Massachusetts Legislative Update

APRIL 2019

Issues Update:

**Paid Family Leave Law**
The new Paid Family & Medical Leave Law will go into effect on July 1, 2019 when employers will be required to begin withholding the required employer and employee contributions to the new paid leave trust fund. Employees will be eligible to apply for benefits as of January 1, 2021. Employers will be required to provide each employee with a state issued “Employer Notice to Employee” which details the provisions of the law and the contributions which will be deducted from their paychecks. The form must be signed by each employee and returned to the employer on or before June 1st. Employees hired after that date must be provided the form within 30 days of employment. Employers will also be required to post the “Notice of Benefits” under the law at the worksite. Copies of these forms are available through the MRLDA or at the Paid Family Medical Leave website at www.mass.gov/DFML.

**Estimated Sales Tax Collection**
The House of Representatives has rejected Governor Baker’s proposal to require retailers with more than $1.6 million in annual sales to submit estimated sales tax collections at the beginning of each month. The Governor had included this provision in his annual budget recommendation. The House passed their version of the budget without this provision and have referred their proposal to the Senate which will debate their budget in mid-May. The House did agree to include the Governor’s proposal that will direct the Department of Revenue to establish regulations for the collection of sales taxes from vendors that sell to Massachusetts consumers through the internet and for those internet platforms such as Amazon that serve as a home for smaller retailers. The Commissioner will determine the sales threshold for the new tax collection system. The House leadership has announced that all other proposals relative to changes to the tax code will be addressed later this year in a separate piece of legislation that will be drafted by the Revenue Committee. The Senate has appointed a commission to review state revenues and has indicated that they will address this issue after January of 2021. The House and Senate leadership are under pressure from many of their members to increase state tax revenues to fund additional appropriations for local education and transportation improvements.

**Bicycle Safety Legislation**
The Senate has passed legislation that is designed to protect bicyclists who share the road with motor vehicles. The bill will require all vehicles over 10,000 pounds that are purchased by the Commonwealth to have special side mirrors and side guard safety device. Private vendors that enter into contracts with the state will also be required to comply with these provisions. The MRLDA, along with several other industries, requested a specific exemption for our delivery vehicles due to the difficulty such side guards could impose during the loading of our vehicles. The Senate choose not to exempt individual industries from the bill and instead set up an appeal process within the Registry of Motor Vehicles which will be authorized to issue exemptions to the law. As currently drafted, the bill would become effective on January 1, 2024 and will only apply to new trucks purchased after that date. It will not affect any truck that is operated under a state contract that was entered into before January 1, 2024. Under that scenario, a vendor could continue to service an existing state contract with an older truck after the 2024 implementation date. This bill has been referred to the House of Representatives for their consideration.

Events:

MRLDA Lobby Day will be held on June 5th. For more information please contact Jamie McCormick at jmccormick@nrla.org.

Questions?

Please contact Kirk Ives, Director of Government Affairs at 518-880-6376 or kives@nrla.org.