



May 22, 2024

Honorable Arthur Corvese
Chairman, House Committee on Labor
Rhode Island State House
Providence, RI 02903

RE: H.8262 – An Act Relating to Labor and Labor Relations – Workers’ Compensation - Benefits

Dear Chairman Corvese and Committee Members,

The undersigned members of the Rhode Island Business Coalition support the passage of H.8262, An Act Relating to Labor and Labor Relations – Workers’ Compensation – Benefits. This bill comes to the Committee with the recommendation for passage from the Workers’ Compensation Advisory Council.

H.8262 addresses four issues:

- Suitable alternative employment (SAE) rates. The proposed change provides that effective January 1, 2025, the weekly compensation rate for SAE shall be equal to 62% of the difference between the injured workers average weekly wage and SAE pay. The current rate calculation is 66 2/3%. The change to 62% makes the rate consistent with the calculation of the base compensation rate elsewhere in the Act and simplifies administration. The change is minor, results in a small reduction in benefit entitlement and affects very few claims.
- Third party liens. H.8262 would grant the Workers’ Compensation Court express jurisdiction to mediate third party lien disputes, where both parties agree. It is non-binding and either party may still litigate the lien if mediation is not successful.
- Benefits for total incapacity. Effective January 1, 2025, the dependency payment would increase from \$15 per week to \$25 for each dependent. This dependency benefit has not changed in over 20 years. Under the Rhode Island workers’ compensation system, very few claimants are “total” so the impact should be negligible.
- Administrative fund. The Fund still pays claims dating back many years when there was a mechanism in place for payment for claimants who suffered “Second Injuries”. This proposal simply equates these few claimants’ entitlement with the proposed changes to totally incapacitated employees.

The Coalition believes the proposed changes will help to streamline the system and will result in an overall benefit to all parties.

Sincerely,

Associated Builders and Contractors, Rhode Island
East Greenwich Chamber of Commerce
Energy Marketers Association Rhode Island
Greater Newport Chamber of Commerce
Rhode Island Beverage Association
Rhode Island Builders Association
Rhode Island Business Group on Health
Rhode Island Hospitality Association
Rhode Island Manufacturers Association
Rhode Island Marine Trades Association
Rhode Island Partnership for Home Care
Rhode Island Small Business Economic Summit Regulations Committee
Rhode Island Small Business Economic Summit Tax and Budget Committee
Rhode Island Society of Certified Public Accountants
Rhode Island Staffing Association
Sustainable Benefits Strategies, LLC

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.