**This Week At The State House**

With the first of two General Assembly breaks behind us, the legislature is expected to be in full swing for the next six weeks. Over 150 bills were filed during the break; and we anticipate hundreds more to be filed by the end of this week.

On **Tuesday, February 25th, at the Rise** (approximately 4:30 pm), **in Room 35** the **House Finance Committee** will take testimony concerning **Article 6** of the budget. This Article increases the civil penalty for the misclassification of employees. In 2012 the business community supported an increase in this penalty to $1500 - $3000 per misclassified employee. The Governor proposes to increase the penalty to $3000 - $4000 per misclassified employee. The Article establishes a penalty for construction companies working on state projects that violate labor payment rules. The penalty would be equal to two to three times the amount agreed due and payable if the company enters into a settlement agreement with the Department of Labor. This Article also changes the hearing date timeframe for DLT from 10 days to 30 days, with a DLT timeframe to enter a decision after the hearing from 10 days to 30 days. This increase in timeframe guarantees that if a violation (innocent or deliberate) occurs, it will cost the company more in penalties as the amount due and payable adds up over the additional time allotted to DLT to respond. Article 6 also increases Fire Marshall fees for building permits and Fire Marshall fees for inspections It adds a new $15 late fee for the renewal of a driver’s license, chauffeur’s license, CDL license and car registrations that have expired.

On **Wednesday, February 26th, at the Rise**, **in Room 135, the House Health, Education and Welfare Committee** will hear **H.7468**. This bill requires retail establishments with more than three employees, who do not have public restrooms, to allow certain customers to use the employee restroom. Eligible customers include those with the following medical conditions: Crohn's disease, ulcerative colitis, inflammatory bowel disease, irritable bowel syndrome, pregnancy, cancer or any other medical condition that requires immediate access to a restroom facility. The retail establishment is NOT required to make any changes to the employee restroom to accommodate the eligible customers.

The **House Labor Committee** is slated to vote on **S.2147 – the $1 increase in the minimum wage bill, Wednesday, February 26th**. The bill is expected to pass the committee and to be voted on by the full House this week.

**House Finance** will take testimony on Article 11 of the Governor’s budget **Wednesday, February 26th, at the Rise, in Room 35**. **Article 11 – Relating to Economic Development** seeks to accomplish the following:

* Gives the Commerce Corporation the ability to establish a site readiness committee that could step in to assist municipalities in creating sites ready and available to companies wishing to move into the state, including permitting processes, regulations and parcel planning. Municipalities can opt into the program, but once a municipality opts in, the rules cannot be changed. In the event a hope community opts in and provides a tax stabilization program agreement in connection with a project, then that community can apply to the commerce corporation for a partial reimbursement of up to 25% of the forgone tax revenue. The Commerce Corporation may only grant five certifications in any calendar year.
* Changes the Rebuild RI Tax Credit Act which is meant as a gap fund to help get projects over the success line. Current law calls for a maximum credit of 20% of the project cost. The Governor’s budget reduces the maximum credit to 15% unless the building involves a “recognized historic structure” or infrastructure costs that exceed 20% of the project costs, at which point the maximum would remain at 20%.
* Increases the maximum aggregate credits that can be issued from $210 million to $250 million
* Extends the sunset provision for the Rebuild RI Tax Credit, RI Tax Increment Financing, Tax Stabilization Incentive, Wave Closing Fund, I-195 Fund, Small Business Assistance Program, Main Street Program, Innovation Initiative, Industry Cluster Grant, High School Employer Partnership, RI Jobs Incentive and the Air Service Fund. All of these programs will sunset as of December 31, 2020, unless legislative action is taken. The Governor is asking for a 3-year extension.

The Finance Committee members will likely be requesting information on the effectiveness of each program at this hearing.

On **Thursday, February 27th, at the Rise in Room 211,** the **Senate Finance Committee** will hear testimony on Article 9 of the Governor’s budget. **Article 9 – Relating to Local Aid** seeks to provide an incentive to municipalities to decrease the tangible tax. This opt-in program would provide communities with an opportunity to reduce the tangible property tax on the business community in an effort to attract more businesses to that municipality. In Northern RI rates like $31.25 per thousand to $46.58 per thousand are common place which ultimately stifles incentives for businesses to modernize and to grow. The Tangible Personal Property Tax Competitiveness Program works as follows: if a municipality reduces its tangible property tax rate by 6.5% or more, then it can qualify to receive 50% of the revenue lost through the tax rate reduction from a state fund; if the rate reduction is between 5% and 6.5% then the municipality is eligible to receive 25% of the levy loss resulting from the reduction in tax; if the rate is cut between 2.15% and 5% then the municipality can receive 10% of the lost revenue from the state fund. The Chamber submitted testimony at the House Finance Hearing to support this program if funds are available.

Article 9 also allows municipalities to tax hospitals and higher education facilities on real estate that is not used for the core mission of the entity. Vacant lots for these entities would be considered taxable. Any Payment in Lieu of Tax (PILOT) monies received from these non-profit institutions would offset any taxes owed under the new real estate tax program.

The Governor calls for an extension of the car tax phase out to 2028 instead of 2024.

The following bills were filed last week:

Senate Bill No. [2349](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2349.pdf) Sosnowski, Sheehan, Crowley, McCaffrey, Goodwin**,**AN ACT RELATING TO EDUCATION - TEACHERS RETIREMENT [SEE TITLE 16 CHAPTER 97-THE RHODE ISLAND BOARD OF EDUCATION ACT] (Provides for a stipend to be paid to certain retired state employees, municipal employees, and teachers or their beneficiaries during years when a cost of living adjustment is not scheduled.)

Senate Bill No. [2352](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2352.pdf) Bell**,**AN ACT RELATING TO TAXATION -- DEFINITION OF CORPORATE NET INCOME (Repeals a state corporate income tax deduction to allowable income for federal tax purposes for investment property held for at least seven (7) years.)

Senate Bill No. [2354](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2354.pdf) Felag**,**AN ACT RELATING TO TAXATION - PROPERTY SUBJECT TO TAXATION (Permits manufacturing or commercial concerns to apply to commerce corporation for exemption or stabilization of taxes when moving to another municipality if could reasonably and efficiently relocate outside state and that relocation would be advantageous.)

Senate Bill No. [2357](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2357.pdf) Gallo**,**AN ACT RELATING TO TAXATION -- SALES AND USE TAXES -- LIABILITY AND COMPUTATION (Exempts certain equipment procured or rented by a contractor performing construction work for the state, any city or town or any quasi-public entity from the sales and use tax.)

Senate Bill No. [2362](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2362.pdf) Pearson, Seveney, Cano, Paolino, Satchell**,**AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT - THE RHODE ISLAND MUNICIPAL INFRASTRUCTURE GRANT PROGRAM (Removes the prohibition on state appropriations to the municipal infrastructure grant program, and authorize the state planning council to evaluate, approve and issue such grants, subject to the appropriations provided to the program.)

Senate Bill No. [2363](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2363.pdf) Conley, Miller, Satchell, Cano, Pearson**,**AN ACT RELATING TO TAXATION -- HISTORIC PRESERVATION TAX CREDITS 2013 (Repeals the sunset provision of chapter 33.6 of title 44 which grants tax credits to individuals or companies redeveloping historic structures.)

Senate Bill No. [2380](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2380.pdf) Cano, Gallo, Goodwin, McCaffrey, Quezada**,**AN ACT RELATING TO EDUCATION -- FINANCIAL LITERACY (Develops statewide academic standards for the instruction of consumer education in public high schools by no later than December 31, 2020.)

Senate Resolution No. [2383](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2383.pdf) Bell, Quezada, Goldin, Euer, Nesselbush**,**SENATE RESOLUTION RESPECTFULLY URGING THE UNITED STATES CONGRESS TO PASS LEGISLATION ESTABLISHING AN IMPROVED "MEDICARE FOR ALL" SINGLE PAYER PROGRAM THAT WOULD PROVIDE UNIVERSAL, COMPREHENSIVE AND AFFORDABLE HEALTH CARE

Senate Resolution No. [2385](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2385.pdf) Bell, Quezada, Goldin, Euer, Nesselbush**,**SENATE RESOLUTION CREATING A SPECIAL LEGISLATIVE COMMISSION TO STUDY AND ASSESS THE IMPLEMENTATION OF MEDICARE-FOR-ALL SINGLE PAYER PROGRAM IN RHODE ISLAND (Creates an 11 member commission to study and assess the implementation of Medicare-For-All Single Payer in Rhode Island, and report back to the Senate one year from the date of passage, and expire two years from the date of passage.)

Senate Bill No. [2389](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2389.pdf) Bell, Quezada, Goldin, Euer, Nesselbush**,**AN ACT RELATING TO HEALTH AND SAFETY -- COMPREHENSIVE HEALTH INSURANCE PROGRAM (Establishes single-payer universal health care for Rhode Island residents.)

Senate Bill No. [2391](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2391.pdf) McKenney**,**AN ACT RELATING TO INSURANCE -- INSURANCE CONSUMER PROTECTION SALES ACT (Prevents businesses from selling tangible property on a condition that consumer purchases insurance prohibits businesses from using non-public information to sell insurance.)

Senate Resolution No. [2406](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2406.pdf) Raptakis, Lombardo, Ciccone, Lombardi, Paolino**,**SENATE RESOLUTION CREATING A SPECIAL LEGISLATIVE COMMISSION TO STUDY AND REVIEW RHODE ISLAND'S MINIMUM WAGE (Creates an 11 member commission whose purpose it would be to study Rhode Island’s minimum wage, and who would report back to the Senate no later than March 1, 2021, and whose life would expire on June 1, 2021.)

Senate Bill No. [2417](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2417.pdf)  de la Cruz, Morgan, Paolino, Euer, Lombardi**,**AN ACT RELATING TO COMMERCIAL LAW - GENERAL REGULATORY PROVISIONS - ESTABLISHING THE ELECTRONIC INFORMATION OR DATA PRIVACY ACT (Electronic Information or Data Privacy Act. Limits law enforcement access to electronic data and information.)

Senate Bill No. [2425](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2425.pdf) Lombardo, Archambault, McCaffrey, Goodwin, Conley**,**AN ACT RELATING TO COMMERCIAL LAW - GENERAL REGULATORY PROVISIONS - DECEPTIVE TRADE PRACTICES (Amends the Deceptive Trade Practices Act to clarify the law's exemptions/enables individuals subject to unfair or deceptive acts and practices to recover increased damages/permits attorney general to seek civil penalties for initial violations of law.)

Senate Bill No. [2430](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2430.pdf) Conley, Gallo, McKenney, McCaffrey, Coyne**,**AN ACT RELATING TO COMMERCIAL LAW--GENERAL REGULATORY PROVISIONS -- CONSUMER PRIVACY PROTECTION (Creates "Consumer Privacy Protection Act.")

Senate Bill No. [2437](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2437.pdf) Raptakis, Rogers, Morgan, McKenney, Lombardi**,**AN ACT RELATING TO MOTOR AND OTHER VEHICLES -- REGISTRATION OF VEHICLES (Permits the division of motor vehicles to suspend the registration privileges of motor carriers upon receipt of notice from the department of labor and training that the motor carrier has not secured workers' compensation insurance.)

Senate Bill No. [2440](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2440.pdf) Lombardo, Lombardi, McKenney, Coyne**,**AN ACT RELATING TO COMMERCIAL LAW--GENERAL REGULATORY PROVISIONS -- DECEPTIVE TRADE PRACTICES (Amends the deceptive trade practices chapter to clarify the law's exemptions and enhances the attorney general's authority to seek civil penalties for violations of the law.)

Senate Bill No. [2477](http://webserver.rilin.state.ri.us/BillText/BillText20/SenateText20/S2477.pdf) Morgan, Rogers**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS (Requires most employers in Rhode Island to participate in the E/Verify employment authorization program and establishes deadlines to do so.)