



March 5, 2025

Hon. Arthur Corvese  
Chairman  
House Committee on Labor  
State House  
Providence, RI 02903  
[HouseLabor@rilegislature.gov](mailto:HouseLabor@rilegislature.gov)

**Re: H-5505 – An Act Relating to Public Property and Works – Labor and Payment of Debts by Contractors**

Dear Chairman Corvese,

BuildRI is a domestic non-profit trade association comprised of four (4) contractor associations (the Labor Relations Division of the RI Chapter of the Associated General Contractors, the New England Mechanical Contractors' Ass'n, the RI Mason Contractors' Ass'n, and the RI and Southeast MA Chapter of the National Electrical Contractors' Ass'n), and seventeen (17) Local Trade Unions comprised of approximately 10,000 local tradesmen and women. On behalf of our organization, I write in **SUPPORT** of the above referred to legislation for the reasons that follow.

On public works projects over \$1,000 contractors are required to pay their trade workers an established prevailing wage rate pursuant to R.I. Gen. Law § 37-13-1 *et seq.* The rate, established by the state Department of Labor and Training, is the combination of a base hourly wage rate plus a fringe benefit amount. The benefit includes an established amount for healthcare, retirement and workplace safety benefits. However, the law does not require contractors to provide the actual benefit, only a purported cash equivalent, and in many instances that is exactly what they do. Contractors pay the purported cash equivalent as additional wages as opposed to providing the actual retirement benefits to their workers. This is not only contrary to the legislative intent of our prevailing wage laws, but it is also a competitive advantage for these contractors not to provide the actual benefit.

Nearly 40%<sup>1</sup> of the working population is close to, if not at, retirement age. The prevailing wage intent is to establish a retirement funding stream that does not impact the worker's short buying power. By denying the worker with the automatic funding stream, the worker could be forced to work passed their

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<sup>1</sup> Of Rhode Island's 916,988 working age residents, approximately 363,239 (39.6%) were aged 55 and older in 2023. Nationally, 37.3 percent of the US working age population is aged 55 and older. According to the RI Department of Labor and Training September 2024 study entitled, "Rhode Island's Older Workforce."

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desired retirement age, and if forced to retired will be faced with economic hardship in their golden years. The General Assembly in recent years have made a priority of ensuring Rhode Islanders' have access to retirement funds, and this legislation will assist in those efforts.

Thank you, Chairman Corvese, for your leadership in supporting this legislation. Please do not hesitate to follow up with either of the signers below.

Sincerely,



Michael F. Sabitoni  
Vice-Chair



Gregory A. Mancini  
Executive Director