**House Corporations Committee Meeting Tuesday**

On Tuesday, January 25th, at the Rise (approximately 4:30 p.m.), the House Corporations Committee will meet to take testimony on a few bills. The public will be permitted to submit written testimony, verbal testimony by telephone, or verbal testimony in person – mask required. The hearing will take place in room 101 at the State House.

H.6628, An Act Relating to Corporation – Limited Liability Companies is a holdover bill from 2021. While the committee is not required to take testimony on this bill, it appears they might do so. H.6628, addresses the process that is set in motion when one or more members of an LLC files for dissolution of the corporation. The bill allows the non-filing members of an LLC to avoid dissolution by informing the court, prior to the commencement of a hearing, that they wish to purchase the units owned by the petitioner(s). Time is then given for a fair market value to be determined, and should the parties come to an agreement, the units can be transferred and the corporation saved from dissolution. The bill can be viewed at: <http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H6628.pdf>

H.7112, An Act Relating to Motor Vehicles – Parking Facilities and Privileges, requires, starting January 1, 2023, all new parking lots and existing lots that undergo an expansion of the number of parking spaces by 50% or more, to create designated parking spaces for electric vehicles. Each electric vehicle parking space must have either an EV-ready or EV-capable public level 2, or DC fast charger, or a dual port charger to be shared by two parking spaces. The bill goes on to require Commercial buildings (such as box stores, grocery markets, strip malls, shopping malls, shopping centers, and hotels or motels) as well as large employers (defined as having 100 employees or more at a single location) to install EV-ready or EV-capable public level 2, or DC fast charger, or a dual port charger to be shared by two parking spaces in a formula set in the legislation: 0-9 parking spaces = no EV spaces requirements; 10-25 parking spaces = 1 EV space requirement; 26-50 parking spaces = 2 EV required spaces; 51-75 parking spaces = 4 EV required spaces; 76-100 parking spaces = 5 EV required spaces; 101-150 parking spaces = 7 EV required spaces; 151-200 parking spaces = 10 EV required spaces; 201 and over = 6% of total spaces must be EV spaces. This bill can be viewed at: <http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7112.pdf>

If you wish to testify in writing, please email the testimony (preferably in pdf format) to [HouseCorporations@rilegislature.gov](mailto:HouseCorporations@rilegislature.gov) At the top of the message, indicate your name, bill number and position. The deadline for written testimony is Tuesday at 1:00 p.m. If you wish to verbally testify by telephone register by 4:00p.m. MONDAY by completing the form at <https://forms.office.com/pages/responsepage.aspx?id=LBHmn1akN0aJ3A8oTO_8ZnMUMrI1W6lGqP5le-GGa29UNVgwQTZGUjQ4Q043MU1BTzRCVUVVNlAwUS4u> To testify in person, go to Room 101 Tuesday and sign up. Masks are required.

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**House Committee on Environment Hearing on Styrofoam Food Containers, Plastic Stirrers and Plastic Bags**

On Thursday, January 27th, at the Rise (approximately 4:30 p.m.), the House Committee on Environment will meet in room 101 at the State House. Two of the bills address the use of plastic and Styrofoam in certain businesses.

H.7063, An Act Relating to Food and Drugs, prohibits food establishments from using Styrofoam food containers designed for one use only. The bill also bans the use of plastic stirrers by covered entities, which is broader than food establishments. The bill includes a penalty of $100. The bill can be viewed at: <http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7063.pdf>

H.7065, An Act Relating to Health and Safety, prohibits food establishments and retailers from providing any single-use plastic checkout bag or any paper checkout bag that is not a recyclable paper bag or a paper carryout bag at restaurants to customers. H.7065 calls for a fine of $100 for the first offense in a calendar year, $200 for the second offense and $500 for the third and subsequent offenses. The penalty money collected goes to the municipality. The bill, if passed, would go into effect within one year from the date of promulgation of regulations by the department, or on January 1, 2024, whichever occurs first. The bill can be viewed at <http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7065.pdf>

If you wish to testify on either of these bills, please email the testimony (preferably in pdf format) to[**HouseEnvironmentandNaturalResources@rilegislature.gov**](mailto:HouseEnvironmentandNaturalResources@rilegislature.gov) At the top of the message, indicate your name, bill number and position. The deadline for written testimony is Thursday at 1:00 p.m. If you wish to verbally testify by telephone register by 4:00p.m. WEDNESDAY by completing the form at <https://forms.office.com/pages/responsepage.aspx?id=LBHmn1akN0aJ3A8oTO_8ZnMUMrI1W6lGqP5le-GGa29UNjVWTUlURVk4OTg2RU1DMzAzQldYWjhPRy4u>

To testify in person, go to Room 101 Thursday and sign up. Masks are required.

**Governor Releases Budget**

Governor McKee released his plan for the use of the federal ARPA funds in the form of a FY2022 supplemental budget, and a FY2023 budget. We will be providing overviews of various budget articles in the weeks to come. The House and Senate Finance Committee are also expected to begin hearings on the Governor’s proposal soon. In this edition of UTD, we look at FY2023 budget – Articles 6 Taxation; and 8 Small Business.

**Article 6 – Taxation**. <http://webserver.rilegislature.gov/BillText22/HouseText22/Article-006.pd>

Article 6 is dedicated to one proposal – the phase out of taxing military pensions. Beginning in tax year 2023, a taxpayer could subtract 20% of the military service pension benefit from his/her federal adjusted gross income. The percentage increases to 40% in 2024; 60% in 2025, 80% in 2026 and 100% in 2027. Currently nine states do not tax personal income at all. Twenty-five states that have personal income tax programs do not tax military pensions. Three states fully tax military pensions. Thirteen states exempt some portion of the pension for tax purposes. Currently in Rhode Island, up to $15,000 of retirement income is exempt for retirees who have reached their full Social Security retirement age and whose federal AGI is less than $83,450 for single taxpayers or $104,350 for married people filing jointly (Military Benefits Info website <https://militarybenefits.info/states-that-do-dont-tax-military-retirement-pay/> )

**Article 8 – Small Business**. <http://webserver.rilegislature.gov/BillText22/HouseText22/Article-008.pdf>

This 58-page Article deals with many changes to the operation of businesses in Rhode Island.

* Makes permanent the ability of brewpubs and restaurants to sell “alcohol-to-go” with take-out food orders.
* Lowers the minimum corporation tax from $400 a year to $375 a year.
* Reduces the interest rate assessed on delinquent tax payments. Today that rate is between 18% and 21%. The proposal changes the rate, as of January 1, 2023, to between 12% and 21%. The Trust fund delinquent tax rate would be 18% to 21%.
* Creates a “Taxpayer Steward” within the Division of Taxation to deal with taxpayer complaints and problems, and provide recommendations for changes in tax laws, regulations forms, etc.
* Allows cities and towns to voluntarily establish an exemption for a portion of tangible personal property assessed. Today municipalities must submit legislation for General Assembly consideration in order to implement such a program.
* Exempts the trade-in value of motorcycles from sales tax.
* Creates a “cottage food manufacture” license (for $65) to allow individuals to sell certain baked goods from their home kitchen or a rented commercial kitchen. Licensees are permitted only to sell food directly to consumers by pickup or delivery within the state. The kitchen must be located in a home that meets minimum housing standards, has a two- sink compartment or a dishwasher that reaches 150 degrees, has portable dish tubs and drain boards, and self-closing doors for bathrooms that open directly into the kitchen. If the home has a well for water, that well must be tested once a year. Pets must be kept out of the food preparation and storage areas; and no domestic foods can be prepared at the same time food for sale is being prepared. Laundry facilities in the kitchen cannot be used while preparing the food. Labels will be required. Products permitted to be sold are limited to baked goods that do not require refrigeration or time/temperature controls for safety (i.e. double crust pies, yeast breads, biscuits, brownies, cookies, muffins, certain cakes, etc.) Licensees must charge the appropriate sales tax; they are limited to $25.000 in annual gross sales; and they cannot sell to grocery stores, restaurants, long-term care facilities, group homes, day care facilities and schools.

The following new bills have been filed:

House Bill No. [7111](http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7111.pdf) Ruggiero, Bennett, Handy, Cortvriend, Potter, Speakman, Donovan, Kazarian, Cassar, Shallcross Smith**,**AN ACT RELATING TO PUBLIC UTILITIES AND CARRIERS -- RENEWABLE ENERGY (Increases the percentage of retail electricity sales from renewable energy sources.) <http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7111.pdf>

House Bill No. [7112](http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7112.pdf) McGaw, McNamara, Donovan, Speakman, Cortvriend, Ackerman, Carson, Potter, Cassar, Batista**,**AN ACT RELATING TO MOTOR AND OTHER VEHICLES -- PARKING FACILITIES AND PRIVILEGES (Requires installation of designated electric vehicle parking sapces, with charging capabilities, by certain business/ municipalities/ housing developments in existing/ new/ expanded parking lots as of 1/1/23.) <http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7112.pdf>

House Bill No. [7122](http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7122.pdf) (Governor) Abney**,**AN ACT RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2022 (This is the supplemental budget.) <http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7122.pdf>

House Bill No. [7123](http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7123.pdf) (Governor) Abney**,**AN ACT MAKING APPROPRIATIONS FOR THE SUPPORT OF THE STATE FOR THE FISCAL YEAR ENDING JUNE 30, 2023 (This is next fiscal year’s budget)

<http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7122.pdf>

House Bill No. [7125](http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7125.pdf) (General Treasurer) Potter, McNamara, Amore, Ruggiero, Cortvriend, Carson, Casimiro, Baginski, Donovan, Ranglin-Vassell**,**AN ACT CAPITAL DEVELOPMENT PROGRAMS FOR EDUCATION -- STATEWIDE REFERENDUM (Provides for a statewide voter referendum seeking approval of capital development bonds for school buildings in the amount of three hundred million dollars ($300,000,000).) <http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7125.pdf>

House Bill No. [7128](http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7128.pdf) Solomon, McNamara, Casey, Giraldo, Noret, Craven, Edwards, Lima, Marszalkowski, Hawkins**,**AN ACT RELATING TO TAXATION -- SALES AND USE TAXES -- LIABILITY AND COMPUTATION (Creates a sales tax holiday on August 6 and 7, 2022) <http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7128.pdf>

House Bill No. [7135](http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7135.pdf)  Bennett, McGaw, Vella-Wilkinson, Shanley, Noret**,**AN ACT RELATING TO INSURANCE -- ACCIDENT AND SICKNESS INSURANCE POLICIES -- PHYSICAL THERAPY COPAY (Limits copays, coinsurance or office deductible for services of a physical therapist to the amount authorized for the services of a primary care physician or osteopath.) <http://webserver.rilin.state.ri.us/BillText/BillText22/HouseText22/H7135.pdf>