

Public Hearing Labor Committee March 1, 2010

S.B. 987

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Good afternoon Chairwoman, Ms. Prague. Chairman, Mr. Zalaski. Members of the committee. Thank you for holding this undeniably important and timely hearing.

My name is Kimberly Glassman. I am the Director of the Foundation for Fair Contracting. We are a labor management organization, tasked with assisting workers, both union and non-union, with recovering wages through the Department of Labor. We also assist contractors, who abide by prevailing wage and licensing laws, with being awarded bids on contracting jobs.

Ultimately, though, the FFC provides a service to the state of Connecticut. At no cost to the Departments of Labor, Consumer Protection and Revenue Services, as well as the Attorney General's office, we monitor construction jobs for violations and file those violations with the appropriate department so that the state can both collect fines, as well as possibly disbar certain repeat offenders. This in turn levels the playing field for CT based workers and contractors who adhere to our labor laws.

I am here today to speak in support of S.B. 987. While it is the FFC's job to recover wages for laborers, to work with law abiding contractors and to monitor job sites for our State. The FFC also wants to help our departments become more stream-lined and efficient.

Our foundation alone has 5 ongoing cases with the Dept. of Revenue Services, 16 ongoing cases with the Dept. of Consumer Protection and over 20 ongoing cases with the Dept. of Labor, some of these cases dating back to 2008 with no resolution in sight. There is one case in particular I would like to briefly summarize.

In 2008 two laborers came forward who were working on a job for the Bennett Middle School in Manchester. These two laborers were painters who were tasked with work using brushes, rollers, blasts and sprays. This construction job fell under prevailing wage, so for the brush and roller work these gentlemen were to be paid, according to law, \$27.87 per hour with \$14.00 in benefits which would cover their Workman's Comp, FICA and health insurance. For the work in which they used the blast and spray, according to law, they were to be paid \$30.87 per hour with \$14.00 in benefits, again to cover Workman's Comp, FICA and health insurance.

The two workers were paid by a company they were not hired by, receiving checks under a different company name. After a few of the checks bounced, they came to us to investigate. What we found was that since the workers were not being paid by the company hired to work at the Bennett Middle School, they were not even listed on the certified pay rolls. What this means is that should an accountant come in to audit the job, these guys wouldn't even exist.

And although these workers never received pay check stubs, they made copies of the checks for their records. They were being paid *\$14.00 an hour*. That's it. They weren't being paid the prevailing wage rate and therefore were not being paid their fringe benefits. And though they were showing up to work everyday, they were not listed on the certified pay rolls and were not being paid by the company they were hired by.

Unfortunately, this scenario is not unique. But it can be avoided, or at the very least, curbed.

The FFC files complaints like this one fairly often. But we don't see resolutions often enough. And already our state departments are understaffed and feeling even more a tightening of the belt. Less resources means less monitoring means less revenue.

If we can curb *some* of these violations, we can take the burden off of the Dept. of Labor, Dept. of Consumer Protection, Dept. of Revenue Services, the Attorney General's office and ultimately off the CT taxpayer.

S.B. 987 is a bill that will be beneficial to the state of Connecticut, not simply because it would help the worker get paid what is set forth in the law. And help the worker with their quality of life. The bill would also relieve the unduly burdensome barrage of violations and complaints filed with our departments nearly everyday.

If S.B. 987 passes, we believe there will be many less violations and much less need for monitoring jobs and investigating complaints.

I do hope that the committee votes in favor of this bill.

Thank you for your time.