

*The*

# SMITH HILL REPORT



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## **RIFTHP Supports Taxation Legislation**

Two bills related to taxation, were heard in the House Finance Committee on Tuesday, May 8<sup>th</sup>. Both bills were sponsored by Rep. Aaron Regunberg, a Representative from Providence who has announced his plans to run for Lieutenant Governor in 2018. The RIFTHP provided [written testimony](#) in support of both bills.

[H7629](#) would create a 19% fairness tax on carried interest. Carried Interest is the money hedge fund managers and private equity managers earn for their work. They do not pay income tax on the earnings but pay a lesser tax-based fee on carried interest as capital gains. The 19% additional fairness tax would eliminate this tax break for the über-wealthy and generate millions in additional revenue for the state.

[H7815](#) would create a new tax bracket for those Rhode Islanders earning more than one million dollars per year. This higher tax rate would also generate significant money for the state. Income inequality has been on the rise for decades in the US, in large part because tax breaks have been given to the wealthy. The RIFTHP support a more progressive tax structure by increasing the tax rate to millionaires.

## **Tax Credit Vouchers Opposed**

The RIFTHP offered [written testimony](#) against a bill that would increase the annual amount of money the state spends subsidizing private and parochial school education. The existing corporate tax break given to companies that donate to private and religious school scholarship funds is capped at \$1.5 million per year. [H7055](#) by Representative Lancia, would increase the annual cap to \$5 million. Public schools do not benefit from this program.

## **Safe Schools Act Advocacy**

The RIFTHP has testified in support of legislation to prevent those with a concealed carry gun permit to possess firearms on school property. The bill has an exemption for police officers. The RI Coalition Against Gun Violence is hosting an email campaign to generate support for this bill. If you are interested in contacting your legislator, use this link ([ricagv.org/email-your-local-reps-the-safe-schools-act-of-2018](http://ricagv.org/email-your-local-reps-the-safe-schools-act-of-2018)) to offer your support.

## **Revenue Estimating Conference Concludes**

Every year, the House Fiscal Officer, the Senate Fiscal Officer, and the Governor's Fiscal Officer meet in what is called the Revenue Estimating Conference. These three individuals come together to develop estimates on how much money the state expects to receive in taxes and fees for the upcoming fiscal year. They also meet to estimate the caseloads of social service programs as a barometer on how much state agencies will be spending for certain services which the state provides. This year's Revenue Estimating Conference was held on Thursday, May 10<sup>th</sup>.

Once the estimated revenue and caseloads are established, elected officials will use the information to begin to put together a state budget for the following year. The Revenue Estimating Conference represents the beginning of serious state budget deliberations.

## **Bills on the Move**

The following bills have passed the Committee process and the full chamber of either the House or the Senate. To be enacted into law, the bill must pass the same process in the other chamber before being sent to the Governor for approval.

### **School Social Worker Data Collection**

[\(S2052 Satchell, Senate Passed 31-0, House Health, Education and Welfare\)](#)

This bill would create a process for the Department of Education relating to the collection and organization of information concerning the workload and scope of the duties and responsibilities performed by school social workers.

### **Out of School Time Commission**

[\(S2347 Sub A Satchell, Senate Passed Sub A 31-0, House Health, Education and Welfare\)](#)

This bill would create a permanent, 17-member joint commission to improve and increase the number of quality out of school time learning programs in the state. One RIFTHP member appointed by the Senate President would serve on the committee.

### **Unhealthy Food Advertising – Schools**

[\(S2350 Sub A Sosnowski, Senate Passed Sub A 32-1, House Health, Education and Welfare\)](#)

This bill would prohibit the advertising of unhealthy food and beverage products in schools that do not meet minimum federal and state governmental nutrition standards.

### **School Safety Plan Updates**

[\(H7694 Sub A Mattiello, House Passed Sub A 72-0, Senate Education\)](#)

This bill creates a 12 (twelve) person State-Wide School Safety Committee which will include 1 (one) RIFTHP appointee and would require that school district safety assessments be provided to the committee every three (3) years for review and recommendations.

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