**This Week at the State House**

**Lt. Governor McKee to Speak**

The House Committee on Small Business will hear from Lieutenant Governor Dan McKee on the current challenges of small businesses in Rhode Island. The meeting will be televised on Capitol Television, which can be seen on Cox Channels 15, and 61, in high definition on Cox Channel 1061, on Full Channel on Channel 15 and on Channel 34 by Verizon subscribers.
It will also be live streamed at  <http://rilegislature.gov/CapTV/Pages/default.aspx>.

**House Labor Hears Minimum Wage and Premium Pay Bills – Alert**

On Wednesday, February 24th at 6:00 p.m. the House Labor Committee will take written and verbal testimony on H.5130, An Act Relating to Labor and Labor Relations – Minimum Wages. This bill is identical to the original version of S.1. It proposes to increase the minimum wage to $12.25 on October 1, 2021, $13.00 on October 1, 2022, $14.00 on October 1, 2023 and $15.00 on October 1, 2024. The Chamber strongly encourages you to contact your State Representative and to submit testimony Wednesday if this bill affects your business.

H.5403, An Act Relating to Holidays and Days of Special Observance – work on Holidays and Sundays, will also be heard in committee. Current law allows the Director of Labor and Training to exempt business from premium pay rules upon application. H.5403 places new criteria to qualify for the exemption: 1) paying 200% of the state minimum wage, 2) no use of temporary employment agencies to staff the business 3) provides employer-funded health care benefits, 4) provides employer-funded retirement options to employees, 5) has no federal labor law violations within the last 10 years, 6) has no environmental violations within the last 10 years, and 7) has no settlements of alleged violations of federal or environmental laws in the last 10 years. Rhode Island’s current premium pay requirement makes the state and outlier in the country as all others – except Massachusetts - have eliminated the requirement. Massachusetts reduced premium pay to 1.3 times the wage in 2021, 1.2 times the wage in 2022, 1.1 times the wage in 2023 and elimination of premium pay in 2024. These reductions coincide with the steps Massachusetts is taking to increase the minimum wage to $15.00.

Both verbal and written testimony are welcome. Individuals interested in providing verbal testimony, [Click Here](https://forms.office.com/Pages/ResponsePage.aspx?id=LBHmn1akN0aJ3A8oTO_8Zq4vTrvu365OmZKy2rmuPqVUNERPT1YxU0hIMTRYNEEzODlFMUM4OTZFTy4u) Requests for verbal testimony must be submitted via the link, by 11:00 AM Wednesday, February 24, 2021. Written testimony should be submitted to: HouseLabor@rilegislature.gov Indicate your name, bill number, and viewpoint (for/against/neither) at top of message. In order for materials to be distributed to members and posted to the General Assembly website prior to the hearing, written testimony must be submitted no later than 4:00 pm. All testimony received after deadline will be sent to committee members and posted to the website -- within 24 hours. It is recommended that testimony is submitted as a PDF file.

**Senate Labor to Hear Overtime, Wage Violation and Lead Entity Bills**

Under current state law, employees who work more than 40 hours a week must be paid one and a half times their regular hourly pay rate for each hour over the 40 hours worked. There is an exemption for those employed in executive, administrative or professional positions paid on a salary basis of $200 or more a week. S.138, An Act Relating to Labor and Labor Relations – Overtime Wages, increases the base salary for the exemption to $1,036 a week ($53,872 annually); and beginning January 1, 2024 would increase it to a salary basis not less than the 40th percentile of weekly earning of full-time nonhourly workers in the Northeast Census Region in the second quarter of the year preceding the update as published by the Federal Bureau of Labor Statistics. A quick look at the US Bureau of Labor Statistics for the second quarter of 2017 (the latest figures available on the website) appears to place the Northeast second quarter 40th percentile wage at $1,096.00. Under S.138, a salaried employee making up to $53,872 a year would be entitled to overtime pay for hours works over 40 hours a week.

S.139, An Act Relating to Labor and Labor Relations – Payment of Wages, creates a definition for “lead entities” and for a “labor contractor;” and places civil liability on those entities for violation of labor laws. Under S.139, a “labor contractor” is an employer or person, regardless of form, that provides a “lead entity” “with employees, independent contractors, subcontractors or workers of any kind to perform labor or services.” A “lead entity” means an employer or person, regardless of form, “that obtains or is provided one or more worker(s) to perform labor or services related to the lead entity’s business activities, operations, or purposes from a labor contractor.” The legislation goes on to state that the lead entity and the labor contractor share all civil liability for workers supplied to the labor contractor for violations of labor laws.

Another bill scheduled to be heard is S.195, An Act Relating to Labor and Labor Relations – Payment of Wages. This bill increases penalties for employers that fail to pay employees the proper amount, or who misclassify employees as independent contractors. If the nonpayment of wages is $1500 or less, the violation would remain a misdemeanor punishable by a fine of $400 for each offense or imprisonment of up to a year, which is consistent with current law. If the nonpayment is $1500 or more, the violation would be a felony. The violation would also be a felony if the offense is a second or subsequent offense or if the employer is guilty of a knowing violation. The penalties, under S.195, raise to:

 1. Wage violation between $1500 and $5000, or a first of offense of a knowing violation – imprisonment of up to 3 years, and a fine of twice the value of the wages or $10,000 whichever is greater, or both

 2. Wage violation greater than $5000 of a second or subsequent offense of a knowing violation – imprisonment up to 5 years and a fine of up to three times the value of the wages or $20,000 whichever is greater, or both

Written testimony and can be submitted to the committee by emailing it to: slegislation@rilegislature.gov Written Testimony must be submitted prior to 2:00 PM on Wednesday, February 24, 2021, in order for it to be provided to the members of the committee at the hearing and to be included in the meeting records. Members of the public can request to provide verbal testimony to the committee through the following link: [VERBAL TESTIMONY](https://forms.office.com/Pages/ResponsePage.aspx?id=LBHmn1akN0aJ3A8oTO_8ZrrkHo3ATJRAp4ByeeV8cWRUM1JIM1NRNElHRFNFN0dFTEFMODNHWjFVUy4u)
Requests to provide verbal testimony must be submitted by 4:00 PM on Tuesday,
February 23, 2021.

**GHG Emission Reduction Mandates – Senate Committee Vote, House Hearing - Alert**

The Senate Committee on Environment and Agriculture is scheduled to vote Wednesday at 4:00 pm. On S.78, An Act Relating to State Affairs and Government – 2021 Act on Climate is on the agenda. [S0078.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0078.pdf) The House Committee on Environment and Natural Resources will take testimony on H.5445 on Friday, February 26th at 3:00 pm. H.5445 and S.78 are identical bills. These bills speed up the reduction of greenhouse gas emission targets currently in law, but they do much more. Under current law, Rhode Island set a goal of 10% reduction over 1990 levels by 2020, a 45% reduction over 1990 levels by 2035, and 80% over 1990 levels by 2050. The Climate Change Coordinating Council (EC4) is charged with developing plans to meet those targets. The state has met the 2020 target. S.78 and H.5445 change the targets to 45% reduction over 1990 levels by 2030, 80% reduction over 1990 levels by 2040 and net zero emissions by 2050.

The more challenging change is in the enforcement of the reduction targets. S.78 and H.5445 allow the EC4 to require agencies to promulgate rules necessary to reach the targets. There is no language in the bills to provide guidelines for what can or cannot be adopted as part of a rule. DEM, for example, could be forced to require every business to install a geothermal heat pump for heating purposes, or to require all individuals to ride a bus to work instead of driving a vehicle. The bills also give any person the right to file a lawsuit to force an agency to take action. These provisions take away the legislative debate on environmental policy issues, and can essentially take away consideration of economic factors in agency rulemaking. If the emission target is not reached, the lawsuit can force government action regardless of the cost.

The Chamber sent sixteen questions to RI DEM concerning what a transition might look like from fossil fuel use to renewable energy. For example, 89% of the state’s electricity is currently generated by natural gas. Rhode Island also has the fourth highest electricity rates in the country. How does the state transition to 100% renewable electricity and at what cost? If (as S.78 and H.5445 would indirectly require) all businesses and residents must switch to electric heat and electric vehicles by 2030 or 2040, how will the additional electricity demand be met and at what cost? According to the State’s consultant, a “deep residential energy retrofit” would cost between $50,000 and $100,000 per unit. No cost analysis was provided for a commercial or industrial facility.

Massachusetts has similar language in law to that proposed by S.78 and H.5445. Last week legislation was introduced in Massachusetts to raise $10 billion to pay for necessary actions to try to meet the mandated greenhouse gas emission targets in their state law. Part of the $10 billion, includes $500 million generated from a carbon tax on electricity, transportation, heating and industry. The money would go to construct more renewable energy capacity, local aid for climate-related projects, clean energy workforce training and direct payments to lower-income households.

The House Committee on Environment and Natural Resources meeting will be televised on Capitol Television, which can be seen on Cox Channels 15, and 61, in high definition on Cox Channel 1061, on Full Channel on Channel 15 and on Channel 34 by Verizon subscribers. It will also be live streamed at <http://rilegislature.gov/CapTV/Pages/default.aspx>. Individuals interested in providing verbal testimony, send your name, phone number, bill number and position on legislation to: HouseEnvironmentandNaturalResources@rilegislature.gov Requests for verbal testimony must be submitted via the link, by 11:00 AM on Thursday, February 25, 2021. Written testimony should be submitted to: HouseEnvironmentandNaturalResources@rilegislature.gov   Indicate your name, bill number, and viewpoint (for/against/neither) at top of message. In order for materials to be distributed to members and posted to the General Assembly website prior to the hearing, written testimony must be submitted no later 1:00 pm Friday.

The following new bills have been filed:

House Bill No. [5603](http://webserver.rilin.state.ri.us/BillText/BillText21/HouseText21/H5603.pdf) Cardillo, Fellela, Costantino, Batista, Perez**,**AN ACT RELATING TO ALCOHOLIC BEVERAGES - RETAIL LICENSES (Allows holders of a Class P license to purchase alcoholic beverages from either a retail or wholesale establishment in the state of Rhode Island.) [H5603.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/HouseText21/H5603.pdf)

House Bill No. [5619](http://webserver.rilin.state.ri.us/BillText/BillText21/HouseText21/H5619.pdf) Noret, Casimiro, Vella-Wilkinson, Alzate, Solomon, Craven, Amore, Casey, Lima, Lombardi**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- EMPLOYMENT OF WOMEN AND CHILDREN (Requires children who seek a special limited work permit to successfully complete a training program which shall address workers' rights, workplace health and safety, and workers' compensation, to be established and funded by the DLT.) [H5619.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/HouseText21/H5619.pdf)

Senate Resolution No. [230](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0230.pdf) Mendes, Acosta, Calkin, Mack, Bell, Kallman, Cano, Anderson, Quezada, Valverde**,**SENATE RESOLUTION CREATING A SPECIAL LEGISLATIVE COMMISSION TO STUDY AND ASSESS THE IMPLEMENTATION OF MEDICARE-FOR-ALL SINGLE PAYER PROGRAM IN RHODE ISLAND [S0230.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0230.pdf)

Senate Bill No. [233](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0233.pdf) Bell, Calkin, Mack, Anderson, Goldin, Quezada, Lawson, Mendes, Acosta, DiMario**,**AN ACT RELATING TO HEALTH AND SAFETY -- COMPREHENSIVE HEALTH INSURANCE PROGRAM (Establishes a universal, comprehensive, affordable single-payer health care insurance program which shall be referred to as, "the Rhode Island Comprehensive Health Insurance Program" (RICHIP)) [S0233.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0233.pdf)

Senate Bill No. [262](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0262.pdf) Lombardo, Lombardi, Archambault, DiPalma, Bell**,**AN ACT RELATING TO COMMERCIAL LAW--GENERAL REGULATORY PROVISIONS -- DECEPTIVE TRADE PRACTICES (Amends the deceptive trade practices chapter to clarify the law's exemptions and enhances the attorney general's authority to seek civil penalties for violations of the law.) [S0262.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0262.pdf)

Senate Bill No. [264](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0264.pdf) Coyne, Sosnowski, Valverde, Burke, Seveney, Euer**,**AN ACT RELATING TO FINANCIAL INSTITUTIONS -- THE ELDER ADULT FINANCIAL EXPLOITATION PREVENTION ACT (Requires employees of regulated financial institutions to report suspected financial exploitation of elder adults to the office of healthy aging and provide authority to the regulated financial institution to place a temporary hold on transactions.) [S0264.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0264.pdf)

Senate Bill No. [270](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0270.pdf) Goldin, Ruggerio, Gallo, Coyne, Goodwin, Valverde, Mendes, DiMario, Mack, Miller**,**AN ACT RELATING TO LABOR AND LABOR RELATIONS -- FAIR EMPLOYMENT PRACTICES (Comprehensively addresses wage discrimination, based on sex by expanding employee protections and the scope of the remedies available to employees who have experienced wage discrimination.) [S0270.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0270.pdf)

Senate Bill No. 272 Goldin, Goodwin, Murray, Coyne, Valverde, Mendes, DiMario, Mack, Miller, Quezada**,**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.) [S0272.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0272.pdf)

Senate Bill No. [279](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0279.pdf) Quezada, Picard, Calkin, Cano**,**AN ACT RELATING TO COMMERCIAL LAW--GENERAL REGULATORY PROVISIONS -- FILING OF ASSUMED NAME (Requires a person or persons who transact business under a trade name to register with a municipality, provides more extensive information when filing and to notify the municipality when the trade name is changed or discontinued.) [S0279.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0279.pdf)

Senate Bill No. [294](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0294.pdf) Ciccone, McCaffrey, Ruggerio, Goodwin**,**AN ACT RELATING TO TAXATION -- TAX AMNESTY (Creates a ninety (90) day tax amnesty program in the state fiscal year 2021-2022) [S0294.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0294.pdf)

Senate Bill No. [321](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0321.pdf) Euer, Cano, Murray, DiMario, Valverde**,**AN ACT RELATING TO WATERS AND NAVIGATION -- STATE AFFAIRS AND GOVERNMENT -- HEALTH AND SAFETY (Updates and modernize the Department of Environmental Management’s ability to enforce environmental laws, and more specifically modifies practices regarding a Notice of Violation.) [S0321.pdf (state.ri.us)](http://webserver.rilin.state.ri.us/BillText/BillText21/SenateText21/S0321.pdf)