000 less than the enacted budget. The 2007 Assembly enacted legislation to ensure that the payment of communities' group home aid more closely reflects the actual number of group home beds open at the time of the budget. The legislation mandates that increases in beds prior to December 31 of each year shall be paid as part of the supplemental budget for that year and included in the budget year recommendation. Decreases in beds are not reflected until the budget year so any decreases in group home beds during FY 2011 would not be reflected until FY 2012 unlike increases which are funded as part of the supplemental budget. The 2008 Assembly increased the per bed amount from \$15,000 to \$22,000 for the group home beds associated with Bradley Hospital's residential CRAFT program.

Prior to FY 2002, an official community of residence, which is generally based on the parents' residence, was determined for each child living in a group home. The district of official residence was responsible to pay the district in which the child is placed for the cost of the child's education. This system produced disputes among communities concerning financial responsibility. These disputes often resulted in legal fees for all parties involved, and districts hosting group homes were largely unsuccessful in seeking reimbursements.

The 2001 Assembly enacted legislation to provide a per bed allotment to districts in which group homes are located. The legislation relieved the sending district of financial responsibility for students placed in out of district group homes. In FY 2012, the 18 communities hosting group homes, which have a total of 565 beds, will receive \$15,000 per bed, with the exception of the CRAFT beds. This is the per pupil rate that was provided in the FY 2002 budget in an attempt to reflect the mix of regular and special education students residing in these homes; it has never increased. The FY 2011 revised budget includes \$8.9 million which is \$30,000 more than enacted for two new beds, one each in Portsmouth and Providence.

Categorical Funding

The education funding formula allows for additional funding from the state to districts for high-cost special education students, high-cost career and technical programs, early childhood education programs, transportation costs and a limited two-year bonus for regionalized districts. For each categorical fund, the Department of Elementary and Secondary Education will prorate the funds available for distribution among those eligible school districts if the total approved costs for which districts are seeking reimbursement exceed the amount of funding appropriated in any fiscal year.

High Cost Special Education. The new funding formula allows for additional funding from the state for high cost special education students when those costs exceed five times the district's combined per pupil core instruction amount and student success factor amount. The Governor does not recommend funding for high cost special education for FY 2012.

High Cost Career and Technical Programs. The new funding formula allows for additional funding from the state to help meet the initial capital investment needs to transform existing or create new comprehensive career and technical education programs and career pathways in critical and emerging industries and to help offset the higher than average costs associated with facilities, equipment, maintenance, repair and supplies necessary for maintaining the quality of highly specialized programs. The Governor does not recommend funding for high cost career and technical programs for FY 2012.

Early Childhood Education. The new funding formula allows for additional funding from the state to increase access to voluntary, free, high-quality pre-kindergarten programs. The Department of Elementary and Secondary Education will recommend the criteria for the purpose of allocating funding provided by the Assembly. The Governor recommends the enacted level of \$700,000 for early childhood education programs for FY 2012. These funds are currently distributed through a request for proposal process and have been going directly to the childcare programs.

Transportation. The new funding formula allows for additional funding from the state to mitigate the excess costs associated with transporting students to out-of-district non-public schools and within regional school districts. The state will assume the costs of non-public out-of-district transportation for those districts participating in the statewide transportation system and will share in the costs associated with transporting students within regional school districts. The state and regional school district will share equally the student transportation costs net any federal sources of revenue for these expenditures. The Governor recommends \$1.1 million for FY 2012.

Limited Regionalization Bonus. The state will provide a limited two-year bonus for regionalized districts. The bonus in the first year shall be 2.0 percent of the state's share of the foundation education aid for the regionalized districts in that fiscal year. The second year bonus shall be 1.0 percent of the state's share of the foundation education aid for the regionalized districts in that fiscal year. This bonus applies to districts that are currently regionalized as well as any districts that regionalize in the future. The Governor recommends \$0.9 million consistent with current law requirements.

Set-Aside Funds

Progressive Support and Intervention. The Governor recommends \$2.7 million or \$47 less than the FY 2011 enacted budget for support of reform efforts in selected school districts. It includes funding for experts to work on the transformation process contained in the Regents' new strategic plan.

Textbook Loan Program. The Governor recommends eliminating the requirement that the state reimburse certain costs allowed under the textbook loan program. The state reimburses districts for the cost of providing textbooks to non-public school students in the areas of English/language arts and history/social studies in kindergarten through 12th grade. FY 2010 expenditures were \$233,861. The enacted budget includes \$240,000.

School Breakfast. The Governor recommends \$270,000 to reimburse administrative costs associated with the state's school breakfast program. This is \$30,000 or 10.0 percent less than the enacted level of \$300,000. State law mandates that all public schools provide a breakfast program and provides that costs, other than transportation, associated with this program in excess of available federal money that funds the meals, shall be borne exclusively by the state. Absent an appropriation, administrative costs would shift to the districts.

Current law requires the General Assembly to "*annually appropriate some sum and distribute it based on each district's proportion of the number of breakfasts served in the prior school year relative to the statewide total in the same year*". As in the lunch program, children from families with incomes at or below 130 percent of poverty are eligible for free meals. Children between 130 percent and 185 percent of poverty are eligible for reduced-price meals. Children from families over 185 percent of poverty pay a regular price for their meal.

Other Aid

Teacher Retirement. The Governor recommends \$82.7 million to fund the state's 40.0 percent share of the employer contribution for teacher retirement, an increase of \$13.0 million or 18.7 percent to the FY 2011 revised budget. Teachers contribute 9.5 percent of their salaries and that rate is set in the General Laws. Employers contribute the difference between the teachers' share and the amount needed to support the system, as determined annually by the State Employees' Retirement System. The state pays 40.0 percent of the employer's share.

The Governor also proposes that effective July 1, 2011 teachers contribute 11.75 percent towards pension benefits. The additional funds will be used to pay down the unfunded liability in the system; there would be no reduction in the employer share and the budget assumes no savings from this proposal. His budget assumes that teachers will pay an additional \$20.5 million to the system.

School Housing (Construction) Aid. The Governor recommends \$72.5 million for construction aid to local districts. This is \$4.5 million more than the FY 2011 entitlement. The state reimburses cities and towns for a share of school capital projects. The shares are based on a district's wealth compared to the aggregate state wealth, and the minimum share for each district is 35.0 percent for FY 2012. The new funding formula legislation also includes a two-year phased increase in the state's minimum housing aid participation to provide that no local receives less than a 40.0 percent state reimbursement by FY 2013 for projects completed after June 30, 2010. The previous minimum had been 30.0 percent.

The Governor proposes legislation to set the state reimbursement for charter school construction projects at the average share ratio of the sending district. Unless sponsored by a school district, charter schools are currently eligible for a 30.0 percent reimbursement. There is no impact on the FY 2012 budget and the supporting documents do not estimate the impact of this change on future budgets.

Calculation and Distribution Tables

The eleven tables on the following pages include the calculation and distribution of the Governor's FY 2012 recommended education aid to districts, charter and state schools. Tables 1A and 1B show the total recommended funding and Tables 2 through 9 illustrate different components of the funding formula. Table 10 has education aid to districts for FY 2006 through FY 2010 for comparison purposes.

Table 1A: Total Recommended Education Aid for Districts for FY 2012

Table 1B: Total Recommended Education Aid for Charter and State Schools for FY 2012

Table 2: Calculation of New Funding Formula for FY 2012

Table 3: Group Home Aid

Table 4: Calculation of State Share Ratio

Table 5: Transition Plan for Districts

Table 6: FY 2012 Estimated Charter & State School Enrollment by Sending District

Table 7: Transition Plan for Charter and State Schools

Table 8: FY 2012 Formula Funding to Charter and State Schools by Sending District

Table 9: Recommended Categorical Aid

Table 10: Education Aid for FY 2006 - FY 2010

Tables 1A: Total Recommended Education Aid for Districts for FY 2012

A. Column **A** is the amount that districts would receive in the first year of the new formula's implementation pursuant to the ten-year phase in of the formula. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years. This calculation is shown in Table 2.

B. Column **B** is the amount of group home aid districts will receive in FY 2012. Changes from FY 2011 are shown in Table 3. Group home aid will be paid pursuant to current law in addition to aid paid through the funding formula.

C. The formula allows for additional funding from the state for high-cost special education students, high-cost career and technical programs, early childhood education programs, transportation costs and a limited two-year bonus for regionalized districts. The Governor's recommendation is shown in Column **C**. Specific programs are shown in Table 9.

D. The Governor recommends using federal education jobs funds that districts will receive for use in FY 2011 and FY 2012 in lieu of general revenues. Column **D** shows the amount of the general revenue reduction.

E. Column **E** includes the Governor's FY 2012 general revenue recommendation. This is the total funding minus the jobs fund allocation.

F. Column **F** shows the amount from federal education jobs funds that districts will receive for use in FY 2011 and FY 2012. The Governor assumes that districts will carry forward their FY 2011 allocation for use in FY 2012.

G. Column **G** shows the Governor's total FY 2012 recommended aid from general revenues and federal education jobs funds.

H. Column **H** is the FY 2011 enacted aid from all sources including group home aid.

I. Column **I** is the difference between the Governor's FY 2012 recommendation from all sources of funds shown in Column **G** and the FY 2011 enacted budget in Column **H**.

Table 1A: Total Recommended Education Aid for Districts for FY 2012

<i>District</i>	<i>A</i> <i>Recommended</i> <i>Formula Aid</i> <i>(Table 2)</i>	<i>B</i> <i>Group Home</i> <i>Aid</i> <i>(Table 3)</i>	<i>C</i> <i>All Categoricals</i> <i>(Table 9)</i>	<i>D</i> <i>Education</i> <i>Jobs Fund</i>	<i>E</i> <i>Recommended</i> <i>General</i> <i>Revenues</i>
Barrington	\$ 2,346,507	\$ -	\$ 11,920	\$ (80,453)	\$ 2,277,974
Burrillville	12,585,893	420,000	3,716	(598,764)	12,410,845
Charlestown	1,663,386	-	33,372	-	1,696,758
Coventry	18,570,799	120,000	-	(829,477)	17,861,322
Cranston	33,949,874	-	106,220	(1,530,264)	32,525,830
Cumberland	12,682,548	-	18,664	(542,840)	12,158,372
East Greenwich	1,500,256	-	4,350	(60,142)	1,444,464
East Providence	24,836,821	636,000	3,037	(1,124,364)	24,351,494
Foster	1,236,333	-	1,069	(59,261)	1,178,141
Glocester	2,863,698	-	2,667	(135,039)	2,731,326
Hopkinton	5,622,508	-	112,627	-	5,735,135
Jamestown	368,955	-	-	(17,559)	351,396
Johnston	9,961,441	120,000	74,255	(440,076)	9,715,620
Lincoln	6,814,336	135,000	301	(288,938)	6,660,699
Little Compton	314,727	-	-	(13,144)	301,583
Middletown	8,962,812	480,000	-	(438,250)	9,004,562
Narragansett	1,481,749	-	-	(64,722)	1,417,027
Newport	10,237,477	480,000	-	(495,479)	10,221,998
New Shoreham	61,803	-	-	(2,501)	59,302
North Kingstown	10,667,391	-	-	(486,804)	10,180,587
North Providence	12,438,716	255,000	35,970	(554,729)	12,174,957
North Smithfield	4,518,169	120,000	10,011	(198,918)	4,449,262
Pawtucket	63,721,209	855,000	-	(2,878,291)	61,697,918
Portsmouth	5,077,514	690,000	-	(273,250)	5,494,264
Providence	183,260,614	2,730,000	-	(8,683,552)	177,307,062
Richmond	5,532,235	-	110,394	-	5,642,629
Scituate	3,148,878	-	5,573	(133,191)	3,021,260
Smithfield	4,726,572	240,000	8,115	(223,988)	4,750,699
South Kingstown	8,436,945	375,000	16,139	(420,852)	8,407,232
Tiverton	5,343,549	-	-	(241,531)	5,102,018
Warwick	33,560,762	360,000	65	(1,533,605)	32,387,222
Westerly	5,970,828	-	-	(261,313)	5,709,515
West Warwick	19,159,588	-	11,765	(864,504)	18,306,849
Woonsocket	45,135,511	165,000	4,472	(2,034,796)	43,270,187
Bristol-Warren	17,876,094	210,000	536,000	(866,462)	17,755,632
Chariho	344,924	-	297,033	(616,626)	25,331
Exeter-West Greenwich	6,304,867	210,000	302,131	(307,172)	6,509,826
Foster-Glocester	5,164,742	-	215,876	(239,219)	5,141,399
Central Falls	40,454,385	-	13,997	(1,969,619)	38,498,763
Total	\$ 636,905,415	\$ 8,601,000	\$ 1,939,739	\$ (29,509,695)	\$ 617,936,459
<i>Adjusted Chariho</i>	13,163,054	-	553,426	(616,626)	13,099,854

Table 1A: Total Recommended Education Aid for Districts for FY 2012

<i>District</i>	<i>F</i>	<i>G</i>	<i>H</i>	<i>I</i>
	<i>Education Jobs Fund Offset</i>	<i>Total FY 2012 Recommended</i>	<i>FY 2011 Enacted</i>	<i>Total FY 2012 Change to Enacted</i>
Barrington	\$ 80,453	\$ 2,358,427	\$ 1,777,692	\$ 580,734
Burrillville	598,764	13,009,609	13,049,312	(39,702)
Charlestown	-	1,696,758	1,708,264	(11,506)
Coventry	829,477	18,690,799	18,106,570	584,229
Cranston	1,530,264	34,056,094	31,729,746	2,326,348
Cumberland	542,840	12,701,212	11,853,639	847,572
East Greenwich	60,142	1,504,606	1,327,711	176,894
East Providence	1,124,364	25,475,858	24,531,957	943,901
Foster	59,261	1,237,402	1,293,021	(55,620)
Glocester	135,039	2,866,365	2,946,000	(79,635)
Hopkinton	-	5,735,135	5,695,888	39,246
Jamestown	17,559	368,955	386,846	(17,891)
Johnston	440,076	10,155,696	9,609,655	546,041
Lincoln	288,938	6,949,637	6,320,677	628,960
Little Compton	13,144	314,727	288,570	26,158
Middletown	438,250	9,442,812	9,562,746	(119,934)
Narragansett	64,722	1,481,749	1,423,684	58,065
Newport	495,479	10,717,477	10,812,053	(94,576)
New Shoreham	2,501	61,803	56,081	5,722
North Kingstown	486,804	10,667,391	10,633,129	34,261
North Providence	554,729	12,729,686	12,107,544	622,142
North Smithfield	198,918	4,648,180	4,342,683	305,497
Pawtucket	2,878,291	64,576,209	62,743,324	1,832,885
Portsmouth	273,250	5,767,514	5,968,097	(200,583)
Providence	8,683,552	185,990,614	179,813,040	6,177,574
Richmond	-	5,642,629	5,669,397	(26,767)
Scituate	133,191	3,154,451	2,913,522	240,929
Smithfield	223,988	4,974,687	4,899,277	75,410
South Kingstown	420,852	8,828,084	9,198,692	(370,608)
Tiverton	241,531	5,343,549	5,275,223	68,325
Warwick	1,533,605	33,920,827	33,493,714	427,114
Westerly	261,313	5,970,828	5,721,304	249,524
West Warwick	864,504	19,171,353	18,855,252	316,101
Woonsocket	2,034,796	45,304,983	44,356,033	948,949
Bristol-Warren	866,462	18,622,094	18,896,443	(274,349)
Chariho	616,626	641,957	383,667	258,290
Exeter-West Greenwich	307,172	6,816,998	6,708,949	108,049
Foster-Glocester	239,219	5,380,618	5,219,945	160,674
Central Falls	1,969,619	40,468,382	42,865,644	(2,397,262)
Total	\$ 29,509,695	\$ 647,446,154	\$ 632,544,990	\$ 14,901,165
<i>Adjusted Chariho</i>	616,626	13,716,480	13,457,216	259,263

Table 1B: Total Recommended Education Aid for Charter and State Schools for FY 2012

A. Column **A** is the amount that charter and state schools would receive in the first year of the new formula's implementation pursuant to the ten-year phase in of the formula. It assumes that schools that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years.

B. The Governor recommends using federal education jobs funds that districts will receive for use in FY 2011 and FY 2012 in lieu of general revenues. Column **B** shows the amount of the general revenue reduction.

C. Column **C** includes the Governor's FY 2012 general revenue recommendation. This is the total funding minus the jobs fund allocation.

D. Column **D** shows the amount from federal education jobs funds that districts will receive for use in FY 2011 and FY 2012. The Governor assumes that charter and state schools will carry forward their FY 2011 allocation for use in FY 2012.

E. Column **E** shows the Governor's FY 2012 recommended formula aid from general revenues and federal education jobs funds.

F. Column **F** is the starting point for calculating FY 2011 base formula aid. It is the FY 2011 enacted aid plus an adjustment done by the Department of Elementary and Secondary Education based on Budget Office target instructions sent out in July 2010. The reason for this adjustment is unclear.

G. Column **G** is the difference between the total FY 2012 recommended funding in Column **E** and the FY 2011 base amounts in column **F**.

Table 1B: Total Recommended Education Aid for Charter and State Schools for FY 2012

<i>School</i>	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>
	<i>FY 2012 Recommended Formula Aid</i>	<i>Education Jobs Fund</i>	<i>Recommended General Revenues</i>	<i>Education Jobs Fund Offset</i>
Beacon	\$ 1,732,711	\$ (85,927)	\$ 1,646,784	\$ 85,927
Blackstone	1,553,292	(71,435)	1,481,856	71,435
Compass	609,710	(29,362)	580,348	29,362
Greene School	681,222	(26,637)	654,585	26,637
Highlander	2,713,276	(125,425)	2,587,851	125,425
International	2,887,024	(134,076)	2,752,948	134,076
Kingston Hill	724,215	(35,188)	689,027	35,188
Learning Community	5,786,707	(230,278)	5,556,429	230,278
New England Laborers	1,645,409	-	1,645,409	-
Nurses Institute	1,126,220	-	1,126,220	-
Paul Cuffee	6,719,793	(279,528)	6,440,265	279,528
Mayoral Academies Blackstone Valley	3,942,777	(93,285)	3,849,492	93,285
Segue Institute	2,541,835	(79,612)	2,462,223	79,612
Textron	2,314,584	-	2,314,584	-
Times2 Academy	7,107,590	-	7,107,590	-
Trinity	727,112	(18,714)	708,398	18,714
<i>Charter Schools Subtotal</i>	42,813,477	(1,209,467)	\$ 41,604,009	\$ 1,209,467
Davies Career and Tech	13,984,084	(673,955)	13,310,129	673,955
Met School	12,165,708	(593,721)	11,571,987	593,721
Total	\$ 68,963,269	\$ (2,477,143)	\$ 66,486,125	\$ 2,477,143

Table 1B: Total Recommended Education Aid for Charter and State Schools for FY 2012

<i>School</i>	<i>E</i> <i>Total FY 2012</i> <i>Recommended</i>	<i>F</i> <i>FY 2011 For</i> <i>Base</i> <i>Calculation</i>	<i>G</i> <i>Change to</i> <i>FY 2011 Base</i> <i>Calculation</i>
Beacon	\$ 1,732,711	\$ 1,755,873	\$ (23,162)
Blackstone	1,553,291	1,563,108	(9,817)
Compass	609,710	642,210	(32,500)
Greene School	681,222	521,480	159,742
Highlander	2,713,276	2,741,436	(28,160)
International	2,887,024	2,932,501	(45,477)
Kingston Hill	724,215	769,530	(45,315)
Learning Community	5,786,707	5,267,909	518,798
New England Laborers	1,645,409	1,697,870	(52,461)
Nurses Institute	1,126,220	-	1,126,220
Paul Cuffee	6,719,793	6,259,303	460,490
Mayoral Academies Blackstone Valley	3,942,777	2,163,075	1,779,702
Segue Institute	2,541,835	1,740,632	801,203
Textron	2,314,584	2,341,876	(27,292)
Times2 Academy	7,107,590	7,217,958	(110,368)
Trinity	727,112	397,647	329,465
<i>Charter Schools Subtotal</i>	\$ 42,813,476	\$ 38,012,408	\$ 4,801,068
Davies Career and Tech	13,984,084	14,820,328	(836,244)
Met School	12,165,708	13,013,531	(847,823)
Total	\$ 68,963,268	\$ 65,846,267	\$ 3,117,001

Table 2: Calculation of New Funding Formula for FY 2012

- A.** The FY 2010 student counts are shown in column **A** based on the resident average daily membership as of June 30. Average daily membership calculates an average of the number of days all students are formally members of a district and/or a school per year.
- B.** Column **B** includes the number of students in pre-kindergarten through 12th grade that receive USDA reimbursable lunch as reported to the Department of Elementary and Secondary Education by the districts.
- C.** Column **C** includes the percent of students that are eligible for free and reduced price lunch - Column **B** divided by Column **A**.
- D.** Column **D** is the core instruction funding which is the FY 2010 student count in Column **A** times the core instruction per pupil amount of \$8,333. The legislation requires the core instruction per pupil amount to be updated annually.
- E.** Column **E** includes the student success factor funding which is a single poverty weight as a proxy for student supports and is 40.0 times the number of students in pre-K through 12th grade that receive free and reduced price lunch in Column **B** times the core instruction amount.
- F.** The total foundation amount in Column **F** is the sum of the core instruction amount in Column **D** plus the student success factor funding in Column **E**.
- G.** Column **G** is the state share ratio whose calculation is described in Table 4.
- H.** Column **H** includes the state foundation aid under the new funding formula based on FY 2010 data. It is the total foundation amount in Column **F** times the state share ratio in Column **G**.
- I.** Column **I** is the FY 2011 base calculation shown in Table 5.
- J.** Column **J** is first year transition amount. It is the amount that will be added or subtracted from the FY 2011 base aid amount. It assumes that districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years. The calculation is shown in Table 5.
- K.** Column **K** is the amount that districts would receive in the first year of the new formula's implementation pursuant to the ten-year phase in of the formula.
- L.** Column **L** is the difference between the first year of funding under the new formula and the total state foundation aid shown in Column **H**.

Table 2: Calculation of New Funding Formula for FY 2012

	A	B	C	D	E	F
	<i>FY 2010</i>	<i>FY 2010</i>			<i>Student</i>	
	<i>PK-12</i>	<i>FRPL</i>		<i>Core Instruction</i>	<i>Success Factor</i>	<i>Total</i>
<i>District</i>	<i>RADM</i>	<i>RADM</i>	<i>%FRPL</i>	<i>Funding</i>	<i>Funding</i>	<i>Foundation</i>
Barrington	3,339	141	4.2%	\$ 27,823,887	\$ 469,981	\$ 28,293,868
Burrillville	2,503	782	31.2%	20,857,499	2,606,562	23,464,061
Charlestown	948	208	21.9%	7,899,684	693,306	8,592,990
Coventry	5,119	1,205	23.5%	42,656,627	4,016,506	46,673,133
Cranston	10,082	3,478	34.5%	84,013,306	11,592,870	95,606,176
Cumberland	4,611	931	20.2%	38,423,463	3,103,209	41,526,672
East Greenwich	2,306	166	7.2%	19,215,898	553,311	19,769,209
East Providence	5,630	2,448	43.5%	46,914,790	8,159,674	55,074,464
Foster	242	38	15.7%	2,016,586	126,662	2,143,248
Glocester	547	115	21.0%	4,558,151	383,318	4,941,469
Hopkinton	1,250	290	23.2%	10,416,250	966,628	11,382,878
Jamestown	690	35	5.1%	5,749,770	116,662	5,866,432
Johnston	3,049	1,182	38.8%	25,407,317	3,939,842	29,347,159
Lincoln	3,179	779	24.5%	26,490,607	2,596,563	29,087,170
Little Compton	425	61	14.4%	3,541,525	203,325	3,744,850
Middletown	2,532	733	28.9%	21,099,156	2,443,236	23,542,392
Narragansett	1,452	220	15.2%	12,099,516	733,304	12,832,820
Newport	2,065	1,224	59.3%	17,207,645	4,079,837	21,287,482
New Shoreham	124	16	12.9%	1,033,292	53,331	1,086,623
North Kingstown	4,089	776	19.0%	34,073,637	2,586,563	36,660,200
North Providence	3,205	1,185	37.0%	26,707,265	3,949,842	30,657,107
North Smithfield	1,819	256	14.1%	15,157,727	853,299	16,011,026
Pawtucket	8,554	6,625	77.4%	71,280,482	22,082,450	93,362,932
Portsmouth	2,645	319	12.1%	22,040,785	1,063,291	23,104,076
Providence	22,557	19,726	87.4%	187,967,481	65,750,703	253,718,184
Richmond	1,153	208	18.0%	9,607,949	693,306	10,301,255
Scituate	1,617	210	13.0%	13,474,461	699,972	14,174,433
Smithfield	2,416	317	13.1%	20,132,528	1,056,624	21,189,152
South Kingstown	3,495	585	16.7%	29,123,835	1,949,922	31,073,757
Tiverton	1,902	426	22.4%	15,849,366	1,419,943	17,269,309
Warwick	10,078	3,050	30.3%	83,979,974	10,166,260	94,146,234
Westerly	3,116	996	32.0%	25,965,628	3,319,867	29,285,495
West Warwick	3,510	1,648	47.0%	29,248,830	5,493,114	34,741,944
Woonsocket	5,948	4,262	71.7%	49,564,684	14,206,098	63,770,782
Bristol-Warren	3,453	1,149	33.3%	28,773,849	3,829,847	32,603,696
Chariho	-	-	0.0%	-	-	-
Exeter-West Greenwich	1,844	266	14.4%	15,366,052	886,631	16,252,683
Foster-Glocester	1,348	196	14.5%	11,232,884	653,307	11,886,191
Central Falls	2,257	1,783	79.0%	18,807,581	5,943,096	24,750,677
Total	135,099	58,035		\$ 1,125,779,967	\$ 193,442,262	\$ 1,319,222,229
<i>Adjusted Chariho</i>	<i>3,351</i>	<i>706</i>		<i>27,923,883</i>	<i>2,353,239</i>	<i>30,277,122</i>

Table 2: Calculation of New Funding Formula for FY 2012

<i>District</i>	<i>G</i> <i>State</i> <i>Share</i> <i>Ratio</i> <i>(Table 4)</i>	<i>H</i> <i>FY 2012 Base</i> <i>Funding</i>	<i>I</i> <i>FY 2011 for</i> <i>Base</i> <i>Calculation</i>	<i>J</i> <i>Adjusted Year</i> <i>One</i> <i>Difference</i> <i>(Table 5)</i>	<i>K</i> <i>FY 2012</i> <i>Recommended</i> <i>Formula Aid</i>	<i>L</i> <i>Difference</i> <i>from Base</i> <i>Funding</i>
Barrington	20.4%	\$ 5,775,727	\$ 1,774,970	\$ 571,537	\$ 2,346,507	\$ (3,429,221)
Burrillville	52.5%	12,325,681	12,614,806	(28,913)	12,585,893	260,213
Charlestown	15.4%	1,324,603	1,706,167	(42,781)	1,663,386	338,783
Coventry	47.5%	22,162,712	17,965,552	605,247	18,570,799	(3,591,913)
Cranston	49.6%	47,460,402	31,692,604	2,257,270	33,949,874	(13,510,528)
Cumberland	42.1%	17,465,903	11,839,759	842,789	12,682,548	(4,783,356)
East Greenwich	12.9%	2,547,775	1,325,669	174,587	1,500,256	(1,047,519)
East Providence	55.6%	30,618,480	23,867,806	969,015	24,836,821	(5,781,659)
Foster	34.5%	739,487	1,291,538	(55,205)	1,236,333	496,846
Glocester	43.6%	2,153,262	2,942,635	(78,937)	2,863,698	710,436
Hopkinton	44.4%	5,054,184	5,689,355	(66,847)	5,622,508	568,324
Jamestown	3.7%	215,706	386,289	(17,334)	368,955	153,249
Johnston	43.7%	12,830,533	9,478,401	483,040	9,961,441	(2,869,092)
Lincoln	36.3%	10,548,180	6,177,926	636,410	6,814,336	(3,733,845)
Little Compton	12.7%	473,994	288,183	26,544	314,727	(159,266)
Middletown	33.9%	7,982,312	9,071,756	(108,944)	8,962,812	980,500
Narragansett	14.4%	1,842,057	1,421,698	60,051	1,481,749	(360,308)
Newport	44.6%	9,498,142	10,319,625	(82,148)	10,237,477	739,335
New Shoreham	8.9%	96,813	55,968	5,835	61,803	(35,010)
North Kingstown	29.9%	10,945,756	10,620,582	46,809	10,667,391	(278,365)
North Providence	52.2%	16,009,366	11,838,531	600,185	12,438,716	(3,570,650)
North Smithfield	39.5%	6,321,456	4,217,621	300,548	4,518,169	(1,803,288)
Pawtucket	80.7%	75,369,392	61,653,153	2,068,056	63,721,209	(11,648,183)
Portsmouth	13.9%	3,200,394	5,286,083	(208,569)	5,077,514	1,877,120
Providence	86.8%	220,260,265	176,895,067	6,365,547	183,260,614	(36,999,651)
Richmond	42.6%	4,388,050	5,662,917	(130,682)	5,532,235	1,144,185
Scituate	32.3%	4,579,724	2,909,955	238,923	3,148,878	(1,430,846)
Smithfield	24.4%	5,166,418	4,653,264	73,308	4,726,572	(439,846)
South Kingstown	16.4%	5,092,495	8,812,648	(375,703)	8,436,945	3,344,451
Tiverton	33.5%	5,790,770	5,269,012	74,537	5,343,549	(447,222)
Warwick	38.6%	36,333,677	33,094,322	466,440	33,560,762	(2,772,915)
Westerly	25.6%	7,504,547	5,714,140	256,688	5,970,828	(1,533,720)
West Warwick	60.8%	21,108,940	18,833,852	325,736	19,159,588	(1,949,352)
Woonsocket	81.3%	51,820,265	44,021,385	1,114,126	45,135,511	(6,684,754)
Bristol-Warren	33.1%	10,775,534	18,665,045	(788,951)	17,876,094	7,100,560
Chariho	0.0%	-	383,249	(38,325)	344,924	344,924
Exeter-West Greenwich	29.7%	4,830,220	6,491,006	(186,139)	6,304,867	1,474,647
Foster-Glocester	40.2%	4,782,246	5,213,947	(49,205)	5,164,742	382,496
Central Falls	92.6%	22,909,963	42,819,711	(2,365,326)	40,454,385	17,544,422
Total		\$ 708,305,432	\$ 622,966,197	\$ 13,939,218	\$ 636,905,415	\$ (71,400,017)
<i>Adjusted Chariho</i>		<i>10,766,837</i>	<i>13,441,688</i>	<i>(278,634)</i>	<i>13,163,054</i>	<i>2,396,217</i>

Table 3: Group Home Aid

<i>District</i>	<i>FY 2011 Enacted Aid</i>	<i>FY 2011 Revised Aid</i>	<i>Change to Enacted</i>	<i>FY 2012 Aid</i>	<i>Change to Enacted</i>	<i>Change to Revised</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Burrillville	420,000	420,000	-	420,000	-	-
Charlestown	-	-	-	-	-	-
Coventry	120,000	120,000	-	120,000	-	-
Cranston	-	-	-	-	-	-
Cumberland	-	-	-	-	-	-
East Greenwich	-	-	-	-	-	-
East Providence	636,000	636,000	-	636,000	-	-
Foster	-	-	-	-	-	-
Glocester	-	-	-	-	-	-
Hopkinton	-	-	-	-	-	-
Jamestown	-	-	-	-	-	-
Johnston	120,000	120,000	-	120,000	-	-
Lincoln	135,000	135,000	-	135,000	-	-
Little Compton	-	-	-	-	-	-
Middletown	480,000	480,000	-	480,000	-	-
Narragansett	-	-	-	-	-	-
Newport	480,000	480,000	-	480,000	-	-
New Shoreham	-	-	-	-	-	-
North Kingstown	-	-	-	-	-	-
North Providence	255,000	255,000	-	255,000	-	-
North Smithfield	120,000	120,000	-	120,000	-	-
Pawtucket	1,020,000	1,020,000	-	855,000	(165,000)	(165,000)
Portsmouth	675,000	690,000	15,000	690,000	15,000	-
Providence	2,715,000	2,730,000	15,000	2,730,000	15,000	-
Richmond	-	-	-	-	-	-
Scituate	-	-	-	-	-	-
Smithfield	240,000	240,000	-	240,000	-	-
South Kingstown	375,000	375,000	-	375,000	-	-
Tiverton	-	-	-	-	-	-
Warwick	360,000	360,000	-	360,000	-	-
Westerly	-	-	-	-	-	-
West Warwick	-	-	-	-	-	-
Woonsocket	285,000	285,000	-	165,000	(120,000)	(120,000)
Bristol-Warren	210,000	210,000	-	210,000	-	-
Exeter-West Greenwich	210,000	210,000	-	210,000	-	-
Foster-Glocester	-	-	-	-	-	-
Central Falls	-	-	-	-	-	-
Total	\$ 8,856,000	\$ 8,886,000	\$ 30,000	\$ 8,601,000	\$ (255,000)	\$ (285,000)

Table 4: Calculation of State Share Ratio

The following table shows the calculation of each community's state share ratio for the purpose of the new education funding formula. The share ratio formula considers the district's ability to generate revenues and its poverty concentration.

A. The assessed value of real and tangible personal property for each city and town as of December 31 of the third preceding calendar year in accordance with Rhode Island General Law, Section 16-7-21. The assessed value as of December 31, 2007 is used for FY 2012 calculations. Property value is certified annually by the Department of Administration, Office of Municipal Affairs, based on local sales data and appraisals.

B. The adjusted equalized weighted assessed property valuations for the third preceding calendar year per current law, as of December 31, 2007 as reported by the Department of Administration's Office of Municipal Affairs. The total assessed local property value of a community is adjusted for differences in local assessment rates to allow the reporting of figures comparable on a statewide basis, resulting in the equalized weighted assessed valuation (EWAV).

The valuations are then adjusted by the ratio that the community's median family income bears to the statewide median family income, as reported in the most recent federal census data. Use of both the property value and the median family income is an attempt to compensate for districts that have significant disparity between median family income and the full value of property. Once community wealth is determined, it is divided by pupil counts to calculate the per pupil wealth for each community compared to the per pupil wealth for the state as a whole.

C. The FY 2010 student counts are shown in column *C* based on the resident average daily membership as of June 30, 2010. Average daily membership calculates an average of the number of days all students are formally members of a district and/or a school per year.

D. The resulting relative per pupil community wealth is then multiplied by 0.475 and subtracted from 1.0, yielding the district's share ratio. The result is multiplied by 100 to convert this share ratio to a percentage.

E. Column *E* includes the percentage of students eligible for USDA reimbursable school meals in pre-Kindergarten through 6th grade as of June 30, 2010.

F. The calculation in Column *F* is the square root of the sum of the state share ratio for the community calculation in Column *D* squared plus the district's percentage of students eligible for USDA reimbursable school meals in grades pre-Kindergarten through 6th in Column *E* squared, divided by two.

$$\text{State Share Ratio (SSR)} = \sqrt{\frac{\text{SSRC}^2 + \%PK6FRPL^2}{2}}$$

G. Column *G* shows what the share ratio would have been for FY 2011. It uses property valuations as of December 31, 2006 and student counts as of June 30, 2009.

H. Column *H* shows the difference between the share ratio for FY 2012 and that for FY 2011.

Table 4: Calculation of State Share Ratio

<i>District</i>	<i>A</i> <i>Assessed Value</i> <i>12/31/07</i>	<i>B</i> <i>Adjusted EWAV</i> <i>12/31/07</i>	<i>C</i> <i>June 2010 Student</i> <i>Count*</i>	<i>D</i> <i>Adjusted EWAV</i>
Barrington	\$ 3,372,315,367	\$ 5,121,253,027	3,346	28.5%
Burrillville	1,741,149,673	1,833,251,350	2,516	66.0%
Charlestown	2,788,196,102	2,999,989,805	1,045	0.0%
Coventry	4,053,897,812	4,199,820,158	5,163	62.0%
Cranston	9,164,925,032	8,948,376,217	10,344	59.6%
Cumberland	4,184,686,697	4,544,244,629	4,797	55.8%
East Greenwich	2,902,078,803	4,121,731,784	2,310	16.7%
East Providence	5,259,076,402	4,563,091,825	5,675	62.5%
Foster	308,079,599	279,102,614	242	46.2%
Glocester	512,669,423	493,695,931	548	57.9%
Hopkinton	1,113,262,790	1,167,141,628	1,252	56.5%
Jamestown	2,172,270,945	2,697,561,722	703	0.0%
Johnston	3,564,174,377	3,434,810,707	3,102	48.3%
Lincoln	3,406,793,533	3,891,394,814	3,306	45.0%
Little Compton	2,015,231,874	2,890,556,948	429	0.0%
Middletown	3,256,347,213	3,505,576,854	2,550	35.8%
Narragansett	5,368,924,516	5,530,360,036	1,477	0.0%
Newport	6,159,645,254	6,584,661,839	2,099	0.0%
New Shoreham	2,119,387,399	2,753,185,846	124	0.0%
North Kingstown	4,614,641,810	5,674,658,910	4,167	36.4%
North Providence	3,244,748,276	2,651,305,163	3,296	62.4%
North Smithfield	1,638,277,378	1,802,568,285	1,829	54.0%
Pawtucket	5,483,683,482	3,540,411,328	9,597	82.8%
Portsmouth	3,846,059,390	4,829,053,076	2,652	15.0%
Providence	14,869,419,941	7,868,651,855	25,059	85.3%
Richmond	991,356,630	1,072,133,252	1,168	57.1%
Scituate	1,029,316,656	2,004,236,360	1,635	42.8%
Smithfield	2,979,747,374	3,578,130,192	2,441	31.6%
South Kingstown	5,362,276,378	6,620,262,436	3,621	14.6%
Tiverton	2,816,389,976	2,424,595,995	1,915	40.9%
Warwick	12,462,172,432	12,050,921,020	10,131	44.5%
Westerly	6,592,452,929	6,621,513,725	3,146	1.7%
West Warwick	2,859,131,430	2,409,620,157	3,526	68.1%
Woonsocket	2,668,739,630	1,799,772,940	6,076	86.2%
Bristol/Warren	4,841,807,767	4,968,415,974	3,465	33.1%
Exeter/West Greenwich	1,948,444,063	2,457,913,772	1,890	39.3%
Foster/Glocester	1,146,684,334	1,328,430,917	1,358	54.3%
Central Falls	808,100,703	404,160,302	3,204	94.1%
Total	\$ 143,666,563,390	\$ 143,666,563,393	141,204	

*Includes charter and state school students

Table 4: Calculation of State Share Ratio

<i>District</i>	<i>E</i> <i>FY 2010 % of PK-6</i> <i>FRPL</i>	<i>F</i> <i>FY 2012 State</i> <i>Share Ratio</i>	<i>G</i> <i>FY 2011 State</i> <i>Share Ratio</i>	<i>H</i> <i>Change to Share</i> <i>Ratio</i>
Barrington	4.6%	20.4%	23.0%	-2.5%
Burrillville	34.1%	52.5%	52.1%	0.5%
Charlestown	21.8%	15.4%	14.4%	1.1%
Coventry	25.8%	47.5%	47.5%	0.0%
Cranston	37.1%	49.6%	47.5%	2.2%
Cumberland	20.6%	42.1%	40.1%	2.0%
East Greenwich	7.3%	12.9%	10.1%	2.8%
East Providence	47.7%	55.6%	54.4%	1.1%
Foster	15.7%	34.5%	33.2%	1.3%
Glocester	21.1%	43.6%	42.0%	1.6%
Hopkinton	27.4%	44.4%	44.0%	0.4%
Jamestown	5.2%	3.7%	3.5%	0.1%
Johnston	38.6%	43.7%	43.7%	0.0%
Lincoln	24.6%	36.3%	36.2%	0.1%
Little Compton	17.9%	12.7%	3.5%	9.1%
Middletown	31.9%	33.9%	32.0%	2.0%
Narragansett	20.3%	14.4%	12.7%	1.6%
Newport	63.1%	44.6%	43.8%	0.8%
New Shoreham	12.6%	8.9%	9.9%	-1.0%
North Kingstown	21.4%	29.9%	30.3%	-0.5%
North Providence	39.5%	52.2%	45.2%	7.1%
North Smithfield	14.2%	39.5%	39.6%	-0.1%
Pawtucket	78.6%	80.7%	78.2%	2.5%
Portsmouth	12.6%	13.9%	15.6%	-1.7%
Providence	88.3%	86.8%	86.0%	0.9%
Richmond	19.2%	42.6%	40.4%	2.3%
Scituate	16.0%	32.3%	28.4%	3.9%
Smithfield	13.8%	24.4%	26.1%	-1.7%
South Kingstown	18.0%	16.4%	19.4%	-3.0%
Tiverton	24.0%	33.5%	26.1%	7.4%
Warwick	31.6%	38.6%	38.8%	-0.2%
Westerly	36.2%	25.6%	25.3%	0.3%
West Warwick	52.4%	60.8%	59.5%	1.3%
Woonsocket	76.0%	81.3%	80.3%	1.0%
Bristol/Warren	33.0%	33.1%	34.1%	-1.0%
Exeter/West Greenwich	14.9%	29.7%	29.4%	0.3%
Foster/Glocester	17.0%	40.2%	39.4%	0.7%
Central Falls	91.0%	92.6%	92.4%	0.1%

Table 5: Transition Plan for Districts

The new funding formula results in a redistribution of aid among communities with some getting less aid than prior years. In an effort to mitigate any losses to communities and allow for an adjustment period, the law allows for a transition of up to ten years. The Department of Elementary and Secondary Education has developed a methodology to implement this transition based on how a district fares compared to funding distributions under the current system. It requires establishing the total gain or loss to each district.

- A.** Column *A* is FY 2011 enacted aid from all sources of funds.
- B.** Column *B* is an adjustment done by the Department of Elementary and Secondary Education based on Budget Office target instructions sent out in July 2010. This adjustment relates to expired funds and does not appear to be consistent with the methodology.
- C.** Column *C* is the sum of the FY 2011 enacted aid and the target adjustments done by the Department. This is the starting point for calculating FY 2011 base formula aid.
- D.** Column *D* purports what the formula would have produced in FY 2011 in order to establish base formula funding under the new formula. It uses June 2010 enrollment data adjusted for October 2010 charter school enrollment and projected charter school enrollment for FY 2012.
- E.** Column *E* is the difference between FY 2011 hypothetical formula funding and the FY 2011 base shown in Column *C*.
- F.** Column *F* shows the transition calculation. Districts that will receive more state funding will have the additional funding phased in over seven years and districts that are going to receive less state funding will have that loss phased in over ten years.
- G.** Column *G* includes student enrollment adjustments for changes in the number of students attending charter schools. Because some districts are more affected by charter schools, significant swings in data can skew transition amounts. To establish stability in the transition amount, differences due to these changes are excluded from the transition calculation.
- H.** Column *H* is the first year transition amount. This is used in the calculation of the new funding formula for FY 2012 in Table 2.

Table 5: Transition Plan for Districts

<i>District</i>	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>
	<i>FY 2011 Enacted</i>	<i>Dept Target Adjustment</i>	<i>FY 2011 For Base Calculation</i>	<i>FY 2011 Base Formula Funding</i>
Barrington	\$ 1,777,692	\$ (2,722)	\$ 1,774,970	\$ 5,775,727
Burrillville	12,629,311	(14,505)	12,614,806	12,325,681
Charlestown	1,708,264	(2,097)	1,706,167	1,329,741
Coventry	17,986,570	(21,018)	17,965,552	22,202,281
Cranston	31,729,746	(37,142)	31,692,604	47,493,495
Cumberland	11,853,639	(13,880)	11,839,759	17,739,279
East Greenwich	1,327,711	(2,042)	1,325,669	2,547,775
East Providence	23,895,956	(28,150)	23,867,806	30,650,908
Foster	1,293,021	(1,483)	1,291,538	739,487
Glocester	2,946,000	(3,365)	2,942,635	2,153,262
Hopkinton	5,695,889	(6,534)	5,689,355	5,057,884
Jamestown	386,846	(557)	386,289	216,012
Johnston	9,489,655	(11,254)	9,478,401	12,859,679
Lincoln	6,185,678	(7,752)	6,177,926	10,632,793
Little Compton	288,570	(387)	288,183	473,994
Middletown	9,082,746	(10,990)	9,071,756	7,982,312
Narragansett	1,423,684	(1,986)	1,421,698	1,842,057
Newport	10,332,053	(12,428)	10,319,625	9,498,142
New Shoreham	56,080	(112)	55,968	96,813
North Kingstown	10,633,130	(12,548)	10,620,582	10,948,244
North Providence	11,852,542	(14,011)	11,838,531	16,039,827
North Smithfield	4,222,682	(5,061)	4,217,621	6,321,456
Pawtucket	61,723,324	(70,171)	61,653,153	76,129,544
Portsmouth	5,293,098	(7,015)	5,286,083	3,200,394
Providence	177,098,039	(202,972)	176,895,067	221,453,896
Richmond	5,669,397	(6,480)	5,662,917	4,391,600
Scituate	2,913,522	(3,567)	2,909,955	4,582,416
Smithfield	4,659,277	(6,013)	4,653,264	5,166,418
South Kingstown	8,823,691	(11,043)	8,812,648	5,096,592
Tiverton	5,275,223	(6,211)	5,269,012	5,790,770
Warwick	33,133,714	(39,392)	33,094,322	36,359,405
Westerly	5,721,305	(7,165)	5,714,140	7,510,954
West Warwick	18,855,253	(21,401)	18,833,852	21,114,003
Woonsocket	44,071,033	(49,648)	44,021,385	51,820,265
Bristol-Warren	18,686,441	(21,396)	18,665,045	10,775,534
Chariho	383,249	-	383,249	-
Exeter-West Greenwich	6,498,949	(7,943)	6,491,006	4,852,509
Foster-Glocester	5,219,945	(5,998)	5,213,947	4,788,952
Central Falls	42,865,645	(45,934)	42,819,711	24,514,324
Total	\$623,688,570	\$ (722,373)	\$622,966,197	\$712,474,424
<i>Adjusted Chariho</i>	<i>13,456,799</i>	<i>(15,111)</i>	<i>13,441,688</i>	<i>10,779,225</i>

Table 5: Transition Plan for Districts

<i>District</i>	<i>E</i> <i>Difference</i>	<i>F</i> <i>Transition =</i> <i>1/7th or 1/10th</i>	<i>G</i> <i>Adjustments to</i> <i>Difference</i>	<i>H</i> <i>Adjusted Year</i> <i>One</i> <i>Difference</i>
Barrington	\$ 4,000,757	\$ 571,537	\$ -	\$ 571,537
Burrillville	(289,125)	(28,913)	-	(28,913)
Charlestown	(376,426)	(37,643)	(5,138)	(42,781)
Coventry	4,236,729	605,247	-	605,247
Cranston	15,800,891	2,257,270	-	2,257,270
Cumberland	5,899,520	842,789	-	842,789
East Greenwich	1,222,106	174,587	-	174,587
East Providence	6,783,102	969,015	-	969,015
Foster	(552,051)	(55,205)	-	(55,205)
Glocester	(789,373)	(78,937)	-	(78,937)
Hopkinton	(631,471)	(63,147)	(3,700)	(66,847)
Jamestown	(170,277)	(17,028)	(306)	(17,334)
Johnston	3,381,278	483,040	-	483,040
Lincoln	4,454,867	636,410	-	636,410
Little Compton	185,811	26,544	-	26,544
Middletown	(1,089,444)	(108,944)	-	(108,944)
Narragansett	420,359	60,051	-	60,051
Newport	(821,483)	(82,148)	-	(82,148)
New Shoreham	40,845	5,835	-	5,835
North Kingstown	327,662	46,809	-	46,809
North Providence	4,201,296	600,185	-	600,185
North Smithfield	2,103,835	300,548	-	300,548
Pawtucket	14,476,391	2,068,056	-	2,068,056
Portsmouth	(2,085,689)	(208,569)	-	(208,569)
Providence	44,558,829	6,365,547	-	6,365,547
Richmond	(1,271,317)	(127,132)	(3,550)	(130,682)
Scituate	1,672,461	238,923	-	238,923
Smithfield	513,154	73,308	-	73,308
South Kingstown	(3,716,056)	(371,606)	(4,097)	(375,703)
Tiverton	521,758	74,537	-	74,537
Warwick	3,265,083	466,440	-	466,440
Westerly	1,796,814	256,688	-	256,688
West Warwick	2,280,151	325,736	-	325,736
Woonsocket	7,798,880	1,114,126	-	1,114,126
Bristol-Warren	(7,889,511)	(788,951)	-	(788,951)
Chariho	(383,249)	(38,325)	-	(38,325)
Exeter-West Greenwich	(1,638,497)	(163,850)	(22,289)	(186,139)
Foster-Glocester	(424,995)	(42,500)	(6,705)	(49,205)
Central Falls	(18,305,387)	(1,830,539)	(534,787)	(2,365,326)
Total	\$ 89,508,227	\$ 14,519,790	\$ (580,572)	\$ 13,939,218
<i>Adjusted Chariho</i>	<i>(2,662,463)</i>	<i>(266,246)</i>	<i>(12,388)</i>	<i>(278,634)</i>

Table 6: FY 2012 Estimated Charter & State School Enrollment by Sending District

<i>Sending District</i>	<i>Beacon Charter School</i>	<i>Blackstone Academy</i>	<i>Compass</i>	<i>RI Mayoral Academies Blackstone Valley</i>	<i>Greene School</i>
Barrington	-	-	-	-	-
Burrillville	9	-	-	-	-
Charlestown	-	-	40	-	12
Coventry	6	-	1	-	28
Cranston	3	-	-	-	3
Cumberland	21	-	-	157	-
East Greenwich	2	-	2	-	-
East Providence	2	-	-	-	-
Foster	-	-	-	-	-
Glocester	2	-	-	-	-
Hopkinton	-	-	-	-	2
Jamestown	-	-	3	-	3
Johnston	6	-	-	-	3
Lincoln	11	-	-	56	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	8	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	35	-	3
North Providence	3	-	-	-	-
North Smithfield	8	-	-	-	-
Pawtucket	20	86	-	142	-
Portsmouth	-	-	-	-	-
Providence	6	-	-	1	14
Richmond	-	-	12	-	3
Scituate	1	-	-	-	3
Smithfield	2	-	-	-	-
South Kingstown	1	-	21	-	9
Tiverton	-	-	-	-	-
Warwick	1	-	3	-	2
Westerly	-	-	18	-	8
West Warwick	-	-	2	-	2
Woonsocket	118	-	-	-	-
Bristol-Warren	-	-	-	-	-
Exeter-West Greenwich	-	-	8	-	25
Foster-Glocester	-	-	-	-	6
Central Falls	-	68	-	152	-
Total	222	154	153	508	126

Table 6: FY 2012 Estimated Charter & State School Enrollment by Sending District

<i>Sending District</i>	<i>Highlander</i>	<i>International</i>	<i>Kingston Hill</i>	<i>Learning Community</i>	<i>New England Laborers</i>
Barrington	-	-	-	-	-
Burrillville	-	-	-	-	-
Charlestown	-	-	37	-	-
Coventry	2	-	-	-	-
Cranston	23	11	-	-	184
Cumberland	1	4	-	-	1
East Greenwich	-	-	-	-	-
East Providence	5	9	-	-	-
Foster	-	-	-	-	1
Glocester	-	-	-	-	1
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	5	-	-	6
Lincoln	3	9	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	11	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	31	-	-
North Providence	7	9	-	-	1
North Smithfield	2	-	-	-	-
Pawtucket	18	119	-	139	5
Portsmouth	-	-	-	-	-
Providence	208	92	1	108	13
Richmond	-	-	-	-	-
Scituate	-	-	-	-	12
Smithfield	-	-	-	-	-
South Kingstown	-	-	88	-	-
Tiverton	-	-	-	-	-
Warwick	7	1	1	-	5
Westerly	-	-	3	-	-
West Warwick	2	1	-	-	5
Woonsocket	-	-	-	-	-
Bristol-Warren	1	-	-	-	-
Exeter-West Greenwich	-	-	7	-	3
Foster-Glocester	-	-	-	-	-
Central Falls	3	43	-	285	-
Total	282	303	179	532	237

Table 6: FY 2012 Estimated Charter & State School Enrollment by Sending District

<i>Sending District</i>	<i>Nurses Institute</i>	<i>Paul Cuffee</i>	<i>Segue Institute</i>	<i>Textron</i>	<i>Times2</i>
Barrington	-	-	-	-	-
Burrillville	-	-	-	-	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	7	-	-	-	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	7	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	7	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	7	-	-	-	-
North Smithfield	-	-	-	-	-
Pawtucket	27	-	-	-	-
Portsmouth	-	-	-	-	-
Providence	54	619	-	214	644
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warwick	7	-	-	-	-
Westerly	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	-	-	-	-	-
Bristol-Warren	-	-	-	-	-
Exeter-West Greenwich	-	-	-	-	-
Foster-Glocester	-	-	-	-	-
Central Falls	20	-	220	-	-
Total	136	619	220	214	644

Table 6: FY 2012 Estimated Charter & State School Enrollment by Sending District

<i>Sending District</i>	<i>Trinity</i>	<i>Davies Career & Tech Center</i>	<i>Metropolitan Career & Tech Center</i>	<i>Total</i>	<i>Charter/State School % of Total Enrollment</i>
Barrington	-	-	7	7	0.2%
Burrillville	-	1	3	13	0.5%
Charlestown	-	-	9	98	9.4%
Coventry	-	-	3	40	0.8%
Cranston	-	-	26	257	2.5%
Cumberland	-	-	1	185	3.9%
East Greenwich	-	-	-	4	0.2%
East Providence	-	2	17	42	0.7%
Foster	-	-	-	1	0.4%
Glocester	-	-	-	3	0.5%
Hopkinton	-	-	-	2	0.2%
Jamestown	-	-	7	13	1.8%
Johnston	-	-	23	50	1.6%
Lincoln	-	45	2	126	3.8%
Little Compton	-	-	3	3	0.7%
Middletown	-	-	16	16	0.6%
Narragansett	-	-	4	23	1.6%
Newport	-	-	34	34	1.6%
New Shoreham	-	-	-	-	0.0%
North Kingstown	-	-	6	75	1.8%
North Providence	-	56	7	90	2.7%
North Smithfield	-	-	-	10	0.5%
Pawtucket	-	446	25	1,027	10.7%
Portsmouth	-	-	6	6	0.2%
Providence	68	86	359	2,487	9.9%
Richmond	-	-	-	15	1.3%
Scituate	-	-	1	17	1.0%
Smithfield	-	17	4	23	0.9%
South Kingstown	-	-	8	127	3.5%
Tiverton	-	-	11	11	0.6%
Warwick	-	-	19	46	0.5%
Westerly	-	-	1	30	1.0%
West Warwick	-	-	5	17	0.5%
Woonsocket	-	1	3	122	2.0%
Bristol-Warren	-	-	9	10	0.3%
Exeter-West Greenwich	-	-	3	46	2.4%
Foster-Glocester	-	-	-	6	0.4%
Central Falls	-	140	7	938	29.3%
Total	68	794	629	6,020	4.3%

Table 7: Transition Plan for Charter and State Schools

The new funding formula results in a redistribution of aid among communities with some getting less aid than prior years. In an effort to mitigate any losses to communities and allow for an adjustment period, the law allows for a transition of up to ten years. The Department of Elementary and Secondary Education has developed a methodology to implement this transition based on how a district or school compared to funding distributions under the current system. It requires establishing the total gain or loss to each district.

A. Column **A** is FY 2011 enacted aid for charter schools. It includes general revenues and federal fiscal stabilization funds.

B. Column **B** purports what the formula would have produced in FY 2011 in order to establish base formula funding under the new formula. It uses June 2010 enrollment data adjusted for October 2010 charter school enrollment and projected charter school enrollment for FY 2012.

C. Column **C** is the difference between FY 2011 base funding and FY 2011 enacted aid.

D. Column **D** shows the transition calculation. Charter and state schools that will receive more state funding will have the additional funding phased in over seven years and those that are going to receive less state funding will have that loss phased in over ten years.

E. Column **E** includes student enrollment adjustments. Because some charter schools are adding grades and are more affected by growing enrollments, significant swings in data can skew transition amounts. To establish stability in the transition amount, differences due to these changes are included in the transition calculation.

F. Column **F** is the first year transition amount. This is used in the calculation of the new funding formula for FY 2012.

G. Column **G** is the FY 2012 formula aid. It is shown in Table 1B.

H. Column **H** is the difference between the first year of funding under the new formula and the total state foundation aid shown in Column **B**.

Table 7: Transition Plan for Charter and State Schools

	<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>
	<i>FY 2011 Base</i>			
<i>School</i>	<i>FY 2011 Enacted</i>	<i>Formula Funding</i>	<i>Difference</i>	<i>Transition = 1/7th or 1/10th</i>
Beacon	\$ 1,755,873	\$ 1,524,252	\$ (231,621)	\$ (23,162)
Blackstone	1,563,108	1,464,948	(98,160)	(9,816)
Compass	642,210	317,214	(324,996)	(32,500)
Greene School	521,480	280,789	(240,691)	(24,069)
Highlander	2,741,436	2,459,838	(281,598)	(28,160)
International	2,932,501	2,477,729	(454,772)	(45,477)
Kingston Hill	769,530	316,377	(453,153)	(45,315)
Learning Community	5,267,909	4,700,412	(567,497)	(56,750)
New England Laborers	1,697,870	1,173,256	(524,614)	(52,461)
Nurses Institute	-	-	-	-
Paul Cuffee	6,259,303	5,279,464	(979,839)	(97,984)
Mayoral Academies Blackstone	2,163,075	1,839,967	(323,108)	(32,311)
Segue Institute	1,740,632	1,453,181	(287,451)	(28,745)
Textron	2,341,876	2,068,959	(272,917)	(27,292)
Times2 Academy	7,217,958	6,114,282	(1,103,677)	(110,368)
Trinity	397,647	335,663	(61,985)	(6,198)
<i>Charter Schools Subtotal</i>	\$ 38,012,408	\$ 31,806,330	\$ (6,206,078)	\$ (620,608)
Davies Career and Tech	14,820,328	6,457,884	(8,362,444)	(836,244)
Met School	13,013,531	4,535,303	(8,478,228)	(847,823)
Total	\$ 65,846,267	\$ 42,799,517	\$ (23,046,750)	\$ (2,304,675)

Table 7: Transition Plan for Charter and State Schools

<i>School</i>	<i>E</i>	<i>F</i>	<i>G</i>	<i>H</i>
	<i>Adjustments to</i>	<i>Adjusted Year</i>	<i>FY 2012</i>	<i>FY 2012</i>
	<i>Difference</i>	<i>One Difference</i>	<i>Recommended</i>	<i>Difference</i>
			<i>Formula Aid</i>	<i>from Base</i>
				<i>Funding</i>
Beacon	\$ -	\$ (23,162)	\$ 1,732,711	\$ 208,459
Blackstone	-	(9,816)	1,553,292	88,344
Compass	-	(32,500)	609,710	292,496
Greene School	183,811	159,742	681,222	400,433
Highlander	-	(28,160)	2,713,276	253,438
International	-	(45,477)	2,887,024	409,295
Kingston Hill	-	(45,315)	724,215	407,838
Learning Community	575,548	518,798	5,786,707	1,086,295
New England Laborers	-	(52,461)	1,645,409	472,153
Nurses Institute	1,126,220	1,126,220	1,126,220	1,126,220
Paul Cuffee	558,474	460,490	6,719,793	1,440,329
Mayoral Academies Blackstone	1,812,013	1,779,702	3,942,777	2,102,810
Segue Institute	829,948	801,203	2,541,835	1,088,654
Textron	-	(27,292)	2,314,584	245,625
Times2 Academy	-	(110,368)	7,107,590	993,309
Trinity	335,663	329,465	727,112	391,449
<i>Charter Schools Subtotal</i>	\$ 5,421,677	\$ 4,801,069	\$ 42,813,477	\$ 11,007,147
Davies Career and Tech	-	(836,244)	13,984,084	7,526,200
Met School	-	(847,823)	12,165,708	7,630,405
Total	\$ 5,421,677	\$ 3,117,002	\$ 68,963,269	\$ 26,163,752

Table 8: FY 2012 Formula Funding to Charter and State Schools by Sending District

<i>Sending District</i>	<i>Beacon Charter School</i>	<i>Blackstone Academy</i>	<i>Compass</i>	<i>Academies Blackstone Valley</i>	<i>Greene School</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Burrillville	48,151	-	-	-	-
Charlestown	-	-	52,409	-	15,414
Coventry	23,742	-	3,957	-	118,708
Cranston	14,065	-	-	-	14,065
Cumberland	79,209	-	-	651,195	-
East Greenwich	2,148	-	2,148	-	-
East Providence	9,265	-	-	-	-
Foster	-	-	-	-	-
Glocester	8,715	-	-	-	-
Hopkinton	-	-	-	-	7,400
Jamestown	-	-	919	-	919
Johnston	21,859	-	-	-	10,930
Lincoln	38,076	-	-	186,148	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	9,569	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	87,080	-	7,464
North Providence	16,536	-	-	-	-
North Smithfield	30,268	-	-	-	-
Pawtucket	169,521	761,497	-	1,243,151	-
Portsmouth	-	-	-	-	-
Providence	49,192	-	-	7,234	136,002
Richmond	-	-	44,015	-	10,649
Scituate	2,692	-	-	-	8,077
Smithfield	4,064	-	-	-	-
South Kingstown	1,366	-	29,771	-	12,291
Tiverton	-	-	-	-	-
Warwick	3,216	-	12,221	-	6,432
Westerly	-	-	40,145	-	18,791
West Warwick	-	-	14,177	-	10,126
Woonsocket	1,002,169	-	-	-	-
Bristol-Warren	-	-	-	-	-
Exeter-West Greenwich	-	-	20,803	-	65,876
Foster-Glocester	-	-	-	-	21,457
Central Falls	-	703,450	-	1,564,252	-
Total	\$ 1,524,254	\$ 1,464,947	\$ 317,214	\$ 3,651,980	\$ 464,601

Table 8: FY 2012 Formula Funding to Charter and State Schools by Sending District

<i>Sending District</i>	<i>Highlander</i>	<i>International</i>	<i>Kingston Hill</i>	<i>Learning Community</i>	<i>New England Laborers</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Burrillville	-	-	-	-	-
Charlestown	-	-	48,555	-	-
Coventry	7,914	-	-	-	-
Cranston	114,998	55,431	-	-	876,966
Cumberland	3,505	14,019	-	-	3,505
East Greenwich	-	-	-	-	-
East Providence	30,576	49,107	-	-	-
Foster	-	-	-	-	2,875
Glocester	-	-	-	-	3,631
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	-	22,588	-	-	23,316
Lincoln	12,692	29,614	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	16,028	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	80,114	-	-
North Providence	37,423	49,608	-	-	6,092
North Smithfield	6,580	-	-	-	-
Pawtucket	150,685	1,010,397	-	1,276,786	44,398
Portsmouth	-	-	-	-	-
Providence	2,019,767	792,860	7,234	1,038,820	125,874
Richmond	-	-	-	-	-
Scituate	-	-	-	-	34,462
Smithfield	-	-	-	-	-
South Kingstown	-	-	134,926	-	-
Tiverton	-	-	-	-	-
Warwick	26,371	3,216	3,216	-	17,366
Westerly	-	-	8,969	-	-
West Warwick	14,177	5,063	-	-	27,341
Woonsocket	-	-	-	-	-
Bristol-Warren	2,754	-	-	-	-
Exeter-West Greenwich	-	-	17,336	-	7,430
Foster-Glocester	-	-	-	-	-
Central Falls	32,396	445,827	-	2,960,354	-
Total	\$ 2,459,838	\$ 2,477,730	\$ 316,378	\$ 5,275,960	\$ 1,173,256

Table 8: FY 2012 Formula Funding to Charter and State Schools by Sending District

<i>Sending District</i>	<i>Nurses Institute</i>	<i>Paul Cuffee</i>	<i>Segue Institute</i>	<i>Textron</i>	<i>Times2</i>
Barrington	\$ -	\$ -	\$ -	\$ -	\$ -
Burrillville	-	-	-	-	-
Charlestown	-	-	-	-	-
Coventry	-	-	-	-	-
Cranston	32,266	-	-	-	-
Cumberland	-	-	-	-	-
East Greenwich	-	-	-	-	-
East Providence	37,988	-	-	-	-
Foster	-	-	-	-	-
Glocester	-	-	-	-	-
Hopkinton	-	-	-	-	-
Jamestown	-	-	-	-	-
Johnston	29,874	-	-	-	-
Lincoln	-	-	-	-	-
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	35,683	-	-	-	-
North Smithfield	-	-	-	-	-
Pawtucket	238,136	-	-	-	-
Portsmouth	-	-	-	-	-
Providence	526,644	5,837,938	-	2,068,959	6,114,282
Richmond	-	-	-	-	-
Scituate	-	-	-	-	-
Smithfield	-	-	-	-	-
South Kingstown	-	-	-	-	-
Tiverton	-	-	-	-	-
Warwick	25,084	-	-	-	-
Westerly	-	-	-	-	-
West Warwick	-	-	-	-	-
Woonsocket	-	-	-	-	-
Bristol-Warren	-	-	-	-	-
Exeter-West Greenwich	-	-	-	-	-
Foster-Glocester	-	-	-	-	-
Central Falls	200,545	-	2,283,129	-	-
Total	\$ 1,126,220	\$ 5,837,938	\$ 2,283,129	\$ 2,068,959	\$ 6,114,282

Table 8: FY 2012 Formula Funding to Charter and State Schools by Sending District

<i>Sending District</i>	<i>Trinity</i>	<i>Davies Career and Technical Center</i>	<i>Career and Technical Center</i>	<i>Total</i>
Barrington	\$ -	\$ -	\$ 11,907	\$ 11,907
Burrillville	-	4,377	14,883	67,411
Charlestown	-	-	13,616	129,994
Coventry	-	-	13,454	167,775
Cranston	-	-	129,063	1,236,854
Cumberland	-	-	3,505	754,938
East Greenwich	-	-	-	4,296
East Providence	-	9,265	97,287	233,488
Foster	-	-	-	2,875
Glocester	-	-	-	12,346
Hopkinton	-	-	-	7,400
Jamestown	-	-	2,145	3,983
Johnston	-	-	96,908	205,475
Lincoln	-	157,742	6,044	430,316
Little Compton	-	-	3,586	3,586
Middletown	-	-	51,987	51,987
Narragansett	-	-	5,263	30,860
Newport	-	-	156,158	156,158
New Shoreham	-	-	-	-
North Kingstown	-	-	15,923	190,581
North Providence	-	292,424	32,201	469,967
North Smithfield	-	-	-	36,848
Pawtucket	-	3,705,236	213,919	8,813,726
Portsmouth	-	-	6,926	6,926
Providence	671,327	801,541	3,360,974	23,558,648
Richmond	-	-	-	54,664
Scituate	-	-	2,692	47,923
Smithfield	-	36,978	8,127	49,169
South Kingstown	-	-	11,471	189,825
Tiverton	-	-	32,972	32,972
Warwick	-	-	71,394	168,516
Westerly	-	-	2,135	70,040
West Warwick	-	-	33,416	104,300
Woonsocket	-	9,480	28,440	1,040,089
Bristol-Warren	-	-	26,989	29,743
Exeter-West Greenwich	-	-	9,411	120,856
Foster-Glocester	-	-	-	21,457
Central Falls	-	1,440,839	72,505	9,703,297
Total	\$ 671,327	\$ 6,457,882	\$ 4,535,301	\$ 48,221,195

Table 9: Recommended Categorical Aid

<i>Sending District</i>	<i>High Cost Special Education</i>	<i>High Cost Career & Tech</i>	<i>Transportation</i>	<i>Regionalization Bonus</i>	<i>Total</i>
Barrington	\$ -	\$ -	\$ 11,920	\$ -	\$ 11,920
Burrillville	-	-	3,716	-	3,716
Charlestown	-	-	-	33,372	33,372
Coventry	-	-	-	-	-
Cranston	-	-	106,220	-	106,220
Cumberland	-	-	18,664	-	18,664
East Greenwich	-	-	4,350	-	4,350
East Providence	-	-	3,037	-	3,037
Foster	-	-	1,069	-	1,069
Glocester	-	-	2,667	-	2,667
Hopkinton	-	-	-	112,627	112,627
Jamestown	-	-	-	-	-
Johnston	-	-	74,255	-	74,255
Lincoln	-	-	301	-	301
Little Compton	-	-	-	-	-
Middletown	-	-	-	-	-
Narragansett	-	-	-	-	-
Newport	-	-	-	-	-
New Shoreham	-	-	-	-	-
North Kingstown	-	-	-	-	-
North Providence	-	-	35,970	-	35,970
North Smithfield	-	-	10,011	-	10,011
Pawtucket	-	-	-	-	-
Portsmouth	-	-	-	-	-
Providence	-	-	-	-	-
Richmond	-	-	-	110,394	110,394
Scituate	-	-	5,573	-	5,573
Smithfield	-	-	8,115	-	8,115
South Kingstown	-	-	16,139	-	16,139
Tiverton	-	-	-	-	-
Warwick	-	-	65	-	65
Westerly	-	-	-	-	-
West Warwick	-	-	11,765	-	11,765
Woonsocket	-	-	4,472	-	4,472
Bristol-Warren	-	-	176,781	359,219	536,000
Chariho	-	-	290,294	6,739	297,033
Exeter-West Greenwich	-	-	175,913	126,218	302,131
Foster-Glocester	-	-	112,546	103,330	215,876
Central Falls	-	-	13,997	-	13,997
Subtotal	\$ -	\$ -	\$ 1,087,840	\$ 851,899	\$ 1,939,739
Charters & State Schools	-	-	-	-	-
Total	\$ -	\$ -	\$ 1,087,840	\$ 851,899	\$ 1,939,739

Table 10: Education Aid for FY 2006 – FY 2010

<i>District</i>	<i>FY 2006</i>	<i>FY 2007</i>	<i>FY 2008</i>	<i>FY 2009</i>	<i>FY 2010</i>
Barrington	\$ 2,479,907	\$ 2,599,526	\$ 2,599,526	\$ 1,593,304	\$ 1,991,517
Burrillville	13,145,661	13,779,743	13,854,743	12,585,902	13,612,645
Charlestown	1,910,676	2,002,838	2,002,838	1,719,967	1,796,445
Coventry	19,151,316	20,075,081	20,075,081	17,533,300	19,048,388
Cranston	33,943,638	35,580,911	35,580,911	30,795,673	33,415,011
Cumberland	12,646,981	13,257,009	13,257,009	11,420,258	12,483,950
East Greenwich	1,860,042	1,949,761	1,949,761	1,161,275	1,600,301
East Providence	25,530,776	26,762,254	26,888,254	24,035,893	25,828,242
Foster	1,351,283	1,416,463	1,416,463	1,255,877	1,356,544
Glocester	3,065,960	3,213,847	3,213,847	2,869,463	3,086,716
Hopkinton	5,954,153	6,241,352	6,241,352	5,508,449	5,986,133
Jamestown	507,432	531,908	531,908	346,587	425,179
Johnston	10,413,088	10,915,364	10,915,364	9,303,192	10,127,678
Lincoln	7,062,603	7,403,268	7,403,268	6,074,101	6,729,719
Little Compton	351,839	368,810	368,810	247,714	314,871
Middletown	10,014,086	10,497,116	10,497,116	9,285,331	10,051,682
Narragansett	1,809,860	1,897,159	1,897,159	1,319,879	1,560,864
Newport	11,253,278	11,796,080	11,871,080	10,591,134	11,331,160
New Shoreham	101,451	106,345	106,345	36,668	70,241
North Kingstown	11,434,463	11,986,005	11,986,005	10,248,855	11,223,268
North Providence	12,623,955	13,232,872	13,382,872	11,712,879	12,742,673
North Smithfield	4,611,787	4,834,237	4,834,237	4,104,570	4,583,159
Pawtucket	63,782,029	66,858,559	67,023,559	61,245,410	65,487,899
Portsmouth	6,632,443	6,250,042	6,700,042	5,666,900	6,254,079
Providence	185,142,176	193,974,756	194,109,756	175,986,254	187,887,861
Richmond	5,903,843	6,188,615	6,188,615	5,466,053	5,958,086
Scituate	3,250,400	3,407,183	3,407,183	2,800,441	3,094,571
Smithfield	5,407,726	5,668,568	5,743,568	4,766,755	5,276,397
South Kingstown	9,948,816	10,428,698	10,548,698	8,857,916	9,745,434
Tiverton	5,659,091	5,932,058	5,932,058	5,083,992	5,564,928
Warwick	35,894,621	37,626,000	37,626,000	32,427,446	35,327,749
Westerly	6,528,189	6,843,077	6,843,077	5,468,551	6,113,006
West Warwick	19,499,965	20,440,547	20,440,547	18,356,525	19,747,950
Woonsocket	45,425,511	47,616,613	47,661,613	43,506,928	46,417,513
Bristol-Warren	19,554,956	20,498,190	20,498,190	18,438,436	19,774,182
Exeter-West Greenwich	7,308,493	7,661,019	7,661,019	6,609,853	7,189,110
Chariho	380,004	398,334	398,334	369,091	398,437
Foster-Glocester	5,466,199	5,729,861	5,729,861	5,053,390	5,477,881
Central Falls	41,319,965	43,313,036	44,358,224	40,883,924	44,674,937
Met School Operations	8,814,530	10,406,956	11,487,734	11,830,303	12,758,767
Total	\$ 667,143,195	\$ 699,690,061	\$ 703,232,027	\$ 626,568,439	\$ 676,515,174

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