



SMITH HILL REPORT

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

Volume 13, No. 25, June 18, 2010

Budget Effective June 12, 2010

Governor Carcieri did not sign the State Budget bill that passed with wide margins by the House and Senate. The Budget became effective without his signature on Saturday, June 12, 2010. The bill contained a cap on the COLA for teachers and State workers.

The significance of the effective date of the bill pertains to the COLA provision. The General Assembly approved a cap on pension cost of living adjustments (COLA) of \$35,000 and required that no one may receive the COLA until age 65. These changes do not impact those who were eligible to retire as of the effective date of the act. Thus, a teacher or State worker eligible to retire on June 12, 2010 is not impacted by the COLA cap.

The Budget contained other important provisions, including municipalities being allowed to reduce funding to school districts by 5%. The State Budget did not include any of the proposed "tools" promoted by mayors, city/town councilors and school committee members who wanted to reduce employee rights by restricting our ability to negotiate working conditions and medical benefits. After extensive lobbying by the RIFTHP and other unions, the Assembly rejected those proposed reductions in rights even though they cut State funding to cities, towns and school committees.

Receivership Bill Signed

The RIFTHP joined other municipal unions in supporting the provisions of legislation that creates a process for a receiver to be appointed when a city or town is bankrupt. The legislation was introduced in response to the City of Central Falls filing for bankruptcy without making an effort to resolve its budget problems using mechanisms already in State law.

The bills, **H8247A** (*Costantino*) and **S2997A** (*DaPonte*), provide a three-step process when a municipality cannot pay its bills. First, the State appoints a fiscal overseer to make recommendations to resolve the fiscal crisis. Second, the State appoints a Budget

Commission that has authority to adjust budget line items and eliminate positions. The third level is the appointment of a receiver, with authority similar to a receiver appointed in the private sector.

The unions sought and won specific language that prevents a Budget Commission or a receiver from abrogating a union contract. The Budget Commission and, if appointed, the receiver would have authority to approve new collective bargaining agreements.

The Governor signed the bill on June 11, 2010. The bill is worded to apply retroactively to the legal proceedings in Central Falls.

Passed **Bills and Resolutions**

- **School and Youth Program Concussion Act**
(**H7036Aaa** *Gallison, Passed*)

(**S2034Aaa** *Felag, Passed*)

This law requires school districts to work with the Rhode Island Interscholastic League to develop guidelines for educating coaches and players in youth sports about the risks associated with concussions. It “encourages” school districts to have an athletic trainer or similarly-trained person at all recreational and athletic events. The bills passed both the House and Senate and were signed by the Governor on June 9.

- **Resolution – Reporting - Home Care Complaints**

(**S2889** *Perry, Senate Passed*)

This resolution states that the Senate requests the Department of Health to report to the Rhode Island Senate on a semi-annual basis regarding the licensing and surveying of home care and home nursing care providers. The resolution was passed by the Senate on May 27.

- **Senate Study Commission – Shared Municipal Services**

(**S2248A** *DiPalma, Senate Passed*)

This resolution creates an eleven (11) member special Senate commission whose purpose is to make a comprehensive study of municipal-shared services, and who

will report back to the Senate no later than April 15, 2010, and whose life will expire on June 15, 2010. The resolution was passed by the Senate on April 13. The report was issued on May 24 and is available at www.rilin.state.ri.us/SpecialReports/.

- **Study Commission – Funding of Vocational Schools**

(**S2884** *Gallo, Senate Passed*)

This resolution creates a nine (9) member special Senate study commission whose purpose is to make a comprehensive study of the funding of vocational schools in the State of Rhode Island, and who will report back to the Senate no later than March 31, 2011, and whose life will expire on June 30, 2015. The resolution was passed by the Senate on May 27.

- **Study Commission –Voluntary Retirement Accounts**

(**S2941** *Walaska, Passed*)

This resolution creates an eight (8) member special legislative commission whose purpose is to make a comprehensive study of the establishment of Universal Voluntary Retirement Accounts, and who will report back to the General Assembly no later than January 18, 2011, and whose life will expire on March 18, 2011. The resolution was passed by the Senate on June 3 and the House on June 11.

Bills Awaiting Signature

- **Education Collaborative Mission**

(**H7668Aaa** *Gablinske, House and Senate Passed*)

(**S2266** *Felag, House and Senate Passed*)

This act would define the mission of the educational collaboratives in this State. The House bill was sent to the Governor on June 14 for his signature. The Senate bill is still awaiting transmittal.

- **Lyme Disease Prevention Education**

(**H7418A** *Jackson, House and Senate Passed*)

(**S2265B** *DiPalma, House and Senate Passed*)

This act would require that the Department of Elementary and Secondary Education in collaboration with the Department of Health,

make Lyme disease awareness and prevention resources available for all public school students in the State. The bills were sent to the Governor on June 14 and June 11, respectively, for his signature.

- **Charter School Statutory Categories**

(**H7867Aaa** *Silva, House and Senate Passed*)

(**S2734Aaa** *Doyle, House and Senate Passed*)

This act would provide a new structure for the creation, operation and funding of charter schools. The act would also make distinctions for district charter schools, independent charters and mayoral academies. The House bill was sent to the Governor on June 14 for his signature. The Senate bill is still awaiting transmittal.