

# The Providence Journal

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THURSDAY  
JANUARY 8, 2009

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**WINDY**  
Very windy today with partly cloudy skies and highs in the 30s; clearing tonight.  
Forecast, B8

## Carcieri's plan to erase deficit

### Tighten pension rules, cut local aid, hike fees and tax on cigarettes

#### Cuts and savings

- Aid to cities and towns: \$55.1 million
- Pension contributions: \$54 million
- Miscellaneous state agencies: \$51.2 million
- Aid to local schools: \$19.6 million
- Medicaid payments: \$10.5 million

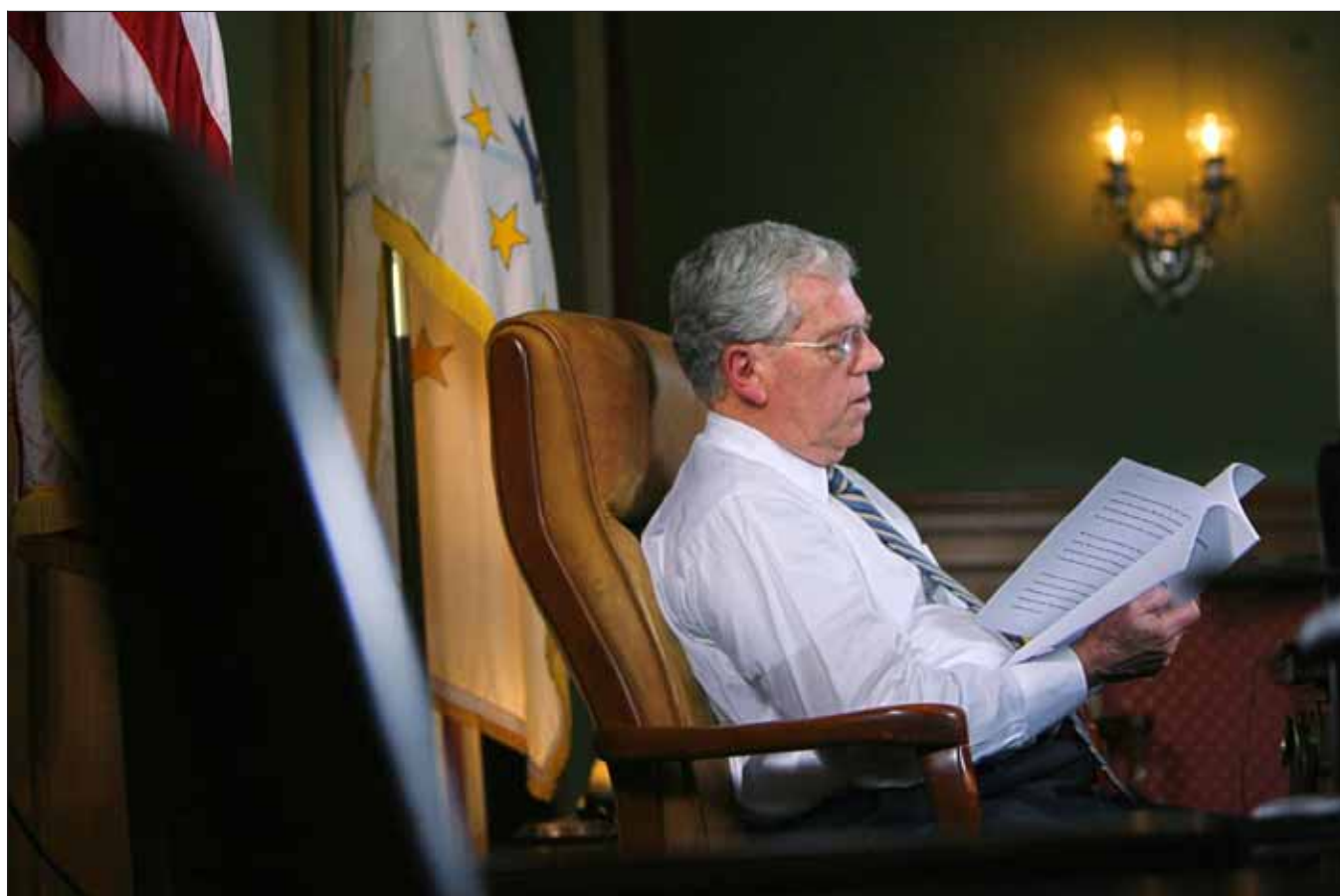
#### Additional revenue

- Increase cigarette tax by \$1 per pack: \$17.4 million
- New tax on health-insurance companies: \$3.7 million
- Increase in motor vehicle license and registration reinstatement fees: \$3.2 million

#### One-time revenue

- Defer replenishing "rainy day" fund: \$38.4 million
- Increase in federal Medicaid payments: \$27.5 million\*
- Sale of three state buildings: \$16 million
- Defer the Station fire settlement payment: \$10 million

\*Estimated; requires congressional approval



THE PROVIDENCE JOURNAL / GRETCHEN ERTL

Governor Carcieri reviews his speech an hour before last night's budget address. He proposed a wide range of cuts and fee increases to confront the state's \$357.4-million current-year deficit.

BY KATHERINE GREGG and  
CYNTHIA NEEDHAM  
JOURNAL STATE HOUSE BUREAU

PROVIDENCE — A cigarette tax hike, more than \$74 million in municipal and education aid cuts and a rollback in pension benefits for state workers and teachers who retire after April 1 are key pieces in Governor Carcieri's proposal for averting a potential \$357.4-million current-year deficit.

The deficit-avoidance plan he unveiled during a televised address from his office last night was a patchwork of tax and fee increases, spending cuts and one-time revenue boosters, such as the sale of three state-owned properties — including a Cranston parcel eyed as the new home of the state motor-vehicle registry — to Rhode Island Housing for a quick infusion of cash. He is also banking on \$27.5 million in Medicaid bonus money from the Obama administration.

"Tonight, I've taken the unprecedented step of speaking to you directly, because we are facing extraordinary circumstances," Carcieri said in a 7 p.m. address from his office, broadcast live on local television and radio.

"I know there are some out there who believe we need to increase taxes to solve this budget problem. I am firmly convinced that raising broad-based sales or income taxes would be disastrous for our state's future —

it will merely prolong the economic decline, hasten job losses and hurt more of our families."

Reaction to the Republican governor's plan was swift and, in some cases, negative.

"The state doesn't want to raise taxes to bail itself out of its deficit hole, but it is willing to eliminate aid to cities and towns that was designed to lessen Rhode Island's overreliance on local property taxes," said Dan Beardsley, executive director of the Rhode Island League of Cities and Towns.

"We've been responsible, we've been prudent with our money so that we've been able to post surpluses," said Republican Warwick Mayor Scott Avedisian, whose city, the state's second-largest, faces a reduction of at least \$4.8 million. "The governor is penalizing cities and towns for doing a good job."

"This is grossly unfair and totally unacceptable," declared Johnston Mayor Joseph M. Polisena.

Among the highlights of the governor's deficit-avoidance plan:

■ A \$1 hike in the state's \$2.46-a-pack cigarette tax that would make the Rhode Island tax the highest in the nation. But the increase would not necessarily make the cost of a pack of cigarettes here any more expensive than it would be in Massachusetts because of

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**Your turn:** Get the latest on Governor Carcieri's plan to curb R.I.'s budget deficit, and react to it, at [projo.com](http://projo.com)

SEE **BUDGET, A7**

## Ex-official's signature still worked

Months after acting Town Manager David D. Clayton retired, his name was still used to authorize school department paychecks.

BY LISA VERNON-SPARKS  
JOURNAL STAFF WRITER

WEST WARWICK — Overwhelmed by financial troubles and a looming \$3.5-million deficit, school officials endorsed checks for months with a signature stamp belonging to someone who no longer worked for the town.

From June until November, the School Department's checks for payroll and other bills were stamped with the signature of David D. Clayton, former interim town manager. Clayton, the town clerk, filled in as manager after Wolfgang Bauer was fired in December 2007 for what the council said was mismanaging funds.

When Bauer left, school officials say, they promptly replaced his stamp with one bearing Clayton's signature. However when Clayton retired at the end of May, the department continued to use his stamp to pay school district

SEE **STAMP, A3**

"I heard the dog barking frantically and Lauren screaming. I was shaking. She was shaking. It was shock. I was numb."

DENISE ALLARD,

describing her reaction after her daughter, Lauren, reported being grabbed by a coyote

## FAMILY DOG SAVES GIRL FROM HER ENCOUNTER WITH COYOTE

BY RICHARD SALIT  
JOURNAL STAFF WRITER

When her 7-year-old daughter came running into the backyard screaming "A doggie was trying to drag me into the woods!" Denise Allard knew it was no dog.

The sun was quickly setting and, as she rushed her crying daughter inside and rolled up the girl's sleeve to check for bite marks, Allard had just one animal in mind: coyote.

Allard and her neighbors on Prudence Island have seen plenty of them this year. Once, she heard eerie yelps and cries while a pack attacked prey. Then there was the time a coyote just stared at her from her neighbor's backyard, lying on a mound and not running away until her neighbor grabbed a rifle and popped off an errant shot.

SEE **COYOTE, A3**

Lauren Allard, 7, and her dog, Kelly, a yellow American Labrador.



PHOTO COURTESY OF ALLARD FAMILY

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**Your turn:** Have you seen a coyote? Where? What happened? Respond at [projo.com](http://projo.com)

## 7 disciplined in probe of Wyatt detainee's death

Meanwhile, the privately run prison says the loss of federal business is forcing layoffs and service cuts.

BY KAREN LEE ZINER  
and W. ZACHARY MALINOWSKI  
JOURNAL STAFF WRITERS

CENTRAL FALLS — Seven employees of the Donald W. Wyatt Detention Facility are facing punishment ranging from reprimands to firing in connection with the death of Hiu Lui Ng last August while he was in Wyatt custody.

Ng, 34, a computer engineer from New York, died as a result of complications from advanced cancer; he also had a fractured spine. Ng's lawyers allege that he was denied access to medical care and legal counsel, and that Wyatt guards accused him of faking his illness.

The disciplinary actions result from a just-completed internal investigation that exonerates Wyatt, a privately run detention center, with regard to Ng's medical care.

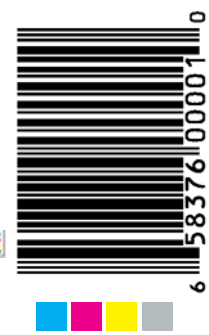
The seven unnamed staff members are being punished for "specific failures to comply with facility policies and procedures during Mr. Ng's 25-day detention at the Facility," according to a statement issued yesterday by the Central Falls Detention Facility Corporation, which operates the prison.

"The CFDFC stands by its initial statement that Mr. Ng was provided appropriate and timely medical attention to diagnose the late-stage cancer which ultimately caused his death, both in-house and through the use of outside hospitals," the statement said.

According to the statement, neither the center, nor its staff learned that Ng was suffering from late-stage cancer "until after Mr. Ng was diagnosed at Rhode Island Hospital on or about Aug. 1, 2008. Mr. Ng remained in hospital care from the time of his cancer diagnosis until his passing on Aug. 6, 2008."

"The CFDFC reiterates that the actions of the Facility's staff,

SEE **WYATT, A3**



### INSIDE TODAY

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5 SECTIONS			
Ask Amy	E16	Lifebeat	E1
Bridge	E16	Weekend	E1
Business	D1	Lotteries	C4
Classified	D4	Obituaries	B4
Comics	E17	People	E1
Crossword	E16	Rhode Island	B1
Editorial	B6	Sports	C1
Legal ads	C3	Television	E18



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### CUTBACKS AT COLLETTE

With the recession forcing many travelers to have second thoughts, Pawtucket-based Collette Vacations announces that it is laying off 40 employees. **D1**

### PURPLE HEART POLICY

The Pentagon announces that the Purple Heart will not be given solely for the diagnosis of post-traumatic stress disorder because PTSD is "not a wound intentionally caused by the enemy." **A2**



### ROCKETS SHOOT DOWN CELTICS

Yao Ming and the rest of the Houston Rockets hand Boston its sixth loss in eight games, beating the Celtics, 89-85, at the TD Banknorth Garden. **C1**