



March 15, 2023

The Honorable Arthur Corvese
Chairman, House Labor Committee
Rhode Island State House
Providence, RI 02903

RE: H.5447, An Act Relating to Labor Relations – Temporary Disability Insurance – General Provisions

Chairman Corvese and Committee Members:

The undersigned members of the Rhode Island Business Coalition oppose H.5447 - An Act Relating to Labor and Labor Relations – Temporary Disability Insurance.

H.5447 allows self-employed individuals to opt in to the TDI/TCI program. Those who choose to opt in become eligible to collect benefits after contributing to the program for twelve months. H.5477 also increases the taxable wage base to equal the Social Security contribution wage base starting calendar year 2024. In 2023, that wage base is \$160,200. The current taxable wage base for TDI/TCI is \$84,000.

The Coalition is concerned about potential costs to the TDI/TCI system. Expanding the eligibility requirements to cover self-employed individuals means increased exposure for the program. The legislation does increase the contribution level for employees. The Coalition is concerned that in the event employees express opposition to the increased tax that the General Assembly will then look to the business community to fund the program via a tax or fee increase.

Employers in Rhode Island, like many other states, are grappling with a shortage of available workers and increased costs of materials and utilities. While we empathize with individuals who are facing family challenges, we cannot forget that allowing individuals to leave the workplace results in challenges for co-workers, businesses, and the customers they serve.

For these reasons, we request that you take no further action on this legislation.

Sincerely,

East Greenwich Chamber of Commerce

National Federation of Independent Business

North Kingstown Chamber of Commerce

Rhode Island Beverage Association

Rhode Island Hospitality Association

Rhode Island Lumber and Building Materials Dealers Association

Rhode Island Manufacturers Association

Rhode Island Partnership for Home Care

Rhode Island Small Business Economic Summit Regulations Committee

Rhode Island Small Business Economic Summit Tax and Budget Committee

Rhode Island Staffing Association

Sustainable Benefits Strategies, LLC

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.