**This Week at the State House**

Tuesday, May 10th

The Senate Finance Committee is meeting at the Rise (approximately 4:30 pm) in the Senate Lounge to hear testimony on S.2264, An Act Relating to Taxation – Personal Income Tax. This bill creates a new tax bracket for individuals – and pass through entities – making over $500,000 of 8.99%. The current rate is 5.99%. If you wish to submit written testimony, it must be emailed to jplume@rilegislature.gov before 1:00 pm on Tuesday.

Wednesday, May 11th

The House Labor Committee will be voting on an amended version of H.7905, An Act Relating to Labor and Labor Relations – Fair Employment Practices. This bill voids the use of non-disclosure or non-disparage agreements in civil rights matters. An employer cannot “require an employee as a condition of employment, to execute a nondisclosure agreement or an agreement with a clause, that requires alleged violations of civil rights remain confidential, or a non-disparagement agreement concerning alleged violations of civil rights. Any contract provision in violation of this subsection shall be void as a violation of public policy.” This is the language from the amended version – H.7905 SubA. The original bill reads “require an employee as a condition of employment, to execute a nondisclosure agreement or an agreement with a clause, that requires alleged violations of civil rights remain confidential, or a non-disparagement agreement concerning alleged violations of civil rights ***or alleged unlawful conduct***…”

Electronic filing of Taxes is on the docket for the House Finance Committee at the Rise in room 35. H.7928 requires businesses with $5000 or more in annual tax liability, or with annual gross income of $100,000 or more, to file returns and remit taxes electronically. If passed, the new requirement would begin January 1, 2023. Failure to comply would result in a $50 fine unless reasonable cause for failure can be shown. Testimony on this bill can be submitted by Wednesday at 1:00 p.m. at **HouseFinance@rilegislature.gov**

Be sure to include your name, bill number, and position in the email heading.

The Workforce Bullying bill (S.2486, An Act Relating to Labor and Labor Relations – Dignity at Work Act) is scheduled for **a vote** in the Senate Labor Committee at 4:00 p.m. At the hearing in March, it was mentioned that an amended version may be offered prior to a Senate vote. As of Sunday, no amendment has been posted. The Senate has passed this bill multiple times. The definition of workplace bullying includes: undermine, humiliate, denigrate, or sabotage a person in the workplace; as well as threatening, intimidating, dominating, or otherwise infringing upon a person's right to dignity. Workplace bullying may take the form of interpersonal interactions, organizational practices, or management actions. Workplace bullying may take the form of harassment, incivility, abusive supervision, physical violence, aggressions and “other types of objectionable behaviors.” The behaviors may come from any level of the organization, including supervision, co-workers, subordinates, or customers. Examples of bullying cited in the bill include: Interfering with a person's personal property or work equipment; use of humiliation, personal criticism, ridicule, and demeaning comments; Overbearing or intimidating levels of supervision; Withholding information, supervision, training or resources to prevent someone from doing their job; Changing work arrangements, such as rosters, offices, assignments, leave, and schedules to deliberately inconvenience someone; Isolating, or marginalizing a person from normal work activities; Inconsistently following or enforcing rules, to the detriment of an employee; Unjustifiably excluding colleagues from meetings or communications; and Intruding on a person's privacy by pestering… The bill is very broad and provides the “bullied” employee the ability to sue both the individual(s) involved as well as the employer. To view the actual text of the legislation, go to: <http://webserver.rilin.state.ri.us/BillText/BillText22/SenateText22/S2486.pdf>

Thursday, May 12th

The Senate Judiciary Committee will take testimony on S.2775, An Act Relating to Labor and Labor Relations – Payments of Wages. S.2775, submitted at the request of the Attorney General, creates a felony offense for knowing and willfully failing to pay an employee on the designated pay day, or for failing to pay an employee the amount of wages owed at the next pay day following termination. If the value of the wages owed is between $1500 and $5000 the penalty is up to three years imprisonment or a fine of twice the value of the wages, or both. If the value is between $5000 and $10,000, the penalty is up to six years in prison and a fine of twice the wages, or both. If the value is over $10,000, the penalty is up to ten years in prison and a fine of twice the wages, or both. The bill also creates a felony penalty for employers that knowing and willfully misclassify an employee as an independent contractor. The first knowing or willful violation brings a penalty of up to three years in prison or a fine of up to two times the value of the wages or $10,000, whichever is greater, or both. The second knowing or willful offense carries a penalty of up to five years in prison or a fine of up to three times the value of the wages or $20,000, whichever is greater, or both. **NOTE:** ***If this bill is important to your business, now is the time to reach out to both the House and Senate!***  Testimony can be emailed to SLegislation@rilegislature.gov Please include the bill number, your name, position and company in the subject line.

**Revenue Estimating Conference Update**

Last Friday, the Revenue Estimating Conference met to determine caseload numbers and certain program expenses which will be used in formulating the FY2023 budget and updating the current year’s fiscal budget (FY2022). The Conference reconvenes today – Monday, May 9th, in what is a day long meeting to hash out revenue estimates that will be used in creating the budget. Below are a few things we learned from the Caseload conference last week:

* The RI Works program came in $2.2 million lower than anticipated in FY2022. RI Works is a financial and employment assistance program for parents and families with little to no income who have children high school age or younger. It provides family supportive services, job readiness, preparation and placement, employment or vocational training and retention services. Recipients can also receive child care, transportation and educational services. In FY2022, the program, which served approximately 6094 people, is estimated to cost $18.6 million. The estimate for FY2023 is 7850 people at a cost of $24.5 million.
* Total cash assistance for FY2022, which includes the RI Works program, child care subsidies, SSI payments, and general public assistance, is estimated to end the year at $92.9 million. Keep in mind that roughly 60% of that money comes from the federal government. This estimate is $20.8 million less than anticipated when the FY2022 budget was crafted. The FY2023 estimate is $112 million.
* Medical assistance to Rhode Islanders comprises the largest category of expense for the state. This grouping includes items such as: hospitals, long term care, managed care and acute care services (includes Medicaid), and pharmacy assistance. In the current fiscal year, this category came in $47 million less than anticipated for a total of $2.875 billion. The federal percentage has not been released yet, but it was originally expected to be about 64%. For FY2023, the conferees estimate that medical assistance programs will cost $3.173 billion. A large portion of the anticipated increase is attributed to managed care needs and Medicaid.

There are no new bills to report this week.