2025 -- S 0067

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STATE RHODE ISLAND \mathbf{OF}

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

AN ACT

RELATING TO CORPORATIONS, ASSOCIATIONS, AND PARTNERSHIPS -- WORKERS' **COOPERATIVES**

Introduced By: Senators Acosta, Ciccone, Quezada, Kallman, Vargas, and Mack

Date Introduced: January 23, 2025

Referred To: Senate Labor & Gaming

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 7-6.2 of the General Laws entitled "Workers' Cooperatives" is hereby 2 amended by adding thereto the following section:

7-6.2-3.1. Corporations organized for the purpose of furnishing skilled labor.

4 A corporation electing to be governed as a workers' cooperative, may in its articles of incorporation or bylaws, indicate its intent to be so governed for the purpose of furnishing contract 5 6 labor for other entities; provided that, any individual performing said labor does so under 7 circumstances that demonstrate that the individual's relationship to the contracting entity is one of 8 an independent contractor furnishing skilled labor through the workers' cooperative corporation. 9 For the purpose of § 7-6.2-4(f), if an individual makes use of such a worker's cooperative to secure work with another entity, but is not a member of the cooperative or is not furnishing services 10

directly to the cooperative, the terms of that subsection shall not apply to that individual.

12 SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

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RELATING TO CORPORATIONS, ASSOCIATIONS, AND PARTNERSHIPS -- WORKERS' COOPERATIVES

1	This act would clarify the role of a corporation electing to be governed as a workers'
2	cooperative to allow it to operate as a hiring hall under certain circumstances.
3	This act would also designate that workers furnished by a workers' cooperative corporation
4	would be considered independent contractors, and the workers' cooperative with the respect to
5	those workers would be exempt from the requirements that to the extent that a workers' cooperative
6	has stakeholders (owners) who are employees (members), the workers' cooperative would be
7	subject to the provisions of title 28 related to employees including, but not limited to: department
8	of labor and training payroll taxes, temporary disability insurance, state unemployment insurance,
9	and workers' compensation insurance.
10	This act would take effect upon passage.
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