

2023 -- H 5928

LC001434

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- MINIMUM WAGES

Introduced By: Representatives Henries, Stewart, Sanchez, Morales, Felix, Alzate, and J. Lombardi

Date Introduced: March 01, 2023

Referred To: House Labor

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 28-12-3 of the General Laws in Chapter 28-12 entitled "Minimum
2 Wages" is hereby amended to read as follows:

3 **28-12-3. Minimum wages.**

4 (a) Every employer shall pay to each of his or her employees: commencing July 1, 1999,
5 at least the minimum wage of five dollars and sixty-five cents (\$5.65) per hour. Commencing
6 September 1, 2000, the minimum wage is six dollars and fifteen cents (\$6.15) per hour.

7 (b) Commencing January 1, 2004, the minimum wage is six dollars and seventy-five cents
8 (\$6.75) per hour.

9 (c) Commencing March 1, 2006, the minimum wage is seven dollars and ten cents (\$7.10)
10 per hour.

11 (d) Commencing January 1, 2007, the minimum wage is seven dollars and forty cents
12 (\$7.40) per hour.

13 (e) Commencing January 1, 2013, the minimum wage is seven dollars and seventy-five
14 cents (\$7.75) per hour.

15 (f) Commencing January 1, 2014, the minimum wage is eight dollars (\$8.00) per hour.

16 (g) Commencing January 1, 2015, the minimum wage is nine dollars (\$9.00) per hour.

17 (h) Commencing January 1, 2016, the minimum wage is nine dollars and sixty cents (\$9.60)
18 per hour.

19 (i) Commencing January 1, 2018, the minimum wage is ten dollars and ten cents (\$10.10)

1 per hour.

2 (j) Commencing January 1, 2019, the minimum wage is ten dollars and fifty cents (\$10.50)
3 per hour.

4 (k) Commencing October 1, 2020, the minimum wage is eleven dollars and fifty cents
5 (\$11.50) per hour.

6 (l) Commencing January 1, 2022, the minimum wage is twelve dollars and twenty-five
7 cents (\$12.25) per hour.

8 (m) Commencing January 1, 2023, the minimum wage is thirteen dollars (\$13.00) per hour.

9 (n) Commencing January 1, 2024, the minimum wage is ~~fourteen dollars (\$14.00)~~ fourteen
10 dollars and fifty cents (\$14.50) per hour.

11 (o) Commencing January 1, 2025, the minimum wage is ~~fifteen dollars (\$15.00)~~ sixteen
12 dollars and seventy-five cents (\$16.75) per hour.

13 (p) Commencing January 1, 2026, the minimum wage is nineteen dollars (\$19.00) per hour.

14 (q) Commencing on January 1, 2027, and on each January 1 thereafter, the minimum wage
15 under this section shall be increased by the percentage increase, if any, in the cost of living. The
16 increase in the cost of living shall be measured by the percentage increase, if any, as of August of
17 the previous year over the level, as of August of the year preceding, of the Consumer Price Index
18 for Urban Wage Earners and Clerical Workers (CPI-W), or its successor index as published by the
19 United States Department of Labor or its successor agency, with the amount of the minimum hourly
20 wage increase rounded up to the nearest multiple of five cents (\$.05).

21 SECTION 2. Section 28-12-5 of the General Laws in Chapter 28-12 entitled "Minimum
22 Wages" is hereby repealed.

23 ~~**28-12-5. Employees receiving gratuities.**~~

24 ~~(a) Every employer shall pay to each of the employer's employees who are engaged in any~~
25 ~~work or employment in which gratuities have customarily and usually constituted a part of his or~~
26 ~~her weekly income, the rate as provided by §§ 28-12-3 and 28-12-3.1.~~

27 ~~(b) Allowance for gratuities as part of the hourly wage rate for restaurants, hotels, and other~~
28 ~~industries, except taxicabs and limited public motor vehicles, shall be an amount equal to the~~
29 ~~applicable minimum rates as provided by §§ 28-12-3 and 28-12-3.1 less two dollars and eighty-~~
30 ~~nine cents (\$2.89) per hour. "Gratuities" means voluntary monetary compensation received directly~~
31 ~~or indirectly by the employee for services rendered.~~

32 ~~(c) Each employer desiring to deduct for gratuities as part of the minimum rates as provided~~
33 ~~in §§ 28-12-3 and 28-12-3.1 wages paid to an employee shall provide substantial evidence that the~~
34 ~~amount shall be as set out in the formula in subsection (b) of this section; however, the cash wage~~

1 ~~shall not be less than two dollars and eighty nine cents (\$2.89) per hour; provided, however, that~~
2 ~~commencing January 1, 2016, the cash wage shall increase by fifty cents (\$.50) to an amount not~~
3 ~~less than three dollars and thirty nine cents (\$3.39) per hour; provided further, that commencing~~
4 ~~January 1, 2017, the cash wage shall increase by fifty cents (\$.50) to an amount not less than three~~
5 ~~dollars and eighty nine cents (\$3.89) per hour.~~

6 ~~(d) The director of labor and training shall notify employers concerning what type of proof~~
7 ~~shall be accepted as substantial evidence for the purpose of this subsection. Employees involved~~
8 ~~shall be entitled to a hearing on the question of the amount of deduction if they so desire.~~

9 ~~(e) In cases where wages are figured by the employer on an incentive basis in such a manner~~
10 ~~that an employee of reasonable average ability earns at least the minimum wage established by §§~~
11 ~~28-12-3 and 28-12-3.1, it shall be taken that the employer has complied with this statute. It shall be~~
12 ~~of no concern to the director of labor and training how the employer arrives at its wage scale so~~
13 ~~long as it is not unreasonable in its demands on the employee.~~

14 ~~(f) Where, in the case of the employment of a full-time student who has not attained his or~~
15 ~~her nineteenth (19th) birthday engaged in the activities of a nonprofit association or corporation,~~
16 ~~whose aims and objectives are religious, educational, librarial, or community service in nature, the~~
17 ~~employer-employee relationship does exist, the employer shall pay to each such employee wages~~
18 ~~at a rate of not less than ninety percent (90%) of the minimum wage as specified in § 28-12-3. In~~
19 ~~case of any conflict between provisions of this section and those of § 28-12-3.1, the provisions of~~
20 ~~§ 28-12-3.1 shall govern.~~

21 SECTION 3. 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 -- MINIMUM WAGES

1 This act would gradually increase the hourly minimum wage from thirteen dollars (\$13.00)
2 to fourteen dollars and fifty cents (\$14.50) by January 1, 2024, from fourteen dollars (\$14.00) to
3 sixteen dollars and seventy-five cents (\$16.75) by January 1, 2025, and from fifteen dollars
4 (\$15.00) to nineteen dollars (\$19.00) by January 1, 2026. Increases after those dates would be tied
5 in to the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). It would
6 also repeal the special minimum wage statute for employees receiving gratuities.

7 This act would take effect upon passage.

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