

June 3, 2024

Budget Adopted by Finance Committee

On Friday May 31, the House Finance Committee voted on a state budget for FY2025. The House will consider the budget on June 7 and the Senate will consider the budget next week.

Among the highlights of the budget are:

- Pension improvement for teachers, state workers and municipal workers by enacting a 3-year final average salary to determine pension benefits. This change, and other pension changes, appear in [Article 12 Sub A](#).
- Rejection of McKee's proposal to reduce education aid by enacting a cpi cap, restoring \$25.6 million in education funding this year and preventing similar funding reductions in future years.
- Increasing MLL education funding 5% and putting the funding in base education aid
- Hope Scholarship pilot program at RIC extended for 2 additional years. This change, and other changes in education funding law, appear in [Article 8 Sub A](#).
- Significant provider rate increases in programs funded through Medicaid
- COLA for those retired before 2012 and COLA for other retirees when the fund is 75% funded instead of 80% funded
- Increase earning cap for post-retirement employment in higher education from \$18,000 to \$25,000
- Extend the waiver of 90-day post-retirement employment cap for teachers for one more year while requiring employer contributions to the retirement fund when utilizing a retiree

Hope Scholarship Pilot Program Extension

On Tuesday, May 28, the Senate heard testimony on [S 2852](#) by Senate Majority Leader Ryan Pearson that would extend the RI Hope Scholarship Pilot Program at RIC for two additional years. When enacted last year, the Assembly created a 4-year pilot program for the Hope Scholarship. Since the program benefits Juniors and Seniors at RIC meeting certain criteria, they will only have two years of data on enrollment and retention before the pilot program expires in 2028. Therefore, RIC leaders asked for a 2-year extension.

RIFTHP lobbyist James Parisi offered verbal and written testimony at the hearing. In his [letter](#), Parisi reminded the Committee on the rationale behind the scholarship program and supported the extension. He also offered thanks to the Committee for its past support of RIC in creating the Hope Scholarship program. Governor McKee has proposed the 2-year extension as part of the budget process. This extension was included in the budget and voted on by the House Committee on May 31.

Millionaire's Tax

[S 2355](#) by Senator Melissa Murray was heard in the Senate Finance Committee on Thursday, May 30. The bill would increase income taxes on all income over \$1 million per year. The new tax structure would impose a 3% tax on all income in excess of \$1,000,000. The bill is the focus of the Revenue for Rhode Islanders Coalition, of which the RIFTHP is a founding steering committee member.

RIFTHP submitted written testimony in support of the bill. In the [letter](#), RIFTHP Lobbyist James Parisi argued that there are significant unmet needs and the state of Rhode Island needs additional revenue. Since the wealthiest Rhode Islanders pay a lower percentage of their income in all taxes than anyone else, raising taxes on income over \$1 million makes our tax system fairer while raising needed revenue.

Rule of 90

The Senate Finance Committee held a hearing on retirement legislation allowing those who have at least 30 years of service to retire from public employment provided they are at least age 60. [S 2308](#) by Senator Frank Ciccone was heard in the Senate Finance Committee on Thursday May 30. The RIFTHP provided a [letter](#) of support for the bill.

In his letter, RIFTHP lobbyist James Parisi reiterated arguments raised in past years when the bill was considered. He cited the diminished pension benefit based on a lower accrual rate for teachers, state employees and municipal employees. The 2011 pension law made the normal social security retirement age (age 67 for most employees) the standard retirement age which could be reduced to age 62 under the current Rule of 95. He reminded the Committee that many teachers are not covered by Social Security.

Bills on the Move

The following bills have both passed the Committee that heard the bill and the full Senate chamber. Bills must pass both chambers in concurrence (in identical form) before being sent to the Governor for signature.

School Committee Agenda - Discussion Items

[H 7129](#), which was introduced by Representative Edwards, passed the House on 5/30/2024, with a vote of 68 yeas, 0 nays, and 7 members not voting.

This bill would allow School Committees to add item(s) not appearing in the published notice to their agendas for the purposes of discussion only if the revised agenda is filed with the Secretary of State and posted on the district website at least forty-eight (48) hours in advance of the meeting.

Threats Against School Employees - Felony

[H 7303](#), which was introduced by Representative Noret, passed the House on 5/29/2024, with a vote of 50 yeas, 17 nays, and 8 members not voting.

This bill would add school superintendents, central office officials, school principals, and all other school employees, to the definition of a "public official" for purposes of the criminal prohibition against making threats to public officials.

Parent Consent - IEP Process

[H 7721-A](#), which was introduced by Representative Kislak, passed the House on 5/29/2024, with a vote of 68 yeas, 0 nays, and 7 members not voting.

This bill would outline the requirements and process for local education agencies to get written parental consent before conducting an evaluation, reevaluation, making an initial placement or changes in placement or the individual education program of a student in a special education program of services.

Attendance For Success Act

[H 8190-A](#), which was introduced by Representative McNamara, passed the House on 5/29/2024, with a vote of 68 yeas, 0 nays and 7 members not voting.

This bill would establish the "Attendance for Success Act." This bill would focus on student attendance in schools, with a special emphasis on chronically absent students. This bill would mandate requirements for attendance policies, and provide for multiple plans, reporting requirements and support to address student absenteeism from school. This bill would take effect on August 1, 2024, and would supersede all previously enacted conflicting provisions of law.

Professional Development Release Days

[S 2532-A](#), which was introduced by Senator Gallo, passed the Senate on 5/30/2024, with a vote of 36 yeas, 0 nays and 1 member not voting.

This bill would permit school districts to use release days for Professional Development; provided that, instruction time meets the yearly requirement of one thousand eighty (1,080) school hours.

Freedom To Read

[S 2281](#), which was introduced by Senator McKenney, passed the Senate on 5/30/2024, with a vote of 31 yeas, 5 nays and 1 member not voting.

This bill would encourage and protect the freedom of public libraries to acquire and deaccession materials without limitations and to be protected against attempts to ban, censor, or otherwise restrict access to books and other materials. This bill further prohibits materials from being removed from public libraries due to partisan or doctrinal disapproval.

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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