**An Update from the State House**

Last week was a difficult one at the State House as a great deal of energy was spent on the issue of abortion/choice rights. The House tried to keep emotional debate respectful on this volatile issue during the floor consideration. The Senate Judiciary Committee pushed through hours of testimony finishing at 6:00 a.m. The issue could possibly consume similar attention in the upcoming weeks.

**Senate Finance Listens to Employee Misclassification Testimony**

The Senate Finance Committee heard testimony on **S.510, An Act Relating to Labor and Labor Relations – Payment of Wages**. This bill, in its SubA form, increases the fine for misclassifying an employee as an independent contractor to $2000 for each separate offense (each employee being a separate offense). If an employer is administratively found guilty of misclassifying employees 3 separate times within 2 years, the business would lose its license to operate for a period of 3 years. Testimony was provided that a business was found guilty 4 times. Each time the business paid its fine and continued to operate its business in the same manner. This bill was meant to provide a larger incentive to comply with Rhode Island wage laws. The Chamber expressed concern over the tremendous increase in the initial fine, given that an employer may believe it is acting within the bounds of the law.

**Business Health Care Assessment Hearing**

The **House Finance Committee** will take testimony on Article 16, Section 4 of the Governor’s budget on **Wednesday March 13th, at the Rise – approximately 4:30 pm**. This section places a tax, on any employer with 300 or more employees, for each full or part-time employee that is receiving Medicaid assistance. The assessment is equal to 10% of the employee’s wage up to $1500 a year. So if an employee is paid $15,000.00 a year or more, and the employee is on Medicaid, the employer will receive a quarterly tax bill of $325. Working adults with disabilities are exempt as are non-profit organizations and government entities. It is not clear if non-profit means only 501(c)3 organizations. There is no safe harbor provision for employers who offered the employee health insurance and the employee refused coverage. Employers are barred from taking any adverse action against an employee that triggers the tax. Lastly, there is no avenue for an employer to determine how many employees are enrolled in Medicaid prior to receiving the quarterly tax bill.

**The Chamber strongly encourages you to contact your legislator if this issue is of concern to your business.**

**Minimum Wage on the Agenda**

On **Wednesday, March 13th at the Rise (approximately 4:30 pm)** in Room 212, the **Senate Finance Committee** will take testimony on the following minimum wage bills: **S.174** increases the hourly minimum wage effective January 2, 2020 to eleven dollars and fifty cents ($11.50) per hour and effective January 1, 2021, to twelve dollars and fifty cents ($12.50) per hour; **S.241** increases the hourly minimum wage in accordance with the Consumer Price Index for the Northeast Region for the four (4) previous fiscal years, effective January 1, 2021; **S.374** incrementally increases the $3.89 per hour tipped wage to $9.00 per hour on January 1, 2023 - starting on January 1, 2024, the minimum hourly wage for tipped workers would be equal to the state's regular minimum hourly wage; and **S.508** gradually increases the hourly minimum wage from $10.50 to $15 by July 1, 2023, and the hourly minimum wage for employees receiving gratuities from $3.89 an hour to $15 an hour by January 1, 2027.

**Intoxicated Employee Bill**

On **Wednesday, March 13th at the Rise (approximately 4:30 pm) in Room 203**, the **House Labor Committee** will consider **H.5657**, An Act Relating to Labor and Labor Relations – Workers Compensation. The bill states that if an employer shows that an employee, at the time of the injury or death or immediately following the injury or death, had positive test results reflecting the presence of alcohol, or another controlled substance, which was not prescribed by an authorized medical practitioner or was not used as prescribed, then it shall be presumed that the employee was intoxicated at the time of the injury and that intoxication caused the injury. The burden of proof would then shift to the employee to show he/she was not intoxicated or that the death was caused by something other than intoxication.

The following bills were filed last week:

House Bill No. [5551](http://webserver.rilin.state.ri.us/BillText/BillText19/HouseText19/H5551.pdf) Caldwell, Mattiello, Casey, Craven, Marszalkowski**,**AN ACT RELATING TO HEALTH AND SAFETY - NALOXONE PUBLIC ACCESS PROGRAM (Requires public places to have naloboxes or naloxone on the premises for access and use during emergencies by trained employees or the general public with "Good Samaritan" protections.)

House Bill No. [5730](http://webserver.rilin.state.ri.us/BillText/BillText19/HouseText19/H5730.pdf) Carson, Cortvriend**,**AN ACT RELATING TO BUSINESSES AND PROFESSIONS -- REAL ESTATE SALES DISCLOSURES (Requires real estate sellers to provide buyers with an annual building energy cost estimate and imposes a duty on sellers to conduct real estate condition inspections.)

House Bill No. [5780](http://webserver.rilin.state.ri.us/BillText/BillText19/HouseText19/H5780.pdf) Slater, Diaz, Blazejewski, Maldonado, Alzate**,**AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT -- THE PERCENTAGE OF INCOME HOME ENERGY AFFORDABILITY ACT (Creates the Percentage of Income Home Energy Affordability Program, an income-sensitive tiered subsidy program to ensure that home energy utility costs are affordable for eligible low-income households.)

House Bill No. [5795](http://webserver.rilin.state.ri.us/BillText/BillText19/HouseText19/H5795.pdf) Ranglin-Vassell, Walsh, Almeida, Lombardi, Slater**,**AN ACT RELATING TO FOOD AND DRUGS-THE RHODE ISLAND CANNABIS EQUITY ACT OF 2019 (Establishes a board and appropriates funds from the legislature to create a local cannabis equity program to allow those people who want to enter the business of selling marijuana with state funding and technical assistance to do so.)

House Bill No. [5810](http://webserver.rilin.state.ri.us/BillText/BillText19/HouseText19/H5810.pdf) Corvese, Ucci, Morin, Kennedy, Azzinaro**,**AN ACT RELATING TO COMMERCIAL LAW - UNFAIR SALES PRACTICES - GIFT CERTIFICATES (Requires issuers of gift certificates to deposit and hold funds used to purchase the gift certificate in escrow for three (3) years, or until the gift certificate is redeemed and would restrict certain redemption terms in the event of bankruptcy.)

House Bill No. [5814](http://webserver.rilin.state.ri.us/BillText/BillText19/HouseText19/H5814.pdf) Millea, McKiernan, O'Brien, Jacquard**,**AN ACT RELATING TO INSURANCE -- PAYMENT TO HEALTH CARE PROVIDERS (Allows health care providers to refuse to accept payment by virtual credit card payment (a single-use digital credit card) at least once each health insurance contract year.)

Senate Bill No. [398](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0398.pdf) Picard**,**AN ACT RELATING TO BUSINESSES AND PROFESSIONS - DESIGNERS OF INDIVIDUAL SEWAGE DISPOSAL SYSTEMS (Provides that professional engineers who are registered and authorized to practice by the Rhode Island state board of registration for professional engineers be deemed to have met the qualifications for a designer's license.)

Senate Bill No. [410](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0410.pdf) (Dept. of Environmental Management) Ruggerio, Sosnowski, Euer, Coyne, Valverde**,**AN ACT RELATING TO HEALTH AND SAFETY - PLASTIC WASTE REDUCTION ACT (Creates the "Plastic Waste Reduction Act" designed to reduce the use of plastic bags by retail establishments by offering recyclable bag options and providing penalties for violations.)

Senate Bill No. [417](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0417.pdf) Coyne, Conley, Lynch Prata, Seveney, Lawson**,**AN ACT RELATING TO HEALTH AND SAFETY - MARIJUANA IMPACT STUDY (Creates and funds a study on the impact of the use of marijuana in this state.)

Senate Bill No. [418](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0418.pdf) Cano, Goldin, Valverde, Crowley, Quezada**,**AN ACT RELATING TO TAXATION - SUGARY DRINKS (Creates a tax on sugary drinks and creates a dedicated revenue source for programs designed to benefit public health.)

Senate Bill No. [431](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0431.pdf) (General Treasurer) Ruggerio, Goodwin, Ciccone, Archambault, Conley**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- NON-ERISA COVERED PENSION PLANS (Requires that all defined pension plans which are not covered by the ERISA and have at least two hundred (200) members, comply with ERISA's annual reporting provisions.)

Senate Bill No. [456](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0456.pdf) Sheehan, Crowley, Seveney, Satchell, Nesselbush**,**AN ACT RELATING TO COURTS AND CIVIL PROCEDURE - PROCEDURE GENERALLY - NONDISCLOSURE AGREEMENTS (Places limits on the terms that can be included in an agreement that settles a claim of sexual harassment, retaliation for reporting sexual harassment and stalking.)

Senate Bill No. [460](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0460.pdf) Goldin, Lynch Prata, Quezada, Goodwin, Cano**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- FAIR EMPLOYMENT PRACTICES ACT (Changes the definition of employee and employer for purposes of the fair employment practices act, while expanding personal liability for violations.)

Senate Bill No. [479](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0479.pdf) Euer, Murray, Lombardo, Sosnowski, Valverde**,**AN ACT RELATING TO BUSINESSES AND PROFESSIONS -- REAL ESTATE SALES DISCLOSURES (Requires real estate sellers to provide buyers with an annual building energy cost estimate and imposes a duty on sellers to conduct real estate condition inspections.)

Senate Bill No. [484](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0484.pdf) Morgan, Rogers, Paolino, Algiere, Raptakis**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS (Requires most employers in Rhode Island to participate in the E/Verify employment authorization program and establishes deadlines to do so.)

Senate Bill No. [493](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0493.pdf) (Attorney General) Lombardo, Archambault, Ciccone, McKenney, McCaffrey**,**AN ACT RELATING TO COMMERCIAL LAW - GENERAL REGULATORY PROVISIONS - DECEPTIVE TRADE PRACTICES (Amends the Deceptive Trade Practices Act to clarify the law's exemptions, enable individuals subject to unfair or deceptive acts/practices to recover increased damages/permit the attorney general to seek civil penalties for initial violations of the law.)

Senate Bill No. [505](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0505.pdf) Lombardi, Archambault, Conley, Lynch Prata, McCaffrey**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS - WORKERS' COMPENSATION BENEFITS (Allows employers to shift the legal burden of proof to employees in certain workers' compensation actions where intoxicating substances may be involved.)

Senate Bill No. [508](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0508.pdf) Quezada, Goodwin, Goldin, Cano, Euer**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- MINIMUM WAGES (Gradually increases the hourly minimum wage from $10.50 to $15 by July 1, 2023, and the hourly minimum wage for employees receiving gratuities from $3.89 an hour to $15 an hour by January 1, 2027.)

Senate Bill No. [509](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0509.pdf) Goldin, Ruggerio, Goodwin, Lawson, Cano**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- FAIR EMPLOYMENT PRACTICES (Comprehensively addresses wage discrimination by expanding employee protections and the scope of the remedies available to employees who have experienced wage discrimination.)

Senate Bill No. [510](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0510.pdf) Lynch Prata, Ruggerio, McCaffrey, Goodwin, Ciccone**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS - PAYMENT OF WAGES - VIOLATIONS (Increases penalties for violations of certain wage and hour laws.)

Senate Bill No. [514](http://webserver.rilin.state.ri.us/BillText/BillText19/SenateText19/S0514.pdf) McKenney**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS - EMPLOYMENT SECURITY - SEASONAL EMPLOYEES (Creates a seasonal employment designation for purposes of unemployment benefits, which would allow employers hiring employees for less than twenty (20) weeks to apply for a seasonal determination by the director of the department of labor and training.)