Rhode Island
Legislative Update
FEBRUARY 2019

State News:
The Rhode Island General Assembly session, after a slow start, has gained momentum with a number of hotly contested issues already heard and many more to come. In addition, Governor Gina Raimondo’s proposed budget for the fiscal year July 1, 2019 to June 30, 2020 is being widely criticized.

Issues Update:
Expanded Sales Tax
The Governor has proposed to expand the 7% sales tax to include lobbying fees, interior design services, commercial building services that would include extermination services, commercial cleaning services, landscaping and maintenance services, carpet and upholstery cleaning services and janitorial services and let us not forget digital downloads and a special attack in her gun tax package. Additional revenues are needed to fund plans for “free college”, universal preschool and increased Medicaid.

Her budget proposes an assessment of up to $1500 per employee enrolled in Medicaid for companies with 300 or more employees. An employer cannot ask a prospective employee if they are on Medicaid.

Medical and Adult Marijuana Use
Budget Article 20 addresses both the medical marijuana and adult marijuana use. The intent is to gain better control over the issue and would establish an Office of Cannabis Registration within the Department of Business Regulation. Governor Raimondo’s budget would legalize the use of marijuana for individuals over 21 years of age. It is a most ambitious 126 page budget article, but there is much concern for the employer. Employers do not have to permit use or possession of marijuana cannabis at the worksite and can implement drug use policies which prohibit such use or possession. However, employers cannot fire or discipline an employee for any non-work time use as long as the employee is not under the influence of the substance while at work. Unfortunately, there is no present test to determine the level of THC in a person’s bloodstream such that it will be difficult to prove an employee is under the influence.

In addition there are countless other issues of concern that will be debated more thoroughly this legislative session and this includes:

a) Mandating ongoing sexual harassment training for employers
b) Issue of non-disclosure agreements as a condition of employment
c) Expanding liability for unfair employment practices
d) Global warming solutions would establish Act to reduce carbon emissions across various sections of the local economy; could create a sizable quasi-public structure with bread subjective powers that should be of concern to the entire business community.
e) Increasing permits for larger vehicles
f) Proposed Energy and Consumer Savings Act of 2005 – proposes to establish minimum energy and water efficiency standards for certain products sold or installed in the state
h) Raising the minimum wage to $15.00 per hour.

Events:
RILBMDA’s annual lobby day will be held on May 22 at the R.I. State House, where the industry will be tackling a number of labor related bills. Lobby day will be followed by the RILBMDA monthly dinner meeting. If you are interested in attending, 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.

Did You Know?
The lumber and building materials industry has annual taxable wages of $147,908,151 in R.I.