**Last Week At the State House**

The House Corporations Committee held, for further study, H.7089, a bill that effectively removes the ability of businesses in the retail and service industries to utilize digital coupons to market their businesses. While the bill does not specifically ban the use of digital coupons, it does require retail and service businesses to provide consumers with a paper coupon of equal value to any digital coupon offered. If the business violates this mandate, it is subject to a substantial fine of $2500 for the first offense and $5000 for each subsequent offense.

Meanwhile, the House Committee on Municipal Government listened to testimony on H.7112. this legislation is enabling legislation allowing municipalities to waive interest on one quarter of overdue commercial property tax if:

1. The property has been owned for the five years immediately preceding the tax payment that is overdue
2. The taxpayer requests the waiver in writing
3. The taxpayer made timely payments of taxes for the five years immediately preceding the tax payment
4. The payment that is overdue was issued less than two years prior to the date of the request for the waiver
5. The waiver of interest is $500 or less

The Chamber believes this bill could help small businesses that perhaps missed a payment inadvertently, or due to a temporary financial hardship situation. It is another economic development tool in the tool belt of municipalities should they choose to participate.

**This Week At the State House**

Wednesday, January 31, 2024

The Senate Committee on Special Legislation and Veterans Affairs has scheduled a vote on S.2028, the bill allowing restaurants to continue to offer outdoor dining subject to continuing compliance with the state food code, and other state regulations through February 15, 2025. The bill, as written, bars municipalities from adopting ordinances prohibiting outdoor dining, limiting the time of year outdoor dining may be offered, restricting hours of operation between 7:00 am and 10:00 pm or requiring new parking capacity standards. The Committee may pass the bill in its current form or may amend it based on pushback that has been received from certain municipalities. Because the current law barring municipalities from taking action against outdoor dining expires February 15, 2024, the legislature will have to act soon.

Thursday, February 1, 2024

The House Labor Committee has a busy agenda Thursday at the Rise (approximately 4:30 pm) in room 135 at the State House.

H.7058, An Act Relating to Labor and Labor Relations – Posting of Veterans’ Benefits and Services, requires employers with 50 employees or more to display a poster containing information on veterans’ benefits available. The Department of Labor and Training is charged with creating the poster and providing it to employers. If passed, the new requirement would take effect January 1, 2025.

H.7106, An Act Relating to Labor and Labor Relations – Labor Relations Act, purposes to protect the free speech rights of employees in the workplace, but it also limits the first amendment rights of employers. H.7106 would prohibit employers from requiring non-managerial employees to attend a meeting to learn about legislative proposals or regulatory matters as well as meetings to provide information concerning labor organization efforts. If enacted this legislation would severely limit an employer’s ability to educate employees about legislation, including legislation that would materially impact the business’ operations or the employee’s day-to-day job responsibilities. If you have an interest in this bill, please submit written testimony to HouseLabor@rilegislature.gov by noon Thursday. The bill can be viewed at: <https://webserver.rilegislature.gov/BillText/BillText24/HouseText24/H7106.pdf>

**What’s in the Governor’s Budget?**

**Article 2 – Relating to State Funds**

This 13-page Article:

* Eliminates the requirement to transfer 50% of monies left over in a fiscal year, following the annual audit, to the supplemental state budget reserve account
* Requires proceeds from the sale of group homes owned by the State to be transferred to a new fund (Group Home Facility Improvement Fund) to be used for maintenance and upkeep of state-owned facilities under the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
* Allows the Department of Environmental Management to create sub restricted receipt accounts as directed by the Executive Climate Change Coordinating Council to work on the requirements of the Act on Climate.
* Creates a new restricted receipt account to handle funds associated with a donated food loss program related to the US Department of Agriculture program.
* Creates an Electric Vehicle Charging Station Operating and Maintenance fund. The monies in this fund are earmarked for the installation, operation and maintenance of EV charging stations on state property. This Article also gives the Office of Energy Resources the authority to establish fees for use of the charging stations, subject to public comment.

**Article 7 – Relating to Economic Development**

Article 7 proposes to expand “The Innovate Rhode Island Small Business Program.” The program was created to assist small businesses apply for the federal Small Business Innovation Research and Small Business Technology Transfer program. These highly competitive federal programs encourage small businesses to engage in federal research and development with the potential for commercialization. The Rhode Island program is open to businesses with fifty or fewer employees where at least 51% of those employees reside in the State. Current state law provides for two phases of funding. The Governor proposes to increase the second phase funding from $150,000 to $300,000 and to add a third phase grant up to $500,000 per applicant. If an applicant is successful, the business would receive 25% of the grant award at the time the award documents are signed, 65% upon request for reimbursement of eligible expenses and 10% five years following the award – only if the business stays in Rhode Island for five years following the grant award.

Article 7 also includes an increase in reimbursements to companies participating in the bioscience and engineering internship program. The program was established to promote workforce development and education in the bioscience and engineering fields. Current law provides for a reimbursement rate of $12 per hour up to $3000 per intern. The Governor proposes to increase the rate to minimum wage ($14 per hour) with an aggregate reimbursement of up to $6,500 per intern.

Under the Governor’s proposal, Article 7 would allow small businesses that are employee-owned businesses and worker-cooperatives to participate in the State’s Innovation Initiative Program. It also expands the purpose of the program to including assisting small businesses and individuals in the filing of a patent application. The amount of the innovation grant is capped at $5,000 per awardee.

Lastly, Article 7 extends the sunset provision of a number of economic development programs to December 31, 2025:

* Rebuild RI Tax Credit
* RI Tax Increment Financing
* Tax Stabilization Incentive
* First Wave Closing Fund
* I-195 Redevelopment Project Fund
* Small Business Assistance Program
* Stay Invested in RI Wavemaker Fellowship
* Main Street RI Streetscape Improvement Fund
* Innovation Initiative
* High School, College and Employer Partnerships
* Air Service Development Fund
* RI New Qualified Jobs Incentive Act of 2015

The following new bills have been filed:

House Bill No. [7266](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7266.pdf) Casimiro, Noret, Solomon, Kazarian, Alzate, Potter, Morales**,**AN ACT RELATING TO FINANCIAL INSTITUTIONS -- CURRENCY TRANSMISSIONS -- VIRTUAL CURRENCY KIOSKS (Establishes guidelines for the operation of virtual currency (crypto) kiosks.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7266.pdf>

House Bill No. [7280](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7280.pdf) (Dept. of Revenue) Finkelman, Casey, Dawson, Cardillo**,**AN ACT RELATING TO CORPORATIONS, ASSOCIATIONS, AND PARTNERSHIPS -- RHODE ISLAND BUSINESS CORPORATION ACT (Makes numerous technical amendments to the statutes on taxes and corporations, associations and partnerships.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7280.pdf>

House Bill No. [7284](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7284.pdf) (by request) Shekarchi**,**AN ACT RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS -- DECEPTIVE TRADE PRACTICES (Provide that advertising goods that don't include a price referencing all mandatory fees and charges shall be a deceptive trade practice.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7284.pdf>

House Bill No. [7285](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7285.pdf) Cortvriend, McGaw, Carson, Handy, Kislak, Boylan, Spears, Fogarty, Edwards, Knight**,**AN ACT RELATING TO PUBLIC UTILITIES AND CARRIERS -- UTILITY THERMAL ENERGY NETWORK AND JOBS ACT (Establishes thermal energy networks network infrastructure by any public utility company that provides electric/natural gas distribution to maximize cost-effective investments deemed in the public interest by the public utilities commission (PUC).)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7285.pdf>

House Bill No. [7286](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7286.pdf) Slater, Morales, DeSimone, Stewart, Diaz, Alzate, Potter, Cruz**,**AN ACT RELATING TO PUBLIC UTILITIES AND CARRIERS -- PUBLIC UTILITIES COMMISSION (Creates an income-sensitive tiered subsidy program to ensure that home energy utility costs are affordable for eligible low-income households.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7286.pdf>

House Bill No. [7319](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7319.pdf) Alzate, Cruz, Giraldo, Voas, Casimiro, Potter, Stewart**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- HEALTHY AND SAFE FAMILIES AND WORKPLACES ACT (Mandates that the work week be reduced to thirty-two hours and rate of pay for a thirty-two (32) hour workweek would remain the same as the rate of pay for forty hours.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7319.pdf>

House Bill No. [7320](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7320.pdf) Shanley, Craven, O'Brien, Dawson, Vella-Wilkinson, Bennett**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- WAREHOUSE WORKER PROTECTION ACT (Requires employers to provide each employee of a warehouse distribution center, upon hire, with written description of quotas applicable to the employee within defined time periods and adverse employment action for failure to meet the quota.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7320.pdf>

House Bill No. [7324](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7324.pdf) Baginski, Finkelman, Edwards**,**AN ACT RELATING TO TOWNS AND CITIES -- ZONING ORDINANCES (Removes the floor area ratio requirement from the zoning ordinances.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7324.pdf>

House Bill No. [7325](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7325.pdf) Carson**,**AN ACT RELATING TO HEALTH AND SAFETY -- FOOD ALLERGY AWARENESS IN FOOD-SERVICE ESTABLISHMENTS (Requires food service establishments to add an additional warning to their menus relative to food allergens and impose a civil penalty on those establishments that fail to include the required warnings on its menus.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7325.pdf>

Senate Bill No. [2140](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2140.pdf) Quezada, Kallman, DiMario, Euer, Britto, Cano, Valverde, Acosta**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- CONSUMER CREDIT HISTORY EMPLOYMENT PROTECTION ACT -- DECEPTIVE TRADE PRACTICES (Prohibits employers from seeking/using credit reports in making hiring decisions concerning prospective employees, asking questions about the applicant's financial past during interviews or including credit history questions in their job applications.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2140.pdf>

Senate Bill No. [2169](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2169.pdf) Kallman, Cano, DiMario, Acosta, Gu, Sosnowski, Miller, Ujifusa, Zurier, Lauria**,**AN ACT RELATING TO MOTOR AND OTHER VEHICLES -- RIDESHARE OR TRANSPORTATION NETWORK COMPANY VEHICLE SURCHARGE (Imposes a seventy-five cent (0.75) surcharge on fares charged by rideshare companies as well as an account to benefit RIPTA from the payment of sales taxes collected from rideshares.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2169.pdf>

Senate Bill No. [2170](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2170.pdf) Zurier, DiPalma, Ciccone, Sosnowski, Cano, Acosta**,**AN ACT RELATING TO TAXATION -- INVESTMENT TAX CREDIT (Limits investment tax credit to manufacturers. Requires determination of goals, objectives and effectiveness of the credit. Repeals the specialized investment tax credit.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2170.pdf>

Senate Bill No. [2203](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2203.pdf) F. Lombardi, LaMountain, Britto, Ciccone, Felag**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- FAIR EMPLOYMENT PRACTICES (Prohibits an employer, employment agency, labor organization, or employee from directly or indirectly committing any act declared to be an unlawful employment practice.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2203.pdf>

Senate Bill No. [2236](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2236.pdf) Quezada, Kallman, DiMario, Euer, Cano, Valverde, Acosta**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- MINIMUM WAGES (Creates new definition for the term "employee", for purposes of wages, workers' compensation, temporary disability and unemployment insurance benefits, which deems a worker to be an employee, as opposed to an independent contractor.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2236.pdf>

Senate Bill No. [2237](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2237.pdf) Mack, Valverde, Bell, Murray, Kallman, Acosta**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- MINIMUM WAGES (Commencing January 1, 2025, this act would increase the minimum wage for employees receiving gratuities from the current $3.89 to $6.75 per hour.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2237.pdf>