



March 18, 2026

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

Re: H.7769, H.7770, H.7771 - Acts Relating to Minimum Wages

Dear Chairman Corvese,

The undersigned members of the Rhode Island Business Coalition would like to express our opposition to H.7769, H.7770, H.7771 – Acts Relating to Minimum Wages.

Rhode Island has increased the state's minimum wage nine times over the last ten years; the latest time this past January when the minimum wage increased to \$16.00 an hour. The state minimum wage is already scheduled to increase to \$17.00 an hour on January 1, 2027 based on legislation passed last session.

Between 2018, when the minimum wage was raised to \$10.10, and today, Rhode Island's minimum wage has increased by a total \$5.90 or nearly 59 percent. Rhode Island now has the 6th highest minimum wage in the country along with Hawaii.

H.7769 proposes to raise the minimum wage to \$20.00 on January 1, 2027. H.7770 proposes to increase the minimum wage by an amount equal to the Consumer Price Index for all Urban Consumers (CPI U) published by the United States Department of Labor Bureau of Labor Statistics for the Northeast Region beginning January 1, 2029. Lastly, H.7771 would raise the minimum wage to \$24.00 per hour next January. If these bills are enacted, many businesses, especially small businesses, will be disproportionately impacted. For small business owners, policies that continually increase labor costs will force them to make difficult decisions. They may be forced to cut jobs and/or reduce their employees' hours, if they are not forced to close entirely. Rising labor costs may also increase the speed at which employers decide to invest in technology to replace lower-wage workers. This means fewer jobs for Rhode Island workers, and ultimately undermines the progress our economy needs to make.

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

As this committee knows, Rhode Island is truly a small business state with more than 92 percent of the state's employers having less than 20 employees. Small employers in our state are already dealing with higher utility costs and increases in the costs of supplies, they are not simply able to pass on these higher costs to customers and still remain competitive. Keep in mind that every increase in the minimum wage also results in higher workers' compensation insurance premiums, unemployment insurance and FICA taxes paid by employers.

Labor costs are just one part of the cost structure for small businesses, although for many, it is the largest expense. Employers in Rhode Island additionally face higher energy costs and higher taxes than competitors in other states. Employers are also facing significant hikes in the cost of health insurance premiums. In addition, as of December, the state's unemployment rate stood at 4.3%, the second highest in New England. Another increase in the minimum wage will not help bring this rate down.

At a time when leaders are working to improve the state's economy and make Rhode Island a more business-friendly environment, these proposals would take us in the wrong direction. Therefore, the Rhode Island Business Coalition respectfully urges the committee to oppose these pieces of legislation.

Sincerely,

David Chenevert, Chairman, Rhode Island Business Coalition

Associated Builders and Contractors – Rhode Island Chapter

National Federation of Independent Business

Propane Gas Association of New England

Rhode Island Bankers Association

Rhode Island Builders Association

Rhode Island Hospitality Association

Rhode Island Marine Trades Association

Rhode Island Staffing Association

Rhode Island Small Business Economic Summit Regulations Subcommittee

Rhode Island Small Business Summit Tax and Budget Committee

cc. House Labor Committee members