



SMITH HILL REPORT

Published by the RI Federation of Teachers and Health Professionals, AFT, AFL-CIO
www.rifthp.org

Volume 12, No. 13, March 27, 2009

RIFTHP President Objects to Governor's Use of Stimulus Funds

On Monday, March 23, Rhode Island Federation of Teachers and Health Professionals President, Marcia Reback, sent a letter to Governor Carcieri with copies to the members of the RI General Assembly. The letter outlined the RIFTHP's concerns about the Governor's proposed use of federal Stimulus Funds in the FY 2010 Rhode Island State Budget.

The following is an excerpt from the letter:

"I have reviewed your budget plan for FY 2010 for the State of Rhode Island and have two significant concerns related to public education and the American Recovery and Reinvestment Act (ARRA). While I fully recognize the hard choices necessary to balance a budget with large projected deficits, I believe that your proposals would misuse federal money dedicated to rebuilding our economic future and preserving education programs.

Our union has been part of a nationwide effort to support passage of the ARRA. Under the State Fiscal Stabilization Fund (SFSF) provisions of the act, Rhode Island is eligible to receive approximately \$165 million to be used this year and next year, \$30 million of which can be used at the discretion of state leaders. The rest of the money is to be dedicated to K-12 and Higher Education. The clear intent of the SFSF is to help bring stability to colleges and districts reeling from the current economic crisis.

My first objection is to your decision to seek a waiver of the Maintenance of Effort provision. Since the state has seriously under funded public higher education, meeting the Maintenance of Effort provision should require adding approximately \$25 million to public higher education. In seeking a waiver of the Maintenance of Effort provision, you are shortchanging Rhode Island College, University of Rhode Island and the Community College of Rhode Island by permitting the continued underfunding of higher education. I firmly believe that Rhode Island's economy will never blossom without a strong, well-funded public higher education system.

My second objection to your budget plan is your use of State Fiscal Stabilization Funds to supplant, not supplement existing state support of K-12 education. You have proposed reducing state support for K-12 education by \$31 million this year and \$38 million next year. By reducing state aid to education and using the federal money to supplant state dollars, you are jeopardizing existing education programs and staff throughout Rhode Island.

I am particularly troubled by these choices because you have also proposed approximately \$15 million in corporate tax breaks. In effect, you are using SFSF funding to finance tax cuts. This is not a recipe for economic recovery in the Ocean State, nor does it comport with the intent of the ARRA."

Budget Appropriation Reduction - Emergency Regulations

On Tuesday, March 24, the RIFTHP provided testimony in **opposition** to **Sen. Bates (S-0411)** and **Rep. Ehrhardt's (H-5840)** legislation in the Senate and House Finance Committees to empower the Governor to make revisions to State appropriations without legislative approval. These bills are the same as Article 2 of the Supplemental Budget bill heard earlier this session.

By allowing the Executive Branch to have the authority to change appropriations to State

agencies, municipalities and school districts, this bill would prevent deliberation and advocacy on the merits of any proposed appropriation reduction. The RIFTHP believes these bills are contrary to the separation of powers doctrine.

The RIFTHP is also opposed to Section 3 of the bills, which would provide unfettered authority to State agencies to adopt regulations without public participation.

School Committee Meeting Notices

On Tuesday, March 24, the RIFTHP provided testimony in **opposition** to two identical bills being heard in the House Judiciary Committee (**H-5139 Melo** and **H-5229 Shallcross-Smith**) that would eliminate the requirement that Rhode Island school committees post meeting notices in newspapers. In the interest of providing the greatest public awareness of school committee actions possible, the RIFTHP believes the existing statutory requirement should be preserved.

The RIFTHP recognizes that this legislation does maintain a posting requirement, giving school committees the option to post on either a website or in the newspaper. Since there is no universal access to internet, the RIFTHP does not believe that an electronic posting is a sufficient alternative to posting meeting notices in newspapers.

RIFTHP Opposes Flat Tax

On Tuesday, March 24, the RIFTHP provided testimony in **support** of **H-5469 (Guthrie)** that eliminates the flat tax. The bill which was being considered by the House Finance Committee is a reasonable response to the extreme financial turmoil this country and our State now face.

The Governor's proposal to balance the current budget and next year's budget is heavily weighted towards cutting teacher and State worker pension benefits. The RIFTHP noted that it would be unconscionable for the Assembly to further reduce the benefits of public sector workers while holding the wealthy harmless of any budget saving proposal.

As the RIFTHP talks to legislators about budget issues, it hears repeatedly that "everything is on the table". The RIFTHP thanked Representative Guthrie for putting this idea squarely on the table. Balancing the State Budget requires everyone to share the burden.

Rhode Island has had routine budget deficits. It is in our best interest to end the cycle of repeated budget deficits by adding to the revenue stream. Repealing the flat tax would provide considerable revenue to the Rhode Island budget while providing additional fiscal stability.

RIFTHP Supports Public Employee Free Choice Act

On Wednesday, March 25, the RIFTHP testified in support of **S-0331 (Goodwin, Senate Labor)** and on March 12 on **H-5504 (Almedia, House Labor)** which would allow for certification of a union as the bargaining representative if the Rhode Island State Labor Relations Board finds that 60% of employees in an appropriate unit have signed authorization cards.

Just as The Employee Free Choice Act, currently working its way through Congress with President Obama's support, allows for "majority sign-up" for private sector workers, RIFTHP believes that RI public employees should be able to organize into a union if 60% of employees in an appropriate unit sign cards indicating their support.