

# **2026 Policy and Budget Priorities**

The Economic Progress Institute advocates for equitable policies that improve economic opportunities for all Rhode Islanders.

The passage of federal H.R. 1 on July 4, 2025, made unprecedented cuts to Medicaid and SNAP that will strip healthcare and food assistance from tens of thousands of Rhode Islanders, increase healthcare costs, and shift millions in new costs onto our state. These priorities acknowledge that H.R.1 has created the conditions for statewide crises and reflect EPI's commitment to meet this moment and work together to help protect Rhode Island's most vulnerable populations, communities, and industries from deep and lasting harm.

#### **Rhode Island Budget, Revenue & Tax Fairness**

• Tax the Top 1%: Raise revenue to protect Rhode Islanders by creating a surtax on taxable income above \$691,000 (\$771,800 total income). This will raise \$194 million annually for critical infrastructure like healthcare, food security, public education, childcare, and public transit.

#### **Economic Opportunity**

- Paid Family Leave (TCI): Increase the number of weeks from 8 to 12; expand the definition of family to include grandchildren and chosen family; increase the taxable wage base to \$168,000 (the social security contribution base); and increase the wage replacement rate to 85% so that more low-wage workers can afford to use the benefit to care for a newborn or seriously-ill family. This has no cost to the state.
- Worker Justice Issues: Increase the minimum wage to \$20 over time; raise the state Earned Income Tax Credit (EITC) to 40% of the federal credit; create a state Child Tax Credit (CTC) to ensure families can meet their basic needs; and increase funding for adult education and multilingual teachers and learners.

### **Investments in Children & Healthcare**

- **Child Care:** Expand eligibility for RI's Child Care Assistance Program (CCAP); end the child support mandate for CCAP eligibility; and increase provider rates to match the federal equal access benchmark for childcare programs to address staffing shortages.
- Baby Bonds: Fund the RI Baby Bond Trust to provide every child who is born to a family receiving RI Works with a \$3,000 investment at birth; the state will invest the money until the child turns 18 and yield approximately \$12,000 for the child to use for wealth building purposes such as education in RI, buying a home in RI, or starting a business in RI.
- Health Care: Prevent cuts to Medicaid; create state subsidies to replace expiring federal healthcare subsidies that will cause 20,000 Rhode Islanders to lose health insurance through HSRI; create new avenues for tens of thousands of Rhode Islanders who will lose insurance to access lifesaving healthcare like surgery, prescription medication, dialysis, and nursing home care.



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#### **Lifting Rhode Islanders Out of Deep Poverty**

- Rhode Island Works: Increase the RI Works benefits and link them to inflation; eliminate the policy that reduces RI Works benefits for families who receive a housing subsidy; restore eligibility to legal permanent residents by eliminating the 5-year waiting period; and increase the child support pass-through from \$50 to \$100 for one child and \$200 for two or more children.
- **Predatory Lending Reform:** Prevent rent-a-bank schemes and other predatory loan products that allow lenders to evade RI interest rate limits.
- Affordable Housing: Increase tenant protections; cap rent increases at 4% annually to address record high rent prices; maintain funding in the state budget for existing housing programs.
- Affordable Utilities: Enact the Percentage of Income Payment Plan (PIPP) legislation, which makes energy costs more affordable for low-income Rhode Islanders by linking payments to income levels.
- SNAP and Food Security: Increase funding to the RI Food Bank and other direct service providers to aid the thousands of Rhode Islanders who will lose SNAP; protect Rhode Islanders from having their SNAP benefits stolen by ensuring EBT cards have tap/chip theft-prevention technology (federal gov't will pay half the cost); and reimburse Rhode Islanders for \$750,000+ SNAP benefits stolen in 2025.

#### Race, Equity, & Democracy

- **Equity Impact Statements:** Create a two-year pilot program that allows up to 20 Equity Impact Statements per year (tools similar to fiscal notes) to be requested for proposed legislation; mandate an equity review of the governor's proposed budget policies and budgets should reflect RI's values and ensure that everyone can thrive.
- Same-Day Voter Registration: Increase voter turnout and improve voter list accuracy by allowing eligible residents to register and vote up to and on election day.
- **RIPTA:** Ensure RIPTA is fully funded, such that it can offer competitive salaries, reverse service cuts, and expand services upon which vulnerable populations rely.
- Cannabis Equity: Direct some of the revenue from cannabis legalization to be invested in communities disproportionately harmed by the war on drugs.
- Bail on 32: Improve racial equity by requiring courts to grant bail or personal recognizance to people facing a 32F alleged probation violations, rather than holding them for weeks without a bail hearing.
- **364 Misdemeanor:** Protect Rhode Island's immigrant community from unduly harsh detention and deportation by reducing the maximum prison sentence for a misdemeanor from one year to 364 days.



