



SENATE FISCAL OFFICE

**FY2027 Budget as Passed by the House of Representatives
(2026-H-7127 Substitute A as amended)**

JUNE 5, 2026

The following report provides a summary of the floor amendments to 2026-H-7127 Substitute A as amended, as passed by the House of Representatives. The table below summarizes the FY2026 and FY2027 appropriations as included in the amended legislation.

Expenditures by Source	FY2026 Enacted	FY2026 Governor	FY2026 Supp.	Change to Enacted	FY2027 Governor	FY2027 Budget	Change to Enacted
General Revenue	\$5,809.4	\$5,825.0	\$5,837.5	\$28.1	\$5,954.7	\$6,079.1	\$269.7
Federal Funds	5,108.5	5,508.9	5,454.6	346.1	5,506.0	5,734.6	626.1
Restricted Receipts	458.5	557.1	550.4	91.8	459.8	464.7	6.2
Other Funds	2,960.0	3,277.1	3,228.4	268.4	2,938.5	2,964.7	4.7
Total	\$14,336.4	\$15,168.1	\$15,070.9	\$734.5	\$14,859.0	\$15,243.2	\$906.8
FTE Authorization	15,921.8	15,937.8	15,946.8	25.0	16,001.8	15,997.2	75.4

\$ in millions. Totals may vary due to rounding.

GENERAL REVENUE BUDGET SURPLUS STATEMENT

	FY2024 Audited	FY2025 Preliminary Audit	FY2026 Supplemental	FY2027 Budget
Opening Surplus				
Free Surplus	\$412,262,973	\$326,355,037	\$241,634,407	\$222,742,168
Adjustment to Fund Balance	23,811,475	703,083	18,000,000	
Reappropriated Surplus	45,152,130	34,569,423	38,796,839	
Subtotal	\$481,226,578	\$361,627,543	\$298,431,246	\$222,742,168
Total Revenues	\$5,418,703,841	\$5,612,012,441	\$5,973,000,000	\$6,045,714,927
To Cash Stabilization Fund	(175,124,919)	(178,800,524)	(186,979,032)	(188,053,713)
From Cash Stabilization Fund				
Total Available Resources	\$5,724,805,500	\$5,794,839,460	\$6,084,452,214	\$6,080,403,382
Total Expenditures	5,236,111,578	5,535,537,980	5,837,506,846	6,079,105,738
Total Surplus	488,693,922	259,301,480	246,945,368	1,297,644
Transfers	(91,000,000)	(520,212)	(24,203,200)	
Transfer to Retirement System	(21,649,978)			
Transfer to Supp. State Budget Reserve Fund	(21,649,978)			
Repeal of surplus transfer to Supp. State Budget Reserve Fund	6,530,494	21,649,978		
Reappropriations	(34,569,423)	(38,796,839)		
Free Surplus	\$326,355,037	\$241,634,407	\$222,742,168	\$1,297,644
Rainy Day Fund	\$291,874,865	\$298,000,873	\$311,631,720	\$313,422,855

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Revenue Changes

Corporate Tax Deduction Decoupling: The Budget as Passed by House Finance understated the revenue gain related to the decoupling from additional tax provisions recently enacted at the federal level by \$4.1 million. The resulting change is available revenue as compared to the Governor's FY2027 proposal is an additional \$5.1 million.

Energy Proposal (Article 11): This amendment increases available revenue by \$1.5 million as compared to the Governor's FY2027 recommendation based on the changes made in Article 11 and their impact on public utility tax receipts.

Medicaid Proposals: This amendment increases available revenue by \$840,829 as compared to the Governor's FY2027 recommendation based on changes in Articles 8 and 12 related to hospitals and nursing facilities.

Child Support Pass-Through to Federal Max: The Budget as Passed by House Finance overstated the revenue loss associated with changes in child support policy for participants in the Temporary Assistance for Needy Families (TANF) program by \$389,082. The resulting change in available revenue as compared to the Governor's FY2027 proposal is -\$167,389.

ARTICLE 1: RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY2027 (LC004136/4)

Department of Administration

Rhode Island Marketplace Affordability Program: Provides an additional \$3.0 million in general revenue to support a State-based subsidy program created to partially replace expired enhanced advanced premium tax credits (eAPTCs). The total appropriation is \$12.5 million.

Department of Businesses Regulation

Office of the Health Insurance Commissioner: Provides \$450,000 in general revenue to support 2.0 new FTE positions within the Office of the Health Insurance Commissioner (OHIC), to complete activities related to regulating Pharmacy Benefit Managers (PBMs).

Department of Human Services

Rhode Island Community Food Bank: Provides an additional one-time \$1.0 million general revenue increase to the Rhode Island Community Food Bank for food collection and distribution

Office of Child Support Services: Reduces federal funds by \$100,518 in the Office of Child Support Services, correcting the amount of federal funds the Office will receive.

Eat Well Be Well: Authorizes the reappropriation of funds to support the Eat Well, Be Well Pilot Program.

Department of Elementary and Secondary Education

Support and Access to Bilingual Education Act: Provides that \$750,000 in general revenue will be used for the Support and Access to Bilingual Education (SABE) fund established through Article 7 to provide grants to traditional public school districts, community-based organization in collaboration with public school

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districts, or higher education institutions in collaboration with public school districts that establish and expand bilingual instruction program models.

RI Auditory Oral Program (RIAOP): Adds an additional \$742,100 in general revenue, for a total of \$1.2 million, to support the RIAOP, allowing students to attend the school-based program at no cost to the sending district. The AOEP was established in 2005 to provide students with cochlear implants and their families with an educational option focused on the use of the implants and the therapies needed to optimize success.

University of Rhode Island

Institute for Labor Studies and Research: Includes a technical amendment, correcting the appropriation to the Institute for Labor Studies and Research.

ARTICLE 3: RELATING TO GOVERNMENT REFORM AND REORGANIZATION (LC004138/9)

The amendment makes the following changes to Article 3:

RIDOT Efficiency Audit: Extends the reporting date for the Rhode Island Department of Transportation Efficiency and Performance Audit from January 1, 2027, to March 15, 2027.

Rebuild Rhode Island Tax Credit: Increases the aggregate cap on total credits and sales tax exemptions under the Rebuild RI economic development program from \$225.0 million to \$250.0 million. This was the level proposed in the Governor’s budget submission.

State Police Officers Retirement: Reduces the actuarial liability by retaining the overtime provisions in current law which caps overtime at 400 hours as part of an individual’s final salary calculation.

ARTICLE 5: RELATING TO CAPITAL DEVELOPMENT PROGRAM (LC004140/3)

This floor amendment makes minor technical changes related to bond language in Article 5 including correcting a drafting error in the Housing and Homeownership language and conforming the general description of Question 3 related to Economic Development to the two subprojects listed under that question — Site Development and Growth Industry Infrastructure — and makes the ballot question description consistent with the Economic Development project title already contained in the article.

ARTICLE 6: RELATING TO TAXES AND FEES (LC004141/4)

This floor amendment makes several minor technical changes to Article 6 that have been recommended by the Division of Taxation. These do not make substantive policy changes.

ARTICLE 7: RELATING TO EDUCATION (LC004142/4)

This floor amendment makes the following changes:

Blue Ribbon Commission: Adds language to clarify that the article refers to the December 2025 report from the Blue Ribbon Commission convened by the Rhode Island Foundation.

The Support and Access to Bilingual Education Act: Adds language requiring the Department of Elementary and Secondary Education (Department) to establish and maintain a bilingual support fund to

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provide grants to traditional public school districts, community-based organization in collaboration with public school districts, or higher education institutions in collaboration with public school districts that establish and expand bilingual instruction program models.

Rhode Island Hope Scholarship Program: Amends statutory reporting obligations to 2028 instead of 2030, which will allow policymakers to assess the program prior to the 2033 sunset date.

ARTICLE 8: RELATING TO MEDICAL ASSISTANCE (LC004143/3)

This floor amendment:

- Clarifies that the rate change for the behavioral health per-diem add-on program for particularly complex patients starts April 1, 2027
- Adds language empowering EOHHS to implement waiver amendments required to increase resource limits, effective January 1, 2027, for Community Medicaid, long-term-service and supports, and medically needy beneficiaries to \$8,000 for individuals and \$12,000 for couples
- Amends effective dates as follows: Sections 8 and 9, the resolution language, take effect July 1, 2026; the resource limit changes take effect January 1, 2027; the remainder of the article takes effect upon passage.

ARTICLE 10: HEALTH AND HUMAN SERVICES (LC004145/5)

This floor amendment makes the following changes:

DCYF SSI Foster Care Benefits: Clarifies language preserving benefits for youth in the care of the Department of Children, Youth, and Families.

RI Works Income Disregard: Revised RIGL 40-5.2-10 to exclude child support pass-through payments from countable family income.

Child Care Assistance Program (CCAP) Eligibility: Increases the maximum income threshold for Child Care Assistance from 300 percent to 325 percent of the Federal Poverty Level (FPL). As a result, a family of three may remain eligible for assistance until annual household income exceeds \$88,790.

Child Support Pass Through: Provides clarifying amendments to the child support pass-through policy to ensure that families with two or more children receive either the full \$200 pass-through payment or the total child support amount owed, if that amount is less than \$200.

Technical Changes: The amendment makes numerous technical amendments and drafting corrections.

ARTICLE 11: ENERGY (LC004146/2)

This floor amendment makes various changes to the energy article concerning the Renewable Energy Standard by retaining the original alternative compliance payment (ACP) definition in current that defines the ACP as a payment to the renewable energy development fund of \$50 per megawatt hour of renewable energy obligation and requires that the ACP “tiered fee” commence with compliance year 2026.

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The amendment removes all references to “zero emission” under the renewable energy resources definition and adds the “zero-emission” phrase under RIGL 39-26-4 (b) of the Renewable Energy Standards. This requires that commencing with compliance year 2027, electric utilities will need to obtain fourteen percent (14.0 percent) of the electricity from existing eligible renewable energy resources and zero emission resources.

ARTICLE 12: RELATING TO HEALTH (LC004147/06)

The floor amendment makes several amendments including:

Certificate of Need Process:

- Restores hospice providers to the definition of “healthcare facility”
- Restores language exempting medical spas from the certificate of need process
- Replaces “linear accelerators” with “particle accelerator-based radiation therapy”, expanding the medical imaging equipment captured in the certification process.

Pharmacy Scope of Practice Report: Creates a new Section 14, requiring the Executive Office of Health and Human Services, in coordination with the Department of Health (RIDOH) and the Office of the Health Insurance Commissioner (OHIC), to submit a report regarding the expansion of pharmacists’ scope of practice outlined in the Budget. The report shall be submitted on January 1, 2027, and contain analyses and recommendations including, but not limited to, oversight, payment parity, technology upgrades, and policy alignment.

Health Spending Accountability Program: Incorporates basic procedural protections for entities subject to performance improvement plans and financial penalties under the Health Spending Accountability Program. The amendment requires the financial penalties to be imposed after an administrative hearing and expands the factors considered prior to imposing penalties. The amendment also increases the frequency with which the report, compiled by the Office of the Health Insurance Commissioner, is due, shortening the reporting interval from every five years to every three years.

Technical Amendments: The amendment makes numerous technical amendments and drafting corrections.

ARTICLE 13: RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY2026 (LC004148/2)

This floor amendment adds the language necessary to transfer \$24.0 million to the Supplemental State Budget Reserve Account in FY2026.