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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO HEALTH AND SAFETY - TAXATION RELIEF FROM PREMIUM-BASED
TAXATION OF HEALTHCARE SERVICES

Introduced By: Senator Walter S. Felag

Date Introduced: March 27, 2013

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 44 of the General Laws of the General Laws entitled "Taxation" is
2 hereby amended by adding thereto the following chapter:

3
4 CHAPTER 44-65.1

5 METHODOLOGY TO FINANCE THE CHILDHOOD IMMUNIZATION ACCOUNT, THE
6 ADULT IMMUNIZATION ACCOUNT AND THE CHILD HEALTH ACCOUNT

7
8 **44-65.1-1. Legislative findings.** - (a) Current funding for the childhood immunization
9 account pursuant to subsection 23-1-4 (a), the adult immunization account pursuant to subsection
10 23-1-45(c), and the child health account pursuant to subsection 42-12-29(a) comes from
11 premium-based taxes on commercial health insurance;

12 (b) Self-funded and out-of-state employers do not pay into these accounts, yet their
13 employees benefit from the services listed above; and

14 (c) The increasing costs of these programs are being shouldered by a smaller tax base as
15 the number of commercially insured businesses in Rhode Island decreases.

16 **44-65.1-2. Alternative methodology to finance the childhood immunization account,**
17 **the adult immunization account and the child health account.** -- In accordance with
18 subsection 35-3-7, the governor shall submit to the general assembly a budget containing a
19 complete plan of estimated revenues and proposed expenditures for the next fiscal year. Included

1 [in that budget for state fiscal year 2015 shall be a new, broad-based and sustainable methodology](#)
2 [to finance the programs and accounts pursuant to subsections 42-12-29\(a\), 23-1-45\(a\), and 23-1-](#)
3 [45\(c\).](#)

4 SECTION 1. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO HEALTH AND SAFETY - TAXATION RELIEF FROM PREMIUM-BASED
TAXATION OF HEALTHCARE SERVICES

1 This act would require the governor to submit a budget in fiscal year 2015 that would
2 establish a broad based and sustainable methodology to finance the childhood immunization
3 account, the adult immunization account and the child health account.

4 The act would take effect upon passage.

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