



# SMITH HILL REPORT

Published by the RI Federation of Teachers and Health Professionals, AFT, AFL-CIO  
[www.rifthp.org](http://www.rifthp.org)

Volume 13, No. 21, May 21, 2010

## **Final Pension Push**

As we come close to Memorial Day, predictions on the date of final adjournment fill the halls of the State House. Many believe that the Assembly will finish its work by mid-June. In order to finish then, the House Finance Committee would need to meet and vote on a State Budget bill in the next few weeks.

Because the pension COLA cut was never enacted as a stand-alone bill, it is widely expected that the pension COLA will be included in the 2011 Budget bill. Some in the House of Representatives want to reduce the cap on COLA even lower than \$35,000 as initially proposed in the Supplemental Budget bill last month.

***If you care about your financial future, this is your last chance to tell your Senator and Representative that enough is enough, no more pension cuts for teachers and State workers.***  
Contact information is available at: [sos.ri.gov/vic/](http://sos.ri.gov/vic/). Just type in your address in the space provided.

## **Two Types of Binding Arbitration**

On Wednesday, May 19, the RIFTHP testified in **support** of **S2684** by **Senator McCaffrey**. The bill would re-state that arbitration is the preferred method of resolving workplace disputes. The RIFTHP and AFSCME testified that the bill would restore policy set forth by the Assembly decades ago to permit binding arbitration of grievances.

The RIFTHP noted the increased interference in labor arbitration by the Judiciary, as seen by the overturning of decisions made by arbitrators who have heard the full cases. The League of Cities and Towns testified that the recent court decisions vacating arbitration awards are simply the pendulum swinging back to center. The RIFTHP argued it was more akin to the Pit and the Pendulum by Edgar Allan Poe in which labor is strapped to a table as a razor-sharp pendulum inched slowly toward the victim.

This week in the House Chamber, RIFTHP and NEA/RI lobbyists spent time talking to Representatives about another type of arbitration. The two organizations support binding arbitration as a method to resolve negotiations if a new contract cannot be agreed to by the parties. The recent actions in East Providence highlight the importance of having some dispute resolution mechanism in place. The RIFTHP and the NEA/RI are working to get the Assembly to enact binding arbitration this year.

## **Public Television Study Commission**

The RIFTHP attended a hearing of the House Constituent Services Committee on Tuesday, May 11, where **H7056** (*Naughton*) was scheduled to be brought up for consideration. This resolution would create an eleven-member, special legislative study commission whose purpose would be to make

a comprehensive study of public television in the State of Rhode Island and who would report back to the House of Representatives. This bill was put on hold pending an amendment requested by the RIFTHP to include a labor union representative on the commission.

## **Compulsory Age of School Attendance**

On Wednesday, May 12, the RIFTHP attended a news conference at the State House where **Representative Joseph McNamara**, Chairman of the Health, Education and Welfare Committee, and Vice-Chair **Representative Grace Diaz** unveiled their legislation (**H8067**). The bill was lauded as a way to increase the number of students who would complete high school either through the traditional school system or in alternative programs. This act would change the required school attendance age from 16 to 18 years and would allow the waiver of the compulsory attendance for pupils over the age of sixteen who are involved with an alternative learning plan. The bill was heard later that day in the House Health, Education and Welfare Committee. Testimony ranged from statistics on the increasing drop-out rate of high school students and the effect on the median income of adults with and without a high school diploma, to the economic impact to communities because of the increased need for social services required by adults lacking a high school education.

## **Definition of Vesting and Public Employee 20% Cost-Share**

On Tuesday, May 18, the RIFTHP testified in support of **H7561** (*Lally*) before the House Finance Committee. This legislation, that Representative Lally has submitted on our behalf for the past few years, would define "vested" as it applies to members of the State Retirement System. The RIFTHP asked that the Committee support this act which would codify into law what has been the normal practice for decades, recognizing that teachers and State employees have a property right to their retirement benefits after ten years of service. The RIFTHP reminded the Committee members that the General Assembly, up until last year, had recognized employee property rights.

Also heard before the House Finance Committee on May 18 was **H7819** (*Trillo*), a bill that the RIFTHP is opposed to. **H7819** would require all State and municipal employees to contribute a minimum of 20% of the cost of their health care benefit, and would eliminate any payments to employees for waiving the provided healthcare coverage. The State or any municipalities would be prohibited from entering into any new contracts, extension of contracts, or renewal of contracts with any labor organization unless the 20% co-share is included.

## **RIFTHP Supports Flat Tax Elimination**

On Wednesday, May 19, at a hearing of the House Finance Committee where testimony was heard on several bill to ether rollback, freeze or eliminate the alternative flat tax for State taxpayers, the RIFTHP testified in **support** of **H7308** (*Pacheco*) which would **repeal** the alternative flat tax. The RIFTHP believes this bill is a responsible and reasonable response to the extreme turmoil our State still faces in these difficult economic times. The Governor and the General Assembly have balanced the State Budget over the last few years by reducing pension benefits of teachers and State employees, cutting back State department budgets and services, and by cutting education funding by millions of dollars. Repealing the flat tax would provide considerable revenue to the State Budget while providing additional fiscal stability and help end the cycle of repeated budget deficits.