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Testimony of

Christopher Carlozzi, State Director, National Federation of Independent Business In Support of House Bill No. 5943 Relating to Business and Professions – Holiday Business Before the House Committee on Labor March 5, 2025

Chairman Corvese and Members of the House Committee on Labor:

My name is Christopher Carlozzi. I am the Rhode Island Director of the National Federation of Independent Business (NFIB). A non-profit, non-partisan organization, NFIB is the nation's and Rhode Island's largest small business advocacy group. In Rhode Island, NFIB represents hundreds of small and independent business owners involved in all types of industry, including manufacturing, retail, wholesale, service, and agriculture. The average NFIB member has five employees and annual gross revenues of about \$450,000. In short, NFIB represents the small Main Street business owners from across the state. On behalf of those small and independent business employers in Rhode Island, I urge you to support House Bill No. 5943, relating to outlier Sunday/holiday premium pay laws.

Rhode Island is currently the <u>only</u> state left in the nation demanding time-and-a-half pay for work on Sundays and holidays. When Massachusetts raised their minimum wage to \$15 per hour in 2023, they fully phased out this remnant blue law because it would be cost prohibitive for businesses to remain open on those days. Rhode Island businesses are currently forced to pay this \$22.50 premium pay. Making matters worse, there are bills this session for a \$20 or \$22 minimum wage, meaning a business would be required to pay \$30.00 or \$31.00 per hour on Sundays and holidays.

This outdated law leads to many small employers not opening on Sundays, while their big box competitors remain operating. When a consumer discovers a Main Street business' doors are closed on Sundays, and opts to instead frequent a large chain store, it becomes increasingly difficult for that small business to regain that customer. It leads to fewer hours being available for workers as many small businesses opt to keep their doors closed on those days or reduce staffing.

This legislation is a step in the right direction bringing Rhode Island in line with forty-nine other states. It phases out this remnant blue law for businesses with less than 15 workers, small businesses that can least afford higher labor costs.

I strongly urge this Committee to support House Bill No. 5943, that will help Rhode Island small businesses and end this outdated policy. Thank you.