



General Assembly

January Session, 2009

Raised Bill No. 6502

LCO No. 3569

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Referred to Committee on Labor and Public Employees

Introduced by:
(LAB)

AN ACT CONCERNING THE STANDARD WAGE FOR CERTAIN CONNECTICUT WORKERS.

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

1 Section 1. Section 31-57f of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2009*):

3 (a) As used in this section: (1) "Required employer" means any
4 provider of food, building, property or equipment services or
5 maintenance listed in this subdivision whose rate of reimbursement or
6 compensation is determined by contract or agreement with the state or
7 any state agent: (A) Building, property or equipment service
8 companies; (B) management companies providing property
9 management services; and (C) companies providing food preparation
10 or service, or both; (2) "state agent" means any state official, state
11 employee or other person authorized to enter into a contract or
12 agreement on behalf of the state; (3) "person" means one or more
13 individuals, partnerships, associations, corporations, business trusts,
14 legal representatives or organized groups of persons; [and] (4)
15 "building, property or equipment service" means any janitorial,
16 cleaning, maintenance or related service; (5) "prevailing rate of wages"

17 means the hourly wages paid under a collective bargaining agreement
18 covering the majority of hourly nonsupervisory employees employed
19 by the city of Hartford in each classification established by the Labor
20 Commissioner under subsection (e) of this section; (6) "prevailing rate
21 of benefits" means the total cost to the employer on an hourly basis,
22 under a collective bargaining agreement covering the majority of
23 hourly nonsupervisory employees employed by the city of Hartford in
24 each classification established by the Labor Commissioner under
25 subsection (e) of this section, of providing health, welfare and
26 retirement benefits, including, but not limited to, (A) disability or
27 death; (B) benefits in the event of unemployment; (C) pension benefits;
28 (D) vacation and personal leave; (E) training benefits; and (F) legal
29 services benefits, and may include payment made directly to
30 employees, payments to purchase insurance, and the amount of
31 payment or contributions paid or payable by the employer on behalf of
32 each employee to any employee benefits fund; (7) "employee benefit
33 fund" means any trust fund established by one or more employers and
34 one or more labor organizations or one or more other third parties not
35 affiliated with such employers to provide, whether through the
36 purchase of insurance or annuity contracts or otherwise, benefits
37 under an employee health, welfare or retirement plan, but does not
38 include any such fund where the trustee, or trustees, are subject to
39 supervision by the Banking Commissioner of this state or of any other
40 state, or the Comptroller of the Currency of the United States or the
41 Board of Governors of the Federal Reserve System; and (8) "benefits
42 under an employee health, welfare or retirement plan" means one or
43 more benefits or services under any plan established or maintained for
44 employees or their families or dependents, or for both, including, but
45 not limited to, medical, surgical or hospital care benefits, benefits in
46 the event of sickness, accident, disability or death, benefits in the event
47 of unemployment, retirement benefits, vacation benefits, legal service
48 benefits, or training benefits.

49 (b) On and after July 1, 2000, the wages paid on an hourly basis to
50 any employee of a required employer in the provision of food,

51 building, property or equipment services provided to the state
52 pursuant to a contract or agreement with the state or any state agent,
53 shall be at a rate not less than the standard rate determined by the
54 Labor Commissioner pursuant to subsection (g) of this section. In
55 addition, each hourly nonsupervisory employee shall be granted time
56 off with pay for any legal holiday. If a legal holiday falls on a Saturday
57 or Sunday, employees shall be granted equivalent time off with pay on
58 the Friday immediately preceding such Saturday or Sunday, or given
59 another day off in lieu thereof.

60 (c) Any required employer or agent of such employer that violates
61 subsection (b) of this section shall pay a civil penalty in an amount not
62 less than two thousand five hundred dollars but not more than five
63 thousand dollars for each offense. The contracting department of the
64 state that has imposed such civil penalty on the required employer or
65 agent of such employer shall, within two days after taking such action,
66 notify the Labor Commissioner, in writing, of the name of the
67 employer or agent involved, the violations involved and steps taken to
68 collect the fine.

69 (d) The Labor Commissioner may make complaint to the proper
70 prosecuting authorities for the violation of any provision of subsection
71 (b) of this section.

72 (e) For the purpose of predetermining the standard rate of covered
73 wages on an hourly basis, the Labor Commissioner shall establish
74 classifications for all hourly nonsupervisory employees based on the
75 applicable occupation codes and titles set forth in the federal Register
76 of Wage Determinations under the Service Contract Act of 1965, 41
77 USC 351, et seq. The Labor Commissioner shall then determine the
78 standard rate of wages for each classification of hourly nonsupervisory
79 employees which shall be [equivalent to] (1) the prevailing rate of
80 wages paid to employees in each classification, or if there is no such
81 prevailing rate of wages, the minimum hourly wages set forth in the
82 federal Register of Wage Determinations under the Service Contract

83 Act, plus (2) the prevailing rate of benefits paid to employees in each
84 classification, or if there is no such prevailing rate of benefits, a thirty
85 per cent surcharge on the amount determined in subdivision (1) of this
86 subsection to cover the cost of any health, welfare and retirement
87 [plans] benefits or, if no such [plan is in effect between] benefits are
88 provided to the employees, [and the employer,] an amount equal to
89 thirty per cent of the [hourly wage] amount determined in subdivision
90 (1) of this subsection, which shall be paid directly to the employees.
91 The standard rate of wages for any employee, entitled to receive such
92 rate on or before October 1, 2009, shall not be less than the minimum
93 hourly wage for the classification set forth in the federal Register Of
94 Wage Determinations under the Service Contract Act plus the
95 prevailing rate of benefits for such classification for as long as that
96 employee continues to work for a required employer.

97 (f) Required employers with employees covered by collective
98 bargaining agreements which call for wages and benefits that are
99 reasonably related to the standard rate shall not be economically
100 disadvantaged in the bidding process, provided the collective
101 bargaining agreement was arrived at through arms-length
102 negotiations.

103 (g) The Labor Commissioner shall, in accordance with subsection (e)
104 of this section, determine the standard rate of wages for each
105 classification on an hourly basis where any covered services are to be
106 provided, and the state agent empowered to let such contract shall
107 contact the Labor Commissioner at least ten days prior to the date such
108 contract will be advertised for bid, to ascertain the standard rate [of
109 wages] and shall include the standard rate [of wages] on an hourly
110 basis for all classifications of employment in the proposal for the
111 contract. The standard rate of wages on an hourly basis shall, at all
112 times, be considered the minimum rate for the classification for which
113 it was established. Where a required employer is awarded a contract to
114 perform services that are substantially the same as services that have
115 been rendered under a predecessor contract, such required employer

116 shall retain all employees who had been performing services under
117 such predecessor contract for at least ninety days following or after the
118 date of first performance of services under the successor service
119 contract. During such ninety-day period, the successor contract shall
120 not discharge without just cause an employee retained pursuant to this
121 subsection. If the performance of an employee retained pursuant to
122 this subsection is satisfactory during the ninety-day period, the
123 successor contractor shall offer the employee continued employment
124 for the duration of the successor contract.

125 (h) Each required employer subject to the provisions of this section
126 shall (1) keep, maintain and preserve such records relating to the
127 wages and hours worked by each employee and a schedule of the
128 occupation or work classification at which each person is employed
129 during each work day and week in such manner and form as the Labor
130 Commissioner establishes to assure the proper payments due to such
131 employees, and (2) upon written request, submit to the contracting
132 state agent a certified payroll which shall consist of a complete copy of
133 such records accompanied by a statement signed by the employer
134 which indicates that (A) such records are correct, (B) the rate of wages
135 paid to each employee is not less than the standard rate of wages
136 required by this section, (C) such employer has complied with the
137 provisions of this section, and (D) such employer is aware that filing a
138 certified payroll which it knows to be false is a class D felony for which
139 such employer may be fined not more than five thousand dollars or
140 imprisoned not more than five years, or both. Notwithstanding the
141 provisions of section 1-210, the certified payroll shall be considered a
142 public record and every person shall have the right to inspect and copy
143 such record in accordance with the provisions of section 1-212. The
144 provisions of subsections (a) and (b) of section 31-59, section 31-66 and
145 section 31-69 which are not inconsistent with the provisions of this
146 section shall apply. Any person who files a false certified payroll in
147 violation of subdivision (2) of this subsection shall be guilty of a class
148 D felony for which such person may be fined not more than five
149 thousand dollars or imprisoned not more than five years, or both.

150 (i) This section shall not apply to contracts, agreements or grants
151 which do not exceed forty-nine thousand nine hundred ninety-nine
152 dollars per annum.

153 (j) On receipt of a complaint for nonpayment of the standard rate of
154 wages, the Labor Commissioner, the Director of Wage and Workplace
155 Standards and wage enforcement agents of the Labor Department shall
156 have power to enter, during usual business hours, the place of
157 business or employment of any employer to determine compliance
158 with this section, and for such purpose may examine payroll and other
159 records and interview employees, call hearings, administer oaths, take
160 testimony under oath and take depositions in the manner provided by
161 sections 52-148a to 52-148e, inclusive. The commissioner or the
162 director, for such purpose, may issue subpoenas for the attendance of
163 witnesses and the production of books and records. Any required
164 employer, an officer or agent of such employer, or the officer or agent
165 of any corporation, firm or partnership who wilfully fails to furnish
166 time and wage records as required by law to the commissioner, the
167 director or any wage enforcement agent upon request or who refuses
168 to admit the commissioner, the director or such agent to a place of
169 employment or who hinders or delays the commissioner, the director
170 or such agent in the performance of any duties in the enforcement of
171 this section shall be fined not less than twenty-five dollars nor more
172 than one hundred dollars, and each day of such failure to furnish time
173 and wage records to the commissioner, the director or such agent shall
174 constitute a separate offense, and each day of refusal of admittance, of
175 hindering or of delaying the commissioner, the director or such agent
176 shall constitute a separate offense.

177 (k) Notwithstanding subsection (i) of this section, any employer that
178 pays the state for a franchise to provide food preparation or service, or
179 both, for the state shall be required to certify that the wages and
180 benefits paid to its employees are not less than the standard rate
181 established pursuant to this section.

182 (l) The Labor Commissioner may adopt regulations, in accordance
183 with chapter 54, to carry out the provisions of this section.

184 (m) The provisions of this section and any regulation adopted
185 pursuant to subsection (l) of this section shall not apply to any contract
186 or agreement entered into before July 1, 2000.

187 (n) As used in this section, (1) "employee benefit fund" means any
188 trust fund established by one or more employers and one or more
189 labor organizations or one or more other third parties not affiliated
190 with such employers to provide from such trust fund, whether
191 through the purchase of insurance or annuity contracts or otherwise,
192 benefits under an employee health, welfare or retirement plan, but
193 does not include any such fund where the trustee, or trustees, are
194 subject to supervision by the Banking Commissioner of this state or of
195 any other state, or the Comptroller of the Currency of the United States
196 or the Board of Governors of the Federal Reserve System; and (2)
197 "benefits under an employee health, welfare or retirement plan" means
198 one or more benefits or services under any plan established or
199 maintained for employees or their families or dependents, or for both,
200 including, but not limited to, medical, surgical or hospital care
201 benefits, benefits in the event of sickness, accident, disability or death,
202 benefits in the event of unemployment, retirement benefits, vacation
203 benefits, legal service benefits, or training benefits.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2009	31-57f

Statement of Purpose:

To tie the wage of certain employees in the state to the prevailing wage paid to the majority of workers of the same classification working in Hartford.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]