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37-13.7

Senate Bill No. 2901 SUB B

Chapter 060

**BY** Ciccone, DiPalma, Raptakis, Lombardi, Burke, LaMountain  
**ENTITLED**, AN ACT RELATING TO PUBLIC PROPERTY AND WORKS --  
LABOR AND PAYMENT OF DEBTS BY CONTRACTORS (Prohibits contractors  
and subcontractors from paying employees the cash equivalent of any applicable  
healthcare benefit in lieu of actually purchasing the healthcare benefit. Violations  
would be subject to civil fines.)

{LC4771/B/1}

03/22/2024 Introduced, referred to Senate Labor

04/05/2024 Scheduled for hearing and/or consideration (04/10/2024)

04/10/2024 Committee recommended measure be held for further study

04/19/2024 Scheduled for consideration (04/24/2024)

04/23/2024 Proposed Substitute

04/24/2024 Committee recommends passage of Sub A

04/25/2024 Placed on Senate Calendar (04/30/2024)

04/30/2024 Senate passed Sub A

05/01/2024 Referred to House Labor

05/17/2024 Scheduled for consideration (05/22/2024)

05/17/2024 Proposed Substitute

05/22/2024 Committee recommends passage of Sub B

05/24/2024 Placed on House Calendar (05/30/2024)

05/30/2024 House passed Sub B

05/30/2024 Placed on the Senate Consent Calendar (06/04/2024)

06/04/2024 Senate passed Sub B in concurrence

06/06/2024 Transmitted to Governor

06/10/2024 Signed by Governor

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1 contractual relationships that may be alleged to exist between the contractor or subcontractor and  
2 the employees, and that the scale of wages to be paid shall be posted by the contractor in a  
3 prominent and easily accessible place at the site of the work; and the further stipulation that there  
4 may be withheld from the contractor so much of the accrued payments as may be considered  
5 necessary to pay to the employees employed by the contractor, or any subcontractor on the work,  
6 the difference between the rates of wages required by the contract to be paid the employees on the  
7 work and the rates of wages received by the employees and not refunded to the contractor,  
8 subcontractors, or their agents.

9 (b) The terms “wages,” “scale of wages,” “wage rates,” “minimum wages,” and “prevailing  
10 wages” shall include:

11 (1) The basic hourly rate of pay; and

12 (2) The amount of:

13 (i) The rate of contribution made by a contractor or subcontractor to a trustee or to a third  
14 person pursuant to a fund, plan, or program; and

15 (ii) The rate of costs to the contractor, subcontractor, vendor, or provider that may be  
16 reasonably anticipated in providing benefits to employees pursuant to an enforceable commitment  
17 to carry out a financially responsible plan or program that was communicated in writing to the  
18 employees affected, for medical or hospital care, pensions on retirement or death, compensation  
19 for injuries or illness resulting from occupational activity, or insurance to provide any of the  
20 foregoing, for unemployment benefits, life insurance, disability and sickness insurance, or accident  
21 insurance, for vacation and holiday pay, for defraying costs of apprenticeship or other similar  
22 programs, or for other bona fide fringe benefits, but only where the contractor or subcontractor is  
23 not required by other federal, state, or local law to provide any of the benefits; provided, that the  
24 obligation of a contractor or subcontractor to make payment in accordance with the prevailing wage  
25 determinations of the director of labor and training insofar as this chapter of this title and other acts  
26 incorporating this chapter of this title by reference are concerned may be discharged by the making  
27 of payments in cash, by the making of contributions of a type referred to in subsection (b)(2), or by  
28 the assumption of an enforceable commitment to bear the costs of a plan or program of a type  
29 referred to in this subdivision, or any combination thereof, where the aggregate of any payments,  
30 contributions, and costs is not less than the rate of pay described in subsection (b)(1) plus the  
31 amount referred to in subsection (b)(2).

32 (A) Notwithstanding any other law, rule, regulation, agreement, or practice to the contrary,  
33 commencing on July 1, 2024, a contractor or subcontractor is not permitted to make a payment of  
34 the cash equivalent of any applicable healthcare benefit, as predetermined per each classification

1 (2) Persons employed by a provider contracted for the purpose of transporting public and  
2 private school pupils pursuant to §§ 16-21-1 and 16-21.1-8 shall be subject to the provisions of  
3 subsections (a) and (b) of this section. For the purposes of this subsection the term employee  
4 includes school bus drivers, aides, and monitors who are directly providing transportation services;  
5 the term employee does not include mechanics, dispatchers, or other personnel employed by the  
6 vendor whose duties are normally performed at a fixed location.

7 (d) The terms "public agency" and "quasi-public agency" shall include, but not be limited  
8 to: the Rhode Island industrial recreational building authority, the Rhode Island commerce  
9 corporation, the Rhode Island airport corporation, the Rhode Island industrial facilities corporation,  
10 the Rhode Island refunding bond authority, the Rhode Island housing and mortgage finance  
11 corporation, the Rhode Island resource recovery corporation, the Rhode Island public transit  
12 authority, the Rhode Island student loan authority, the water resources board corporate, the Rhode  
13 Island health and education building corporation, the Rhode Island turnpike and bridge authority,  
14 the Narragansett Bay water quality management district commission, the Rhode Island  
15 telecommunications authority, the convention center authority, the council on postsecondary  
16 education, the council on elementary and secondary education, the capital center commission, the  
17 housing resources commission, the Quonset Point-Davisville management corporation, the Rhode  
18 Island children's crusade for higher education, the Rhode Island depositors economic protection  
19 corporation, the Rhode Island lottery commission, the Rhode Island partnership for science and  
20 technology, the Rhode Island public building authority, and the Rhode Island underground storage  
21 tank board.

22 (e) If any one or more subsections of this section shall for any reason be adjudged  
23 unconstitutional or otherwise invalid, the judgment shall not affect, impair, or invalidate the  
24 remaining subsections.

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

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