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RI lawmakers pass important bills affecting industry

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Legislation to transform career and technical education (CTE) in Rhode Island became law in July without Gov. Lincoln Chafee's signature. Bill 8204 Sub A lays the groundwork for a unified statewide CTE system supported in part by liaisons with national, state and local businesses, and with institutions of higher education.

The Rhode Island Builders Association believes this legislation is crucial to establishing and maintaining a skilled workforce in the state.

The law:

- * Creates a 15-member Board of Trustees on Career and Technical Education to "be responsible for ensuring a comprehensive and coordinated career and technical system...." This board will assume all duties of the current Advisory Council on Vocational Education by January 30, 2015.
- * Declares that this board will conduct the conversion from the state's nine current CTE programs to a single system by 2016.
- * Establishes the Rhode Island Career and Technical Education Trust as a permanent, not-for-profit corporation to help fund the program through partnerships with private and corporate sources. The trust also will create partnerships with employers to create internships, apprenticeship programs, voluntary work relationships and other arrangements to facilitate education.

This legislation was inspired by the success of Worcester Technical High School in Massachusetts, and was supported by the Rhode Island Business Coalition, which includes RIBA. The sponsors were Rep. Joseph McNamara (D-Warwick, Cranston), Speaker Nicholas Mattiello (D-Cranston), John DeSimone (D-Providence), Karen MacBeth (D-Cumberland) and Patricia Serpa (D-West Warwick, Coventry, Warwick).

"This is the first major CTE reform in Rhode Island in 40 years, and we feel it will have a major positive impact on our economic future," said Robert Baldwin, co-chairman of RIBA's legislative committee. Baldwin, along with executive director John Marcantonio, represent RIBA in the Business Coalition.

Other new laws of importance to the industry include:

- * Independent Contractor Legislation - Provisions in Gov. Lincoln Chafee's budget as enacted create a task force to study ways to best enforce the current IRS definitions of independent contractors. This will help eliminate misclassification of workers, RIBA believes. The association and the business coalition successfully opposed legislative attempts to redefine independent contractors.
- * Apprenticeship issues - Lawmakers established a study commission to deal with all matters in the long-running debate over apprenticeship ratios on state projects. High ratios of apprentices to journeymen in the trades would prevent many RIBA members and other small contractors from bidding on state projects. RIBA hopes that the study commission will suggest workable solutions.
- * Inclusionary Zoning - "Fee-in-lieu" of affordable housing is now an option for builders and

developers in Rhode Island. The legislation allows inclusionary zoning ordinances to provide that affordable housing be built on-site, off-site or by paying a fee-in-lieu to the municipality. The cost difference of these affordable units must be given to the developer as a subsidy by the town. These were bills S-2086 and H-7632.

Sponsors included Sens. David Bates (R-Barrington, Bristol, East Providence), Dawson Hodgson (R-East Greenwich, North Kingstown, South Kingstown, Narragansett), Stephen Archambault (D-Smithfield, North Providence, Johnston), Catherine Cool Rumsey (D-Charlestown, Exeter, Hopkinton, Richmond, West Greenwich) and Susan Sosnowski (D-District 37, New Shoreham, South Kingstown).

* Regulatory fairness - Thanks to new legislation, the state's Office of Regulatory Reform is now able to evaluate construction and development regulations as part of its mission to streamline business regulation. Previously, these regulations had been exempt from the process. This was bill H-7520. Sponsors were: Sens. Erin Lynch (D-Warwick, Cranston), Walter Felag Jr. (D-Bristol, Tiverton, Warren), David Bates (R-Barrington, Bristol, East Providence), William Conley Jr. (D-East Providence, Pawtucket) and Joshua Miller (D-Cranston, Warwick).

* Municipal Fees - Legislation was enacted to prohibit municipal building officials from assessing a fee for the first re-inspection of work that failed the initial inspection. The sponsors were Sens. Frank Lombardo III (D-Johnston), Frank Lombardi (D-Cranston), Marc Cote (D-North Smithfield, Woonsocket). The bill was S-2280. As of this writing, it still awaited action by the governor.

* Taxes - Lawmakers eliminated the Estate Tax "cliff," raising the exemption to \$1.5 million. They also lowered the corporate tax from 9 to 7 percent.

* Renewable Energy - Two bills related to installation of solar-energy systems became law. Among their provisions: Any registered contractor who obtains a Renewable Energy Certificate may install photovoltaic shingle systems.

Unsuccessful bills

For the third year running, Gov. Chafee vetoed the "Spec and Rehab Bill," which would have eliminated any local inventory tax on new residential construction, and would have prevented a tax on improvements to foreclosed properties.

Sponsors were Reps. John Edwards (D-Portsmouth, Tiverton), Anastasia Williams (D-Providence), Kenneth Marshall (D-Bristol, Warren), Jared Nunes (D-Coventry, West Warwick) and Linda Finn (D-Middletown, Portsmouth).

Efforts to reduce the taxes on work trucks were unsuccessful.

The much-publicized "Resilient Rhode Island" climate-change bill morphed into a permanent advisory committee to the governor on all climate-change matters.

For more information, contact Marcantonio at jmarcantonio@ribuilders.org. RIBA members can expect a full legislative report by mail.

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