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EMAIL ONLY

Hon. Arthur J. Corvese
Chairperson, House Labor Committee
Email: rep-corvese@rilegislature.gov

RE: SUPPORT FOR H7057 AN ACT RELATING TO PUBLIC PROPERTY AND WORKS—MINORITY BUSINESS ENTERPRISE

Dear Chairperson Corvese,

This letter is sent by the undersigned in my capacity as Governmental Affairs Counsel for the New England Mechanical Contractors Association (“New England MCA”).¹

New England MCA **supports** passage of this bill, which would amend existing law *to allow the state to waive bonding requirements for good cause for certified MBE/WBE companies, accelerates the prompt pay provisions for all contractors from 30 working days to 30 calendar days, requires contractors to pay subcontractors in 7 days as opposed to 10 days, requires the state to pay a deposit to prime contractors “in a sufficient period prior to the commencement of work” so that the prime can make timely, scheduled payments to MBE/WBE subcontractors, and, facilitates the release of retainage to certified MBE/WBE companies.*

The purpose of this bill quite simply is to fix a problem. The state currently does not have enough MBE/WBE capacity to meet the 10% minimum percentage subcontract requirements for public works under existing state law. All too frequently, the prime contractor on a public works project is forced to seek and obtain relief from the state minimum MBE/WBE requirement due to the lack of qualified MBE/WBE companies bidding on the work. This legislation makes it easier for these companies to compete and therefore to exist by facilitating access to capital and other resources, accelerating prompt pay requirements on public works projects, authorizing the state to waive bonding requirements for certified MBE/WBE companies, and facilitating the release of retainage to certified MBE/WBE companies.

We believe this bill will go a long way toward increasing the number of MBE/WBE companies performing work on state public works contracts so that the state 10% minimum can be met and prime contractors will have neither a need nor any justification to seek relief from the minimum MBE/WBE participation requirements.

For all the foregoing reasons, New England MCA strongly **supports** passage of this legislation.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'R. Sinapi'.

Richard A. Sinapi, ras@sinapilaw.com

RAS/ras

cc: Client (email only)
Hon. K. Joseph Shekarchi, Speaker of the House (via email only) (rep-shekarchi@rilegislature.gov)
Members of House Committee on Labor (via email only) (HouseLabor@rilegislature.gov)

¹ New England MCA represents the major commercial and industrial heating, ventilation, air conditioning, and process piping contractors in Massachusetts, Maine, and Rhode Island. It has over 80 contractor members throughout New England. New England MCA’s Rhode Island members include Aero Mechanical, Inc., Arden Engineering Constructors, LLC, Delta Mechanical, Hart Engineering Corporation, and Nexgen Mechanical. Every New England MCA member is signatory to one or more collective bargaining agreements with the local construction industry trades. Our members have worked as contractors and subcontractors on numerous public and private works projects in Rhode Island, including major construction at URI, Rhode Island Resource Recovery, Providence College, and Amgen. During periods of major commercial construction, New England MCA member contractors may employ as many as 700 Local 51 plumbers and pipefitters in Rhode Island. *The views expressed in this letter do not necessarily represent the position of each individual member.*