



**Small Business Advocacy Council
Tuesday, May 7, 2013
8:30 – 10:00AM**

RI Economic Development Corporation
Narragansett Conference Room
315 Iron Horse Way, Providence, RI

MEETING MINUTES

Attendance

Lieutenant Governor Elizabeth H. Roberts
Marcel Valois
J.R. Pagliarini
Senator Joshua Miller
Kevin Flynn
Thomas Guertin
Mark Hayward
Gary Ezovski
Ron Caniglia
Leslie Taito
Stephen Boyle
Lisa D'Agostino
Mark Deion
Miriam Ross
Cap Willie
David Lucier
Derrick Pelletier
Robert Kalaskowski
Terrance Martiesian
JR. Neville Songwe
Janet Raymond
Kenneth Filarski
Armeather Gibbs
Claudia Cardozo
Christopher Cannata
Sherri Carrera
Kelly Carello
Chris Barnett
Maria Tocco
Vlad Ibarra

Opening Remarks

Chair Roberts opened the meeting stating that she was very encouraged by the legislative session this year. The packages by both chambers continues to move our state forward. The Moving the Needle bills were a

comprehensive way to look at five key areas: (1) The Economy, (2) Workforce & Education, (3) Transportation & Infrastructure, (4) Cost of doing business, and (5) Quality of life). While the House Leader's package of 18 bills provides a comprehensive approach to concerns voiced at both economic conferences, reports by several think tanks, federal partners and stakeholders on many of the initiatives that we have been trying to address. The chair stated that the introduction of Biweekly Pay was a huge victory because we have been trying to pass similar legislation for over a decade.

Chair Roberts commented on Governor Chafee's nomination of Marcel Valois, a proven business leader, to head the Rhode Island Economic Development Corporation. She called him when it was first announced and she looks forward to his confirmation by the senate next Tuesday, May 14th. She then discussed the presentations by Thom Guertin, the state's first Chief Digital Officer, and Kevin Flynn, Associate Director of the RI Division of Planning.

Lastly, chair Roberts highlighted the work of the subcommittee groups which have convened twice since we met in January, their respective chairs will provide updates. Also, Ms. Leslie Taito will provide an update on the Office of Regulatory Reform's findings of the 2013 Small Business Survey (April 8, 2013) of 709 small business owners. Healthcare insurance cost was consistently identified as the primary challenge to business by 120 respondents or 22.4%. Healthcare will be tackled at the September meeting.

The chair opened the floor to J. R. Pagliarini from the Rhode Island Economic Development Corporation (EDC) to provide comments.

Mr. Pagliarini stated that on April 16th Tunstall Americas celebrated the grand opening of their new facility in Pawtucket. The company is expected to create 250 jobs in the state.

Mr. Pagliarini noted that the Small Business Loan Fund Corporation was able to lower the average interest rate from 7.5% to an average rate of 5.75%. Lastly, Mr. Pagliarini went on to provide an update on the status of the new EDC board members: Jason Kelly, Roland Fiore, Nancy Carriuolo and Shannon Brawley.

Presentations

A. Office of Digital Excellence Overview *Thom Guertin, Chief Digital Officer*

Chair Roberts introduced Thom Guertin, a Woonsocket native who has been designated as Rhode Island's first Chief Digital Officer.

Mr. Guertin's role will be to launch the Office of Digital Excellence. Mr. Guertin received his B.A. from the University of Rhode Island and a Corporate Finance certificate from Bryant College. He brings over 20 years of experience as a Senior Information Technology executive, most recently he served as Executive Director for Business Technology Solutions at The Boston Globe and New York Times.

Mr. Guertin stated that he will work in partnership with the Department of Information Technology's Chief Information Officer John Landers to increase the number of government services that can be provided online in order to allow residents and businesses to complete transactions in a more efficient and transparent manner. Mr. Guertin explained that right now he is getting up to speed and assessing how agencies interact so that he can support their services. There were three areas that Mr. Guertin will focus on:

- a. Technology strategy and opportunities for consolidation. This phase will bring efficiencies, get rid of legacy systems, and streamline the four different email platforms available as a single governance process.

- b. Replacement of the Tax system by making it more flexible and supportive of a modern platform. This phase is projected to take about four years to complete but Mr. Guertin would like to complete it in three years.
- c. Improvements to the Rhode Island Department of Education's Wireless Classroom Initiative to expand wireless access to classrooms across Rhode Island over the next two years. The initiative will significantly increase connectivity and access for public school systems.

Mr. Guertin highlighted the reciprocal relationship of CIO Jack Landers and how he works closely with collaborators such as Leslie Taito on E-permitting and the State Fire Marshal and Building Inspector. While his role is to provide the strategic vision for the state.

B. Sustainable Communities Initiative *Kevin Flynn, Rhode Island Div. of Planning*

Chair Roberts introduced Kevin Flynn, Associate Director of the Rhode Island Division of Planning, Housing and Community Development. Mr. Flynn hold a masters in Community Planning from University of Rhode Island.

Mr. Flynn explained how the Rhode Island's Sustainable Communities initiative was funded by a \$1.9 million grant from the U.S. Department of Housing and Urban Development. Over the next two years, the multi-agency effort will develop an integrated approach for the state to land use, transportation, housing, and economic development. The initiative will cover six key areas:

1. Economic Development: Creating one economic development plan that integrates business growth with land use and transportation choices. Aligning economic and workforce development to create jobs in areas close to where people live.
2. Housing: Create a statewide housing plan that encompasses the needs of all Rhode Islanders, particularly working families, and identifies impediments to fair housing.
3. Growth Centers: Develop strategies to promote growth where Rhode Island's infrastructure can best support it. Map natural, cultural, and economic infrastructure to guide the best use of limited resources.
4. Social Equity and Community Engagement: Involve a broad range of Rhode Islanders in the planning process. Ensure that the action steps created are equitable for all Rhode Island residents.
5. Technical Assistance and Capacity-Building: Create tools and training for Rhode Island's cities and towns, state agencies and community partners to build skills and knowledge for implementation.
6. Implementation: Create detailed strategies to ensure Rhode Island achieves the goals it sets over the next two years. Identify ways to measure progress toward implementation.

The work will result in a series of short-term strategic actions and the implementation of long-term, comprehensive plans over 10 to 20 years. The strategic actions will provide more transportation choices, promote equitable, affordable housing, enhance economic competitiveness, support existing communities, coordinate and leverage federal policies and investment, and value communities and neighborhoods. For further information about the presentation please visit the Division of Planning website at www.planning.ri.gov

I. Sub-committee chairs updates:

Legislation

Senator Joshua Miller / Mark Hayward

Co-chair Mark Hayward stated that some of the legislative priorities this legislative session have been monitoring the “Moving the Needle” Senate package and now will turn to the Leadership Package by the House.

On the Senate side there are fourteen bills that have passed and ten remain held for further study as the Senate Fiscal office is trying to assess their impacts.

Mr. Hayward alluded to the positive feedback and growing momentum about biweekly pay after over a decade of advocacy on the issue. The momentum was palpable when Gary Ezovski and Ron Caniglia testified and SBAC submitted a letter of support. He was further encouraged that the biweekly pay was part of the legislative priorities for the House of Representatives.

Lastly, Mr. Hayward brought concerns with the unintended consequences of S293A legislation that would require that all bidders on public work projects (state, any municipality or quasi-governmental agency) valued at \$1,000,000 or more to have an apprenticeship program. Under the proposed legislation most federal contracts would become null and void.

Regulations

Gary Ezovski / Leslie Taito

Co-chair Gary Evoski stated that there have been sizeable gains in the regulatory front including continued support for the establishment of an electronic building permit system, as well as continued support for ongoing review of regulations that the legislature initiated.

The Biweekly pay was heard in both the chambers and he was very pleased that for the first time support seems to be building up.

Holiday Flexibility and increasing apprenticeship opportunities in new fields continues to be a priority but he voiced the concerns brought up by Mr. Hayward and the long term impact of the law.

Co-chair Leslie Taito provided an update on the Office of Regulatory Reform’s findings of the Small Business Survey and the second phase of the regulatory reform. Chairwoman Roberts was very interested in following up and perhaps convening with SBANE and/or the RI Small Business Group on Health to raise awareness and education through a symposium or something similar.

Resources & Retention

John Gregory / Stephen Boyle

Co-chair Stephen Boyle was encouraged by the “Back to Work” bills by Representative McNamara and Senator Lynch as well as an emphasis on workforce development initiatives.

He discussed the last resources and retention meeting at which Connie Parks, Chief of Labor and Training Operations Business Services Unit provided an overview of how DLT is working with partners (EDC/CWE, SBDC among others) to assess skills gaps and provide employees with a competent workforce.

Going forward the question will be how do we collaborate with DLT to disseminate this message to chambers and pertinent stakeholders.

Lastly, Mr. Boyle discussed the Business Resource Guide (former “Every Company Counts”) continues to be a priority. As of now the Office of SOS is working on it with support by EDC staff.

II. Next steps

Lieutenant Governor Roberts

Chair Roberts indicated that the subcommittees will continue to meet before we convene again as the full council in September. At the same time, they will focus on three priorities:

1. *Healthcare*, following up on the concerns from the Office of Regulatory Reform’s findings of the 2013 Small Business Survey we will meet with SBANE and the RI Business Group on Health to create a symposium and/or something similar to alleviate concerns and increase education.

2. *EDC Restructuring and Strategic Vision for our State.* By the time we convene again Mr. Valois will have been confirmed as the EDC Director and we would like to hear his priorities. Also, we will have a better sense of what passed and what did not in regards to the several pieces of legislation to change the current structure of the EDC. The legislative subcommittee will closely monitor what will be the end product and does it provide a strategic vision for our state.
3. *Workforce Training & DLT Collaborations.* During the summer the workgroup will continue to collaborate with DLT to disseminate this message to chambers and pertinent stakeholders.

III. Announcements/New Business/Adjourn

Janet Raymond from the Providence Chamber of Commerce invited all to “The Garage” on May 14. The Garage will be the place where the private sector will create a mash-up of all good things happening in the local business community. Revenue generating companies will share their success stories and best practices in an effort to inspire, cross-pollinate and grow key economic sectors. This first event will focus on the key industries of consumer products, health/wellness, life sciences and medtech.

The next SBAC meeting will take place on September 17th.

The meeting was adjourned at 9:52 a.m.