Review of 2019 Legislative Session

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RI LEAGUE OF CITIES & TOWNS
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Overview

• Highlights

• FY 2020 Budget at a Glance

• Key Legislation by Topic

• Questions
Highlights

• Challenging legislative year for cities & towns
  • Losses on evergreen contracts, firefighter overtime
  • Legislative opposition to League’s binding arbitration reform

• Budget generally good for municipalities & schools
  • PILOT, education aid, continued car tax repeal

• Some small victories
  • Municipal representation on Ambulance Service Advisory Board
  • Stopped numerous bad bills
The General Assembly’s enacted budget was an improvement over the Governor’s original submission in January:

• Fully funds third year of car tax phase-out (Governor’s office would have modified terms)
• Restores $5.3 million in Payment in Lieu of Taxes (PILOT) funds to cities and towns
• Fully funds ninth year of school funding formula and increases English Language Learner funds to $5.0 million (same as Governor)
• Corrected a funding formula error made by the RI Department of Education, adding $1.8 million to prevent some communities from seeing reductions from overpayments
FY 2020 Budget

State Aid to Local Government

- *Motor Vehicle Excise Tax* – Fully funds 3rd year of phase-out with no changes ($94.2 million)
- *Payment in Lieu of Taxes (PILOT)* – Total of $46.1 million, same as FY 2019
- *Distressed Communities* – $12.4 million for eight communities, same as FY 2019
- *Pass-Through Funding* – Total of $53.7 million for meals & beverage, hotel tax and public service corporation tax, with amounts to be revised in the summer with spring data
  - NOTE: The budget did not include the Governor’s proposal to increase the state share of hotel tax from 5.0% to 6.0%. It did apply the standard hotel tax distribution formula for receipts from short-term rentals (e.g., AirBnB, HomeAway), thereby shifting money away from Commerce Corporation and toward local tourism districts
  - ALSO: Verizon has sued the state over the calculation of the public service corporation tax
FY 2020 Budget

Education Aid

• **Fully Funds 9th year of School Funding Formula** – Additional $21.2 million to school districts and $10.4 million for charter schools, compared with FY 2019

• **English Language Learners** – Increase of $2.25 million to $5.0 million

• **Correct State Funding Formula Error** – $1.8 million to hold communities harmless that would have been penalized after RIDE overpayments in FY 2019

• **Pre-Kindergarten** – Total of $14.9 million for pre-K seats (compared to Governor’s request of $15.6 million)

• **Other** – Did not include additional funding for mental health services. Scrapped Governor’s proposal requiring school districts to pay education costs for youths at the Training School, as well as her proposal mandating school breakfasts for certain qualifying districts
FY 2020 Budget

Other Key Provisions

• Includes Senate President’s “Special Economic Development District” legislation
  • Immediately affects I-195 land in Providence; concern about other state-owned land

• Marijuana Legalization – Did not include Governor’s legalization proposal and instead expanded the number of compassion centers from three to nine
  • NOTE: Budget also clarified employment protections for medical marijuana cardholders; allows an employer to prohibit use/refuse employment under certain circumstances (e.g., use at work, workplace safety, heavy equipment/firearms, violation of federal law, etc.)

• Injured on Duty Reforms – Includes Governor’s proposed reforms to Injured on Duty benefits for public safety employees, but only for state employees
FY 2020 Budget

Other Items of Interest

• Greater municipal representation on State Planning Council
• Did not include “scoops” for Resource Recovery but did for Infrastructure Bank
• Did not include Governor’s proposal to charge for DMV tax blocks
• Did not include Governor’s beach parking fee increase
• Requires license plate reissuance by June 2020
• Includes $500,000 for Census Complete Count Committee activities
Legislation – Clerks / Elections

Enacted

• Change to Primary Date (S588A)
• Allow Combined Voting Districts for Special Elections (S474/H5749)
• Voter Affiliation changes (S589/H5715)
• End Notice Requirement to Division of Planning for Planning Board Meetings (S586/H5693)

Not Enacted

• Early Voting
• Changes to Open Meetings Act
Legislation – Code Enforcement

Enacted

- Allow Third-Party Building Inspections (S687A/H5989A)
- Expanded Definition of Family Member for Accessory Dwelling Units (S691A/H6219)
Legislation – Education

**Enacted**

- Numerous Education Reform bills
  - Statewide Curriculum (S863B/H5008B)
  - School-Based Management (S865A)
  - Fast-Track Certification of Principals (S869A/H6085Aaa)

**Not Enacted**

- Allowing At-Home Instruction for Snow Days (S46/H6250) – VETOED
- Changes to Funding Formula
Legislation – Energy

**Enacted**

• Study Commission on Energy Transmission/Distribution (SJRes194A)
  • League has one appointment/designee

**Not Enacted**

• Solar Siting Reforms
• Reforms to Energy Facility Siting Act/Board
Legislation – Labor

**Enacted**

- Contract Continuation for Teachers & Municipal Employees (S512A/H5437A)
- Firefighter Overtime (S747/H5662 & S748/H5663)
- Agency Fees for Unions (post-Janus) (S712A/H5259A)

**Not Enacted**

- League’s Binding Arbitration Reform
- Contract Continuation for Police & Fire
- Minimum Wage Increase
Legislation – Liability

Enacted

- Extension of Statute of Limitations for Childhood Sexual Abuse (S315Aaa, H5171B)
- Good Samaritan Overdose Protection Act (S953/H5336A)

Not Enacted

- Removing Liability Exemption on Public Lands
- Reduction to Interest Rate on Civil Judgments
Legislation – Municipal Finance

Enacted

• Deadline for Retirement System Contributions (S563A/H5382A)
• Infrastructure Bank Financing for Resiliency Projects (S994A/H6242)
Legislation – Planning/Zoning

**Enacted**

- Revisions to Coastal Building Height Regulations (S689A/H5484A)
- Expanded Definition of Family Member for Accessory Dwelling Units (S691A/H6219)

**Not Enacted**

- Mandatory Training for Planning/Zoning Board Officials
- Changes to Quorum Requirements for Planning/Zoning Boards
- Short-Term Rental Guidelines/Standards
Legislation – Public Works

Enacted

• Road Repair Standards for Utility Work (S189Aaa/H5028Aaa)
• DOT Standards for Steel Plates on Roads (S1025/H5465A)
• Infrastructure Bank Financing for Resiliency Projects (S994A/H6242)
Legislation – Taxes

**Enacted**

- Property Tax Exemption for Surviving Spouses of Public Safety Killed in Duty (S62A/H5453A)
- Property Tax Relief for Government Shutdown, enabling only (S65aa/H5191Aaa)

**Not Enacted**

- Correction of Tax Assessment Base Year
- Revaluation Study Commission
Legislation – Other

**Enacted**

- Add Municipal Member to Ambulance Service Advisory Board (S951Aaa / H6169A)

**Not Enacted**

- Reduce Certain Drug Offenses to Misdemeanors
- Local Authority to License Tobacco
- Mandated Municipal Training on Emergency Preparedness
- Mandated Municipal Training on Cultural Competency
Questions?

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