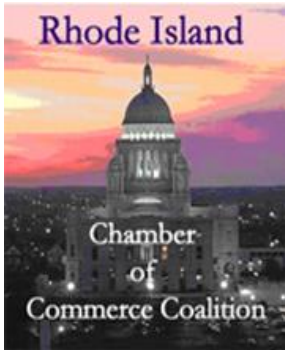




*Founded in 1897 and proudly serving:*  
East Providence, Rhode Island  
Barrington, Rhode Island  
Seekonk, Massachusetts  
Rehoboth, Massachusetts



## UNDER THE DOME

*Update from Rhode Island State House  
For Members of East Providence Area Chamber of Commerce*

East Providence Area Chamber of Commerce is a partner in the Rhode Island Chamber of Commerce Coalition, a partnership of nine Rhode Island chambers of commerce representing 7,500 businesses. It is one of the largest business advocacy groups in the State.

Rhode Island Chamber of Commerce Partners: East Providence Area, Central Rhode Island, East Bay, East Greenwich, Ocean Community, Newport County, Northern Rhode Island, North Kingstown and Southern Rhode Chambers of Commerce

**February 20, 2023**

### **Legislative Break Week**

With no hearings scheduled at the State House this week, we will be highlighting a few pieces of legislation that, if passed, will have an impact on Chamber members. Last week the House released 200 new bills and extended its bill filing deadline to February 28<sup>th</sup>. The Senate introduced 286 new bills.

### **Labor Bills Introduced**

S.145, An Act Relating to Labor and Labor Relations – RI Parental and Family Medical Leave Act, (introduced by Senators Cano, DiMario, Quezada, Euer, Lawson, Pearson, Burke, McKenney, and DiPalma). The bill increases unpaid family leave from 13 weeks to 24 weeks over a two-year period. If an employer provides paid leave to employees for a period of time, the additional weeks added under this proposal may remain as unpaid leave. The bill calls for an effective date “upon passage.” The law, as it stands today, applies to employers with 50 or more employees. Leave is available for the care of family members, defined as “a parent, spouse, child, mother-in-law, father-in-law, or the employee himself or herself.”

<http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0145.pdf>

**S.430, An Act Relating to Labor and Labor Relations – Minimum Wages** (introduced by Senators Quezada, Euer, Cano, DiMario, Acosta, Lawson, Miller, Pearson, Valverde, and Kallman) creates a new definition for “employee” by adopting what is commonly known as the “ABC test” instead of the IRS test. To be classified as an independent contractor, not an employee, the person must meet all three of the following factors:

1. The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for performance of the work and in fact,
  2. The person performs work that is outside the usual course of the hiring entity’s business,
- AND
3. The person is customarily engaged in an independently established trade, occupation, or business, of the same nature as that involved in the work performed.

The Chamber testified against this bill in prior years. The first factor – control - is a key factor in the IRS test. The second factor causes the most difficulty for the business community. Swept up in this broad language could be sole proprietors in the field of technology, bookkeeping, cleaning, public relations, driving, elderly care, etc. It is difficult to imagine all of the potential disciplines that would fall into this category as the work climate evolves with technological advancements. A current individual independent contractor that reclassifies as an employee under this definition and works for more than one entity, would end up covered by multiple unemployment and workers’ compensation coverages that will never be able to be utilized, wasting precious dollars. The third factor could require litigation in order to flush out its meaning.

<http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0430.pdf>

**H.5105, An Act Relating to Labor and Labor Relations – Minimum Wage** (introduced by Morales, Speakman, Bennett, Cruz, Henries, Vella-Wilkinson, Stewart, Tanzi, Sanchez) proposes to eliminate the minimum wage uniformity clause that was adopted by the General Assembly in 2014. At that time, the business community agreed to increase the minimum wage and asked for the uniformity clause in return. Without the uniformity clause, Rhode Island’s 39 cities and towns could adopt differing wages at different times, leaving businesses with no ability to plan for potential increases in labor costs as well as subjecting them to wage confusion and eventual mistakes. Lastly, the new world order of remote work further complicates the idea of municipal minimum wage adoption. Businesses will have the burden of determining which wage is the correct wage to apply – the business location or the employee’s home.

<http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5015.pdf>

**H.5589, An Act Relating to Labor and Labor Relations – Minimum Wage** (introduced by Morales, Henries, Felix, Kislak, Cruz, Sanchez, Stewart, Potter, Speakman, Handy) increases the minimum wage in years 2026, 2027 and 2028. Under current law, the minimum wage was raised to \$13 an hour as of January 1, 2023. The law increases the wage to \$14 January 1, 2024 and to \$15 January 1, 2025. H.5589 changes the hourly rate in 2025 to \$15.50; and then continues the wage increases to \$17 as of January 1, 2026, \$18.50 an hour January 1, 2027, and to \$20 an hour January 1, 2028.

<http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5589.pdf>

## Environmental Bills

**H.5600, An Act Relating to Public Property and Works – All Electric Building Act** (introduced by Representatives Cortvriend, Potter, Handy, McGaw, Carson, Kislak, Donovan, Speakman, and Cotter) bans municipalities from issuing building permits for any commercial, residential or mixed-use building that is not all electric if the building permit application was submitted after December 31, 2024. “All electric” means the “building or project shall have no natural gas, propane, or oil heaters, boilers, piping systems, fixtures or infrastructure installed to meet building energy needs.” The bill does contain a waiver option if the municipality finds that the requirement renders the project physically or technologically infeasible, at which point systems could be installed, but only for those operations in the building that cannot be electrified.

Exceptions would be granted to restaurants, hospitals, medical facilities or biolabs.

<http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5600.pdf>

**H.5549, An Act Relating to Health and Safety – Zero Emission Lawn Care Devices** (introduced by Kislak, Ajello) mandates that by January 1, 2025, all lawn care devices sold in the state have zero emissions and that by January 1, 2028, all lawn care devices used in the state have zero emissions. The bill establishes civil penalties of \$50 for the first offense, \$100 for the second offense and \$500 for a subsequent offense. Under H.5549, DEM must accept location and date stamped videos from a cellphone or other camera as legal evidence of someone using a prohibited lawn care device after the deadline. The Office of Energy Resources is authorized to create a rebate program to assist individuals in the purchase of the zero emission devices and to create a trade-in program.

<http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5549.pdf>

## Tax Bills

**S.232, An Act Relating to Taxation – Personal Income Tax** (introduced by Senators Murray, Acosta, Valverde, Euer, DiPalma, Miller, Lawson, Lauria, DiMario, and McKenney) proposes to add an additional 3% tax on incomes over \$417,500. Revenue raised by the tax is earmarked for child care, early learning programs, public education, public colleges and universities, road repair and maintenance and public transportation.

<http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0232.pdf>

**S.243, An Act Relating to Health and Safety – Catastrophic Illness in Children Relief Fund** (introduced by Senators Lawson, Murray, Euer, DiMario, Cano, Britto, Lauria, Mack, and Acosta) creates a fund to provide financial assistance to families with children facing catastrophic illnesses. It is meant to assist in covering costs not covered by insurance or by any state or federal programs. Money for the fund is raised through an employer tax of \$1.50 per employee per year. According to the Department of Labor statistics for December, 2022, total employment in the private sector was 433,700.

## Bill Withdrawn – Contractor Liability for Subcontractor Wages

Last week, **S.36, An Act Relating to Labor and Labor Relations – Payment of Wages**, was withdrawn by the sponsor. This means S.36 is no longer under consideration by the General Assembly. The bill can still be introduced under another sponsor at any time, but it would be unusual. S.36 proposed to create liability for contractors in the event subcontractors failed to pay their employees’ wages or benefits. The bill also established a private right of action against the general contractor for subcontractor employees.

<http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0036.pdf>

*The following new bills have been filed:*

House Bill No. [5584](#) Messier, McNamara, Potter, Diaz, Fellela, AN ACT RELATING TO LABOR AND LABOR RELATIONS -- HEALTHY AND SAFE FAMILIES AND WORKPLACES ACT (Amends the definition of employee to remove apprenticeships and interns and any other individuals pursuant to the provisions of the Fair Labor Standards Act (FLSA), 29 U.S.C. Section 203 et seq.)

<http://webserver.rilin.state.ri.us/BillText/BillText23/HouseText23/H5584.pdf>

House Bill No. [5585](#) Chippendale, J. Brien, Casey, Quattrocchi, Rea, Newberry, Place, Nardone, Noret, Casimiro, AN ACT RELATING TO LABOR AND LABOR RELATIONS -- WORKERS' COMPENSATION -- BENEFITS (Requires the employer's workers' compensation insurance carrier to cover all of an employee's associated medical expenses from any adverse medical event resulting from the employer mandating that the employee receive the COVID-19 vaccine.)

<http://webserver.rilin.state.ri.us/BillText/BillText23/HouseText23/H5585.pdf>

House Bill No. [5590](#) Felix, Morales, McNamara, Kazarian, Kislak, Potter, Alzate, Batista, Henriess, Cruz, AN ACT RELATING TO LABOR AND LABOR RELATIONS -- MINIMUM WAGES (Commencing 1/1/24, gradually increases the minimum wage for employees receiving gratuities from the current (\$3.89) to (\$14.95) by 1/1/28 and on 1/1/29 the minimum wage shall be no less than the minimum wage established by the minimum wage law.)

<http://webserver.rilin.state.ri.us/BillText/BillText23/HouseText23/H5590.pdf>

House Bill No. [5591](#) Edwards, Bennett, Handy, Craven, Kislak, Shanley, Kazarian, Casimiro, Casey, AN ACT RELATING TO LABOR AND LABOR RELATIONS -- PAYMENT OF WAGES (Eliminates repealed statute references and create a mechanism for employees to enforce their existing right to continuation of medical benefits.)

<http://webserver.rilin.state.ri.us/BillText/BillText23/HouseText23/H5591.pdf>

House Bill No. [5592](#) Batista, Potter, Alzate, Felix, AN ACT RELATING TO LABOR AND LABOR RELATIONS -- INSPECTION OF PERSONNEL FILES (Amends the definitions of the inspection of personnel files. The act would also amend the penalties by increasing them to not less than five hundred dollars (\$500) nor more than twenty-five hundred dollars (\$2,500).)

<http://webserver.rilin.state.ri.us/BillText/BillText23/HouseText23/H5592.pdf>

Senate Bill No. [163](#) Euer, Cano, Goodwin, Gallo, Sosnowski, Lawson, DiMario, Murray, Mack, Kallman, AN ACT RELATING TO PROPERTY -- MORTGAGE FORECLOSURE AND SALE-- MEDIATION CONFERENCE (Removes the sunset provision relative to mediation coverage prior to mortgage foreclosures.) <http://webserver.rilin.state.ri.us/BillText/BillText23/SenateText23/S0163.pdf>

Senate Bill No. [166](#) Gu, Valverde, DiMario, Euer, Mack, Miller, Murray, Lauria, Ujifusa, AN ACT RELATING TO PUBLIC PROPERTY AND WORKS -- THE GREEN BUILDINGS ACT (Creates building energy performance standards based on the size of buildings, to achieve, by way of benchmarking and reporting, a statewide analysis of energy use and strategies to increase energy efficiency.) <http://webserver.rilin.state.ri.us/BillText/BillText23/SenateText23/S0166.pdf>

Senate Bill No. [173](#) Lawson, DiMario, F. Lombardi, Cano, Britto, Lauria, Mack, Acosta, AN ACT RELATING TO LABOR AND LABOR RELATIONS -- THE COMMUTER TRANSPORTATION BENEFITS ACT (Establishes the commuter transportation benefit chapter. Employers with five hundred (500) or more employees would be required to establish a pre-tax commuter transportation fringe benefit program.) <http://webserver.rilin.state.ri.us/BillText/BillText23/SenateText23/S0173.pdf>

Senate Bill No. [200](#) Valverde, Gu, Sosnowski, Lawson, Raptakis, DiMario, Miller, Ujifusa, Mack, AN ACT RELATING TO HEALTH AND SAFETY -- EXTENDED PRODUCER RESPONSIBILITY FOR PACKAGING (Reduces equitable relationships between packaging producers and local governments and communities by establishing the Package Reduction and Recycling Program.) <http://webserver.rilin.state.ri.us/BillText/BillText23/SenateText23/S0200.pdf>

Senate Bill No. [233](#) Kallman, Cano, Acosta, Miller, Valverde, Lauria, Bell, Mack, AN ACT RELATING TO TAXATION -- PERSONAL INCOME TAX -- CAPITAL GAINS (Amends the capital gains tax rates and holding period from 5 years to 1 year. Imposes a non-owner occupied tax on homes assessed at more than \$1,000,000.) <http://webserver.rilin.state.ri.us/BillText/BillText23/SenateText23/S0233.pdf>

Senate Bill No. [342](#) DiMario, Euer, Murray, Gu, Valverde, Lauria, Ujifusa, LaMountain, Lawson, AN ACT RELATING TO LABOR AND LABOR RELATIONS -- FAIR EMPLOYMENT PRACTICES (Prohibits an employer from requiring an employee to execute a nondisclosure agreement or non-disparagement agreement, regarding alleged violations of civil rights or criminal conduct, as a condition of employment.) <http://webserver.rilin.state.ri.us/BillText/BillText23/SenateText23/S0342.pdf>

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