LC001710

2021 -- H 5870

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

AN ACT

RELATING TO LABOR AND LABOR RELATIONS -- PAYMENT OF WAGES

Introduced By: Representative Alex D. Marszalkowski

Date Introduced: February 24, 2021

Referred To: House Judiciary

(Attorney General)

It is enacted by the General Assembly as follows:

- 1 SECTION 1. Section 28-14-17 of the General Laws in Chapter 28-14 entitled "Payment of
- 2 Wages" is hereby amended to read as follows:

3 **<u>28-14-17. Penalty for violations.</u>**

- 4 (a) Any employer who violates or fails to comply with any of the provisions of this chapter 5 shall be guilty of a misdemeanor, or in cases of nonpayment of wages if the value of the wages due to an employee is less than one thousand five hundred dollars (\$1,500) or in instances of a violation 6 7 of § 28-14-19.1 and upon conviction of the misdemeanor, the employer shall be punished by a fine of not less than four hundred dollars (\$400) for each separate offense, or by imprisonment of up to 8 9 one year, or by both fine and imprisonment. Each day of failure to pay wages due an employee at 10 the time specified in this chapter shall constitute a separate and distinct violation. 11 (b) Any employer who violates or fails to comply with any of the provisions of this chapter 12 shall be guilty of a felony if the value of the wages due to an employee is one thousand five hundred 13 dollars (\$1,500) or more. Any employer who violates § 28-14-19.1 would also be guilty of a felony 14 if the violation was a knowing violation or a second or subsequent violation of § 28-14-19.1. Upon 15 a plea or conviction to a felony, shall be subject to the following penalties: (1) If the value of the wages is between one thousand five hundred dollars (\$1,500) and 16 17 five thousand dollars (\$5,000) or in instances of a first offense of a knowing violation of § 28-14-18 19.1, by imprisonment for not more than three (3) years or by a fine of not more than twice the
- 19 value of the wages or ten thousand dollars (\$10,000), whichever is greater, or both;

- 1 (2) If the value of the wages exceeds five thousand dollars (\$5,000) or in instances of a
- 2 second or subsequent offense of a knowing violation of § 28-14-19.1, by imprisonment for not
- 3 more than five (5) years or a fine of not more than three (3) times the value of the wages or twenty
- 4 thousand dollars (\$20,000), whichever is greater, or both.
- (b)(c) Any employer found guilty of violations of this chapter who does not pay wages and
 fines within thirty (30) days of a final decision and after notification by the department of labor and
 training, may have his, her or its business license revoked by the state of Rhode Island until he, she
 or it pays such wages and fines in full or enters into a payment agreement with which he, she or it
 stays in compliance.
 SECTION 2. This act shall take effect upon passage.
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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 increase the criminal penalties for wage theft and employee 2 misclassification including providing for a felony violation where the wages due to the employees 3 because of the wage theft or misclassification is greater than one thousand five hundred dollars 4 (\$1,500).

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This act would take effect upon passage.

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