



STATE OF RHODE ISLAND

Department of Labor and Training

Center General Complex
1511 Pontiac Avenue
Cranston, RI 02920-4407

Telephone: (401) 462-8000
TTY: Via RI Relay 711

Daniel J. McKee
Governor
Matthew D. Weldon
Director

February 12, 2025

The Honorable Arthur J. Corvese
Chair, House Committee on Labor
State House
Providence, RI 02903

RE: 2025 H 5366

Dear Chair Corvese:

I write today in support of 2025 H 5366 – An Act Relating Labor and Labor Relations – Payment of Wages, by Representative Morales.

This bill addresses an issue the Department encounters far too often in the conduct of its investigatory efforts: a worker secures a judgment against their employer, establishing that the worker is owed wages wrongfully withheld from them, and the employer has either disappeared or lacks the means to pay the owed wages. In these instances, despite vindicating their rights and proving that wages were wrongfully withheld, the victim is unable to be made whole due to the absence or insolvency of their direct employer.

The Department has found that these circumstances arise with greatest frequency where there is a tiered general contractor-subcontractor or general contractor-subcontractor-sub-subcontractor arrangement within the construction industry, and this bill is narrowly tailored to these precise arrangements. At present an employee of a subcontractor cannot seek a remedy for their stolen wages from the general contractor, even if that contractor was the ultimate beneficiary of their work.

The provisions of this legislation address this issue by establishing that the contractor at the top tier of these arrangements is liable for acts of wage theft or misclassification of subcontractors at any tier below. The bill narrowly focuses its scope to ensure that only civil liability, and not criminal liability, attaches to the general contractor and allows for the contractor to see its own remedy from the subcontractor that engaged in the unlawful activity.

For these reasons, the Department offers its support of this legislation. Thank you for your consideration of this important bill; if you have any questions, please do not hesitate to contact me at matthew.weldon@dlt.ri.gov or (401) 462-8870.

Sincerely,

Matthew D. Weldon
Director

CC: Honorable Members of the House Committee on Labor
The Honorable David Morales
Nicole McCarty, Esq., Chief Legal Counsel to the Speaker of the House