

2011 -- S 0747

LC00626

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2011

A N A C T

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

Introduced By: Senators Pinga, Hodgson, Maher, Kettle, and Moura

Date Introduced: March 23, 2011

Referred To: Senate 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)~~ one million
5 dollars (\$1,000,000), to which the state of Rhode Island or any political subdivision thereof or
6 any public agency or quasi-public agency is a party, for new construction, or five hundred
7 thousand dollars (\$500,000) for alteration, and/or repair, including painting and decorating, of
8 public buildings or public works of the state of Rhode Island or any political subdivision thereof,
9 or any public agency or quasi-public agency and which requires or involves the employment of
10 employees, shall contain a provision stating the minimum wages to be paid various types of
11 employees which shall be based upon the wages that will be determined by the director of labor
12 and training to be prevailing for the corresponding types of employees employed on projects of a
13 character similar to the contract work in the city, town, village, or other appropriate political
14 subdivision of the state of Rhode Island in which the work is to be performed. Every contract
15 shall contain a stipulation that the contractor or his or her subcontractor shall pay all the
16 employees employed directly upon the site of the work, unconditionally and not less often than
17 once a week, and without subsequent deduction or rebate on any account, the full amounts
18 accrued at time of payment computed at wage rates not less than those stated in the call for bids,

1 regardless of any contractual relationships which may be alleged to exist between the contractor
2 or subcontractor and the employees, and that the scale of wages to be paid shall be posted by the
3 contractor in a prominent and easily accessible place at the site of the work; and the further
4 stipulation that there may be withheld from the contractor so much of the accrued payments as
5 may be considered necessary to pay to the employees employed by the contractor, or any
6 subcontractor on the work, the difference between the rates of wages required by the contract to
7 be paid the employees on the work and the rates of wages received by the employees and not
8 refunded to the contractor, 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 (A) The rate of contribution made by a contractor or subcontractor to a trustee or to a
14 third person pursuant to a fund, plan, or program; and

15 (B) 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
6 limited to, the Rhode Island industrial recreational building authority, the Rhode Island economic
7 development corporation, the Rhode Island airport corporation, the Rhode Island industrial
8 facilities corporation, the Rhode Island refunding bond authority, the Rhode Island housing and
9 mortgage finance corporation, the Rhode Island resource recovery corporation, the Rhode Island
10 public transit authority, the Rhode Island student loan authority, the water resources board
11 corporate, the Rhode Island health and education building corporation, the Rhode Island higher
12 education assistance authority, the Rhode Island turnpike and bridge authority, the Narragansett
13 Bay water quality management district commission, Rhode Island telecommunications authority,
14 the convention center authority, the board of governors for higher education, the board of regents
15 for elementary and secondary education, the capital center commission, the housing resources
16 commission, the Quonset Point-Davisville management corporation, the Rhode Island children's
17 crusade for higher education, the Rhode Island depositors economic protection corporation, the
18 Rhode Island lottery commission, the Rhode Island partnership for science and technology, the
19 Rhode Island public building authority, and the 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
BY CONTRACTORS

1 This act would raise the threshold when contracts for public works must contain a
2 provision stating that prevailing wages must be paid to various types of employees to one million
3 dollars (\$1,000,000) for new construction, or five hundred thousand dollars (\$500,000) for
4 alteration or remodeling projects.

5 This act would take effect upon passage.

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