



## Legislative Wrap-Up

### 2006 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

**Affordable Housing:** The budget authorized a \$50 million bond referendum for the November 2006 ballot that if passed by the voters will allow the state to issue obligation bonds for the production of affordable housing.<sup>+</sup>

**Neighborhood Opportunities Program:** The budget includes \$7.5 million in borrowing for fiscal year 2007 for the Neighborhood Opportunities Program for the development of 200 new affordable housing rental units.<sup>++</sup>

**Supportive Services Pilot Program:** The budget appropriates \$300,000 for the second year of the Supportive Services Pilot Program, which helps the homeless obtain and maintain permanent housing.<sup>++</sup>

**Family Independence Program (FIP) Employment Plan and 20/10:** FIP was amended to require applicants to sign an employment plan prior to receiving cash assistance. FIP was also amended to allow participants to combine 10 hours of education or training with 20 hours of work to reach the 30 hour work requirement beginning in the 25th month of their employment plan.\*

**Family Independence Program Benefits from Other States:** The General Assembly did not pass the proposal to reduce adults'

time limit on FIP from 60 months to 30 months. The proposal to count any time that adults received family cash assistance from another state toward the 60 month time limit did pass.

**Family Independence Program Benefits:** The budget continues the monthly payments at \$554 a month for a family of three with \$80 for each additional family member. The General Assembly did not pass the proposal to reduce monthly benefits by \$25 after 24 months with incremental reductions up to \$80 per month by the 48th month.

**Family Independence Program Family Sanction:** The sanction process for FIP was amended so that when a parent fails to comply with the employment plan requirement for 6 months (whether or not consecutive), the entire family, including children, loses the FIP benefit. During the 6 months leading up to the deadline, the FIP grant is reduced by the parent's amount.

**Food Stamp Outreach:** \$100,000 was allocated to Food Stamp outreach as part of the Rhode Island Department of Human Services budget to enroll eligible individuals and families in the Food Stamp Program.\*

**Minimum Wage Increase:** The minimum wage increased to \$7.10 per hour on

March 1, 2006 and will increase to \$7.40 per hour in January 2007.\*

**Earned Income Tax Credit (EITC):** The General Assembly appropriated \$1 million for this program in order to increase the proportion of the state EITC that is fully refundable from 10% to 15%.\*

**Heating Assistance:** The *Comprehensive Energy Conservation, Efficiency and Affordability Act of 2006* facilitates the development of renewable energy resources; makes the cost of energy more affordable by mitigating demand and rates charged to low-income households; and strengthens energy planning, program administration, management, and oversight. The Act establishes the state Office of Energy Resources and a new Energy Efficiency and Resources Management Council to provide stakeholder involvement in decision-making processes. A Permanent Joint Committee on Energy was also established to provide oversight of energy issues and develop any necessary refinements and changes in law.



## HEALTH

**Executive Office of Health and Human Services:** The budget establishes a separate Executive Office of Health and Human Services (which has been operating under Executive Order since March 2004). The Executive Office of Health and Human Services will facilitate cooperation and coordination among the five state agencies administering Rhode Island's health and social service programs, i.e. the Department of Human Services, the Department of Health, the Department of Mental Health, Retardation and Hospitals, the Department of Children, Youth and Families, and the Department of Elderly Affairs.

**RIte Care Benefits and Eligibility:** The General Assembly maintained the RIte Care program, including the benefits package, current eligibility levels for children, coverage for parents up to 185% of the federal poverty level, and coverage for the undocumented children currently enrolled.

**RIte Care Eligibility for Children who are Undocumented:** Beginning January 1, 2007, undocumented children will not be eligible for RIte Care unless they were enrolled in the program on or prior to December 31, 2006. The approximately 2,400 undocumented children currently enrolled in

the program will be "grandfathered," so that they can continue to be covered as long as they meet other eligibility guidelines.

**RIte Care Recertification:** The General Assembly passed a law that requires the Rhode Island Department of Human Services to report on how they will implement a federal directive to simplify the RIte Care recertification process by using an *ex parte* process. With *ex parte* renewals, the Department can renew a family's RIte Care eligibility by using recent information provided by the family to another program, such as Food Stamps or Child Care Subsidies.

**RIte Care Asset Test:** As part of the eligibility guidelines, families who apply for RIte Care must now meet a \$10,000 liquid resource limit. Liquid resources include bank accounts, cash, stocks, bonds, mutual funds but not educational savings accounts, retirement accounts or accounts held jointly with someone living outside the home (as long as the applicant can prove that the funds do not belong to him/her). This new asset test does not apply to pregnant women and children eligible through the Katie Beckett provision (for disabled children).

**Transitional Medical Assistance:** Transitional Medical Assistance (TMA) will be available for a total of 12 months as opposed to the current 18 months. Families are enrolled in TMA when they leave the Family Independence Program (FIP) or if they were below 100% of the federal poverty level when they enrolled in RIte Care but have had an increase in income due to employment. In order to support the transition to work, TMA exempts these very low-income families from paying premiums.

**Oral Health Care:** A bill to increase access to dental care for children did not pass. The bill would have increased the number of children in the new Dental Benefits Manager Program. The General Assembly did pass a portion of the bill increasing access to oral health care for Medicaid-eligible nursing home residents.\*

**Childhood Obesity:** Legislation was passed that requires Rhode Island elementary, middle and junior high schools that sell or distribute beverages and snacks on their premises, including those sold through vending machines, to offer healthier beverages effective January 1, 2007, and healthier snacks effective January 1, 2008.

**Provider Rates:** The General Assembly rejected the proposal to discontinue the 2.2 percent rate increase for certain community service providers. The providers contract with the human service departments for licensed adult day services, substance abuse and mental health services, home health care services and services for children in residential care.

**Visually Impaired Children:** Legislation passed that will restructure the governance of the Rhode Island Vision Education and Services Program. The program provides teaching and consultation services to children who are blind or visually impaired, their families, and educational staff within the school environment. The array of services available includes Early Intervention, Orientation and Mobility, and the instruction of specific compensatory skills to children from birth through 21 years. This legislation was supported by the Special House Commission on Visually Impaired Children.



## EDUCATION

**State Aid to Education:** \$689.3 million was appropriated for school aid, a \$30.8 million increase from last year. Of the \$30.8 million, \$17.5 million (59.8%) went to the six core cities. Statewide each school district received an increase of 4.8%.

**Statewide Curriculum for English and Math:** \$300,000 was appropriated to the Rhode Island Department of Education to develop a statewide curriculum in English Language Arts and Math.

**Statewide Education Administration:** A special legislative commission was created to study the effectiveness of consolidating administrative functions of school districts and report back to the General Assembly. The Rhode Island Department of Elementary and Secondary Education will plan, develop, create and implement a statewide system of transportation of students with special needs and will examine the feasibility of developing a statewide system of transportation for all students. The Rhode Island Department of Elementary and Secondary education will also plan and implement a statewide purchasing system for all public schools to secure general school supplies, textbooks, telecommunications services, software, insurance, and other goods and services.

**Kindergarten Entry:** Legislation did not pass that would have required school departments to consider individual requests to admit children who turn age 5

between September 1 and December 31 (after the current cut off) into their kindergarten programs if there is space available.

**Vision Screening at Kindergarten Entry:** As of January 2006, parents of kindergarteners in Rhode Island are required to provide proof that their child has passed a vision screening test within the previous 12 months. If a child did not pass the vision screening, proof of a comprehensive eye examination and follow-up treatment must be provided.

**In-state Tuition for Youth who are Undocumented:** The General Assembly did not pass a bill that would allow undocumented Rhode Island high school graduates (who meet certain residency and college admissions requirements and who are accepted to the college) to pay tuition and fees at public higher educational institutions in Rhode Island that are no greater than the tuition and fees paid by Rhode Island residents.\*



## CHILD CARE AND EARLY EDUCATION

**Child Care Subsidy Eligibility:** Current eligibility levels for child care assistance were maintained. However, child care assistance recipients are now required to provide information about non-custodial parents for all children in the family and to cooperate with the Office of Child Support Services in establishing a child support order and/or medical support order with the non-custodial parent(s).

**Child Care Assistance Asset Test:** An asset test of \$10,000 in liquid resources was made part of the child care assistance eligibility requirements. This means that families who have more than \$10,000 in liquid assets that can be converted into cash, such as stocks and bonds or mutual funds, will not be eligible for child care assistance.

**Child Care Subsidy Co-payments:** The proposed 2% increase over the existing co-pays was reduced to 1% for families between 150% and 225% of the federal poverty level.

**Child Care Market Rate Survey:** The budget delays the market rate of reimbursement increase until July 1, 2007 for child care providers serving children enrolled in the state's child care subsidy program. The rate increase will be based on the 2006 market rate survey rather than the 2004 survey.

**Child Care Licensing:** Legislation passed which enables child care programs that operate in an elementary or secondary school to secure a license without having to obtain a separate fire, building, or radon inspection if the school already has a valid inspection.

**Child Care Providers:** Legislation was enacted which requires the state to pay providers every 2 weeks (instead of every 4 weeks) and offer the option of enrolling in direct deposit.

**Child Care Commission:** A special legislative commission was created to study the child care system in the state of Rhode Island including, but not limited to, the cost of child care to working families and accessing the state's Child Care Assistance Program; and to make recommendations on how to improve the delivery of quality, accessible and affordable child care services for working parents.



## SAFETY

**Independent Living Services for Youth in State Care:**

The General Assembly rejected the proposal to remove youth over age 18 from the Independent Living Program but passed a bill requiring the providers and the Rhode Island Department of Children, Youth and Families to design an alternative program.

**Domestic Violence:** The General Assembly passed a bill that provides for the uniform interstate enforcement of domestic violence protection orders.

**Shaken Baby Syndrome:** Legislation passed requiring the Department of Health to collaborate with the Department of Children, Youth and Families and other state agencies serving families and children, the medical community, law enforcement, human service providers, and child advocacy organizations to develop and implement a comprehensive, statewide initiative to reduce death and disability resulting from shaken baby syndrome.



## FISCAL YEAR 2007 BUDGET

The General Assembly enacted a state budget in the amount of \$6.66 billion, representing a 5% increase from the \$6.35 billion enacted budget for fiscal year 2006. \$3.22 billion of the budget is state general revenue, \$1.95 billion is federal funds, \$129 million is restricted revenue, and \$1.37 billion is other funds.

The budget passed by the General Assembly is balanced for fiscal year 2007.

### 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 One Rhode Island 2006 platform were included in the budget, such as the increase in the state refundable EITC, \$7.5 million for the Neighborhood Opportunities Program to create affordable housing, and \$400,000 for the 20/10 FIP education and training bill. One Rhode Island also opposed budget proposals that would adversely affect low income Rhode Islanders including limiting eligibility for RIte Care, increasing co-payments in child care and cuts to the Family Independence Program.

### HousingWorks RI

HousingWorks RI is a coalition of more than 100 member organizations, institutions, corporations, agencies and advocates. The HousingWorks RI campaign is intended to end the state's severe shortage of quality affordable housing. HousingWorks RI successfully advocated for \$7.5 million for the Neighborhood Opportunities Program to develop affordable housing, \$300,000 for the Supportive Services Pilot Program for the homeless and a \$50 million bond referendum.

\* *This item was included in the One Rhode Island Platform.*

+ *This item was included in the HousingWorks RI Platform.*

### 2006 Rhode Island KIDS COUNT Legislative Wrap-Up



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