LC02732

2013 -- S 0980

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

AN ACT

RELATING TO LABOR AND LABOR RELATIONS - PAYMENT OF WAGES

Introduced By: Senators Picard, Miller, Lynch, Pearson, and Lombardo

Date Introduced: June 05, 2013

Referred To: Senate Labor

It is enacted by the General Assembly as follows:

SECTION 1. Section 28-14-2.2 of the General Laws in Chapter 28-14 entitled "Payment
 of Wages" is hereby amended to read as follows:

28-14-2.2. Frequency of payment. -- (a) Except as provided in sections 28-14-4 and _.
28-14-5 and subsections (b) and (c) of this section, every employee other than employees of the
state and its political subdivisions and of religious, literary, or charitable corporations shall be
paid weekly all due wages from his or her employer, except those employees whose
compensation is fixed at a biweekly, semi-monthly, monthly, or yearly rate.

8 (b) The director may, upon written petition showing good and sufficient reason, permit 9 employers in the state of Rhode Island whose average payroll exceeds two hundred percent 10 (200%) of the state minimum wage as defined in section 28-12-3 to pay wages less frequently 11 than weekly provided: the employer and its affiliates to pay wages less frequently than weekly 12 provided: (1) The employer and its affiliates have more than two thousand five hundred (2500) 13 employees located in Rhode Island; (2) The employer's average payroll exceeds one hundred 14 thirty five percent (135%) of the average compensation of all employees in the state as defined in 15 subsection 42-64.11-2(c); (3) 16 (1) The employer makes payment of wages regularly on a predesignated date no less than

17 twice per month; and

18 (2)(4) The employer provides proof of a surety bond or other sufficient demonstration of 19 security in the amount of the highest biweekly payroll exposure in the preceding year for the

- 1 employees subject to the petition-; and
- 2 (3) If the involved employees are subject to collective bargaining, the employer provides
- 3 the written consent of the collective bargaining representative for all involved employees.
- 4 (c) The director may, upon written petition showing good and sufficient reason, permit
- 5 employers in the state of Rhode Island whose average payroll is less than two hundred percent
- 6 (200%) of the state minimum wage as defined in section 28-12-3 to pay wages and salaries of
- 7 <u>their employees less frequently than weekly provided:</u>
- 8 (1) The employer has supplied the department with the following information:
- 9 (i) The method through which wages shall be paid;
- 10 (ii) The requested frequency of payment;
- 11 (iii) The employer's designated payday(s);
- 12 (iv) The classification of the employees involved;
- 13 (v) The salary range of the employees involved; and
- 14 <u>(vi) The employer's federal identification number;</u>
- 15 (2) The employer makes payment of wages regularly on a predesignated date no less than
- 16 <u>twice per month;</u>
- 17 (3) The employer has no history of wage and hour violations;
- 18 (4) The employer provides proof of a surety bond or other sufficient demonstration of
- 19 security in the amount of the highest biweekly payroll exposure in the preceding year for the
- 20 <u>employees subject to the petition; and</u>
- 21 (5) If the involved employees are subject to collective bargaining, the employer provides
- 22 the written consent of the collective bargaining representative for all involved employees.
- 23 (d) If the director approves a written petition under subsection (b) or (c), the permission is
- 24 <u>valid for an indefinite period of time, provided that:</u>
- 25 (1) Payroll is regularly satisfied on the designated payday;
- 26 (2) The information provided by the employer to substantiate its request does not change;
- 27 <u>and</u>
- 28 (3) The employer remains in compliance with all other state labor laws.
- 29 SECTION 2. This act shall take effect on January 1, 2014.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO LABOR AND LABOR RELATIONS - PAYMENT OF WAGES

1 This act would allow employers whose average payroll exceeds two hundred percent 2 (200%) of the state minimum wage to pay wages less frequently than weekly. This act would also 3 provide a procedure for employers with less than two hundred percent (200%) of the state 4 minimum wage to petition the director of labor and training for permission to pay wages less 5 frequently than weekly.

This act would take effect on January 1, 2014.

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