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Testimony of

Christopher Carlozzi, State Director, National Federation of Independent Business
In Opposition to House Bill No. 7362
Relating to Labor and Labor Relations – Healthy and Safe Families Workplace Act
Before the House Committee on Labor
February 5, 2025

Chairman Corvese and Members of the House Committee on Labor:

My name is Christopher Carlozzi. I am the Rhode Island State Director of the National Federation of Independent Business (NFIB). A non-profit, non-partisan organization, NFIB is the nations 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 oppose House Bill No. 7362, requiring a 32-hour workweek yet being paid for 40 hours or requiring overtime pay.

While this legislation does not yet impact smaller employers, it sets a bad precedent that could eventually lead to small businesses being subjected to this onerous policy. According to the NFIB Research Foundation's latest Small Business Job's Report, thirty-three percent of employers have job openings they cannot fill right now. When asked, fifty-three percent of owners report being unable to find qualified help when attempting to hire. Help wanted signs are a common occurrence in virtually every business, with longer waits in stores, restaurants, and service providers. Mandating that Rhode Island implements a four-day work week will only compound this problem.

House Bill No. 7362 demands that employers with more than five hundred workers schedule employees in 32-hour shifts while paying them for 40 hours, or face overtime premium pay. Not only would this be unfeasible because of the existing labor shortages, but the additional labor expenses would be passed along directly to consumers. This policy would make Rhode Island even more unaffordable to do business. Not only would smaller businesses fear they will eventually be subjected to this policy if the threshold is lowered over time but would face challenges finding job candidates who can choose employment working a full 40-hour week or a 32-hour workweek and be paid 40 hours.

I strongly urge you to reject House Bill No. 7362 regarding a 32-hour workweek. Thank you.