

**2018 -- H 8215 SUBSTITUTE A**

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LC005770/SUB A/2  
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**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2018**

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A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- WORKERS' COMPENSATION

Introduced By: Representatives Craven, and McEntee

Date Introduced: May 23, 2018

Referred To: House Labor

It is enacted by the General Assembly as follows:

1           SECTION 1. Sections 28-29-19 and 28-29-30 of the General Laws in Chapter 28-29  
2 entitled "Workers' Compensation - General Provisions" are hereby amended to read as follows:

3           **28-29-19. Waiver of claim of common law rights.**

4           (a) Any employee, ~~or corporate officer, or manager, managing member or member of a~~  
5 ~~limited liability company,~~ or the parent or guardian of any minor employee, who has given notice  
6 to the employer that he or she claimed his or her right of action at common law may waive that  
7 claim by filing a notice in writing with the director and the employer or his or her agent which  
8 shall take effect five (5) days after the filing with the director.

9           **(b) Any corporate officer, or manager, managing member or member of a limited liability**  
10 **company who has given notice to the employer and its workers' compensation insurance carrier**  
11 **that they claimed their right of action at common law may waive that claim by filing a notice in**  
12 **writing with the director and the employer or their agent and its workers' compensation insurance**  
13 **carrier which shall take effect five (5) days after the filing with the director. The insurance carrier**  
14 **shall keep a copy of the notice consistent with the rules and regulations of the department.**

15           ~~(b)~~(c) Any person who is appointed a corporate officer between January 1, 1999 and  
16 December 31, 2001 and was not previously an employee of the corporation may elect to become  
17 subject to chapters 29 -- 38 of this title upon filing a notice in writing with the director **and his or**  
18 **her employer and its workers' compensation insurance carrier** which notice takes effect five (5)  
19 days after the filing of his or her notice.

1           **28-29-30. Advisory council.**

2           (a) There is created a workers' compensation advisory council consisting of ~~sixteen (16)~~  
3 seventeen (17) members as follows:

4           (1) The chief judge of the workers' compensation court and ~~one~~ two (2) additional ~~judge~~  
5 judges of the workers' compensation court and one member of the Bar who primarily represents  
6 injured workers before the workers' compensation court, both to be selected by the chief judge;

7           (2) The director of business regulation;

8           (3) The director of administration;

9           (4) Three (3) representatives from labor appointed by the governor, one of whom shall be  
10 an injured worker;

11           (5) Three (3) representatives from business appointed by the governor, ~~one of whom shall~~  
12 ~~be a self-insured employer, and~~ one of whom shall represent cities and towns;

13           (6) One representative from the general public appointed by the governor;

14           (7) The chairperson of the senate labor committee or his or her designee;

15           (8) The chairperson of the house labor committee or his or her designee;

16           (9) The director of labor and training; and

17           (10) The chief executive officer of the workers' compensation insurance fund or his or her  
18 designee.

19           (b) It shall be the duty of the council to advise the governor and the general assembly, on  
20 an annual basis, on the administration of the workers' compensation system.

21           SECTION 2. Section 28-30-4 of the General Laws in Chapter 28-30 entitled "Workers'  
22 Compensation Court" is hereby amended to read as follows:

23           **28-30-4. Workers' compensation administrator -- Appointment -- Powers and**  
24 **duties.**

25           (a) There shall be a workers' compensation administrator who shall be appointed by the  
26 chief judge of the workers' compensation court with the advice and consent of the senate. The  
27 chief judge of the workers' compensation court, with the advice and consent of the senate, shall  
28 appoint a workers' compensation administrator to serve for a period of five (5) years, and  
29 thereafter until his or her successor is appointed and qualified.

30           (b) The administrator shall:

31           (1) Supervise the preparation of an annual budget for the workers' compensation court;

32           (2) Formulate procedures governing the administration of workers' compensation court  
33 services;

34           (3) Make recommendations to the workers' compensation court for improvement in court

1 services;

2 (4) Collect necessary statistics and prepare the annual report of the work of the workers'  
3 compensation court;

4 (5) Provide supervision and consultation to the staff of the workers' compensation court  
5 concerning administration of court services, training and supervision of personnel, and fiscal  
6 management;

7 (6) Perform any other duties that the workers' compensation court specifies.

8 [\(7\) Have the power to act as a notary public as provided in § 42-30-14.](#)

9 SECTION 3. Section 28-36-15 of the General Laws in Chapter 28-36 entitled "Workers'  
10 Compensation – Insurance" is hereby amended to read as follows:

11 **28-36-15. Penalty for failure to secure compensation -- Personal liability of**  
12 **corporate officers.**

13 (a) Any employer required to secure the payment of compensation under chapters 29 --  
14 38 of this title who knowingly fails to secure that compensation shall be guilty of a felony and  
15 shall be subject to imprisonment for up to two (2) years. In addition to the foregoing, the  
16 employer shall be subject to a civil penalty punished by a fine not to exceed one thousand dollars  
17 (\$1,000) for each day of noncompliance with the requirements of this title. The director shall  
18 institute any and all reasonable measures to comprehensively monitor, investigate, and otherwise  
19 discover all employer noncompliance with this section and shall establish rules and regulations  
20 governing these measures. Each day shall constitute a separate and distinct offense for calculation  
21 of the penalty. Where that employer is a corporation the president, vice president, secretary,  
22 treasurer, and other officers of the corporation, shall be severally liable for the fine, penalty or  
23 imprisonment as provided in this section for the failure of that corporation to secure the payment  
24 of compensation. The president, vice president, secretary, treasurer, and other officers of the  
25 corporation shall also be severally personally liable, jointly with the corporation for any  
26 compensation or other benefit which may accrue under those chapters in respect to any injury  
27 which may occur to any employee of that corporation while it fails to secure the payment of  
28 compensation as required by those chapters.

29 (b) Where the employer is a limited liability company, the managers and managing  
30 members who knowingly fail to secure the payment of compensation under chapters 29 -- 38 of  
31 this title shall be guilty of a felony and shall be subject to imprisonment for up to two (2) years.  
32 The managers and managing members shall also be severally liable for the fine, penalty or  
33 imprisonment as provided in this section for the failure of that company to secure the payment of  
34 compensation. The managers and managing members shall be severally personally liable, jointly

1 with the company, for any compensation or other benefit which may accrue under those chapters  
2 in respect to any injury which may occur to any employee of that company while it fails to secure  
3 the payment of compensation as required by those chapters.

4 (c) Where the employer is a partnership, or a registered limited liability partnership, the  
5 partners who knowingly fail to secure the payment of compensation under chapters 29 -- 38 of  
6 this title shall be guilty of a felony and shall be subject to imprisonment for up to two (2) years.  
7 The partners shall also be severally liable for the fine, penalty, or imprisonment as provided in  
8 this section for the failure of that partnership to secure the payment of compensation. The partners  
9 shall be severally personally liable, jointly with the partnership, for any compensation or other  
10 benefit which may accrue under those chapters in respect to any injury which may occur to any  
11 employee of that partnership while it fails to secure the payment as required by those chapters.

12 (d) Where the employer is a limited partnership or a registered limited liability limited  
13 partnership, the general partners who knowingly fail to secure the payment of compensation  
14 under chapters 29 -- 38 of this title shall be guilty of a felony and shall be subject to  
15 imprisonment for up to two (2) years. The general partners shall also be severally liable for the  
16 fine, penalty or imprisonment as provided in this section for the failure of that limited partnership  
17 to secure the payment of compensation. The general partners shall be severally personally liable,  
18 jointly with the limited partnership, for any compensation or other benefit which may accrue  
19 under those chapters in respect to any injury which may occur to any employee of that partnership  
20 while it fails to secure the payment of compensation as required by those chapters.

21 (e) All criminal actions for any violation of this section shall be prosecuted by the  
22 attorney general. The attorney general shall prosecute actions to enforce the payment of penalties  
23 and fines at the request of the director. The workers' compensation court shall have jurisdiction  
24 over all civil actions filed pursuant to this section.

25 The court shall consider the following factors in assessing a civil penalty: gravity of  
26 offense, resources of the employer, effect of the penalty on employees of the company, the reason  
27 for the lapse in coverage, and the recommendation of the director. Following a review of the  
28 factors set forth above, the court may suspend all or a part of a civil penalty or shall establish a  
29 time table for compliance with any court order.

30 (f) (1) As soon as practicable after the director receives notice of noncompliance under  
31 this section, the director shall determine whether cause exists for the imposition of a civil penalty.  
32 Unless the director determines that the noncompliance was unintentional or the result of a clerical  
33 error and subject to the administrative proceedings under subsection (g) of this section, the  
34 director shall commence an action in the workers' compensation court to assess a civil penalty

1 against the employer as set forth in subsection (a) of this section and shall refer the matter to the  
2 attorney general for prosecution of criminal charges.

3 (2) The director shall bring a civil action in the workers' compensation court to collect all  
4 payments and penalties ordered and not paid. All civil actions for any violations of this chapter or  
5 of any of the rules or regulations promulgated by the director, or for the collection of payments in  
6 accordance with § 28-37-13, 28-33-17.3(a)(2) or 28-33-17.3(a)(3) or civil penalties under this  
7 chapter, shall be prosecuted by any qualified member of the Rhode Island bar whom the director  
8 may designate, in the name of the director, and the director is exempt from giving surety for costs  
9 in any proceedings.

10 (g) In the case of unintentional noncompliance or noncompliance resulting from clerical  
11 error where the uninsured period is less than one year from the date of discovery and there were  
12 no employees injured during the uninsured period and the employer has not been subject to any  
13 other findings of noncompliance with these chapters, the director shall assess an administrative  
14 penalty of not less than the estimated annual workers' compensation insurance premium for that  
15 employer and not more than triple that amount. Any party has the right to appeal the orders of the  
16 director. Such appeal shall be to the workers' compensation court in the first instance and  
17 thereafter from the workers' compensation court to the Rhode Island supreme court in accordance  
18 with § 28-35-30.

19 (h) The director shall collect all payments under this chapter under the rules and  
20 regulations that may be set forth by the director. All fines collected pursuant to this section shall  
21 be deposited to a restricted receipt account to be administered by the director of the department of  
22 labor and training in his or her sole discretion to carry out chapters 29 -- 38 of this title.

23 (i) (1) In that the operation of a commercial enterprise without the required workers'  
24 compensation insurance is a crime and creates a clear and present danger of irreparable harm to  
25 employees who are injured while the employer is uninsured, the director shall suspend the  
26 operation of the business immediately and until workers' compensation and employers' liability  
27 insurance is secured consistent with these chapters. The director shall lift the suspension upon  
28 receipt of satisfactory proof of insurance and evidence sufficient to satisfy the director that the  
29 employer is in full compliance with these chapters. Any party has the right to appeal the  
30 suspension to the workers' compensation court where the matter shall proceed pursuant to the  
31 workers' compensation court rules of procedure.

32 (2) In the event that the employer shall fail to comply with the director's order of  
33 suspension, the director may apply immediately to the workers' compensation court for an order  
34 directing the employer to comply with the director's prior orders.

1 (3) Actions filed with the workers' compensation court pursuant to this section shall ~~not~~  
2 be subject to a pretrial conference in accordance with § 28-35-20 ~~but~~ and shall be assigned  
3 consistent with the workers' compensation court rules of practice.

4 (4) Interest shall accrue on unpaid penalties during the pendency of any appeal at the rate  
5 per annum provided in § 9-21-10.

6 (j) These provisions shall take effect upon passage except § 28-29-2(6)(iv) which shall  
7 take effect on January 1, 2006.

8 SECTION 4. The title of Chapter 28-53 of the General Laws entitled "Rhode Island  
9 Uninsured Employers Fund" is hereby amended to read as follows:

10 ~~CHAPTER 28-53~~  
11 ~~Rhode Island Uninsured Employers Fund~~  
12 CHAPTER 28-53  
13 RHODE ISLAND UNINSURED PROTECTION FUND

14 SECTION 5. Sections 28-53-1, 28-53-2, 28-53-3, 28-53-7, 28-53-8 and 28-53-9 of the  
15 General Laws in Chapter 28-53 entitled "Rhode Island Uninsured Employers Fund" are hereby  
16 amended to read as follows:

17 **28-53-1. Preamble and legislative findings.**

18 WHEREAS, The system of workers' compensation in the state of Rhode Island was once  
19 in a state of acute crisis until legislative intervention and oversight produced what is now a  
20 nationally recognized model of a well-managed economical program that provides injured  
21 workers with appropriate compensation, health care and rehabilitative services without unduly  
22 burdening employers, insurers and the citizens of Rhode Island; and

23 WHEREAS, Legislative and policy changes have corrected the abuses and misuse of the  
24 workers' compensation system while assisting injured workers, restoring fiscal stability, and  
25 eliminating waste and unnecessary costs; and

26 WHEREAS, Professionals providing services covered under the provisions of the  
27 Workers' Compensation Act have taken into account, in the performance of their service, the  
28 important public policy benefit of a sound and properly functioning workers' compensation  
29 system in this state, and have tirelessly committed themselves to protect and ~~maintained~~ maintain  
30 the integrity of this system; and

31 WHEREAS, Abuse and misuse of the workers' compensation system by non-complying  
32 employers has been reduced through the state's mandatory requirement that employers subject to  
33 the law either self-insure or maintain a policy of workers' compensation insurance to ensure that  
34 legitimately injured workers receive all the rights and benefits provided in the Workers'

1 Compensation Act; and

2 WHEREAS, Substantive efforts have already been undertaken by the general assembly,  
3 the workers' compensation court and the department of labor and training to eliminate the illegal,  
4 irresponsible and unscrupulous behavior of employers who openly and deliberately operate  
5 businesses in Rhode Island without workers' compensation insurance for their employees; and

6 WHEREAS, The actions of non-complying employers are illegal and deprive not only  
7 injured employees of the workers' compensation benefits to which they are entitled but also cause  
8 greater social and financial costs to all citizens of Rhode Island including employers and health  
9 care providers who incur uncompensated expenses in treating the victims of the uninsured  
10 employer; and

11 WHEREAS, Additional reform is required to provide ~~appropriate compensation, health~~  
12 ~~care and rehabilitative services~~ payments to employees who are injured while in the service of  
13 uninsured employers and to eliminate the flagrant abuse of the system by illegally uninsured  
14 employers by requiring them to accept their legal responsibility to pay the appropriate benefits to  
15 their insured employees; now, therefore be it

16 RESOLVED, That it is declared to be the intent of the legislature that an uninsured  
17 ~~employers~~ protection fund be created to ensure that injured workers who are employed by  
18 illegally uninsured employers are not deprived of ~~workers' compensation benefits~~ payments. The  
19 fund shall have enforcement mechanisms as are necessary to induce illegally uninsured  
20 employers to acknowledge their malfeasance, provide legally mandated ~~benefits~~ payments for  
21 injured workers; and to assure that all participants in the system recognize their obligation to  
22 conduct themselves in a manner consistent with the overall integrity of the compensation system.  
23 All amounts owed to the uninsured ~~employers~~ protection fund from illegally uninsured employers  
24 are intended to be excise taxes and as such, all ambiguities and uncertainties are to be resolved in  
25 favor of a determination that such assessments are excise taxes.

26 **28-53-2. Establishment -- Sources -- Administration.**

27 (a)(1) There shall be established within the department of labor and training a special  
28 restricted receipt account to be known as the Rhode Island uninsured ~~employers~~ protection fund.  
29 The department shall maintain the fund for the exclusive purpose of making payments to an  
30 injured employee otherwise entitled to benefits pursuant to chapters 29 through 38 of title 28, or  
31 in the case of death of the injured employee, to person(s) presumed wholly dependent for support  
32 upon the deceased employee, as defined in § 28-33-13, and any costs specifically associated  
33 therewith, where the employer required to secure payment of such compensation failed to insure  
34 or self-insure its liability at the time the injury took place as determined by the director and the

1 [workers' compensation court.](#)

2 (2) The fund shall be capitalized from excise taxes assessed against uninsured employers  
3 pursuant to the provisions of § 28-53-9 and from general revenues appropriated by the legislature.  
4 Beginning in state fiscal year ending ~~June 30, 2018~~ [June 30, 2019](#), the legislature may appropriate  
5 up to two million dollars (\$2,000,000) in general revenue funds annually for deposit into the  
6 Rhode Island uninsured ~~employers~~ [protection](#) fund.

7 (b) All moneys in the fund shall be mingled and undivided. The fund shall be  
8 administered by the director of the department of labor and training, or his or her designee, but in  
9 no case shall the director incur any liability beyond the amounts paid into and earned by the fund.

10 (c) All amounts owed to the uninsured ~~employers~~ [protection](#) fund from illegally  
11 uninsured employers are intended to be excise taxes and as such, all ambiguities and uncertainties  
12 are to be resolved in favor of a determination that such assessments are excise taxes.

13 **28-53-3. Powers and duties of the fund.**

14 The fund shall:

15 (a) Be ~~obligated~~ [authorized](#) to pay covered claims as determined by the director ~~or~~ [and](#)  
16 the workers' compensation court pursuant to the provisions of this section [and promulgate all](#)  
17 [rules and regulations necessary to effectuate the provisions and overall purpose of this chapter.](#)  
18 [The rules and regulations shall be promulgated in accordance with the administrative procedures](#)  
19 [act, chapter 35 of title 42, and shall include, but not be limited to, the filing of claim forms and](#)  
20 [other documentation supporting the claim, and proof of dependency, if relevant. All claims must](#)  
21 [contain a release necessary to allow the director to investigate the claim;](#)

22 (b) Investigate claims brought against the fund and adjust, compromise, settle and pay  
23 covered claims to the extent of the fund's allocation;

24 (c) Establish procedures for managing the assets of the fund;

25 (d) Sue or be sued; and

26 (e) Perform any and all acts necessary to effectuate the humanitarian purposes of this  
27 chapter.

28 **28-53-7. Payments to employees of uninsured employers.**

29 (a) Where it is determined that the employee was injured in the course of employment  
30 while working for an employer who fails to maintain a policy of workers' compensation insurance  
31 as required by § 28-36-1 et seq., [in accordance with the provisions of this chapter](#), the uninsured  
32 ~~employers~~ [protection](#) fund ~~shall~~ [is authorized to](#) pay the benefits to which the injured employee  
33 would be entitled pursuant to chapters 29 to 38 of this title subject to the limitations set forth  
34 herein.



1 (b) The workers' compensation court shall hear all petitions for payment from the fund  
2 pursuant to § 28-30-1 et seq.; provided, however, that the uninsured ~~employers~~ protection fund  
3 and the employer shall be named as parties to any petition seeking payment of benefits from the  
4 fund.

5 (c) Where an employee is deemed to be entitled to benefits from the uninsured ~~employers~~  
6 protection fund, the fund shall pay benefits for ~~disability and medical expenses~~ incapacity as  
7 provided pursuant to chapters 29 to 38 of this title except that the employee shall not be entitled  
8 to receive benefits for medical expenses pursuant to the provisions of § 28-33-5 or loss of  
9 function and disfigurement pursuant to the provisions of § 28-33-19.

10 (d) The fund shall pay costs, counsel, and witness fees, as provided in § 28-35-32, to any  
11 employee who successfully prosecutes any petitions for ~~compensation; petitions for medical~~  
12 ~~expenses~~ payment; petitions to amend a pretrial order ~~or memorandum of agreement~~; and all  
13 other employee petitions; and to employees who successfully defend, in whole or in part,  
14 proceedings seeking to reduce or terminate any and all ~~workers' compensation benefits~~ payments;  
15 provided, however, that the attorney's fees awarded to counsel who represent the employee in  
16 petitions for lump-sum commutation filed pursuant to § 28-33-25, or in the settlement of disputed  
17 cases pursuant to § 28-33-25.1, shall be limited to the maximum amount paid to counsel who  
18 serve as court-appointed attorneys in workers' compensation proceedings as established by rule or  
19 order of the Rhode Island supreme court. Any payment ordered by the court or due under this  
20 section shall not be subject to liens set forth in § 28-33-27(b), nor shall such payments be  
21 assignable or subject to assignment in any way.

22 (e) In the event that the uninsured employer makes payment of any monies to the  
23 employee to compensate the employee for lost wages or medical expenses, the fund shall be  
24 entitled to a credit for all such monies received by, or on behalf of, the employee against any  
25 future benefits payable directly to the employee The fund shall be entitled to full reimbursement  
26 from the uninsured employer for any and all payments made to employee as well as all costs,  
27 counsel and witness fees paid out by the fund in connection with any claim and/or petition plus  
28 any and all costs and attorney fees associated with collection and reimbursement of the fund.

29 (f) This section shall apply to injuries that occur on or after ~~July 1, 2018~~ February 1,  
30 2019.

31 **28-53-8. Limitations on payments to injured employees.**

32 (a) Where the director determines by experience or other appropriate accounting and  
33 actuarial methods that the reserves in the fund are insufficient to pay all claims presented or  
34 pending, the director shall petition the workers' compensation court for an order to make

1 appropriate, proportionate reductions in the payments being made to injured employees by the  
2 fund or to suspend all payments to injured employees until such time as the reserves maintained  
3 by the fund are sufficient to resume the payment of benefits. The matter shall be heard by the  
4 chief judge. If the court determines that the monies held by the fund are insufficient to fully ~~pay~~  
5 ~~all-claims~~ make payments as they fall due, the court shall issue an order directing that a  
6 proportionate reduction be made in the payments made to those employees receiving ~~benefits~~  
7 payments from the fund. In considering the fund's request for relief, the court shall give due  
8 weight to the policy of the workers' compensation act that ~~benefits~~ payments are to be paid  
9 weekly and that the unwarranted reduction or interruption in the employee's weekly  
10 ~~compensation benefit~~ payment will impose financial hardship upon the injured worker.

11 (b) The chief judge shall hear the director's petition within twenty-one (21) days of the  
12 date the matter is filed with the court. The petition shall set forth the names and addresses of each  
13 employee who may be affected by the reduction in benefits and the court shall provide notice to  
14 each employee. The attorney general shall appear on behalf of the employees receiving benefits  
15 from the fund and shall take such action as he or she feels is necessary to protect the rights of the  
16 injured employees.

17 (c) In the event that the court determines that a reduction or suspension of payments is  
18 necessary to maintain the fiscal integrity of the fund, the court shall schedule a mandatory review  
19 date to determine whether the financial status of the fund warrants a continuation of the order  
20 reducing such payments and shall reinstitute payments only upon finding that the reserves  
21 maintained by the fund are sufficient to pay all future claims as they fall due.

22 (d) Payments under this chapter shall not be awarded to any injured employee or  
23 dependent if the award would directly or indirectly inure to the benefit of the uninsured employer.

24 (e) No payment shall be awarded when the director or the court, in its discretion,  
25 determines that unjust enrichment to or on behalf of the illegally uninsured employer would  
26 result.

27 (f) No interest shall be included in or added to payments under this chapter.

28 (g) No payments will be awarded under this chapter to an injured employee, or in the  
29 case of death of the injured employee, to person(s) presumed wholly dependent for support upon  
30 the deceased employee, as defined in § 28-33-13, in a total amount in excess of fifty thousand  
31 dollars (\$50,000) plus any attorneys' fees awarded in connection with petitions for payment from  
32 the fund.

33 (h) Applications for payment under this chapter shall be filed with the director within the  
34 time limits set forth in § 28-35-57.

1           **28-53-9. Penalties, taxes and assessments against non-complying employers.**

2           (a) Where it is determined that an employer has failed to maintain a policy of workers'  
3           compensation insurance as required by Rhode Island general laws § 28-36-1 et seq. and that while  
4           the employer was uninsured in violation of the statute, an employee suffered a compensable  
5           injury, the uninsured ~~employers~~ protection fund shall commence the payment of weekly ~~benefits~~  
6           ~~and medical expenses necessary to cure, relieve or rehabilitate the employee from the effects of~~  
7           ~~the work related injury~~ payment to the employee as set forth herein, subject to fund availability.  
8           ~~The~~ On behalf of the fund, the director shall acquire a lien against the goods and chattels of the  
9           uninsured employer to the extent of any payments made by it to the injured employee. The lien(s)  
10          shall arise and attach as of the date on which the fund makes payment to the injured employee  
11          without further action by the fund or the court. The lien shall have priority over all subsequently  
12          perfected liens and security interests.

13          (b) Prior to the lien being filed with the office of the secretary of state, the employer shall  
14          be notified by certified mail, return receipt requested that a lien will be filed against all goods  
15          situated in the state if the outstanding tax is not paid within seven (7) business days of receipt of  
16          the notice.

17          (c) The liens shall become perfected at the time when a notice of lien is filed pursuant to  
18          the filing provisions of Rhode Island general laws § 6A-9-501. The notice of lien shall include the  
19          following:

20                 (1) The name of the debtor, as governed by Rhode Island general laws § 6A-9-503;

21                 (2) The name of the director of the department of labor and training as the party claiming  
22          the lien; and

23                 (3) A description of the property so encumbered as governed by the Rhode Island general  
24          laws § 6A-9-504.

25          (d) The director shall be entitled to effectively file the lien and to amend the lien quarterly  
26          as additional payments are made or terminate it as necessary.

27          (e) No filing fee shall be charged for the filing of a lien authorized by this section.

28          (f) Where the employer is a corporation, the president, vice president, secretary and  
29          treasurer of the corporation shall be severally personally liable, jointly with a corporation for any  
30          payments made to the injured employee by the fund, and the fund shall acquire a lien against the  
31          goods and chattels of said president, vice president, secretary and treasurer to the extent of any  
32          payments so made.

33          (g) Where the employer is a limited liability company, the managers and managing  
34          members shall be severally personally liable, jointly with the limited liability company for any

1 payments made to the injured employee by the fund and the fund shall acquire a lien against the  
2 goods and chattels of said manager and managing member to the extent of any payments so  
3 made.

4 (h) The liens and excise taxes levied against the non-complying party pursuant to this  
5 section shall be in addition to any and all other fines, penalties and assessments, to which the  
6 party would otherwise be liable in particular the penalties mandated by Rhode Island general laws  
7 § 28-36-15.

8 SECTION 6. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO LABOR AND LABOR RELATIONS -- WORKERS' COMPENSATION

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1           This act would: (1) Allow all corporate and limited liability officers to waive their  
2 previously claimed common law right of action; (2) Enlarge the advisory council from sixteen  
3 (16) to seventeen (17) members; (3) Empower the administrator to act as a notary public; (4)  
4 Rename the uninsured employees fund as the uninsured protection fund; (5) Impose certain  
5 limitations on payments to injured employees; and (6) Authorize the fund to promulgate rules and  
6 regulations necessary to effectuate the provisions and overall purpose of the uninsured protection  
7 fund.

8           This act would take effect upon passage.

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