**2023 New Laws and Enactment Dates**

The General Assembly has completed the process of transmitting bills to the Governor for his consideration. Governor McKee had the option to sign a bill into law, veto a bill or allow a bill to become law without his signature. In 2023, the Senate introduced 1135 bills, while the House introduced 1535 bills, for a total of 2670 bills. A total of 397 new public laws were adopted this year, not including local laws or resolutions. If local laws and resolutions are included, the number soars to 913 bills passed in 2023. Governor McKee signed 338 bills into law in the month of June.

Throughout the year, the Chamber actively tracked 329 pieces of legislation. Below is a list of new laws along with the effective dates.

Budget - H.5200 Sub Aaa – The $14 billion budget was signed into law by Governor McKee. This budget includes the Chamber’s priority issue of reducing the tangible tax for all businesses and eliminating the tangible tax for 75% of Rhode Island businesses. Fifty thousand dollars of value will be eliminated from the tangible tax assessment in all municipalities with the State providing reimbursement to communities. Chapter 79 of the 2023 Public Laws. <http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5200Aaa.pdf>

Both S.928 SubAaa and H.6333 SubA mirror the tangible tax language in the budget. Those bills were signed into law, becoming Chapters 327 and 328 of the 2023 Public Laws.

<http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0928Aaa.pdf>

<http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H6333A.pdf>

Wage Theft/Independent Contractor - S.1079 SubAaa and H.5902 SubAaa – create felony penalties if an employer knowingly and willfully: (1) fails to pay employees on a regular pay day and the amount owed is over $1500, (2) fails to pay any employee wages owed at the time of termination of employment and the amount is over $1500, or (3) fails to pay wages owed to a deceased employee to the appropriate person/entity within 30 days of death, and the amounts owed are greater than $1500. The bills adopt the Fair Labor Standards Act (FLSA) definition of independent contractor by directing the Department of Labor and Training (DLT) to review all complaints of misclassification using those factors. The bills require DLT to undergo an investigation of complaints with the assistance of the Underground Economy Task Force. The findings, along with a recommendation, is given to the Director of DLT who then passes it along to the Attorney General with the Director’s recommendations. A business that misclassifies employees under the new test, is liable for civil penalties in the amount of $1500 - $3,000 for each misclassified employee for the first offense and up to $5000 for each misclassified employee for any subsequent offense. The money is divided equally between the DLT and the individual harmed. Any “construction industry” related entity that knowingly and willfully violates the new standard is guilty of a misdemeanor if the value is less than $1500, or a felony if the value is greater than $1500 and it is a second offense. If the construction related business or individual misclassifies employees in a manner that is not knowing and willful, the penalty reverts back to a civil penalty of $1,500-$3,000 per misclassified employee. ***Lastly, any “party” that is not an employer but intentionally contracts with an employer that intends to misclassify employees is subject to the same penalties as the employer.*** Chapters 244 and 245 of the 2023 Public Laws were signed by the Governor. <http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S1079Aaa.pdf>

<http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5902Aaa.pdf>

Independent Contractor Registration - H.5710 SubA and S.427 SubB require independent contractors to file electronically with the Department of Labor and Training (DLT) on an annual basis, “regardless of how many forms are filed.” This would seem to suggest an annual filing for each client. There is no fee tied to the filing requirement. DLT is required to submit the list to the Division of Taxation each April 1st. The new law becomes effective January 1, 2024. Chapters 242 and 243 of the 2023 Public Laws were signed by the Governor. <http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5710A.pdf>

<http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0427B.pdf>

Electric Vehicle Parking Lot Infrastructure – S.988 aa was signed into law by the Governor. S.988aa requires large employers – defined as those with 100 employees located in a single complex – to install circuitry and other necessary equipment to support Level 2 or DC fast chargers in new parking lots as well as lots undergoing a 50% expansion renovation. The mandate also applies to big box stores, grocery stores, housing developments with more than twenty units, malls, hotels, and certain municipal buildings. The bill was amended during the final hours of session to apply only to new projects awarded subsequent to January 1, 2024, that receive any form of public funding. Public funding is defined as “funds derived from federal, state or municipal sources; in-kind remuneration from any federal, state or municipal source; gifts or grants from any federal, state or municipal source; revenue sharing or other federal, state or municipal payments of any nature, intergovernmental transfers; tax stabilization agreements, revenues resulting from the sale of state or municipal bonds; or by the sale or lease of any property owned by the federal government, the State of Rhode Island, and/or any municipality of the state.” Chapter 268 of the 2023 Public Laws. <http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0988aa.pdf>

Gift Card Sales - H.5732SubA and S.759SubAaa were signed into law by Governor McKee.
The new law requires businesses that sell gift cards for their own store or affiliated businesses, to display a notice at the location where the cards are sold. The notice must caution the purchaser about prepaid card scams and instruct the purchaser on what to do if they suspect they might be a potential victim of such a scam. The Department of Business Regulation is charged with determining the content and form of the notice. The approved sign, in both English and Spanish, can be found at: <https://dbr.ri.gov/gift-card-fraud-mandate> Failure to display the notice can result in a penalty of up to $250 per violation. The law is in effect now. Chapter 167 and 168 of the 2023 Public Laws <http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5732A.pdf> <http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0759Aaa.pdf>

New State Holiday for Employers - June 19th became the newest state holiday when Governor McKee signed both H.5380 SubA and S.444 SubA into law. Chapters 81 and 82 of the 2023 Public Laws designate June 19th (Juneteenth National Freedom Day) a state holiday making employees eligible for holiday pay if they work that day without a special state exemption. <http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5380A.pdf>

<http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0444A.pdf>

Ban on Polystyrene Containers – H.5090 SubA and S.14 SubB ban most food establishments from using polystyrene containers for food and beverages beginning January 1, 2025. Any establishment that fails to comply is subject to a fine of up to $100. Exemptions do exist for hospitals, agricultural fairs, nursing homes, etc. Chapters 273 and 274 were signed into law by the Governor. <http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5090A.pdf>

<http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0014B.pdf>

Non-disclosure Agreements – S.342aa was signed into law and became 2023 Public Law Chapter 252. S.342aa makes it an unlawful employment practice to require an employee as a condition of employment, to execute a nondisclosure agreement or an agreement with a clause that requires alleged violations of civil rights remain confidential, or a non-disparagement agreement concerning alleged violations of civil rights or alleged unlawful conduct. It became effective June 22, 2023. <http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0342aa.pdf>

Unemployment Benefit Sunset – S.716 aa and H.5989 SubA became law when the Governor signed the legislation and they became 2023 Public Law Chapters 146 and 147. Both bills allow individuals to collect unemployment benefits if they are “partially employed,” which is defined as earning up to 150% of the weekly benefit rate the person would be entitled to if totally unemployed and eligible. The 150% threshold was adopted by the General Assembly in 2021 in an attempt to incentivize individuals to return to work during the COVID pandemic. The bills changed the sunset date from June 30, 2023 to June 30, 2025. <http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0716aa.pdf>

<http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5989A.pdf>

Private Right of Action for Violations of TCI and Holiday Pay - S.828aa and H.5591 SubA provide a private right of action as a penalty for an employer’s violation of the temporary caregiver’s law. Employers are required to reinstate the employee at the return from leave and restore seniority and other benefits to the employee. Additionally, the employer is required to maintain the employee’s health insurance while the employee is out on leave. Lastly, the new laws provide a private right of action to employees that fail to correctly receive Sunday or Holiday pay. The Governor signed both bills, now Chapters 248 and 249 of the 2023 Public Laws, and they became effective upon passage.

<http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0828aa.pdf>

<http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5591A.pdf>

Take It Outside Moratorium – H.5264 SubA and S.683 became law back in March when the Governor signed the bills extending the moratorium on municipalities from April 1, 2023 to February 15, 2024. Cities and Towns may not restrict food establishments from providing outdoor dining as long as the business is in compliance with local and state building codes and safety codes. The laws are Chapters 5 and 6 of the 2023 Public Laws. <http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5264A.pdf>

<http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0683.pdf>

Data Breach – H.5684 SubAaa became effective without the Governor’s signature. H.5684 SubAaa requires State agencies and municipalities to notify affected employees/customers within 30 days of discovery of a data breach and pay for five years of remediation services for adults and remediation services for minors until the age of twenty. The House amended H.5684 to apply to State agencies and municipalities only. Businesses remain under the same rules of notification to customers within 45 days of discovery of a data breach and including information as to what customers can do to protect themselves. The law is Chapter 375 of the 2023 Public Laws. <http://webserver.rilegislature.gov/BillText/BillText23/HouseText23/H5684Aaa.pdf>

New Health Care Mandates

A number of new health care mandates also passed into law this year. The effect on health care premiums is not yet known.

Epinephrine Injectors (Epi-pens) – S.575 SubA, now Chapter 263 of the 2023 Public Laws, requires insurers to provide coverage for at least one type of epinephrine auto-injector and cartridges, with no co-pay or deductible. Insureds after January 1, 2025, may obtain a two-pack of injectors or cartridges once every twelve months. A deductible may be applied to health plans that are paired with a federally qualified health savings account under 26 U.S. Code 223.

HIV Treatments – S.563 SubAaa was signed by the Governor and became Chapter 254 of the 2023 Public Laws. The law requires insurers to cover treatment of pre-exposure prophylaxis (“PrEP”) for the prevention of HIV and post-exposure prophylaxis (“PEP”) to prevent HIV infection starting January 1, 2024.

Screening for Dense Breast Tissue – H.5283 SubA and S.1134 were signed by the Governor and became 2023 Public Law Chapters 331 and 332. These laws require insurers to cover additional screenings for individuals diagnosed with dense breast tissue.

Coverage for Specialty Drugs – S.871 SubA became 2023 Public Law Chapter 233 when the Governor signed it into law. Effective January 1, 2025, insurers must limit any required copayment of coinsurance applicable to specialty drugs for rare conditions to an amount not to exceed $150 per month for a 30-day supply of any single drug. This limit is inclusive of any copayment or coinsurance. This limit is applicable after any deductible is reached and until the individual's maximum out-of-pocket limit has been reached.

Bills That Did Not Make the Cut

Workplace Psychological Safety Act - S.821 SubA, died in the House Labor Committee. This bill proposed to create rules, and procedures for employers and penalties for employers that fail to comply, to curtail behaviors in the workplace including: exclusion, marginalization, spreading of lies, withholding vital information, abusive gestures, frequent request for work below competence level, long-term assigning of tasks beyond the employee’s duties without compensation, physical isolation, ignoring, regular inconsistent instructions, unmanageable workloads, taking credit for work, making snide comments or ridicule publicly, exclusion from work-related social gatherings, changes that could jeopardize future career prospects, discounting a person’s work proposals or opinions, persistent criticism, excessive monitoring, threat of dismissal, and changing work conditions or duties.

Parental and Family Medical Leave Expansion - S.145 passed the Senate but died in the House Labor Committee. H.5990 was heard in the House Labor Committee. The bills proposed to increase the amount of parental or family leave available to an employee from thirteen (13) weeks to twenty-four (24) weeks in any two (2) calendar years.

Wage Stubs and Employee Handbook Mandate - S.663 passed the Senate but died in the House Labor Committee. H.5707 was heard in the House Labor Committee. The bills would have required employers to provide wage payment information and a type of “mini employee handbook” to employees in each employee’s primary language.

Non-compete Clauses – S.888, was passed by the Senate the last night of session, but was not transmitted to the House before the session came to a close. The bill sought to eliminate the use of non-compete agreements except when they are used during the purchase and sale of a business. Agreements not to share client lists, trade secrets or business plans were still enforceable under the legislation.