

2022 -- S 2239

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- PAYMENT OF WAGES

Introduced By: Senators Calkin, Mendes, Mack, Acosta, Anderson, and Zurier

Date Introduced: February 08, 2022

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

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

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

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

3 (5) "Lead entity" means an employer or a natural person, business, corporation, or business
4 entity of any kind, regardless of its form, that obtains or is provided one or more worker(s) to
5 perform labor or services related to the lead entity's business activities, operations, or purposes
6 from a labor contractor.

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
13 performed the management of such corporation, shall also be deemed civilly liable for a violation
14 of title 28.

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

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

20 SECTION 3. 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 -- PAYMENT OF WAGES

- 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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