



March 2, 2026

Subject: SEIU 1199NE positions on Article 5 (Taxes and Fees)

Dear Chair Abney and Honorable Members of the House Finance Committee:

I am writing on behalf of SEIU 1199NE, a labor union representing approximately 7,500 healthcare, home care, and child care workers across Rhode Island, to provide our positions on key provisions contained in **Article 5** of the FY 2027 Budget.

Rhode Island's tax policy should prioritize working families, protect essential public services, and ensure that those with the greatest ability to pay contribute their fair share. Below are our positions on specific sections of Article 5.

SECTION 5 — SUPPORT

44-30-104. Child Tax Credit

SEIU 1199NE strongly supports Section 5, which establishes a Rhode Island Child Tax Credit.

A state Child Tax Credit is one of the most effective ways to:

- Reduce child poverty
- Help families afford childcare, housing, food, and other necessities
- Provide meaningful relief as the cost of living continues to rise

This policy directly supports working families and strengthens Rhode Island's long-term economic stability.

SECTION 6 — SUPPORT

44-30-2.6. Rhode Island taxable income — New top tax bracket

SEIU 1199NE supports the creation of a new top personal income tax bracket beginning in tax year 2027.

This is an important step toward a more fair and sustainable tax system. However, Rhode Island should continue to evaluate policies that more directly target the **top 1% of earners**, who have seen the greatest income growth over time.

This is especially important in sectors heavily supported by public funding. For example, healthcare executives earning **six-figure salaries** in organizations whose revenues are significantly supported by Medicaid and other public programs should be contributing more to the state's revenue base. When public dollars support these systems, the highest-paid leaders should not be let off the hook.

SECTION 6 — SUPPORT AND OPPOSE

44-30-12. Modification for taxable Social Security income

SEIU 1199NE supports making Social Security tax relief more accessible for seniors, but strongly opposes expanding this policy into a tax break for higher-income households.

Support:

We support the changes that allow Social Security income to be excluded based on income eligibility without requiring individuals to reach full retirement age. This is a reasonable step that will allow more low- and moderate-income seniors — many living on fixed incomes — to receive needed tax relief.

Oppose:

At the same time, we strongly oppose provisions that expand Social Security tax exemptions to higher-income taxpayers, including the significant increases to income thresholds and the eventual elimination of the income cap.

This effectively creates a new tax break for another group of well-off taxpayers. Individuals earning more than **\$100,000** should not be receiving expanded Social Security tax benefits.

Social Security tax relief should be targeted to seniors who rely on these benefits to meet basic needs — not expanded to higher-income households at the expense of state revenue needed for healthcare, long-term care, and services for older adults and people with disabilities.

Conclusion

SEIU 1199NE urges the Committee to:

- Adopt the Child Tax Credit
- Maintain a strong and progressive income tax structure
- Provide targeted Social Security tax relief for seniors who need it, while rejecting expanded tax breaks for higher-income households

Rhode Island faces growing demands in healthcare, long-term care, and services for working families. A fair and sustainable tax system is essential to meeting those needs.

Thank you for your time and consideration.

Respectfully,

A handwritten signature in black ink that reads "Alex Moore". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Alex Moore

Political Director

SEIU 1199NE

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