

2017 -- H 5602

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

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A N A C T

RELATING TO PUBLIC PROPERTY AND WORKS -- LABOR AND PAYMENT OF DEBTS  
BY CONTRACTORS

Introduced By: Representatives Morgan, Chippendale, Price, Giarrusso, and Nunes

Date Introduced: March 01, 2017

Referred To: House Labor

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 37-13-7 of the General Laws in Chapter 37-13 entitled "Labor and  
2 Payment of Debts by Contractors" is hereby amended to read as follows:

3 **37-13-7. Specification in contract of amount and frequency of payment of wages.**

4 (a) Every call for bids for every contract in excess of ~~one thousand dollars (\$1,000)~~ two  
5 hundred thousand dollars (\$200,000), to which the state of Rhode Island or any political  
6 subdivision thereof or any public agency or quasi-public agency is a party, for new construction,  
7 or for the alteration, and/or repair, including painting and decorating, of public buildings or public  
8 works of the state of Rhode Island or any political subdivision thereof, or any public agency or  
9 quasi-public agency and which requires or involves the employment of employees, shall contain a  
10 provision stating the minimum wages to be paid various types of employees which shall be based  
11 upon the wages that will be determined by the director of labor and training to be prevailing for  
12 the corresponding types of employees employed on projects of a character similar to the contract  
13 work in the city, town, village, or other appropriate political subdivision of the state of Rhode  
14 Island in which the work is to be performed. Every contract shall contain a stipulation that the  
15 contractor or his or her subcontractor shall pay all the employees employed directly upon the site  
16 of the work, unconditionally and not less often than once a week, and without subsequent  
17 deduction or rebate on any account, the full amounts accrued at time of payment computed at  
18 wage rates not less than those stated in the call for bids, regardless of any contractual

1 relationships which may be alleged to exist between the contractor or subcontractor and the  
2 employees, and that the scale of wages to be paid shall be posted by the contractor in a prominent  
3 and easily accessible place at the site of the work; and the further stipulation that there may be  
4 withheld from the contractor so much of the accrued payments as may be considered necessary to  
5 pay to the employees employed by the contractor, or any subcontractor on the work, the  
6 difference between the rates of wages required by the contract to be paid the employees on the  
7 work and the rates of wages received by the employees and not refunded to the contractor,  
8 subcontractors, or their agents.

9 (b) The terms "wages", "scale of wages", "wage rates", "minimum wages", and  
10 "prevailing wages" shall include:

11 (1) The basic hourly rate of pay; and

12 (2) The amount of:

13 (i) The rate of contribution made by a contractor or subcontractor to a trustee or to a third  
14 person pursuant to a fund, plan, or program; and

15 (ii) The rate of costs to the contractor or subcontractor which may be reasonably  
16 anticipated in providing benefits to employees pursuant to an enforceable commitment to carry  
17 out a financially responsible plan or program which was communicated in writing to the  
18 employees affected, for medical or hospital care, pensions on retirement or death, compensation  
19 for injuries or illness resulting from occupational activity, or insurance to provide any of the  
20 foregoing, for unemployment benefits, life insurance, disability and sickness insurance, or  
21 accident insurance, for vacation and holiday pay, for defraying costs of apprenticeship or other  
22 similar programs, or for other bona fide fringe benefits, but only where the contractor or  
23 subcontractor is not required by other federal, state, or local law to provide any of the benefits;  
24 provided, that the obligation of a contractor or subcontractor to make payment in accordance with  
25 the prevailing wage determinations of the director of labor and training insofar as this chapter of  
26 this title and other acts incorporating this chapter of this title by reference are concerned may be  
27 discharged by the making of payments in cash, by the making of contributions of a type referred  
28 to in subsection (b)(2), or by the assumption of an enforceable commitment to bear the costs of a  
29 plan or program of a type referred to in this subdivision, or any combination thereof, where the  
30 aggregate of any payments, contributions, and costs is not less than the rate of pay described in  
31 subsection (b)(1) plus the amount referred to in subsection (b)(2).

32 (c) The term "employees", as used in this section, shall include employees of contractors  
33 or subcontractors performing jobs on various types of public works including mechanics,  
34 apprentices, teamsters, chauffeurs, and laborers engaged in the transportation of gravel or fill to

1 the site of public works, the removal and/or delivery of gravel or fill or ready-mix concrete, sand,  
2 bituminous stone, or asphalt flowable fill from the site of public works, or the transportation or  
3 removal of gravel or fill from one location to another on the site of public works, and the  
4 employment of the employees shall be subject to the provisions of subsections (a) and (b).

5 (d) The terms "public agency" and "quasi-public agency" shall include, but not be limited  
6 to, the Rhode Island industrial recreational building authority, the Rhode Island commerce  
7 corporation, the Rhode Island airport corporation, the Rhode Island industrial facilities  
8 corporation, the Rhode Island refunding bond authority, the Rhode Island housing and mortgage  
9 finance corporation, the Rhode Island resource recovery corporation, the Rhode Island public  
10 transit authority, the Rhode Island student loan authority, the water resources board corporate, the  
11 Rhode Island health and education building corporation, the Rhode Island turnpike and bridge  
12 authority, the Narragansett Bay water quality management district commission, Rhode Island  
13 telecommunications authority, the convention center authority, the board of governors for higher  
14 education, the board of regents for elementary and secondary education, the capital center  
15 commission, the housing resources commission, the Quonset Point-Davisville management  
16 corporation, the Rhode Island children's crusade for higher education, the Rhode Island  
17 depositors economic protection corporation, the Rhode Island lottery commission, the Rhode  
18 Island partnership for science and technology, the Rhode Island public building authority, and the  
19 Rhode Island underground storage tank board.

20 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO PUBLIC PROPERTY AND WORKS -- LABOR AND PAYMENT OF DEBTS  
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1           This act would raise the minimum threshold when public works contractors are required  
2 to pay prevailing wages to their employees from one thousand dollars (\$1,000) to two hundred  
3 thousand dollars (\$200,000).

4           This act would take effect upon passage.

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