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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

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A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- PAYMENT OF WAGES

Introduced By: Senators Calkin, Mack, Anderson, Mendes, Bell, and Quezada

Date Introduced: January 26, 2021

Referred To: Senate Labor

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 28-14-1 of the General Laws in Chapter 28-14 entitled "Payment of  
2 Wages" is hereby amended to read as follows:

3           **28-14-1. Definitions.**

4           Whenever used in this chapter:

5           (1) "Director" means the director of the department of labor and training or his or her duly  
6 authorized representative.

7           (2) "Employee" means any person suffered or permitted to work by an employer, except  
8 that independent contractors or subcontractors shall not be considered employees.

9           (3) "Employer" means any individual, firm, partnership, association, joint stock company,  
10 trust, corporation, receiver, or other like officer appointed by a court of this state, and any agent or  
11 officer of any of the previously mentioned classes, employing any person in this state.

12           (4)(i) "Labor contractor" means an employer or a natural person, business, corporation, or  
13 entity of any kind, regardless of its form, that provides a lead entity with employees, independent  
14 contractors, subcontractors, or workers of any kind to perform labor or services.

15           (ii) No requirement of a valid contract, written or otherwise, is implied by the term "labor  
16 contractor."

17           (iii) Independent contractors, subcontractors, or workers of any kind providing employees  
18 to a lead entity, can be indirect or conducted through third-party subcontractors.

19           (5) "Lead entity" means an employer or a natural person, business, corporation, or business

1 entity of any kind, regardless of its form, that obtains or is provided one or more worker(s) to  
2 perform labor or services related to the lead entity's business activities, operations, or purposes  
3 from a labor contractor.

4 ~~(4)~~(6) "Wages" means all amounts at which the labor or service rendered is recompensed,  
5 whether the amount is fixed or ascertained on a time, task, piece, commission basis, or other method  
6 of calculating the amount.

7 SECTION 2. Chapter 28-14 of the General Laws entitled "Payment of Wages" is hereby  
8 amended by adding thereto the following section:

9 **28-14-19.4. Lead entity liability.**

10 (a) A lead entity shall share with a labor contractor all civil legal responsibility and civil  
11 liability for all workers supplied by that labor contractor for any violation of title 28. For purposes  
12 of this section, the president and treasurer of a corporation and any officers or agents having the  
13 management of such corporation shall also be deemed civilly liable for a violation of title 28.

14 (b) The provisions of subsection (a) of this section are in addition to, and shall be  
15 supplemental to any other theories of liability, grounds for enforcement action, or requirements  
16 established by statute or law.

17 (c) This section does not prohibit any person from establishing, exercising, or enforcing  
18 any otherwise lawful rights or remedies.

19 SECTION 3. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

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- 1           This act would define and recognize the existence and potential liability of lead entities
- 2           concerning the payment of wages.
- 3           This act would take effect upon passage.

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