## 2025 -- H 5136

LC000474

# STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2025**

#### AN ACT

### RELATING TO LABOR AND LABOR RELATIONS -- MINIMUM WAGES

<u>Introduced By:</u> Representative Julie A. Casimiro

Referred To: House Labor

Date Introduced: January 22, 2025

(by request)

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per hour.

It is enacted by the General Assembly as follows: 1 SECTION 1. Sections 28-12-3 and 28-12-5 of the General Laws in Chapter 28-12 entitled 2 "Minimum Wages" are hereby amended to read as follows: 3 **28-12-3. Minimum wages.** (a) Every employer shall pay to each of his or her employees: commencing July 1, 1999, 4 at least the minimum wage of five dollars and sixty-five cents (\$5.65) per hour. Commencing 5 September 1, 2000, the minimum wage is six dollars and fifteen cents (\$6.15) per hour. 6 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.

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

(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. (1) Commencing January 1, 2022, the minimum wage is twelve dollars and twenty-five 6 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) per hour. 10 (o) Commencing January 1, 2025, the minimum wage is fifteen dollars (\$15.00) per hour. 11 (p) Commencing January 1, 2026 and ending on January 1, 2031, the minimum wage will 12 increase annually on January 1 by one dollar and fifty cents (\$1.50) until the minimum wage is 13 twenty-four dollars (\$24.00) per hour. 14 28-12-5. Employees receiving gratuities. 15 (a) Every employer shall pay to each of the employer's employees who are engaged in any 16 work or employment in which gratuities have customarily and usually constituted a part of his or 17 her weekly income, the rate as provided by §§ 28-12-3 and 28-12-3.1. 18 (b) Allowance for gratuities as part of the hourly wage rate for restaurants, hotels, and other 19 industries, except taxicabs and limited public motor vehicles, shall be an amount equal to the 20 applicable minimum rates as provided by §§ 28-12-3 and 28-12-3.1 less two dollars and eighty-21 nine cents (\$2.89) per hour. "Gratuities" means voluntary monetary compensation received directly 22 or indirectly by the employee for services rendered. 23 (c) Each employer desiring to deduct for gratuities as part of the minimum rates as provided 24 in §§ 28-12-3 and 28-12-3.1 wages paid to an employee shall provide substantial evidence that the amount shall be as set out in the formula in subsection (b) of this section; however, the cash wage 25 26 shall not be less than two dollars and eighty-nine cents (\$2.89) per hour; provided, however, that 27 commencing January 1, 2016, the cash wage shall increase by fifty cents (\$.50) to an amount not 28 less than three dollars and thirty-nine cents (\$3.39) per hour; provided further, that commencing 29 January 1, 2017, the cash wage shall increase by fifty cents (\$.50) to an amount not less than three

dollars and eighty-nine cents (\$3.89) per hour; provided further, that commencing January 1, 2026,

the cash wage shall increase by three dollars and six cents (\$3.06) to an amount not less than six

dollars and ninety-five cents (\$6.95) per hour; commencing January 1, 2027, the cash wage shall

increase by two dollars (\$2.00) to an amount not less than eight dollars and ninety-five cents (\$8.95)

per hour; commencing January 1, 2028, the cash wage shall increase by two dollars (\$2.00) to an

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- 2 2029, the cash wage shall increase by two dollars (\$2.00) to an amount not less than twelve dollars
- 3 and ninety-five cents (\$12.95) per hour; commencing January 1, 2030, the cash wage shall increase
- 4 by two dollars (\$2.00) to an amount not less than fourteen dollars and ninety-five cents (\$14.95)
- 5 per hour; commencing January 1, 2031, the cash wage shall be no less than the minimum wage
- 6 established pursuant to § 28-12-3.
- 7 (d) The director of labor and training shall notify employers concerning what type of proof
- 8 shall be accepted as substantial evidence for the purpose of this subsection. Employees involved
- 9 shall be entitled to a hearing on the question of the amount of deduction if they so desire.
- 10 (e) In cases where wages are figured by the employer on an incentive basis in such a manner
- that an employee of reasonable average ability earns at least the minimum wage established by §§
- 12 28-12-3 and 28-12-3.1, it shall be taken that the employer has complied with this statute. It shall be
- of no concern to the director of labor and training how the employer arrives at its wage scale so
- long as it is not unreasonable in its demands on the employee.
- 15 (f) Where, in the case of the employment of a full-time student who has not attained his or
- 16 her nineteenth (19th) birthday engaged in the activities of a nonprofit association or corporation,
- 17 whose aims and objectives are religious, educational, librarial, or community service in nature, the
- employer-employee relationship does exist, the employer shall pay to each such employee wages
- at a rate of not less than ninety percent (90%) of the minimum wage as specified in § 28-12-3. In
- case of any conflict between provisions of this section and those of § 28-12-3.1, the provisions of
- 21 § 28-12-3.1 shall govern.
- 22 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 -- MINIMUM WAGES

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This act would gradually increase the minimum wage for employees receiving gratuities
between January 1, 2026 through January 1, 2031 to the minimum wage established in § 28-12-3
exclusive of gratuities.

This act would take effect upon passage.

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