**This Week At the State House**

Tuesday, March 5th

House Finance Committee

The House Finance Committee has scheduled several hearings on the Governor’s proposed budget. As reported last week, the committee is scheduled to take testimony on sections of Article 6 – Tax Article at the Rise (approximately 4:30). Article 6 sections 3, 6 and 16-20 affect businesses engaging in the sale of e-cigarette and vaping products. The budget includes a tax on these products equal to 80% of the wholesale cost (an exemption exists for research products). Article 6 sections 14 and 15 propose to increase the cigarette tax by $.25 a pack for a total tax of $4.50 per pack. The language also calls for an age verification process to be adopted by online retailers of tobacco and electronic nicotine delivery systems.

Article 6 section 11 – Under current law, each year, the Tax Administrator is required to prepare and publish a list of the top 100 delinquent taxpayers in the state. The Governor’s budget expands the requirement so that the annual list will include all taxpayers who owe at least $50,000 in state taxes.

Article 6, section 21 eliminates the $50 filing fee for estates of decedents with a death on or after January 1, 2025

Written testimony can be emailed to HouseFinance@rilegislature.gov by 1:00, March 5th.

House Labor Committee

The House Labor Committee is meeting in Room 135 of the State House at the Rise (approximately 4:30 p.m.) with many bills of interest on the list.

H.7457, An Act Relating to Labor and Labor Relations – Payment of Wages – Frequency of Payment, requires all employers to pay employees on a weekly basis unless an employee’s wages are fixed at a biweekly, semi-monthly, monthly or annual rate. H.7457 provides an exemption for state and municipalities as well as any nonprofit organization with less than 25 employees. In 2013, the business community fought hard to pass biweekly pay for all employees. The compromise reached allowed the Department of Labor and Training to authorize biweekly pay for businesses with an average payroll equal to 200% of the state’s minimum wage, a surety bond equal to the highest two weeks payroll exposure, and no history of labor violations. H.7457 removes the 2013 compromise language. Today, Rhode Island has one of the strictest “frequency of payment” laws in the country. (CA requires weekly pay for agricultural workers; NY requires weekly pay for manual workers although large employers may apply for an exemption; VT requires weekly pay although permits biweekly pay if employers provide written notice of the policy change). <https://webserver.rilegislature.gov/BillText/BillText24/HouseText24/H7457.pdf>

H.7319, An Act Relating to Labor and Labor Relations – Healthy and Safe Families and Workplaces Act, creates a new definition of “workweek” for employers with more than 500 employees. Any employee of a large employer must be paid time and a half if that employee works more than thirty-two hours in a week. The employer must also pay the same amount to the employee for the thirty-two hours as the employee received for forty hours prior to the passage of the bill. After seeming to create an exemption for businesses with less than 500 employees, H.7319 goes on to specifically define the work week as 32 hours for employees in food establishments and individuals under the age of 18, employees paid on a biweekly basis, employees of a national voluntary health nonprofit, mechanics, and vehicle and farm equipment salespersons. The bill can be read in its entirety at: <https://webserver.rilegislature.gov/BillText/BillText24/HouseText24/H7319.pdf>

H.7580, 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.” H.7580 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. <https://webserver.rilegislature.gov/BillText/BillText24/HouseText24/H7580.pdf>

H.7650, An Act Relating to Labor and Labor Relations – Fair Employment Practices – Extreme Temperature Employee Protection, requires employers to take special precautions when employees are working in temperatures above 90 degrees or below 32 degrees, including employees that are required to stay in vehicles under these conditions. Employees would be entitled to paid rest breaks, adequate shade, warming or cooling stations, drinking water, protective equipment and clothing. An employer found in noncompliance would be subject to compensatory damages and in some cases punitive damages. <https://webserver.rilegislature.gov/BillText/BillText24/HouseText24/H7650.pdf>

H.7790, An Act Relating to Labor and Labor Relations – Payment of Wages changes an employer’s responsibilities as it relates to providing for employees with statements of earnings. Today employers must include the hours worked, deductions from gross earnings and an explanation of those deductions. H.7790 adds items such as the last four digits of the social security number, deduction explanations in the employee’s “understandable” language, the employer’s address and name, and output information if pay is based on quantity. H.7790 also requires employers to provide a type of “mini employee handbook” to employees in English (this is a change from last year’s bill). The information includes items such as: wage information, benefits, holiday information, sick time, and travel and expense policies. <https://webserver.rilegislature.gov/BillText/BillText24/HouseText24/H7790.pdf>

If you wish to submit written testimony on any of these bills, the appropriate email address is HouseLabor@rilegislature.gov

Senate Commerce Committee

Self check-out lines at grocery stores are once again on a hearing schedule – this time in the Senate. S.2268, An Act Relating to Commercial Law – Grocery Stores, limits the number of customer self-checkout stations to six, requires grocery stores to maintain one manual check-out station for every self-checkout station in use, and gives the Attorney General’s office the authority to impose penalties for noncompliance. The penalty amount is not defined. The self-service check-out limitation provision in S.2268 could bring under its umbrella grocery stores, pharmacies, and certain retail stores that offer a wide array of goods. Written testimony can be forwarded to slegislation@rilegislature.gov

**Data Breach, Cryptocurrency, Blockchain, Artificial Intelligence Legislation**

If your company has any expertise in these areas, we want to hear from you. Many bills have been recently introduced (see the list below) and the Chamber is looking for input. Please contact the Chamber by email at: \_\_\_\_\_\_\_\_\_\_\_\_

The following new bills have been filed:

Senate Bill No. [2500](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2500.pdf) DiPalma, Euer, DiMario**,**AN ACT RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS -- RHODE ISLAND DATA TRANSPARENCY AND PRIVACY PROTECTION ACT (Creates the Rhode Island Data Transparency and Privacy Protect Act for data privacy protections for the personal data of the citizens of Rhode Island.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2500.pdf>

Senate Resolution No. [2502](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2502.pdf) DiPalma, Zurier**,**JOINT RESOLUTION CREATING A SPECIAL LEGISLATIVE COMMISSION TO STUDY BLOCKCHAIN AND CRYPTOCURRENCY

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2502.pdf>

Senate Bill No. [2503](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2503.pdf) LaMountain**,**AN ACT RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS -- DECEPTIVE TRADE PRACTICES (Prohibits misrepresentation of the total costs of goods and services by omission of notification to consumers of any mandatory fees from advertised prices and failure to disclose the nature and purpose of any fees.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2503.pdf>

Senate Bill No. [2504](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2504.pdf) Gu, DiPalma, Valverde, Miller, Murray**,**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/SenateText24/S2504.pdf>

Senate Bill No. [2505](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2505.pdf) Gallo, Cano, Lawson, LaMountain**,**AN ACT RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS -- DECEPTIVE TRADE PRACTICES (Makes any term or condition in any agreement that unnecessarily burdens a person's vindication of rights under this section null and void.) <http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2505.pdf>

Senate Bill No. [2506](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2506.pdf) de la Cruz, Rogers, DeLuca**,**AN ACT RELATING TO PUBLIC UTILITIES AND CARRIERS -- PUBLIC UTILITIES COMMISSION (Requires the public utilities commission (PUC) to produce a report by January 1, 2025 and each January 1 thereafter, on the ability for the current electric grid to handle the electrification load need to power cars, buildings, and heating of homes.) <http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2506.pdf>

Senate Bill No. [2507](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2507.pdf) Paolino, de la Cruz**,**AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT -- SMALL BUSINESS REGULATORY FAIRNESS IN ADMINISTRATIVE PROCEDURES (Expands the duties of the small business ombudsman, by also having the ombudsman serve as the Rhode Island commerce corporation's small business advocate.) <http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2507.pdf>

Senate Bill No. [2535](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2535.pdf) Euer, Mack, Miller, Cano, DiMario, Murray, Quezada, Lauria, Bissaillon, Zurier**,**AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT -- ENVIRONMENTAL JUSTICE ACT (Establishes requirements which would have to be met by an applicant prior to the issuing of permits for an activity that would have an environmental impact on or would increase the cumulative impacts on an environmental justice area.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2535.pdf>

Senate Bill No. [2548](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2548.pdf) Ujifusa, DiPalma, Acosta, Ciccone, Mack, Kallman, Valverde, Murray, Bell, Quezada**,**AN ACT RELATING TO TAXATION -- RHODE ISLAND NEW QUALIFIED JOBS INCENTIVE ACT 2015 (Sunsets/discontinues the Jobs Development Act rate reduction as of July 1, 2024.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2548.pdf>

Senate Bill No. [2591](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2591.pdf) DiMario, Miller, Lauria, Cano, Valverde, Lawson**,**AN ACT RELATING TO EDUCATION -- STUDENT LOAN REPAYMENT PROGRAM (Creates the Rhode Island Student Loan Authority which would allow eligible individual to discharge student loan debt.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2591.pdf>

Senate Bill No. [2596](http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2596.pdf) Kallman, Acosta, DiMario, Miller, Gu, Cano, Ujifusa**,**AN ACT RELATING TO TAXATION -- PERSONAL INCOME TAX -- CAPITAL GAINS (Amends the capital gains tax rates and holding period from 5 years to 1 year. Imposes a non-owner occupied tax on homes assessed at more than $1,000,000.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/SenateText24/S2596.pdf>

House Bill No. [7759](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7759.pdf) Kazarian, Dawson, Boylan, Knight, Speakman, Donovan, Cortvriend, McGaw**,**AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT -- DEPARTMENT OF TRANSPORTATION (Directs the department of transportation to prepare a monthly snapshot report on the progress of repairs and other actions pertaining to the Washington Bridge.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7759.pdf>

House Bill No. [7782](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7782.pdf) Cortvriend, Carson, Boylan, Speakman, McGaw, Fogarty, Kislak, Handy, Tanzi, Bennett**,**AN ACT RELATING TO HEALTH AND SAFETY -- THE RHODE ISLAND CLEAN HEAT STANDARD ACT (Created the Rhode Island clean heat standards act to implement a system of tradeable clean heat credits earned from the delivery of clean heat measures that reduce greenhouse gas emissions.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7782.pdf>

House Bill No. [7785](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7785.pdf) Noret, Casey, Phillips, J. Brien, Chippendale, Dawson**,**AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT -- DIGITAL ASSET KEYS--PROHIBITION OF PRODUCTION OF PRIVATE KEYS (Prohibits the compelled production of a private key as it relates to a digital asset, digital identity or other interest or right.) <http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7785.pdf>

House Bill No. [7786](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7786.pdf) Baginski, Finkelman, Boylan**,**AN ACT RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS -- AUTOMATED DECISION TOOLS (Requires companies that develop or deploy high-risk AI systems to conduct impact assessments and adopt risk management programs, would apply to both developers and deployers of AI systems with different obligations based on their role in AI ecosystem.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7786.pdf>

House Bill No. [7787](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7787.pdf) Shanley, Batista, Donovan, Edwards, Solomon, Voas, Dawson, Craven, Vella-Wilkinson, Handy**,**AN ACT RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS -- RHODE ISLAND DATA TRANSPARENCY AND PRIVACY PROTECTION ACT (Creates the Rhode Island Data Transparency and Privacy Protect Act for data privacy protections for the personal data of the citizens of Rhode Island.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7787.pdf>

House Bill No. [7788](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7788.pdf) Shanley, Batista, Voas, Dawson, Craven, Vella-Wilkinson, Handy, Cardillo**,**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/HouseText24/H7788.pdf>

House Bill No. [7793](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7793.pdf) Giraldo, Morales, Stewart, Alzate**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- RHODE ISLAND PARENTAL AND FAMILY MEDICAL LEAVE ACT (Increases the amount of unpaid parental or family leave available to an employee, from thirteen (13) weeks to twenty-six (26) weeks, in any two (2) calendar years.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7793.pdf>

House Resolution No. [7817](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7817.pdf) Casey, Noret, Phillips, J. Brien, Chippendale, Finkelman, Marszalkowski, Dawson**,**JOINT RESOLUTION CREATING A SPECIAL LEGISLATIVE COMMISSION TO STUDY BLOCKCHAIN AND CRYPTOCURRENCY (Creates a 5 member commission to recommend legislative proposals for blockchain and cryptocurrency, and submit an interim progress report by January 5, 2025, and a final report by January 5, 2026, and expire on February 5, 2026.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7817.pdf>

House Bill No. [7851](http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7851.pdf) (General Treasurer) Giraldo, Alzate, Morales, Stewart, Henries, Cruz, Voas**,**AN ACT RELATING TO PUBLIC FINANCE -- RHODE ISLAND BABY BOND TRUST (Creates the Rhode Island baby bond trust to provide investment funds to children born to families with public health insurance or no insurance living in Rhode Island.)

<http://webserver.rilin.state.ri.us/BillText/BillText24/HouseText24/H7851.pdf>