



**Champion Advocacy  
Associates**

February 6, 2025

The Honorable Marvin Abney  
Chairman, House Finance Committee  
Rhode Island State House  
Providence, RI 02903

Chairman Abney and Committee Members,

The Northern RI Chamber of Commerce (NRICC) represents businesses in the communities of Burrillville, Central Falls, Cumberland, Foster, Glocester, Johnston, Lincoln, North Providence, North Smithfield, Pawtucket, Scituate, Smithfield and Woonsocket. The Chamber respectfully opposes one portion of H.5076, Article 2, Section 2. The Governor's proposal seeks to increase the indirect cost recovery of certain restricted receipt accounts from 10% to 15%. This includes monies raised for the Workers' Compensation Administration Fund.

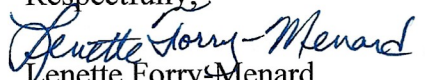
The Workers' Compensation Administration Fund is 100% funded by the business community. The assessment is a payment made by insurers and self-insured employers at a rate set by the Department of Labor and Training. Insurers and employers must also pay additional monies into the fund under certain circumstances such as when an injury occurs resulting in death.

The fund itself is used to pay for the workers' compensation system: the rehabilitation center, fraud prevention, workers' compensation court expenses, etc. The budget for these activities is about \$24 million a year. Raising the cost recovery percentage will take roughly \$1.2 million out of the system, leaving no choice but to increase the assessment on the business community to make up the difference.

The Governor included cost recovery exemptions in his budget for other restricted receipt accounts. The Chamber believes it would be prudent to exempt the Workers' Compensation Administration Fund as well. Every dollar diverted to the general fund, results in an increase in workers' compensation costs for the business community.

Thank you for your consideration of the Chamber's concerns.

Respectfully,

  
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