



Rhode Island Black Business Association
220 Smith Street | Providence, RI 02908

24 April 2024

The Honorable Robert Craven, Chair
House Judiciary Committee
82 Smith Street
Providence, RI, 02903
HouseJudiciary@rilegislature.gov

Testimony *in support of* H7054: Paycheck Protection Recovery Act (Representative David Morales)

Chair Craven and Members of the House Judiciary Committee,

The RI Black Business Association (RIBBA) is a non-profit organization dedicated to advancing the business opportunities and vitality of Black-owned and minority businesses in RI. Minority-owned Business Enterprises (MBEs) and Women-owned Business Enterprises (WBEs) constitute a substantive portion of our membership, and we advocate for fair utilization of and fair payment to these subcontractors. RIBBA strongly supports Representative Morales' bill H7054, the Paycheck Protection Recovery Act.

Wage theft greatly harms subcontractors, their families, and their businesses. Authorities recover about \$1 billion annually in stolen wages across the country; this number is likely much higher since instances of wage theft too often go unreported. Stealing wages takes away much more than money from workers; it can cause people to miss rent or mortgage payments, go into debt, and even force them into shutting down their business. Wage theft perpetuates economic hardship and poverty.

Most contractors do the right thing and properly pay their subcontractors. However, those that keep stealing wages do so because they feel empowered in their actions. They are not worried about consequences and might even see wage theft as a cost-cutting measure. Passing H7054 sends a strong message to these unethical employers: pay your workers for the work they've done or face real consequences.

RIBBA urges the House Judiciary Committee to vote yes on this bill and send it to the full House with a recommendation of passage. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Kristina A. Fox". The signature is written in a cursive, flowing style.

Kristina Contreras Fox, Director of Policy
(401) 424-1635 | kristina@ri-bba.org