LC005573

# 2022 -- S 2740

# STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### JANUARY SESSION, A.D. 2022

# AN ACT

# RELATING TO PUBLIC UTILITIES AND CARRIERS -- LABOR STANDARDS IN RENEWABLE ENERGY PROJECTS

Introduced By: Senators Ruggerio, McCaffrey, Goodwin, and Euer

Date Introduced: March 24, 2022

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

- 1 SECTION 1. Title 39 of the General Laws entitled "PUBLIC UTILITIES AND 2 CARRIERS" is hereby amended by adding thereto the following chapter: 3 CHAPTER 26.8 LABOR STANDARDS IN RENEWABLE ENERGY PROJECTS 4 5 39-26.8-1. Short title. 6 This chapter shall be known and may be cited as "Labor Standards in Renewable Energy Projects." 7 8 39-26.8-2. Definitions. 9 For the purposes of this chapter: (1) "Approved apprenticeship program" or "apprenticeship program" means an 10 11 apprenticeship program that has been approved by the U.S. Department of Labor, or by a 12 recognized state apprenticeship agency, pursuant to 29 C.F.R. Parts 29 and 30; however, such programs shall not include those that have obtained only provisional approval status. The required 13 14 apprenticeship programs may either be programs that have specifically allocated funding and are subject to the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq. 15 ("ERISA"), or non-ERISA programs financed by general funds of employers. 16 (2) "Covered project" means a renewable energy project that: 17
- 18 <u>(i) Utilizes renewable energy resources;</u>

1 (ii) Is situated on land within the boundaries of this state; 2 (iii) Is situated on or in water within the boundaries of this state; 3 (iv) Has a construction commencement date on or after July 30, 2022; (v) Has a total nameplate capacity of two megawatts (2mw) or more; and 4 5 (vi) Is constructed and or operated pursuant to chapters 26.1, 26.4 or 26.6 of title 39. (3) "Department" means the department of labor and training. 6 7 (4) "Director" means the director of the department of labor and training. 8 (5) "Project labor agreement" means a single site collective bargaining agreement between 9 construction trade unions and site contractors allowed under 29 U.S.C. 158(f) of the National Labor 10 Relations Act that governs the terms and conditions of employment for all craft labor on a 11 designated project. 12 (6) "Labor organization" means any organization which exists and is constituted for the 13 purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning 14 grievances, terms or conditions of employment, or of other mutual aid or protection and which is 15 not a company union as defined in § 28-7-3. 16 (7) "Renewable energy project" means the construction, installation, use, maintenance, 17 operation, changing or retiring of a renewable energy resource. (8) "Renewable energy resources" means any renewable power generation source listed in 18 19 <u>§ 39-26-5(a).</u> 20 39-26.8-3. Responsibilities of developers and the state, its subdivisions or quasi-public 21 agencies. 22 (a) When a covered project receives any financial incentives, tax relief or subsidies from 23 the state or any of its subdivisions or quasi-public agencies, the developer and its contractors shall 24 enter into a project labor agreement with the unions constructing the project. 25 (b) All specifications in any invitations to bid on any covered project under this section 26 that is valued at five million dollars (\$5,000,000) or more shall include a requirement that all 27 responding bidders shall have an approved apprenticeship program for all crafts or trades with 28 apprenticeship programs that will be employed on the project at the time of bid. All responding 29 bidders shall also provide proof in the bid package of the existence of an approved apprenticeship 30 program for all crafts or trades that will be employed on the project by all contractors and 31 subcontractors. 32 (c) The developer of a covered project shall take all necessary actions to ensure that each 33 contractor and subcontractor involved in the construction of the project completes a sworn 34 certification that the prime contractor, general contractor, or subcontractor:

- 1 (1) Has the necessary resources to perform the portion of the covered project to which the 2 contractor or subcontractor is assigned, including the necessary technical, financial and personnel 3 resources; 4 (2) Has all required contractor, specialty contractor or trade licenses, certifications or 5 certificates required of any business entity or individual by applicable state or local law; 6 (3) Participates in apprenticeship programs pursuant to 29 C.F.R. Part 29 and Part 30 for 7 the occupations the contractor will employ for its awarded scope of work on the covered project; 8 (4) When the contractor or subcontractor has five (5) or more employees, ensure that no 9 less than fifteen percent (15%) of the labor hours worked on the project shall be performed by 10 registered apprentices for all crafts or trades with approved apprenticeship programs that will be 11 employed on the project; 12 (5) During the previous three (3) years: 13 (i) Has not been debarred by any government agency; 14 (ii) Has not defaulted on any project; 15 (iii) Has not had any license, certification or other credential relating to the business 16 revoked or suspended; and 17 (iv) Has not been found in violation of any law applicable to the contractor's or 18 subcontractor's business that resulted in the payment of a fine, back pay damages or any other type 19 of penalty in the amount of five thousand dollars (\$5,000) or more; 20 (6) Will pay personnel employed on the project not less than the applicable wage and fringe 21 benefit rates for the classification in which such personnel is employed for the project; and 22 (7) Has not misclassified and will not misclassify labor employees as independent 23 contractors. 24 39-26.8-4. Prevailing wage payment for construction, operation, and maintenance 25 employees. 26 (a) Each contractor and subcontractor on a covered project shall: 27 (1) Pay each construction employee wages and benefits that are not less than the prevailing 28 wage and fringe benefit rates in compliance with chapter 13 of title 37 for the corresponding 29 classification in which the employee is employed, and 30 (2) Be subject to all reporting and compliance requirements of chapter 13 of title 37. 31 (b) Contractors and subcontractors that violate subsection (a)(1) of this section, shall be 32 subject to penalties and sanctions in accordance with chapter 13 of title 37. 33 (c) Each operations and maintenance employee employed in a building or facility that is
- 34 constructed as a covered project shall be paid wages and benefits that are not less than the prevailing

1 wage and fringe benefit rates in compliance with chapter 13 of title 37. 2 39-26.8-5. Sworn certification of compliance. (a) The developer of a covered project shall submit to the department a sworn certification 3 4 of compliance with this chapter, not later than thirty (30) days prior to commencement of 5 construction of the project. Such sworn certification shall be considered a public document, and shall be made available, without redaction, on the department's website, not later than seven (7) 6 7 days after being submitted to the department. 8 (b) If the sworn certification contains false, misleading, or materially inaccurate 9 information, the contractor or subcontractor that executed such sworn certification, shall, after 10 notice and opportunity to be heard, be subject to penalties and sanctions by the department. 11 39-26.8-6. Payment of wages due. 12 The department is hereby authorized and directed to pay to mechanics, laborers and 13 workers, from any accrued payments withheld under the terms of a terminated public works' 14 contract, any wages found to be due such mechanics, laborers and workers. 15 39-26.8-7. Recordkeeping obligations. 16 (a) Each employer that is subject to the provisions of this chapter shall: 17 (1) Keep, maintain and preserve records relating to the wages and hours worked by each mechanic, laborer and worker and a schedule of the occupation or work classification at which each 18 19 mechanic, laborer or worker on the project is employed, during each work day and week. These 20 records shall be maintained in such manner and form as the director establishes to assure the proper 21 payments due to such persons or employee welfare funds under this chapter, regardless of any 22 contractual relationship alleged to exist between the contractor and such person; and 23 (2) Submit a monthly certified payroll record to the contracting agency or to the developer 24 of a covered project, which shall consist of a complete copy of the payroll records, accompanied 25 by a statement signed by the employer that indicates: 26 (i) Such records are accurate; 27 (ii) The rate of wages paid to each mechanic, laborer or worker and the amount of payment 28 or contributions paid or payable on behalf of each such person to any employee welfare fund, is 29 not less than the prevailing rate of wages and the amount of payment or contributions paid or 30 payable on behalf of each such person to any employee welfare fund and not less than those 31 required by the contract to be paid; 32 (iii) The employer has complied with the applicable provisions of this chapter; (iv) Each such person is covered by a workers' compensation insurance policy for the 33 duration of such person's employment, which shall be demonstrated by submitting to the 34

1 contracting agency the name of the workers' compensation insurance carrier covering each such 2 person, the effective and expiration dates of each policy and each policy number; 3 (v) The employer has not received any kickbacks, as defined in 41 U.S.C. 52, from any 4 employee or employee welfare fund; and 5 (vi) Pursuant to the provisions of this chapter, the employer is aware that filing a certified payroll which the employer knows to be false is a felony, for which the employer may be fined up 6 7 to five thousand dollars (\$5,000), imprisoned for up to five (5) years, or both. 8 (b) Notwithstanding any contrary provisions of the general laws, the certified payroll shall 9 be considered a public record and every person shall have the right to inspect and copy such records. 10 (c) Except as provided in subsection (b) of this section, any copy of records made available 11 for inspection as copies and furnished upon request to the public or any public agency by the 12 awarding body or the department of labor and training shall be redacted to prevent disclosure of an 13 individual's name, address, and social security number. The name and address of the contractor 14 awarded the contract or the subcontractor performing the contract shall not be redacted. Any copy 15 of records made available for inspection by, or furnished to, a multiemployer Taft-Hartley Trust 16 Fund (29 U.S.C. Sec. 186(c)(5)) that requests the records for the purposes of allocating 17 contributions to participants shall be redacted only to prevent disclosure of an individual's full 18 social security number, but shall provide the last four digits of the social security number. Any 19 copy of records made available for inspection by, or furnished to, a joint labor-management 20 committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 21 U.S.C. Sec. 175a) shall be redacted only to prevent disclosure of an individual's social security 22 number. 23 (d) Notwithstanding any other provision of law, agencies and law enforcement agencies 24 investigating violations of law shall, upon request, be provided unredacted copies of certified payroll records. Any copies of records or certified payroll made available for inspection and 25 26 furnished upon request to the public by an agency or law enforcement agency investigating a 27 violation of law shall be marked or redacted to prevent disclosure of an individual's name, address, 28 and social security number. 29 39-26.8-8. Power and enforcement of the department of labor and training. 30 (a) The director of the department of labor and training and his or her designated 31 representatives shall have the right to enter any place of business of employment to inspect 32 employment records and to ensure that the provisions of this chapter are complied with as well as 33 the power to administer oaths and examine witnesses, issue subpoenas, compel the attendance of 34 witnesses and production of documents, and to take depositions and affidavits.

- 1 (b) The department of labor and training shall promulgate regulations to implement this
- 2 <u>chapter.</u>

# 3 **<u>39-26.8-9. Severability.</u>**

- 4 If any provision of this chapter or the application thereof to any person or circumstances is
- 5 <u>held invalid, such invalidity shall not affect other provisions or applications of the chapter, which</u>
- 6 <u>can be given effect without the invalid provision or application, and to this end the provisions of</u>
- 7 <u>this chapter are declared to be severable.</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 PUBLIC UTILITIES AND CARRIERS -- LABOR STANDARDS IN RENEWABLE ENERGY PROJECTS

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This act would add a new chapter known as the Labor Standards in Renewable Energy
Projects. It would provide definitions, responsibilities of the developer and the state, prevailing
wage payment, sworn certification of compliance, payment of wages due, record keeping with the
power of enforcement vested in the department of labor and training.
This act would take effect upon passage.

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