

May 2015 RI Legislative Update

Minimum Wage:

Although from the outset of this legislative session the minimum wage increases has been one of most critical pieces of legislation we have focused on. As you know it has been a major challenge as the governor as well as most general assembly leaders made this one of their chief campaign promises. At the initial hearings on these bills - both calling for a \$1.10 increase to \$10.10 on Jan. 1st 2016 - and on subsequent meetings we have had with House and Senate Leadership we have opposed the increase - centered principally on countering the legislators position that we need to be competitive with CT and MA who had previously passed legislation to move to these new \$10.10 amount in 2016. We also argued that this type of increase was inconsistent with other legislation and initiatives being considered that are intended to support business and improve the RI business climate. We also have been the principal proponent in the state for considering a “student wage” or “training wage”.

It appears that we have at least some success as it appears that the governor has backed off her move to \$10.10 – in at least some part from pressure she has received from House and Senate leadership who have responded to what they have heard from their constituents. It is anticipated that both the House and Senate will pass out of committee this week proposals to move to \$9.60 on Jan. 1st 2016. From what we are told there is no additional language to move to \$10.10 in 2017. So, although far from ideal – the outcome appears to be a more reasonable amount – and it would appear that that leadership has accepted that the RI economy is not the same as CT or MA and RI should act independently on what is best for RI.

More information is available here.

<http://m.providencejournal.com/article/20150526/NEWS/150529445/14022/NEWS>

Both the Senate and House bills (companion legislation) will most likely be voted out of committee this week and will go to the floor in the next several days.

Tolls:

It is expected that this morning the governor as well as the Speaker and Senate President will hold a joint news conference to announce their plan for dealing with the deteriorating roads and bridges in RI. There have been no bills submitted and most likely this will be made part of the budget.

Costs of repair have been estimated at over \$1Billion. Their answer is to secure bonds that will be funded largely by new tolls initiated on the state’s highways. Although details have been sketchy rumors have the tolls being collected only on tractor trailers and not cars or smaller trucks. It is also anticipated that out of state trucks will be targeted - out of state transponders will pay more – or RI registered trucks will be exempted. More details will be available later today – but if any members care to share some info on what the impact would be to their business – it would be helpful in preparing to voice our concerns with this.

Ultimately the increase cost of the tolls will be passed on from the trucker to their delivery customers and then eventually on to consumers – or in the case of self-distributing organizations they will incur higher cost and be forced at some point to pass it on as well. More detail – including how much the toll would be, if it exempts RI registered vehicles or not, where the toll stations would be located, when and how this will be initiated, etc. - will be forthcoming. We will pass on that info to affected members as this initiative moves forward.