



Legislative Wrap-Up

2005 SESSION OF THE RHODE ISLAND GENERAL ASSEMBLY

Selected laws and budget appropriations affecting children in the areas of economic well-being, health, education, child care and early childhood education, and safety.

ECONOMIC WELL-BEING

Food Stamp Outreach: \$100,000 was allocated to Food Stamp outreach to enroll eligible individuals and families in the Food Stamp program. The state appropriation will be matched by federal funds.*

Neighborhood Opportunities Program: Funding for the Neighborhood Opportunities Program (NOP) was increased from \$5 million for fiscal year 2005 to \$7.5 million for fiscal year 2006, with all of the \$7.5 million funded through bonds. The NOP supports the development of new affordable housing units.* An additional \$300,000 was allocated for the Supportive Services Program to help homeless persons find sustainable housing.

Earned Income Tax Credit (EITC): The General Assembly appropriated an additional \$1.2 million for this program in order to increase the proportion of the state EITC that is fully refundable from 5% to 10%.*

Family Independence Program (FIP): The sanction process for FIP was amended so that when a parent fails to comply with the employment plan requirement for 18 months (whether or not consecutive), the entire family, including children, loses the FIP benefit. During the 18 months leading up to the deadline, the FIP grant is reduced by the parent's amount when the parent fails to comply with the employment plan. While the 18 month "full family sanction" is less severe than the 12 month timeframe originally proposed by the Governor, it changes the rule enacted last year that instituted a full family sanction after 24 months of noncompliance. This change results in families losing cash assistance benefits sooner.*

Heating Assistance: The General Assembly did not pass heating assistance legislation produced by the working group established by the Governor's office. A bill passed that restructures the rates low-income households must pay to get their utilities turned back on. Households currently shut-off that fall into the "protected class" – those who are collecting unemployment compensation, elderly, receiving federal heating assistance, or seriously ill – must now pay 20% of their back bill in order to be restored and must agree to pay 1/24th of outstanding bills each month for 24 months plus their current usage bills to retain service. This reduces the amount required for protected customers to restore service, which previously could have been up to 50% of outstanding bills. Applicants eligible for the new payment plan must enroll before August 15, 2005.

EARLY CHILDHOOD

Child Care: The General Assembly reversed a proposal in the Governor's budget that would have increased co-payments for families with children in subsidized care.* The General Assembly also delayed the biennial reimbursement rate increase for child care providers from January 2006 to July 2006 and instituted changes to state-subsidized health insurance coverage for family child care providers.

Early Intervention (EI): A change to health insurance regulations exempts insurers from paying the deductible and coinsurance factors associated with high deductible health plans for services received by children through EI. These costs, previously covered by insurers, will now most likely be shifted to the state. This law contains a sunset provision that will repeal the policy in July 2010 unless it is explicitly renewed.

HEALTH

Children's Dental Care: A bill to expand children's oral health coverage did not pass. This bill would have increased the amount allocated for dental services to children enrolled in Medical Assistance by \$2 million and enabled children age birth to 15 to be enrolled in a dental benefits manager program. The General Assembly did pass a bill allowing dental hygienists to administer local anesthesia.

Children's Mental Health: Legislation was passed requiring the state to contract with an entity to coordinate mental health services for Medicaid-eligible children not enrolled in RIte Care and to require an assessment for children enrolled in Medical Assistance prior to admission to a psychiatric hospital. This legislation requires DCYF and DHS to work cooperatively to develop a full continuum of children's behavioral health services.

Katie Beckett Co-Payments: After a legislative hearing, the Governor withdrew a budget item that would have instituted a cost-sharing requirement for families with incomes over 250% of the federal poverty level that have a child participating in the Katie Beckett option under Medicaid. The Katie Beckett option allows states to pay for medical services for disabled children who live at home but have needs so severe they qualify for institutional care.*

Lead Hazard Mitigation Act: The date for implementation of the Lead Hazard Mitigation Act of 2002 was set for November 1, 2005. Implementation of the act will require landlords who rent units built before 1978 to attend lead awareness trainings, pass new inspections, and provide tenants with more information about lead hazards.

RIte Care: Full funding for the RIte Care program was maintained. A change was made to the RIte Care program exempting pregnant women and children up to age 1 from paying RIte Care monthly premiums.*

SAFETY

Domestic Violence: The General Assembly passed a new law that provides that state judges can require people who are subject to restraining orders due to domestic violence offenses to turn their guns into the police, a gun dealer, or a non-related friend.

Pre-Adoptive Reporting: The General Assembly passed a new law requiring DCYF to provide prospective adoptive parents with a written pre-adoption report as soon as the biological parents have terminated their parental rights. The pre-adoption report must include the child's medical and psychological history, education level and any diagnosed learning disabilities, biological family circumstances, and any information needed to qualify the child for state or federal benefits.

EDUCATION

State Aid to Education: \$657.6 million was appropriated for school aid, a \$16.0 million increase from last year. Of the \$16.0 million, \$11.3 million (70.5%) went to the six core cities: Central Falls, 9.1% increase; Newport, 1.7% increase; Pawtucket, 3.5% increase; Providence, 2.1% increase; West Warwick, 0.8% increase; and Woonsocket, 3.4% increase. Each school district statewide received an increase of at least 0.4%.

FISCAL YEAR 2006 BUDGET

The General Assembly enacted a state budget in the amount of \$6.35 billion, representing a 4.3% increase from the \$6.08 billion budget for fiscal year 2005. \$3.14 billion of the budget is state general revenue, \$1.98 billion is federal funds, \$110 million is restricted revenue, and \$1.12 billion is other funds.

One Rhode Island

One Rhode Island, a coalition of over 150 advocacy, religious, social service, and policy organizations, promotes a platform of income and work supports for low- and moderate-income Rhode Islanders. Several items from the 2005 One Rhode Island platform were included in the budget, such as \$1.2 million to increase EITC refunds, an additional \$2.5 million for the Neighborhood Opportunities Program to create affordable housing, and \$100,000 for Food Stamp outreach.

Housing Works

HousingWorks Rhode Island successfully advocated for a \$2.5 million expansion of the Neighborhood Opportunities Program to develop affordable housing and a \$300,000 appropriation for the Supportive Services Program for homeless persons.

* *This item was included in the One Rhode Island platform*

2005 Rhode Island KIDS COUNT Legislative Wrap-Up



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