# 2024 -- S 2123 SUBSTITUTE A

LC003656/SUB A

# STATE OF RHODE ISLAND

### IN GENERAL ASSEMBLY

#### JANUARY SESSION, A.D. 2024

## AN ACT

### RELATING TO LABOR AND LABOR RELATIONS -- PAYMENT OF WAGES

Introduced By: Senators Acosta, Cano, Kallman, Mack, Ciccone, Zurier, Gu, Quezada, and Bell Date Introduced: January 12, 2024

Referred To: Senate Labor

It is enacted by the General Assembly as follows:

- SECTION 1. Sections 28-14-2.1 and 28-14-12 of the General Laws in Chapter 28-14
   entitled "Payment of Wages" are hereby amended to read as follows:
- 3 <u>28-14-2.1. Statement of earnings.</u>
- 4 (a) On every regular payday, every employer shall furnish to any employee the following:
- 5 (1) A statement of the hours worked by that employee during the applicable pay period;

6 provided, that the statement need not be furnished to an employee described in § 28-12-4.3;

- 7 (2) A record of all deductions made from that employee's gross earnings during the pay
- 8 period together with an explanation of the basis or reason for the deductions; and
- 9 (3) For employers engaged only in the commercial construction industry, a record of the
   10 employee's hourly regular rate of pay. As used in this subsection, "commercial construction
- 11 industry" includes a business that engages in the doing of work or the furnishing of materials, or
- 12 both, in the building, erection, alteration, or preparation of an improvement on commercial real
- 13 property. An employer at the time of each payment of wages, shall furnish to their employee, either
- 14 as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if
- 15 wages are paid by personal check or cash, an accurate written itemized statement showing:
- 16 <u>(1) Gross wages earned;</u>
- 17 (2) Total hours worked by the employee:
- 18 (3) The number of piece-rate units earned and any applicable piece rate if the employee is
- 19 paid on a piece-rate basis;

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(4) The amount and purpose of each itemized deduction in understandable language and

2 <u>form;</u>

- 3 <u>(5) Net wages earned;</u>
- 4 (6) The inclusive dates of the period for which the employee is paid;
- 5 (7) The name of the employee and only the last four (4) digits of the employee's social

6 <u>security number or an employee identification number, other than a social security number;</u>

7 (8) The name and address of the legal entity that is the employer; and

8 (9) All applicable hourly rates in effect during the pay period and the corresponding
 9 number of hours worked, at each hourly rate by the employee. The deductions made from payment
 10 of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day,

- 11 and year, and a copy of the statement and the record of the deductions shall be kept on file, in
- 12 accordance with § 28-14-12. For purposes of this section, "copy" includes a duplicate of the
- 13 itemized statement provided to an employee or a computer-generated record that accurately shows
- 14 <u>all of the information required by this section.</u>

(b) All statements and records required to be furnished to an employee by this section may be furnished as an electronic record. The employer shall furnish to an employee a printed or handwritten record, in lieu of an electronic record, at no cost to the employee, when a written authorization from such employee is provided to the employer.

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# 28-14-12. Employment records.

(a) Every employer shall keep a true and accurate record of hours worked and wages paid
each pay period to each employee in any form that may be prescribed by the director. The employer
shall keep the records on file for at least three (3) years after the entry of the record. At the start of
employment, an employer shall provide each of its employees, a written notice, in English,

- 24 <u>containing the following information:</u>
- 25 (1) The rate or rates of pay and basis thereof, including whether the employee is to be paid
- 26 by the hour, shift, day, week, salary, piece, commission, or other method, and the specific
- 27 <u>application of any additional rates;</u>

28 (2) Allowances, if any, claimed, pursuant to permitted meals and lodging;

- 29 (3) Employer's policy on sick, vacation, personal leave, holidays and hours;
- 30 (4) The employee's employment status and whether the employee is exempt from minimum
- 31 <u>wage and/or overtime;</u>
- 32 (5) A list of deductions that may be made from the employee's pay;
- 33 (6) The number of days in the pay period, the regularly scheduled payday, and the payday
- 34 <u>on which the employee will receive the first payment of wages earned;</u>

- 1 (7) The legal name of the employer and the operating name of the employer, if different
- 2 <u>from its legal name;</u>
- 3 (8) The physical address of the employer's main office or principal place of business, and
- 4 <u>its mailing address if different; and</u>
- 5 (9) The telephone number of the employer.
- 6 (b) The employer shall keep a copy of the notice provided pursuant to the provisions of
- 7 <u>subsection (a) of this section, signed by each employee, acknowledging their receipt of the notice.</u>

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

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### **EXPLANATION**

#### BY THE LEGISLATIVE COUNCIL

### OF

# AN ACT

## RELATING TO LABOR AND LABOR RELATIONS -- PAYMENT OF WAGES

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This act would require the employer, at the time of hiring, to furnish to their employees an 1 2 itemized list of the terms and conditions of the employee's employment. It would mandate that the 3 employer provide every employee, each payday, a pay stub, explaining exactly how their wages 4 were calculated and the reason for each deduction from their gross wages. Finally the act would 5 allow the employee to file a private court action against the employer for a violation of these new required disclosures, while also in the alternative, allowing the director of the department of labor 6 7 and training to bring an action on the employees' behalf. 8 This act would take effect upon passage.

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