



# House of Representatives

General Assembly

**File No. 330**

February Session, 2024

House Bill No. 5384

*House of Representatives, April 8, 2024*

The Committee on Labor and Public Employees reported through REP. SANCHEZ, E. of the 24th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

## ***AN ACT CONCERNING THE NUMBER OF WAGE AND HOUR INSPECTORS AT THE LABOR DEPARTMENT.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) Not later than October 1, 2024, the  
2 Labor Commissioner shall employ not fewer than twenty-two wage and  
3 hour inspectors for the purposes of investigating and ascertaining the  
4 wages of persons employed in any occupation in the state pursuant to  
5 section 31-59 of the general statutes.

6 Sec. 2. (NEW) (*Effective from passage*) For the fiscal year ending June  
7 30, 2026, and each fiscal year thereafter, the Labor Commissioner shall  
8 employ not fewer than forty-five wage and hour inspectors for the  
9 purposes of investigating and ascertaining the wages of persons  
10 employed in any occupation in the state pursuant to section 31-59 of the  
11 general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section

**LAB**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Labor Dept.	GF - Cost	1,154,186	3,521,000
State Comptroller - Fringe Benefits <sup>1</sup>	GF - Cost	401,646	1,283,906

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill, which increases the minimum number of wage and hour inspectors<sup>2</sup> required to be employed by the Department of Labor (DOL), results in a cost to (1) DOL of \$1,154,186 in FY 25 (partial year cost) and \$3,521,000 in FY 26 and (2) the State Comptroller- Fringe Benefits account of \$401,646 in FY 25 (partial year cost) and \$1,283,906 in FY 26.

Since DOL currently employs five wage and hour inspectors, the agency would need to hire 17 additional employees to comply with the minimum of 22 inspectors required for FY 25 (\$814,190 for salaries, \$335,853 for fringe benefits, and \$161,500 for equipment/overhead).<sup>3</sup> In addition, DOL would need to hire two supervisory positions to accommodate the higher number of wage and hour inspectors, which

<sup>1</sup>The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.25% of payroll in FY 25.

<sup>2</sup> The bill uses the term "wage and hour inspectors." However, the Department of Labor uses the term "wage and hour investigators."

<sup>3</sup> To the extent the provisions of the bill are inclusive of the title "wage enforcement agent" the cost would be less as the agency currently employs 16 such positions in addition to the five wage and hour investigators included in this analysis.

results in a cost of \$159,497 for salaries, \$65,792 for fringe benefits, an \$19,000 for equipment/overhead.<sup>4</sup>

The bill further increases this requirement to 45 wage and hour inspectors in FY 26, which results in the hiring of an additional 23 employees. This brings the total cost of wage and hour inspectors to \$2,490,463 for salaries, \$1,027,316 for fringe benefits, and \$354,500 for equipment/overhead. An additional four supervisory positions would also be needed to accommodate the higher number of wage and hour inspectors, which brings the total cost of supervisory personnel to \$622,037 for salaries, \$256,590 for fringe benefits, and \$54,000 for equipment/overhead.

### ***The Out Years***

The annualized ongoing cost impact identified above would continue into the future subject to inflation.

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<sup>4</sup> All amounts described in this paragraph represent a partial year cost since the bill takes effect on October 1, 2024.

**OLR Bill Analysis**

**HB 5384**

***AN ACT CONCERNING THE NUMBER OF WAGE AND HOUR INSPECTORS AT THE LABOR DEPARTMENT.***

**SUMMARY**

This bill requires, by October 1, 2024, the labor commissioner to employ at least 22 wage and hour inspectors for the purpose of investigating and determining the wages of employees in the state. Additionally, it requires the commissioner to employ at least 45 wage and hour inspectors starting FY 26. Current statutes are silent on the number of wage and hour inspectors.

By law, the inspectors can (1) enter any employer’s place of business to examine and inspect any and all books, payrolls, and other records that have a bearing on wages and to determine whether the employer is complying with the law and the commissioner’s relevant orders and (2) require, when the commissioner or her authorized representatives deem necessary, an employer to provide full and correct written statements of employee wages (CGS § 31-59).

EFFECTIVE DATE: Upon passage

**COMMITTEE ACTION**

Labor and Public Employees Committee

Joint Favorable

Yea 12 Nay 0 (03/19/2024)