**Session Enters Final Week**

With the budget passed by the House Finance Committee, the full House scheduled to vote on the budget Thursday, and bills passing fast and furiously, the General Assembly appears to be heading into the final week of session. The House has posted a floor calendar for Tuesday through Saturday in the event extra days are needed. The Senate has posted a floor calendar for Tuesday, but expected to add days as needed. Also notable, is that the 48-hour committee posting rule does not apply to many bills after the 50th day of session, so hearings can pop up at any time.

Most of the bills posted for vote or hearing as of Sunday night are bills legislators had introduced earlier this year that found their way into the budget document. It is not unusual to pass the bills to recognize the legislators for their hard work in getting an initiative passed into law.

**Tuesday Hearing –** Senate Health and Human Services, at the Rise in room 211.

One bill, unrelated to language contained in the budget, is S.2769, An Act Relating to Health and Safety – Comprehensive Health Insurance Program. This 92-page bill creates a universal, single-payer health insurance system in Rhode Island. It sets rates, expands Medicare and Medicaid coverage, and increases paid leave to 160 hours a year. The sponsors anticipate paying for the program with increased efficiencies, federal dollars, state dollars, private grants, individual contributions in lieu of health insurance premiums, and a 10% payroll tax to be paid 80% by the employer and 20% by the employee. Self employed individuals would pay 10%. The bill allows the state to adjust the tax rate so that higher income bracket individuals pay more and lower income bracket individuals pay less. The bill is sponsored by Senator Sam Bell of Providence.

**UI Trust Fund Big Win For the Chamber!**

The House Finance Committee recommended passage of the FY2023 budget. Included in the $13.6 billion plan (which includes expenditures in outlying years) is a $100 million infusion of money into the Unemployment Trust Fund that was heavily depleted during the pandemic. The Chamber advocated strongly for this allocation. We wish to thank all the legislators who expressed support for the inclusion of the funds and, in particular, to Senate Finance Chairman Ryan Pearson and Representative Carol McEntee for their tireless efforts. The $100 million is expected to reduce the UI tax rate for 2023 (keep in mind your taxable wage base may likely increase due to the increase in employee wages). Thank you to everyone who communicated with legislators on this issue!

**What Else is in the Budget?**

The full budget can be viewed by clicking on the House Finance Agenda for June 9th [State of Rhode Island General Assembly (rilegislature.gov)](https://www.rilegislature.gov/Special/comdoc/Pages/house%20finance%202022.aspx) A few of the highlights are listed below:

* No tax increases
* Corporate Minimum Tax remains at $400. The Governor had proposed to lower it to $375.
* $230 million to complete the vehicle tax phase-out this year – one year early. Vehicle owners will get no vehicle excise tax bills this summer, except for East Providence residents who pay the tax one year in arrears.
* $1 million to support initiatives focused on recruiting, and credentialing the workforce. This money can also be used to provide technical assistance for technology purchases to individuals with developmental disabilities in accordance with a federal consent decree.
* $6 million to support a healthcare workforce development initiative to address staffing shortages through recruitment efforts and talent development for existing staff. The program seeks to place 200 participants, including 100 new hires in a training program.
* $2.3 million to enhance improvements to Division of Taxation business processes and taxpayer services ($750,000 in FY2023 and $1.5 million in FY2024)
* $700,000 for the Local Agriculture and Seafood Act grant program which provides grants to local businesses to support growth, development and marketing of local food and seafood in the state.
* $5 million for Main Street Revitalization to award loans, matching grants and other forms of financing to enhance sidewalks, signage and lighting in order to create an attractive environment in local business districts.
* $43.8 million for a one-time child tax credit of $250 per child up to three children, for Rhode Islanders making up to $100,000 for an individual and $200,000 for joint filers. This credit is estimated to impact roughly 190,000 filers. According to the House Fiscal Office description, “Most checks would be issued in October as long as taxpayers file their 2021 returns before September 1. Late filers have until October 31 to qualify. A child is defined as a dependent under the age of 18 in the calendar year 2021.”
* $250 million for housing, including $10 million in down payment assistance to qualified first-time home buyers
* $30 million for the construction of a new health laboratory
* $108 million for Eleanor Slater Hospital
* $850,000 for the World Ocean Race in Newport July, 2023.
* Cannabis – The new cannabis program is expected to generate $6.6 million, ($2.9 million from the 7% sales tax, $4.1 million from the 10% excise sales tax, loss of $.4 million from elimination of plant tag and registration cards). The State is expected to spend $5.6 million to run the program for a net revenue gain of $1 million.
* $2.5 million for a free fare bus route pilot program along the R-Line. The program is scheduled to begin September 1, 2022 and end August 31, 2023. RIPTA is required to track ridership data and submit a report to the state by March 1, 2024.
* $75.2 million for the Highway Improvement Program that will be used to match federal dollars under the Infrastructure Act.

Other policy-related items included in the budget are:

* Article 6 gives municipalities and fire districts the authority to establish a tax exemption for tangible personal property.
* Electronic filing requirements for businesses with an annual tax liability of $5,000, or whose annual gross income is over $100,000. Beginning January 1, 2023, covered entities must remit taxes electronically or otherwise be subject to a fee equal to 5% of the tax liability or $500, whichever is less (unless there is reasonable cause for failure). Failure of a covered entity to file a tax return electronically will result in the assessment of a $50 fee unless reasonable cause exists.
* Interest on delinquent payments – Current law requires the tax administration to assess interest equal to prime plus 2% provided that the rate is not less than 18% nor more than 21%. The budget allows the Tax Administrator, beginning January 1, 2023, to go as low as 12% (provided it is equal to prime plus 2%) while keeping the cap at 21%. The rate applied to trust fund taxes remains at 18% - 21%.
* Extends the sunset clauses for a number of Economic Development programs to December 31, 2023: Rebuild RI Tax Credit, RI Tax Increment Financing Credit, Tax Stabilization Incentive, First Wave Closing Fund, Redevelopment Project Fund, RI Qualified Jobs Incentive Act, and Small Business Assistance Program.
* Extends the Historic Tax Credit to June 30, 2023.
* Adds healthcare applicants to the RI Wavemaker Fellowship program

**Are You Considering Running for Office?**

If you are considering running for a General Assembly seat – House or Senate - the deadline is approaching quickly. The Chamber can be most effective when business people run for office. Declarations for candidacy must be filed June 27th 28th or 29th at the Local Board of Canvassers in the City or Town where you are registered to vote.

The Declaration of Candidacy is the document you sign to start the process of becoming a candidate. You “declare” yourself as a candidate for a particular office and if you wish to run as a party candidate, you also “declare” yourself to be a member of that party. All candidates for all public and party offices must file a Declaration of Candidacy.

More information can be found at [Welcome to your Voter Information Center](https://vote.sos.ri.gov/)

**New Bill Introductions**:

Senate Bill No. [3011](http://webserver.rilin.state.ri.us/BillText/BillText22/SenateText22/S3011.pdf) McCaffrey, AN ACT RELATING TO LABOR AND LABOR RELATIONS -- FAIR EMPLOYMENT PRACTICES (Restores the original legislative intent that employees may be held individually liable for their own discriminatory conduct.) [S3011.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText22/SenateText22/S3011.pdf)

Senate Bill No. [3012](http://webserver.rilin.state.ri.us/BillText/BillText22/SenateText22/S3012.pdf) McCaffrey**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- PAYMENT OF WAGES (Eliminates repealed statute references/creates mechanism for employees to enforce right to continuation of medical benefits/reinstates status and benefits after returning from being a temporary caregiver and for benefits relating to Sunday wage laws.) [S3012.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText22/SenateText22/S3012.pdf)