The General Assembly begins the last phase of the legislative session this week. The Revenue Estimating Conference gets underway April 26th and finishes May 10th, preparing the way for the creation of the final FY2025 budget. Voting on bills intensifies. Both the House and Senate are working toward a goal of finishing the 2024 session in June. Following the summary of activities scheduled for this week is a brief update of the Public Utilities Commission’s Future of Natural Gas Activities.

**This Week At the State House**

Wednesday, April 24th

The Senate Labor Committee will be voting on six bills at 4:30 pm in Room 211. The Chamber expects amendments – known as SubAs – to be offered prior to passage; however, the Committee has not posted the changes yet. SubAs are usually posted up to 24 hours prior to the meeting.

S.2122, An Act Relating to Corporations – Workers’ Cooperatives, provides exclusive benefits to cooperatives. Established in 2017, the General Assembly passed a law allowing the creation of an entity where individuals could complete a probationary period as a part-time or full-time employee and become a voting member of the company. The entity is taxed as a corporation. The law also states, “To the extent that a workers’ cooperative has shareholders (owners) who are employees (members), the workers’ cooperative shall be subject to the provisions of title 28 related to employees including, but not limited to: department of labor and training payroll taxes, temporary disability insurance, state unemployment insurance and workers’ compensation insurance.” S.2122 adds a new operational model for cooperatives. It allows co-ops to adopt, in its bylaws, the ability to furnish skilled labor from its members to other entities and to treat those members as independent contractors for that purpose – not as an employee of the co-op. This would allow a co-op to compete with similar businesses at a fiscal advantage.

S.2123, An Act Relating to Labor and Labor Relations – Payment of Wages, changes an employer’s responsibilities as it relates to providing employees with statements of earnings. Today employers must include the hours worked, deductions from gross earnings and an explanation of those deductions. The legislation adds items such as the last four digits of the social security number, deduction explanations, the employer’s address and name, and output information if pay is based on quantity. S.2123 requires employers to provide a type of “mini employee handbook” to employees in English or ***in each employee’s primary language***. The information includes items such as: wage information, benefits, holiday information, sick time, and travel and expense policies. DataUSA reports that 22.4% of Rhode Island households report speaking a primary language other than English. While the most common non-English language spoken in Rhode Island is Spanish followed by Portuguese, there are reportedly forty-one languages spoken as a primary language in the State. Some families are fluent in both their primary language and English, others are not.

S.2124, Senate Resolution Creating a Special Legislative Commission to Study and Review Rhode Island’s Minimum Wage – calls for an eleven-member commission to be appointed to conduct an in-depth study of the state’s minimum wage and to report its findings by May 24, 2025.

S.2472, An Act Relating to Labor and Labor Relations – Workers Compensation seems like a movie re-run in that it calls for independent contractors to file annually with the Department of Labor. A similar bill passed last year and became effective January 1, 2024. The court reviewed the statute and determined the language required further revision to clarify the intent of the Act. S.2472 specifies that independent contractors must file annually for each client to be legally considered an individual contractor. The process is simple. To file DWC-11-IC form online, go to: <https://dlt.ri.gov/workers-compensation/independent-contractors> If you are a company that hires independent contractors, the Chamber encourages you to verify the form has been filed.

S.2473, An Act Relating to Labor and Labor Relations – Workplace Psychological Safety Act. The bill begins by stating that employees have a right to a physically safe work environment and to a psychologically safe workplace. Employers have a “general duty” to provide a work environment free from all forms of psychological abuse and to ensure that all employees are treated respectfully and with dignity. “Psychological abuse” is defined as “mentally provocative harassment. Mistreatment that has the effect of hurting, weakening, confusing, or frightening a person mentally or emotionally.” Within six months of enactment, the bill currently states all employers must adopt policy procedures to comply with the law and train managers and supervisors to handle complaints. S.2473 includes an annual reporting process. Employers are liable for failing to take appropriate measures to provide employees with a psychologically safe work environment. Penalties include economic, compensatory and punitive damages. Any person who aids, abets, incites, or coerces another person in an action not permitted under the legislation is also guilty. A person who experiences psychological abuse may present a case using direct and circumstantial evidence, and if successful may request public notification of the case outcome without disclosing the plaintiff’s name.

S.2785, An Act Relating to Labor and Labor Relations – Labor Relations Act, proposes to protect the free speech rights of employees in the workplace, but it also limits the first amendment rights of employers. S.2785 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.

**Public Utilities Docket No. 22-01-NG – Investigation Into the Future of the Regulated Gas Distribution Business in Rhode Island in Light of the Act on Climate**

Since March, 2023, the PUC Stakeholder Committee has been gathering data on various users of natural gas, alternative options that might be available for use, and costs of decommissioning the current natural gas system. The Act on Climate, passed into law in 2021, requires Rhode Island to decrease its greenhouse gas emissions 45% below 1990 levels by 2030, 80% below 1990 levels by 2040 and Net-zero emissions by 2050. The PUC hired Energy and Environmental Economics (known as E3) an analytically driven consulting firm focused on the transition to clean energy resources to assist in the analysis. The Firm released is 122-page report this month. The Stakeholder group will take this report, along with additional information, and develop policy recommendations. They will look to create a list of near-term actionable items, recognizing areas of common agreement and diversion of opinions. The group will discuss concrete policies and determine which policies are within the jurisdiction of the PUC and which actions are non-jurisdictional.

E3 designed six economy-wide decarbonization scenarios that each present distinct pathways to

achieving the Act’s climate targets:

* A High Electrification scenario, designed to assess the impact of pursuing a full-

electrification pathway that transitions Rhode Island away from gas infrastructure;

* A Hybrid Electrification with Delivered Fuels Backup scenario, designed to assess the

statewide impact of hybrid electrification while evaluating potential net benefits of avoiding

gas infrastructure;

* A Hybrid Electrification with Gas Backup scenario, designed to assess the statewide

impact of hybrid electrification while leveraging existing gas infrastructure in the long term;

* A Staged Electrification scenario, designed to leverage existing infrastructure and mitigate customer impacts in the near term while achieving long term electrification;
* An Alternative Heat Infrastructure scenario, designed to assess how networked

geothermal systems can support decarbonization in Rhode Island, while providing an

alternative to gas investments;

* A Continued Use of Gas scenario, designed to assess how existing gas infrastructure can

support decarbonization, evaluating the effect of and potential limit to remaining fossil gas

and renewable fuels.

A few key findings:

1. While Rhode Island’s existing policies and trends (which includes ramping up electric vehicle use) achieve 40% emissions reductions by 2030, additional mitigation measures are required to comply with the Act on Climate. All decarbonization scenarios modeled by E3 achieve the Act’s targets
2. Energy efficiency and building electrification are a critical component of gas system decarbonization. Across scenarios, between 50-100% of buildings are assumed to electrify to comply with the Act’s targets. In the industrial sector, all scenarios include significant levels of efficiency and varying levels of industrial electrification, while leaving a role for pipeline gas for “hard-to-decarbonize” application
3. All scenarios see transformational changes in the way Rhode Island uses energy. Across scenarios, final energy demand decreases between 40-60% by 2050, primarily as a result of efficiency and electrification. Rhode Island will see an increased demand for renewable fuels, driven by the Biodiesel Heating Act in the near term and to comply with emissions targets in the long term.
4. By 2050 across scenarios, 40-60% of final energy demand is served by (renewable) electricity. The adoption of heat pumps and EVs lead to a need for significant system expansion, between 0.5-2.3 GW higher than today. Electric system peaks can be significantly mitigated through the use of hybrid backup systems or highly efficient networked geothermal systems.

The full report will be available on the PUC website soon. The Stakeholder Committee meets again this week April 25th from 10am to 3pm at the PUC office in Warwick.

The following new bills have been filed:

Senate Bill No. [2988](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2988.pdf) F. Lombardi**,**AN ACT RELATING TO TOWNS AND CITIES -- RHODE ISLAND COMPREHENSIVE PLANNING AND LAND USE ACT (Provides amendments relative to the compliance and implementation of the comprehensive planning and use act including the conditions upon which limitations may be placed on land use applications by municipalities.) <http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2988.pdf>

Senate Bill No. [2992](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2992.pdf) Kallman, McKenney, Burke**,**AN ACT RELATING TO PROPERTY -- ABANDONED PROPERTY (Requires towns and cities to publish a list of abandoned properties and makes various other amendments relative to the sale of abandoned property by a receiver.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2992.pdf>

Senate Bill No. [2994](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2994.pdf) McKenney, Burke, LaMountain, Kallman**,**AN ACT RELATING TO TOWNS AND CITIES -- ZONING ORDINANCES (Amends provisions relative to the application of zoning ordinances pertaining to wetland buffers to projects for development, redevelopment, construction or rehabilitation.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2994.pdf>