

2026 -- H 7960

LC005370

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- PAYMENT OF WAGES

Introduced By: Representative Arthur J. Corvese

Date Introduced: February 27, 2026

Referred To: House Labor

(Dept. of Labor and Training)

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 28-14-19 of the General Laws in Chapter 28-14 entitled "Payment of  
2 Wages" is hereby amended to read as follows:

3 **28-14-19. Enforcement powers and duties of director of labor and training.**

4 (a) It shall be the duty of the director to ensure compliance with the provisions of this  
5 chapter and chapter 12 of this title. The director, or the director's designee, may investigate any  
6 violations thereof, institute or cause to be instituted actions for the collection of wages, and institute  
7 action for penalties or other relief as provided for within and pursuant to those chapters. The  
8 director, or the director's authorized representatives, are empowered to hold hearings, and the  
9 director or the director's designee shall cooperate with any employee in the enforcement of a claim  
10 against the employee's employer in any case whenever, in the opinion of the director or the  
11 director's designee, the claim is just and valid.

12 (b) Upon receipt of a complaint or conducting an inspection under applicable law, the  
13 director, or the director's appropriate departmental designee, is authorized to investigate to  
14 determine compliance with this chapter and chapter 12 of this title. The director or designee shall  
15 forward all complaints to the investigatory team within the department of labor and training who  
16 shall conduct the initial screening, investigation, and field audits, as set forth in § 28-14-19.1.

17 (c) With respect to all complaints deemed just and valid by the investigatory team, the  
18 director, or the director's designee, shall order a hearing thereon at a time and place to be specified,  
19 and shall give notice thereof, together with a copy of the complaint or the purpose thereof, or a

1 statement of the facts disclosed upon investigation, which notice shall be served personally or by  
2 mail on any person, business, corporation, or entity of any kind affected thereby. The hearing shall  
3 be scheduled ~~within thirty (30) days of~~ in a reasonable and timely manner, not to exceed one  
4 hundred and eighty (180) days after service of a formal complaint as provided herein. The person,  
5 business, corporation, or entity shall have an opportunity to be heard in respect to the matters  
6 complained of at the time and place specified in the notice. The hearing shall be conducted by the  
7 director or the director's designee. The hearing officer in the hearing shall be deemed to be acting  
8 in a judicial capacity, and shall have the right to issue subpoenas, administer oaths, and examine  
9 witnesses. The enforcement of a subpoena issued under this section shall be regulated by Rhode  
10 Island civil practice law and rules. The hearing shall be expeditiously conducted and upon such  
11 hearing the hearing officer shall determine the issues raised thereon and shall make a determination  
12 and enter an order ~~within thirty (30) days of~~ in a reasonable and timely manner, not to exceed one  
13 hundred and eighty (180) days after the close of the hearing, and forthwith serve a copy of the  
14 order, with a notice of the filing thereof, upon the parties to the proceeding, personally or by mail.  
15 The order shall dismiss the complaint or direct payment of any wages and/or benefits found to be  
16 due and/or award such other appropriate relief or penalties authorized under this chapter and  
17 chapter 12 of this title, and the order may direct payment of reasonable attorney's fees and costs to  
18 the complaining party. Interest at the rate of twelve percent (12%) per annum shall be awarded in  
19 the order from the date of the nonpayment to the date of payment.

20 (d) The order shall also require payment of a further sum as a civil penalty in an amount  
21 up to two (2) times the total wages and/or benefits found to be due, exclusive of interest, which  
22 shall be shared equally between the department and the aggrieved party. In determining the amount  
23 of any penalty to impose, the director, or the director's designee, shall consider the size of the  
24 employer's business, the good faith of the employer, the gravity of the violation, the previous  
25 violations, and whether or not the violation was an innocent mistake or willful.

26 (e) The director may institute any action to recover unpaid wages or other compensation or  
27 obtain relief as provided under this section with or without the consent of the employee or  
28 employees affected.

29 (f) No agreement between the employee and employer to work for less than the applicable  
30 wage and/or benefit rate or to otherwise work under conditions in violation of applicable law is a  
31 defense to an action brought pursuant to this section.

32 (g) The director shall notify the contractors' registration board of any order issued or any  
33 determination hereunder that an employer has violated this chapter, chapter 12 of this title, or  
34 chapter 13 of title 37. The director shall notify the tax administrator of any determination hereunder

1 that may affect liability for an employer's payment of wages and/or payroll taxes.

2 SECTION 2. Section 37-13-14.1 of the General Laws in Chapter 37-13 entitled "Labor and  
3 Payment of Debts by Contractors" is hereby amended to read as follows:

4 **37-13-14.1. Enforcement — Hearings.**

5 (a) Before issuing an order or determination, the director of labor and training shall order  
6 a hearing thereon at a time and place to be specified, and shall give notice thereof, together with a  
7 copy of the complaint or the purpose thereof, or a statement of the facts disclosed upon  
8 investigation, which notice shall be served personally or by mail on any person, firm, or corporation  
9 affected thereby. The person, firm, or corporation shall have an opportunity to be heard in respect  
10 to the matters complained of at the time and place specified in the notice, ~~which time shall be not~~  
11 ~~less than five (5) days from the service of the notice personally or by mail. The hearing shall be~~  
12 ~~held within ten (10) days from the order of hearing.~~ The hearing shall be conducted by the director  
13 of labor and training or his or her designee. The hearing officer in the hearing shall be deemed to  
14 be acting in a judicial capacity and shall have the right to issue subpoenas, administer oaths, and  
15 examine witnesses. The enforcement of a subpoena issued under this section shall be regulated by  
16 Rhode Island civil practice law and rules. The hearing shall be expeditiously conducted, and upon  
17 such hearing, the hearing officer shall determine the issues raised thereon and shall make a  
18 determination and enter an order ~~within ten (10) days of~~ after the close of the hearing, and forthwith  
19 serve a copy of the order, with a notice of the filing thereof, upon the parties to the proceeding,  
20 personally or by mail. The order shall dismiss the charges or direct payment of wages or  
21 supplements found to be due, including interest at the rate of twelve percentum (12%) per annum  
22 from the date of the underpayment to the date of payment, and may direct payment of reasonable  
23 attorney's fees and costs to the complaining party.

24 (b) In addition to directing payment of wages or supplements including interest found to  
25 be due, the order shall also require payment of a further sum as a civil penalty in an amount up to  
26 three times the total amount found to be due. Further, if the amount of salary owed to an employee  
27 pursuant to this chapter but not paid to the employee in violation of thereof exceeds five thousand  
28 dollars (\$5,000), it shall constitute a misdemeanor and shall be referred to the office of the attorney  
29 general. The misdemeanor shall be punishable for a period of not more than one year in prison  
30 and/or fined not more than one thousand dollars (\$1,000). In assessing the amount of the penalty,  
31 due consideration shall be given to the size of the employer's business, the good faith of the  
32 employer, the gravity of the violation, the history of previous violations, and the failure to comply  
33 with recordkeeping or other nonwage requirements. The surety of the person, firm, or corporation  
34 found to be in violation of the provisions of this chapter shall be bound to pay any penalties assessed

1 on such person, firm, or corporation. The penalty shall be paid to the department of labor and  
2 training for deposit in the state treasury; provided, however, it is hereby provided that the general  
3 treasurer shall establish a dedicated “prevailing wages enforcement fund” for the purpose of  
4 depositing the penalties paid as provided herein. There is hereby appropriated to the annual budget  
5 of the department of labor and training the amount of the fund collected annually under this section,  
6 to be used at the direction of the director of labor and training for the sole purpose of enforcing  
7 prevailing wage rates as provided in this chapter.

8 (c) For the purposes of this chapter, each day or part thereof of violation of any provision  
9 of this chapter by a person, firm, or corporation, whether the violation is continuous or intermittent,  
10 shall constitute a separate and succeeding violation.

11 (d) In addition to the above, any person, firm, or corporation found in violation of any of  
12 the provisions of this chapter by the director of labor and training, an awarding authority, or the  
13 hearing officer, shall be ineligible to bid on, or be awarded work by, an awarding authority or  
14 perform any such work for a period of no less than eighteen (18) months and no more than thirty-  
15 six (36) months from the date of the order entered by the hearing officer. Once a person, firm, or  
16 corporation is found to be in violation of this chapter, all pending bids with any awarding authority  
17 shall be revoked, and any bid awarded by an awarding authority prior to the commencement of the  
18 work shall also be revoked.

19 (e) In addition to the above, any person, firm, or corporation found to have committed two  
20 (2) or more willful violations in any period of eighteen (18) months of any of the provisions of this  
21 chapter by the hearing officer, which violations are not arising from the same incident, shall be  
22 ineligible to bid on, or be awarded work by, an awarding authority or perform any work for a period  
23 of sixty (60) months from the date of the second violation.

24 (f) The order of the hearing officer shall remain in full force and effect unless stayed by  
25 order of the superior court.

26 (g) The director of labor and training, awarding authority, or hearing officer shall notify  
27 the bonding company of any person, firm, or corporation suspected of violating any section of this  
28 chapter. The notice shall be mailed certified mail and shall enumerate the alleged violations being  
29 investigated.

30 (h) In addition to the above, any person, firm, or corporation found to have willfully made  
31 a false or fraudulent representation on certified payroll records shall be referred to the office of the  
32 attorney general. A first violation of this section shall be considered a misdemeanor and shall be  
33 punishable for a period of not more than one year in prison and/or fined one thousand dollars  
34 (\$1,000). A second or subsequent violation of this section shall be considered a felony and shall be

1 punishable for a period of not more than three (3) years imprisonment, a fine of three thousand  
2 dollars (\$3,000), or both. Further, any person, firm, or corporation found to have willfully made a  
3 false or fraudulent representation on certified payroll records shall be required to pay a civil penalty  
4 to the department of labor and training in an amount of no less than two thousand dollars (\$2,000)  
5 and not greater than fifteen thousand dollars (\$15,000) per representation.

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

=====  
LC005370  
=====

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO LABOR AND LABOR RELATIONS -- PAYMENT OF WAGES

\*\*\*

- 1           This act would eliminate prescribed timelines for hearing and determination in certain
- 2 enforcement actions before the department labor and training to align with reasonable practice.
- 3           This act would take effect upon passage.

=====  
LC005370  
=====