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**Rhode Island Works Best When We Say UNION YES.**

May 6, 2025

The Honorable Marvin L. Abney  
House Committee on Finance  
Rhode Island State House  
Providence, RI

RE: Testimony in Support of HB5473 - An Act Relating to Taxation – Personal Income Tax

Dear Chair Abney and members of the Committee,

Thank you for the opportunity to provide this written testimony. On behalf of the Rhode Island AFL-CIO, representing more than 80,000 union members and their families across the state, I submit this testimony in strong support of HB5473, introduced by Representative Karen Alzate.

Rhode Island is facing a serious and growing budget deficit, worsened by the threat of historic federal cuts to vital programs like Medicaid and SNAP. In this uncertain environment, the working people of Rhode Island, the ones who kept this state afloat during a pandemic, economic crises, and ongoing cost-of-living pressures, are again being told there's not enough money in the budget to fund basic services. Cuts alone are not a viable or sustainable solution.

Our members work in the very sectors that are most at risk under austerity budgets. We've already seen job losses in the state workforce as a result of cuts by the Department of Government Efficiency (DOGE). We know that RIPTA workers are staring down a \$32 million budget gap that threatens service and jobs. We know that front-line healthcare workers, are facing funding reductions in hospitals, nursing homes, and community health centers. These workers are the backbone of our state—and they are at risk if we fail to act.

This legislation offers a responsible and fair path forward. It creates a 3% surtax on taxable income above \$625,000, impacting only the wealthiest 1% of Rhode Islanders, or an estimated 5,700 tax filers. It leaves 98.8% of residents untouched. And yet, it would generate nearly \$190 million in new revenue each year, revenue that could protect essential public services, invest in healthcare and education, and prevent job losses in key sectors.

Rhode Island's current tax structure is fundamentally unfair. The wealthiest residents already pay a smaller share of their income in taxes than working and middle-class families. HB5473 would begin to rebalance that injustice.

This bill is about values: fairness, dignity, and shared responsibility. We can no longer afford a tax system that protects the ultra-wealthy while putting nurses, bus drivers, childcare providers, and teachers on the chopping block. We urge you to pass House Bill 5473 and build a state budget that reflects the priorities of the people who continue to keep Rhode Island moving forward. Thank you for your time and consideration, please do not hesitate to call me if you have any further questions 401-751-7100.

Respectfully submitted,

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