

CONCISE EXPLANATORY STATEMENT

In accordance with the Administrative Procedures Act, R.I. Gen. Laws § 42-35-2.6, the following is a concise explanatory statement:

AGENCY: Rhode Island Department of Labor and Training

DIVISION: Workforce Regulation and Safety

RULE IDENTIFIER: 260-RICR-30-05-2

RULE TITLE: Payment of Wages, Employer Exemptions from Weekly Pay, and Exemptions for Work on Holidays and Sundays

REASON FOR RULEMAKING:

The Department has proposed amendments to the regulation to remove Section 2.6.2, which previously established exemptions from premium pay for Sunday and holiday work, as R.I. Gen. Laws § 25-3-7 no longer allows the Director to issue such exemptions since the current version of the law was amended on July 6, 2021. This amendment ensures consistency with current statutory authority. Additionally, the Department is adding a definition of “retail business” to Section 2.3 of the regulation. This term is referenced in R.I. Gen. Laws § 28-12-4.1, which modifies overtime requirements for employees who work in retail and work on Sundays or holidays. However, the statute does not define what constitutes a “retail business”, creating ambiguity for employers, employees, and the Department. The addition of this definition in the regulations will provide clarity and ensure consistent enforcement. The definition draws from related state statutes such as R.I. Gen. Laws §§ 5-23-1(b) and 44-18-15, as well as federal regulations under 29 C.F.R. § 779.318, and reflects a common understanding that retail establishments are those that primarily sell goods or services directly to end consumers and operate at the final stage of the distribution process.

ANY FINDING REQUIRED BY LAW AS A PREREQUISITE TO THE EFFECTIVENESS OF THE RULE: None.

TESTIMONY AND COMMENTS: None.

CHANGE TO TEXT OF THE RULE: None.

REGULATORY ANALYSIS:

The amendments are required to ensure conformity with current statutory law and to improve clarity for regulated entities. The removal of obsolete exemption provisions eliminates the risk of public confusion. The addition of a definition for “retail business” promotes uniform application of overtime laws. The rule does not impose new compliance costs and has no fiscal impact.