

## **RI Legislative Update July 2012**

As most of you are aware the RI General Assembly recessed on Wednesday, June 13, 2012 and no return date is planned at this time. The next session will begin on Tuesday, January 1, 2013.

Here is a quick review of the legislation we were tracking – starting with those bills that have passed the state legislature and were sent to the governor’s office. Some have already been signed by the governor.

The following bills have passed this session and will become law:

- S 2127A as amended (DiPalma) and H 7595A as amended (Jackson) Food Allergies: This bill as amended impacts restaurants as they must now provide allergy warnings with signs and on their menus. The language was changed to better defined what the intent was.
- S 2328 (Felag) and H 7294 (Malik) Weight Limits: This bill restricts truck over four tons from using Rt. 114 as a route for trucks. It does not exclude trucks of this size that are making deliveries in the area. The amended version of this bill limits the restriction of Rt. 114 North of Child St towards Barrington.
- H 7314 (Hearn) and S 2375 (Lynch) Bi-Weekly Pay: Although this legislation does not impact the majority of our members it does allow companies the option to pay less frequently than weekly.
- H 7396 (Bennett) and S 2374 (Lynch) Minimum Wage Increase: Effective Jan. 1<sup>st</sup> 2013 the minimum wage will increase by 35 cents per hour. Through significant efforts on the part of the association and its members this bill was amended to only address 2013 and no subsequent years and all of the language that used CPI for determining any future increase was stricken from the legislation.
- S 3016 (Paiva Weed) EPR Study Commission for Paper and Packaging; this is a Senate ONLY Commission: This legislation was submitted late in the session and fast tracked along. It essentially replaces several other individual bills that were submitted on the topic of producer responsibility. This legislation establishes a commission to study and evaluate this area and come back with suggestions in the next session. This defines who will sit on the commission and its length of tenure. As of this writing it has yet to convene and the panel has not been totally determined.

Although these will more than likely be reintroduced or replaced with new similar legislation in the next session (and as a result during a non-election year) the following bills we were tracking and testifying against did not move forward:

- Numerous producer responsibility bills (replaced by S 3015)
- H 7213 Braille RX requirements
- H 7342 & S 2798 Sugar Sweetened Beverage Tax
- H 7494 & H 7833: GMO restrictions
- H 7675 Credit Card Protection legislation
- H 7736 & S 2802: Trans Fat Use Restrictions
- H 7927 & S 2216: Mandatory E-Verification
- S 2421: Determining OT pay for fluctuating work week situations
- S 2401: Exemption from sales tax for vending machine sales

One of the other major areas of concern for our members centered around the state budget for fiscal 2013 (began on July 1<sup>st</sup>), namely the impact from various provisions included in the governor’s proposals and the potential for the General Assembly to agree to or replace some revenue generators with fees and taxes that negatively impact our businesses.

On June 15 the governor signed the revised budget submitted by the joint houses. Although the governor was not happy with the changes made in his proposed budget he was satisfied in many of the other actions taken. He was disappointed that many of his provisions for municipal reform and relief were omitted from the final budget. He said the legislators backed away from meaningful changes and had deep concern over this as several RI communities that he feels are on the brink of bankruptcy.

Many other economic and political observers felt that the final budget represented a step back for the state as the budget relied too heavily on “non-recurring” one time revenues to plug budget holes which could leave the state with various deficits in future years. This, of course, is not surprising, as this is an election year for both the House and Senate members - and there is a certain amount of constituent distain for RI politicians in general.

The perceived (some would argue real) shortcomings of budget and the unwillingness to act on some legislation that could be viewed unfavorably by taxpayers the one result from this year’s session is that next year will be quite interesting and could be quite active.