**Last Week at the State House**

The members of the House passed a $9.97 billion budget for FY2020 on a 64-9 vote on Saturday afternoon. The process began Friday evening at 4:48 pm, recessing around 10:30 pm to return Saturday morning to finish the work. While the debate turned contentious during the Friday evening hours, the members seemed to come back Saturday with a renewed spirit of cooperation. A freshman Republican legislator – Representative Nardone – successfully argued the need for protection for school nurses to administer limited marijuana (non smoke, non vapor) to qualified patients in school settings. A new amendment was prepared and passed by the body. The funds for an experimental medical program, which received public attention, was rescinded and reallocated. The legislature took funds out of their own line item budget on Saturday to fund a non-violence program (Nonviolence Institute) that had not made the cut from the House Finance Committee. All of these changes resulted in a budget that passed with a veto-proof margin in the House. The budget moves to the Senate this week. The Senate could take up the bill Tuesday, or wait until all of the other legislative matters have been decided. Historically, Senate leaderships have chosen both alternatives for the end of session process.

A few key changes were made to the budget:

* The House removed a $.26 GIS fee on cell phones. When taken together with the previous changes in the 911 Fund structure, the result is a $.01 per month decrease in cell phone fees.
* A $300,000 line item for the Blackstone Valley Park Improvements Project was added
* A change in the human services program allows individuals to remain on public assistance for four consecutive years instead of two consecutive years
* The budget gave Commerce RI the ability to increase the tax credits to the Providence Fane proposal to $25 million (the cap is normally $15 million). The Rebuild RI tax credits were also bumped from $200 million to $210 million; and $1 million was added to Commerce RI for site development.
* The House Finance Committee recommended that a number of economic development programs under Commerce RI sunset in 6 months. The following programs were amended by a vote of the house members to extend the sunset dates to December 31, 2020: RI Tax Incremental Financing Act; Tax Stabilization Incentive; First Wave Closing Fund; I95 Redevelopment Project Fund; Small Business Assistance Program; Stay Invested in RI Wavemaker; Main Street RI Streetscape Improvement Fund; Innovative Initiative; Industry Cluster Grants; High School, Collect Employer Partnerships; Air Service Development Fund; and RI New Qualified Jobs Incentive Act.
* Any new rules or regulations promulgated by the Department of Business Regulation or the Department of Health under the Medical Marijuana law is subject to approval by the General Assembly prior to enactment. A number of representatives argued against the approval of 6 additional medical marijuana dispensaries saying it was harmful to small businesses that invested money only to now have the rules changed. Representative Jacquard from Cranston rightfully pointed out that when the medical marijuana law was passed and the dispensaries were created, the General Assembly heard testimony that approximately 2,000 individuals were expected to apply for medical marijuana cards. The three dispensaries are currently selling to about 18,000 Rhode Island cardholders, increasing the demand for dispensaries.

An effort was made by Representative Cassar from Barrington to increase the hotel tax by a half percent and to use the new found funds to create a program to combat homeless. After a lengthy, emotional debate, the proposal failed on an 18-55 vote. Representative Ajello from Providence offered an amendment to add one person to the I95 Commission in an effort to force a “super majority” vote on any development project. The amendment failed 22-50.

**This Week at the State House**

This edition of Under the Dome will not reflect all of the major activity that will take place this week at the State House, because hearings will continue to be posted as the week unfolds. To date, hearings are only posted for Monday and Tuesday.

The most controversial bill at the moment appears to be the City of Providence’s proposal to apply differing homestead exemptions in a tiered fashion, thus increasing property taxes on residential properties of higher value. (see H.6232 and S.985 below). S.985 was passed by the Senate Housing and Municipal Government Committee last week. H.6232 has yet to be scheduled for a hearing this week.

On Tuesday, at the Rise, the Senate Judiciary Committee will vote on S.74, An Act Relating to Taxation. The bill enacts a ten year statute of limitations on any assessment of tax due or the start of any Division of Taxation collection action for tax due in the area of estate taxes, personal income taxes and corporate taxes.

The following bill was filed last week:

House Bill No. [6232](http://webserver.rilin.state.ri.us/BillText/BillText19/HouseText19/H6232.pdf) McKiernan, Williams, Almeida, Lima, Mendez**,**AN ACT RELATING TO TAXATION -- PROVIDENCE HOMESTEAD EXEMPTION (Authorizes the city of Providence to adopt by ordinance a homestead exemption for local taxation on owner-occupied residential real property.

House Bill No. [6242](http://webserver.rilin.state.ri.us/BillText/BillText19/HouseText19/H6242.pdf) Ucci, Kennedy, Craven, McKiernan, Place**,**AN ACT RELATING TO WATERS AND NAVIGATION - RHODE ISLAND INFRASTRUCTURE BANK (Expands the definition of “approved project” to include resiliency related infrastructure projects, and further prohibits the award of financial assistance for a water pollution abatement project.)

Senate Bill No. [985](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0985.pdf) Ciccone, Quezada, Bell**,**AN ACT RELATING TO TAXATION -- PROVIDENCE HOMESTEAD EXEMPTION (Enables the city of Providence to adopt a homestead tax exemption. The value of the $350,000 would receive a homestead exemption of 40% of value while the remaining value would receive a homestead exemption of 28% of value.)

Senate Bill No. [994](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0994.pdf) DiPalma, Seveney, Euer, Felag**,**AN ACT RELATING TO WATERS AND NAVIGATION - RHODE ISLAND INFRASTRUCTURE BANK (Expands the definition of “approved project” to include resiliency related infrastructure projects, and further prohibits the award of financial assistance for a water pollution abatement project.)

Senate Bill No. [997](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0997.pdf) Coyne, Lynch Prata, Seveney, DiPalma, Euer**,**AN ACT RELATING TO CRIMINAL OFFENSES -- EXPLOITATION OF ELDERS (Changes the definition of "elder person" for purposes of exploitation of elders from a person sixty-five (65) years of age or older to a person sixty (60) years of age or older.)

Senate Bill No. [1000](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S1000.pdf) (By Request) Ciccone**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS - MINIMUM WAGES (Provides that employers who permit employees to report to work shall pay the employee for not less than 3 hours wages if 3 hours work does not exist. Exceptions for agreed shifts of less than 3 hours and for employee students of a college.)