The SMITH HILL REPORT



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Rule of 90

On May 8 in the Senate Finance Committee, the RIFTHP offered wholehearted support of legislation to enact a Rule of 90. RIFTHP lobbyist James Parisi offered verbal testimony and provided a <u>letter of support</u> for S 450 by Senator Ciccone.

Paris spoke about the importance of the legislation to our members. He cited the fact that the issue was included in our candidate questionnaire, in which we received considerable support from candidates seeking our endorsement for the Rule of 90. Parisi's letter compared private sector eligibility to draw on 401(k) retirement accounts to the bill permitting long term employees to retire at age 60, provided they have at least 30 years of service.

Parisi informed the committee that about 3,000 RIFTHP members have sent letters on our email campaign to support the Rule of 90. To add your name to the list of campaign participants, <u>click</u> here.

Public Employee Pension COLA Adjustments

In addition to testifying on the Rule of 90, the RIFTHP offered support to a trio of bills intended to increase pension payments for public sector retirees. In his May 8 testimony in the Senate Finance Committee, RIFTHP lobbyist James Parisi supported <u>S 249</u>, a bill by Senator Sosnowski that would provide a one time 2.89% pension adjustment for those who retired after June 30, 2012. The bill also improves Teacher Survivor Benefits program and offers tax relief to public sector retirees. S 249 is an initiative of the RIAFT/R (our retiree organization) and the RI Public Employee Pension Coalition.

Parisi also offered support to two other COLA bills. <u>S 777</u> by Senator Frank Ciccone would increase public sector pension payments by \$2,000 per year. <u>S 1000</u> by Senator Mark McKenney would provide those who retired after June 30, 2012, with the same pension COLA (based on both investment performance and inflation) as is offered pre-6-30-12 retirees.

Additional Pension Legislation

At the same hearing that was held on the Rule of 90 and pension COLA legislation, the RIFTHP offered testimony on additional pension legislation. RIFTHP lobbyist James Parisi testified in support of <u>S 420</u> by Senator Bissaillon. His bill would significantly reduce the current early retirement penalty. Under current law, the percent of pension benefits that are reduced for those retiring before their normal retirement date is 9% in the first year, 8% in the second year and 7%

for years three, four and five. Thus, a person retiring five years early would see a pension reduction of 38%. S 420 would reduce the penalty to 3% each year.

The RIFTHP raised objections to \underline{S} 449 by Senator Burke. His bill would re-amortize the pension fund, which means the unfunded liability would be refinanced for a longer period of time. Parisi voiced concern that the re-amortization legislation was not directly tied to pension improvements for active and retired public employees.

The RIFTHP supported legislation by Senator Gallo that would permit teachers taking unpaid leave of absence to get a year of service credit as long as the teacher worked at least 135 days of a school year. S 454 covers instances when unpaid parental or medical leave is used.

Parisi testified in support of § 659 by Senator Britto. That legislation increases the annual service credit accrual from 1% to 1.5% after 20 years, 2% after 30 years and 3% after 35 years. All of the pension bills that evening were held for further study.

RIDE Employee Bargaining Rights

On Wednesday May 7, RIFTHP Field Representative Michael Mullane and AFT Local 2012 President Peg Votta testified in support of <u>S 987</u> in the Senate Labor Committee. Senator Lou DiPalma introduced the bill to confirm that RIDE employees have the right to collective bargaining notwithstanding the wording of state law that gives the Commissioner authority to appoint RIDE employees. Commissioner Infante-Green and her legal counsel had threatened to eliminate bargaining rights for professional staff at RIDE.

Mullane offered <u>written testimony</u> and spent time providing a timeline of events which demonstrated the necessity of the legislation. He said that even though RIDE had settled contract negotiations and had withdrawn the counterclaim threatening bargaining rights, they did so without prejudice, meaning it could be re-filed at any time. Mullane called this a Sword of Damocles hanging over the head of 2012 members. Votta's testimony explained the genesis of the existing statute on the authority of the commissioner. It went back to when RIDE was created fifty years ago.



Michael Mullane and Peg Votta testifying in support of S 987

Revenue of Rhode Islanders

The RIFTHP testified in support of the Revenue for Rhode Islanders legislation to increase taxes on the wealthiest 1% of Rhode Island tax filers. <u>H 5473</u> was heard in a lengthy House Finance Committee hearing on Tuesday May 6. RIFTHP lobbyist James Parisi testified and provided a <u>letter of support</u> for the legislation.

In his testimony, Parisi thanked Representative Karen Alzate for leading the charge on this issue for the past five years. He cited the need for increased revenue and noted that the wealthy pay less in overall taxes (income, sales and property taxes) than the rest of us.

The RIFTHP is a founding member of the Revenue for Rhode Islanders Coalition that is supporting the legislation. To use the Coalition site to send an email in support of raising income taxes for earnings over \$625,000 per year, use this link.

State Worker Longevity - Scope of Bargaining

On Wednesday May 7, the RIFTHP submitted a <u>written testimony</u> in support of legislation that would allow state employee unions to negotiate longevity pay with state agencies. <u>S 743</u> by Senate Majority Leader Ciccone was heard in the Senate Labor Committee. The RIFTHP letter noted that longevity benefits were frozen by the Assembly in 2011 and that this has caused huge retention problems in state government. Longevity payments for senior state workers scaled up to twenty percent of pay, thus newer employees who remain in state service for decades will be earning 20% less than those from the previous generation.

School Vouchers

Senator Jessica de la Cruz introduced school voucher legislation. The Republican Minority Leader's bill, <u>S 112</u>, was heard in the Sente Finance Committee on May 6. The RIFTHP offered <u>written testimony</u> objecting to the siphoning of public dollars to subsidize private school education.

Parisi wrote "S 112, named the Bright Today Scholarship and Open Enrollment Education Act, would permit public funding to be used by parents to send their children to other public-school districts or private and religious schools. The program is expensive as it would permit state funding for the approximately 15,000 students who do not currently attend public schools".

"Given that the scholarship amount varies based on parental income, it is difficult to calculate the cost of subsidizing these 15,000 private school students. What is clear from the experience other states have had with vouchers is that costs increase significantly over time. For example, a voucher program in North Carolina was capped at about \$11 million in 2014. The cost doubled in three years and is expected to be over \$145 million by FY 2028".

This Week

- The Senate Health and Human Services Committee will hear legislation on school indoor air quality on Tuesday
- The House Judiciary Committee will be voting on the court reporter page rate bill on Tuesday
- The Senate Education Committee will hear RIFTHP legislation to limit charter school expansion by preventing future parallel school districts on Wednesday.
- Also on Wednesday, the Senate Education Committee will hear three bills by Senator Zurier attacking Providence Teacher Union member rights.
- On Thursday, the Senate Finance Committee will hear legislation ending the Providence School takeover
- On Thursday the House Finance Committee and Senate Housing and Municipal Government Committees will consider legislation restoring Central Falls schools to local control

Bill Introductions

Hope / Promise Scholarship Programs -- Onward We Learn

(H 6044, Messier, House Finance)

(S 653, Gallo, Senate Finance)

These bills would require any remaining funds in the enacted budget from the Rhode Island promise scholarship program or the Rhode Island hope scholarship program, after Rhode Island college has satisfied all eligible scholarships pursuant to those programs, to be reimbursed to onward we learn for any scholarships that onward we learn has paid on behalf of its students who have attended Rhode Island college in that fiscal year.

School Social Worker Staffing Ratio

(<u>H 6045</u>, Shallcross Smith, House Finance)

(S 250, Sosnowski, Senate Finance)

These bills would require all public schools, in grades kindergarten through twelve (K-12), to have at least one full-time certified school social worker for every two hundred fifty (250) students and provide for an appropriation by the general assembly in the amount of two million dollars (\$2,000,000) in the budget for Fiscal Year 2026 to the various school districts and municipalities to employ additional social workers.

Dual Enrollment - Public Higher Education

(H 6058, O'Brien, House Education)

(\$ 889, Burke, Senate Education)

These bills would amend references in the dual enrollment equal opportunity act by using the phrase "public higher education institution" to clarify the act's applicability to a state community college, college, or university.

Underrepresented Investment Managers -- State Investment Commission

(H 6127, McGaw, House Finance)

(<u>S 865</u> Vargas, Senate Finance)

These bills would require the state investment commission to create a capital access initiative to expand potential investment opportunities for the state's pension fund and engage qualified but traditionally underrepresented investment managers.

RI Promise - Certificate Programs

(H 6139, Azzinaro, House Finance)

This bill would make students in the workforce ready certificate programs at the community college of Rhode Island eligible to receive the Rhode Island Promise Scholarship.

Court Reporter Page Rate

(<u>H 6159</u>, Craven, House Judiciary)

(S 354, Dimitri, House Judiciary)

These bills would increase the per-page transcription fees for court reporters in court proceedings.

Nonprofit Funding Disclosure

(H 6235, Serpa, House State Government & Elections)

This bill would require any nonprofit, as a condition for requesting state funds from the General Assembly, to submit and to post on their website, a detailed list of ten of their highest paid director, officer and employee salaries, and any forms of compensation provided to those individuals. It would require further the disclosure to include fundraising, endowments, trusts, memorial giving and/or any and all activities that fund the nonprofit.

Student Cultural Exchange Program

(H 6237, Stewart, House Finance)

This bill would direct the department of elementary and secondary education to provide a twoyear pilot program that coordinates a national cultural exchange program for students of this state. This bill would also prescribe the requirements of the program and establish a cultural exchange program fund to support the program.

Public Employee Retiree COLA - CPI

(H 6238, Serpa, House Finance)

Effective January 1, 2025, this bill would reinstate an annual cost-of-living increase based upon the yearly Consumer Price Index for all Urban Consumers (CPI-U) to the retirement allowance for all state employees and all beneficiaries. After January 1, 2025, retiree benefits shall be based upon their average annual base pay for the last three (3) years. The provisions of this bill should be deemed to apply prospectively only, and no retroactive payments shall be made.

Central Falls Schools Local Control

(H 6255, Giraldo, House Finance)

(S 1063, Acosta, Senate Housing & Municipal Government)

These bills would authorize the city of Central Falls, via home rule charter or city ordinance, to create a school board with all powers and duties thereto, to govern the Central Falls school district. The bill would also amend the provisions for the calculation of the total allocation to the Central Falls stabilization fund and of Central Falls' share of the stabilization fund to support the Central Falls school district.

Questions

RIFTHP members with questions about the Smith Hill Report or our legislative agenda may reach out to RIFTHP Lobbyist James Parisi at (401) 273-9800 or at jparisi@rifthp.org.

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