

2017 -- S 0508

LC001679

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- WORKERS' COMPENSATION

Introduced By: Senators Ciccone, DiPalma, Seveney, and Cote

Date Introduced: March 02, 2017

Referred To: Senate Labor

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 28-53-2 and 28-53-7 of the General Laws in Chapter 28-53
2 entitled "Rhode Island Uninsured Employers Fund" are hereby amended to read as follows:

3 **28-53-2. Establishment -- Sources -- Administration.**

4 (a) There shall be established within the department of labor and training a special
5 restricted receipt account to be known as the Rhode Island uninsured employers fund. The fund
6 shall be capitalized from excise taxes assessed against uninsured employers pursuant to the
7 provisions of § 28-53-9 of this chapter and from general revenues appropriated by the legislature.
8 Beginning in state fiscal year ending June 30, ~~2017~~ 2019, the legislature may appropriate up to
9 two million dollars (\$2,000,000) in general revenue funds annually for deposit into the Rhode
10 Island uninsured employers fund.

11 (b) All moneys in the fund shall be mingled and undivided. The fund shall be
12 administered by the director of the department of labor and training, or his or her designee, but in
13 no case shall the director incur any liability beyond the amounts paid into and earned by the fund.

14 (c) All amounts owed to the uninsured employers fund from illegally uninsured
15 employers are intended to be excise taxes and as such, all ambiguities and uncertainties are to be
16 resolved in favor of a determination that such assessments are excise taxes.

17 **28-53-7. Payments to employees of uninsured employers.**

18 (a) Where it is determined that the employee was injured in the course of employment
19 while working for an employer who fails to maintain a policy of workers' compensation insurance

1 as required by § 28-36-1 et seq., the uninsured employers fund shall pay the benefits to which the
2 injured employee would be entitled pursuant to chapters 29 to 38 of this title subject to the
3 limitations set forth herein.

4 (b) The workers' compensation court shall hear all petitions for payment from the fund
5 pursuant to § 28-30-1 et seq.; provided, however, that the uninsured employers fund and the
6 employer shall be named as parties to any petition seeking payment of benefits from the fund.

7 (c) Where an employee is deemed to be entitled to benefits from the uninsured employers
8 fund, the fund shall pay benefits for disability and medical expenses as provided pursuant to
9 chapters 29 to 38 of this title except that the employee shall not be entitled to receive benefits for
10 loss of function and disfigurement pursuant to the provisions of § 28-33-19.

11 (d) The fund shall pay cost, counsel, and witness fees, as provided in § 28-35-32, to any
12 employee who successfully prosecutes any petitions for compensation; petitions for medical
13 expenses; petitions to amend a pretrial order or memorandum of agreement; and all other
14 employee petitions; and to employees who successfully defend, in whole or in part, proceedings
15 seeking to reduce or terminate any and all workers' compensation benefits; provided, however,
16 that the attorney's fees awarded to counsel who represent the employee in petitions for lump-sum
17 commutation filed pursuant to § 28-33-25, or in the settlement of disputed cases pursuant to § 28-
18 33-25.1, shall be limited to the maximum amount paid to counsel who serve as court-appointed
19 attorneys in workers' compensation proceedings as established by rule or order of the Rhode
20 Island supreme court.

21 (e) In the event that the uninsured employer makes payment of any monies to the
22 employee to compensate the employee for lost wages or medical expenses, the fund shall be
23 entitled to a credit for all such monies received by, or on behalf of, the employee against any
24 future benefits payable directly to the employee.

25 (f) This section shall apply to injuries that occur on or after July 1, ~~2017~~ [2019](#).

26 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO LABOR AND LABOR RELATIONS -- WORKERS' COMPENSATION

1 This act would delay funding of the Rhode Island Uninsured Employers Fund by the
2 General Assembly until July 30, 2019. It would also make the Rhode Island Uninsured
3 Employers Fund available to employees injured at work on or after July 1, 2019.

4 This act would take effect upon passage.

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