

2018 -- H 7907

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO LABOR AND LABOR RELATIONS - RHODE ISLAND UNINSURED  
EMPLOYERS FUND

Introduced By: Representative Robert E. Craven

Date Introduced: February 28, 2018

Referred To: House Finance

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 and from general revenues appropriated by the legislature. Beginning in  
8 state fiscal year ending ~~June 30, 2018~~ June 30, 2019, the legislature may appropriate up to two  
9 million dollars (\$2,000,000) in general revenue funds annually for deposit into the Rhode Island  
10 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

1 while working for an employer who fails to maintain a policy of workers' compensation insurance  
2 as required by § 28-36-1 et seq., the uninsured employers fund shall pay the benefits to which the  
3 injured employee would be entitled pursuant to chapters 29 to 38 of this title subject to the  
4 limitations set forth herein.

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

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

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

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

26 (f) This section shall apply to injuries that occur on or after ~~July 1, 2018~~ July 1, 2019.

27 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 LABOR AND LABOR RELATIONS - RHODE ISLAND UNINSURED  
EMPLOYERS FUND

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- 1           This act would extend the effective date of the Rhode Island uninsured employers fund to
- 2   July 1, 2019.
- 3           This act would take effect upon passage.

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