

An Update from the State House

Legislative Bill Filing Deadline

The House has extended the bill filing deadline to February 28, 2017. The Senate's deadline was February 16, 2017. For those reasons, we can expect many bills to be released to the public the last week of February through the first two weeks of March. Stay tuned to UTD for new bills!

House Finance Committee Schedules Hearing for March 2nd

On March 2nd at approximately 4:30pm, the House Finance Committee will take testimony from the public concerning the proposed budget - **Article 2 – Manufacturers**. As you may recall from a previous edition of UTD, Article 2 seeks to assist manufacturers in order to grow the economy. It expands the *Innovation Voucher* program by allowing up to \$1 million of the fund to be used for research and development by and for small manufacturers. It establishes a *Refundable Tax Credit*; and the Article creates a *Refundable Jobs Training Tax Credit* for manufacturers. The hearing will be held in Room 35 in the basement of the State House.

Marijuana Legalization Bill Filed

H.5555, An Act Relating to Food and Drugs – Adult Use of Cannabis Act, is a 47 page piece of legislation, which was filed officially February 16, 2017. This bill proposes to decriminalize the purchase, transport or possession of 1oz, of marijuana on the person or in a car; or 5 oz. or less of marijuana in a person's home. The individual must be 21 years of age. A person 21 years or older could also grow up to two plants - only one can be mature at a time - in his/her home (more plants are allowed if there are more adults living in the dwelling or if a person has a license to have additional plants).

Briefly, the bill authorizes the creation of "cannabis cultivation facilities" which cultivate, package and sell cannabis to retailers, not the general public. This facility is not permitted to create products from the cannabis which is grown.

H.5555 allows for the creation of cannabis "processors." Processors can take the cannabis and make products, as well as to sell cannabis paraphernalia and seeds. They can also purchase from cultivation facilities. The processor appears to be the only entity that can extract oils or other components from plants to be used to make edibles.

A retailer must be 21 years of age or older. The retailer can purchase from a cannabis cultivation facility or a cannabis producer, and can sell to the public.

The bill states that driving while under the influence is not permitted, nor is the possession of cannabis by a prisoner. Smoking cannabis in a public place is a violation of law subject to a fine of \$150. H.5555 also says that employers are not required to accommodate the use, possession

of cannabis at the worksite, or working under the influence of cannabis. It does not say that a person can be fired, just that employers do not have to accommodate with wishes of employees.

Landlords CANNOT ban tenants from using non-smoking forms of cannabis.

There are many other provisions contained in the legislation, including penalties for underage consumption, acting outside the bounds of a classification, registration requirements, and a 23% excise tax (not for medical marijuana).

Legislature Takes a Break

As is the custom, the General Assembly is on legislative break February 20-24. For that reason, there will be no edition of Under the Dome February 27th.

The following bills were filed last week:

House Bill No. [5479](#), AN ACT RELATING TO LABOR AND LABOR RELATIONS -- EMPLOYMENT SECURITY (Creates a seasonal employment designation for purposes of unemployment insurance, which would allow employers regularly hiring employees on a recurring basis for less than 20 weeks to apply for a seasonal determination from the DTL.)

House Bill No. [5481](#), AN ACT RELATING TO WATERS AND NAVIGATION-RHODE ISLAND UNDERGROUND STORAGE TANK FINANCIAL RESPONSIBILITY ACT (Amends the Rhode Island Underground Storage Tank Financial Responsibility Act to streamline fund processes and clarify language within the law.)

House Bill No. [5485](#), AN ACT RELATING TO PUBLIC UTILITIES AND CARRIERS - TRANSPORTATION NETWORK COMPANY SERVICES - INSURANCE (Requires TNC drivers maintain commercial automobile liability insurance 24/7 and to park no closer than two hundred feet (200') from marked taxi stands.)

House Bill No. [5555](#), AN ACT RELATING TO FOOD AND DRUGS -- ADULT USE OF CANNABIS ACT (Establishes a system for the regulation and taxation for adult use and cultivation of marijuana.)

House Bill No. [5563](#), AN ACT RELATING TO TAXATION - PERSONAL INCOME TAX (Establishes a nineteen percent (19%) carried interest fairness fee for investment management services in order to tax the carried interest income of hedge fund and private equity investors as traditional ordinary earned income.)

Senate Resolution No. [277](#), JOINT RESOLUTION CREATING A SPECIAL LEGISLATIVE COMMISSION TO STUDY THE EFFECTS OF LEGALIZING MARIJUANA (Creates a 15 member commission to review and make recommendations on the effects of legalizing marijuana, and who would report back to the General Assembly by March 1, 2018, and expire on July 1, 2018.)

Senate Bill No. [284](#), AN ACT RELATING TO PUBLIC PROPERTY AND WORKS -- CONTRACTORS' BONDS (Prohibits state, general contractors, and construction managers from withholding a retainer of more than five percent (5%) from public works contracts.)

Senate Bill No. [287](#), AN ACT RELATING TO LABOR AND LABOR RELATIONS - MINIMUM WAGES (Raises the minimum wage to \$10.50 per hour effective July 1, 2017.)

Senate Bill No. [289](#), AN ACT RELATING TO LABOR AND LABOR RELATIONS - MINIMUM WAGE (Allows employers to pay the greater or 75% of the state minimum wage rate, or the federal minimum wage rate to employees eighteen (18) years or younger during the first six hundred eighty (680) hours or ninety (90) days of their employment.)

Senate Bill No. [290](#), AN ACT RELATING TO LABOR AND LABOR RELATIONS -- HEALTHY AND SAFE FAMILIES AND WORKPLACES ACT (Requires all employers to provide their employees with a minimum level of paid sick and safe leave including time to care for the employee's family members.)

Senate Bill No. [311](#), AN ACT RELATING TO TAXATION - PERSONAL INCOME TAX (Imposes 2% tax increase on personal income over \$250,000 effective January 1, 2018.)

Senate Bill No. [312](#), AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT - TOURISM AND DEVELOPMENT (Exempts houses, condominiums, and other residential dwelling units from state sales or hotel tax.)

Senate Bill No. [318](#), AN ACT RELATING TO TAXATION (Establishes a surtax on the business corporation tax for publicly traded corporations subject to SEC disclosure and reporting requirements, if corporation's ratio of compensation for its CEO to median worker is equal to or greater than 100 to 1.)

Senate Bill No. [350](#), AN ACT RELATING TO LABOR AND LABOR RELATIONS - PAYMENT OF WAGES (Prohibits employers from deducting from their employees' wages for spoilage, breakage, cash shortages, losses, fines, or penalties for tardiness, misconduct or quitting by an employee without notice.)

Senate Bill No. [351](#), AN ACT RELATING TO LABOR AND LABOR RELATIONS -- TEMPORARY DISABILITY INSURANCE (Allows employees, of an employer that sponsors disability insurance programs, to elect to exempt them from temporary disability insurance coverage.)