

Labor and Public Employees Committee

JOINT FAVORABLE REPORT

Bill No.: HB-6792

Title: AN ACT CONCERNING WAGE THEFT RESPONSIBILITY.

Vote Date: 3/21/2023

Vote Action: Joint Favorable Substitute

PH Date: 3/2/2023

File No.:

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SPONSORS OF BILL:

Labor and Public Employees Committee

REASONS FOR BILL:

The purpose of this bill is to hold contractors liable for the incorrect or illegal withholding of wages between the subcontractor and their employees. This is intended to make sure contractors are doing their due diligence when working with subcontractors and to ensure all entities involved are following state wage laws.

The substitute language shortens the lookback period for recovering wages to 2 years and prevents labor unions from being allowed to trigger the bill's provisions. It also eliminates benefits from being an item that the contractor can be held liable for and requires a notice of an alleged violation 10 days before the accuser is allowed to take action.

RESPONSE FROM ADMINISTRATION/AGENCY:

Dante Bartolomeo, Commissioner, Connecticut Department of Labor: Supports this bill because it helps protect Connecticut workers by protecting their right to proper pay and hours. Comments that the general contractor may sue the subcontractor to recover wages they will be paying on the subcontractor's behalf.

NATURE AND SOURCES OF SUPPORT:

Kimberly Glassman, Director, Foundation for Fair Contracting: Supports this bill because it extends the liability for wage theft to private construction, as it already exists for subcontractors in federal or state prevailing-wage projects. Comments that this will help level the playing field by keeping unscrupulous subcontractors from holding an unfair advantage.

Jim Lohr, Deputy Director, North Atlantic Carpenters Labor-Management Program: Supports this bill because it will essentially force the construction industry to self-police and for general contractors to be more aware about who they are contracting with.

NATURE AND SOURCES OF OPPOSITION:

John Butts, Executive Director, AGC of Connecticut: Opposes this bill because it does not consider the several legal hurdles that general contractors face when trying to determine the accurate number of unpaid wages. Comments that the bill does not follow the current Connecticut two-year statute on wage claims.

Christopher Fryxell, President, ABC Connecticut: Opposes this bill because it would be difficult for the general contractor to determine whether the subcontractor's employees are receiving the correct and legal pay. Comments that this bill could result in the publishing of sensitive pay and benefit information that could violate the privacy of both parties.

Michael Thompson, Executive Director, ASMRCC & Executive Director, MCAC: Opposes this bill because they believe that it would be difficult to determine whether wages are incorrectly paid as there is no predetermined wage rate classification for private contracts. Comments that federal law would likely supersede state law regarding unpaid benefit payments.

Reported by: Gabriel Marques, Assistant Clerk Date: 3/27/23