

RI Legislative Update

December 2014

“The Great Unknown”

This is an interesting time for Rhode Island’s General Assembly as the newly elected officials get their first glimpse of life at the statehouse and a general overview of how things work prior to the formal start of the 2015 session. The holdovers wonder what the new session will be focused on and what their roll will be as assigned by leadership. It is of course, very interesting this year as to what exactly leadership will be focused on.

It is particularly interesting on the House side as nearly all of House leadership, including the Speaker, Nicholas Mattiello and the House Majority Leader, John J DeSimone ran unopposed in this past November’s election. As a result there were no debates, minimal media presence and no real need to state their positions – or most importantly how they plan on going about achieving their goals. Certainly, and consistent with the tone of the election (for those that did campaign) those goals focused on reducing unemployment, improving the business climate, and job training – all worthy and needed initiatives.

“The Known”

The one known fact is that the General Assembly must work to balance the fiscal 2015 budget which now has a projected shortfall of \$63M and then look beyond that in the longer term to deal with the projected losses of state revenue coming in 2016 – 2017. As a result of dealing with this shortfall it will be difficult for them to aggressively address the goals related to jobs and business development as most initiatives to help these areas cost money – either in additional expenditures or further reduction of state income if they lower taxes and fees or provide other incentives.

The other dynamic in play this session is how the newly elected governor, Gina Raimondo will interact with the General Assembly. The goals of these two branches of government, as stated, seem to be quite similar. The challenge will

be how (or if?) they can work together. As most are aware the powers of the governor in RI are quite limited and most political insiders would argue that the Speaker has much more power in driving legislation. Gina Raimondo's track record as State Treasurer and her overall personality indicate she is a strong willed and result oriented individual. This should prove to be quite interesting as to who takes the lead and how they can reach common ground.

"The Result"

Although there are challenges facing the 2015 session one can assume that the budget shortfall is not overwhelming and they should be able to cover that. As both the executive and legislative branches have similar goals relating to jobs and business something will most likely be done to at least build on what was accomplished last session even if they cannot be overly aggressive in addressing these issues. The association has already begun working with House and Senate Leadership on helping to foster this "pro-business culture" which we saw developing in the last third of the 2014 session. It should be interesting.