

2012 -- H 7763

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

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

Introduced By: Representatives Reilly, Costa, Chippendale, Morgan, and Newberry

Date Introduced: February 16, 2012

Referred To: House 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)~~ fifty thousand
5 dollars (\$50,000), to which the state of Rhode Island or any political subdivision thereof or any
6 public agency or quasi-public agency is a party, for new construction, or for the alteration, and/or
7 repair, including painting and decorating, of public buildings or public works of the state of
8 Rhode Island or any political subdivision thereof, or any public agency or quasi-public agency
9 and which requires or involves the employment of employees, shall contain a provision stating
10 the minimum wages to be paid various types of employees which shall be based upon the wages
11 that will be determined by the director of labor and training to be prevailing for the corresponding
12 types of employees employed on projects of a character similar to the contract work in the city,
13 town, village, or other appropriate political subdivision of the state of Rhode Island in which the
14 work is to be performed. Every contract shall contain a stipulation that the contractor or his or her
15 subcontractor shall pay all the employees employed directly upon the site of the work,
16 unconditionally and not less often than once a week, and without subsequent deduction or rebate
17 on any account, the full amounts accrued at time of payment computed at wage rates not less than
18 those stated in the call for bids, regardless of any contractual relationships which may be alleged

1 to exist between the contractor or subcontractor and the employees, and that the scale of wages to
2 be paid shall be posted by the contractor in a prominent and easily accessible place at the site of
3 the work; and the further stipulation that there may be withheld from the contractor so much of
4 the accrued payments as may be considered necessary to pay to the employees employed by the
5 contractor, or any subcontractor on the work, the difference between the rates of wages required
6 by the contract to be paid the employees on the work and the rates of wages received by the
7 employees and not refunded to the contractor, subcontractors, or their agents.

8 (b) The terms "wages", "scale of wages", "wage rates", "minimum wages", and
9 "prevailing wages" shall include:

10 (1) The basic hourly rate of pay; and

11 (2) The amount of:

12 (A) The rate of contribution made by a contractor or subcontractor to a trustee or to a
13 third person pursuant to a fund, plan, or program; and

14 (B) The rate of costs to the contractor or subcontractor which may be reasonably
15 anticipated in providing benefits to employees pursuant to an enforceable commitment to carry
16 out a financially responsible plan or program which was communicated in writing to the
17 employees affected, for medical or hospital care, pensions on retirement or death, compensation
18 for injuries or illness resulting from occupational activity, or insurance to provide any of the
19 foregoing, for unemployment benefits, life insurance, disability and sickness insurance, or
20 accident insurance, for vacation and holiday pay, for defraying costs of apprenticeship or other
21 similar programs, or for other bona fide fringe benefits, but only where the contractor or
22 subcontractor is not required by other federal, state, or local law to provide any of the benefits;
23 provided, that the obligation of a contractor or subcontractor to make payment in accordance with
24 the prevailing wage determinations of the director of labor and training insofar as this chapter of
25 this title and other acts incorporating this chapter of this title by reference are concerned may be
26 discharged by the making of payments in cash, by the making of contributions of a type referred
27 to in subsection (b)(2), or by the assumption of an enforceable commitment to bear the costs of a
28 plan or program of a type referred to in this subdivision, or any combination thereof, where the
29 aggregate of any payments, contributions, and costs is not less than the rate of pay described in
30 subsection (b)(1) plus the amount referred to in subsection (b)(2).

31 (c) The term "employees", as used in this section, shall include employees of contractors
32 or subcontractors performing jobs on various types of public works including mechanics,
33 apprentices, teamsters, chauffeurs, and laborers engaged in the transportation of gravel or fill to
34 the site of public works, the removal and/or delivery of gravel or fill or ready-mix concrete, sand,

1 bituminous stone, or asphalt flowable fill from the site of public works, or the transportation or
2 removal of gravel or fill from one location to another on the site of public works, and the
3 employment of the employees shall be subject to the provisions of subsections (a) and (b).

4 (d) The terms "public agency" and "quasi-public agency" shall include, but not be
5 limited to, the Rhode Island industrial recreational building authority, the Rhode Island economic
6 development corporation, the Rhode Island airport corporation, the Rhode Island industrial
7 facilities corporation, the Rhode Island refunding bond authority, the Rhode Island housing and
8 mortgage finance corporation, the Rhode Island resource recovery corporation, the Rhode Island
9 public transit authority, the Rhode Island student loan authority, the water resources board
10 corporate, the Rhode Island health and education building corporation, the Rhode Island higher
11 education assistance authority, the Rhode Island turnpike and bridge authority, the Narragansett
12 Bay water quality management district commission, Rhode Island telecommunications authority,
13 the convention center authority, the board of governors for higher education, the board of regents
14 for elementary and secondary education, the capital center commission, the housing resources
15 commission, the Quonset Point-Davisville management corporation, the Rhode Island children's
16 crusade for higher education, the Rhode Island depositors economic protection corporation, the
17 Rhode Island lottery commission, the Rhode Island partnership for science and technology, the
18 Rhode Island public building authority, and the Rhode Island underground storage tank board.

19 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 minimum threshold when public works contractors are required
2 to pay prevailing wages to their employees from one thousand dollars (\$1,000) to fifty thousand
3 dollars (\$50,000).

4 This act would take effect upon passage.

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