



General Assembly

Substitute Bill No. 181

February Session, 2012

* SB00181LAB__031612__ *

AN ACT REQUIRING THE STANDARD AND PREVAILING WAGE BE PAID TO CERTAIN EMPLOYEES OF EMPLOYERS WHO RECEIVED FINANCIAL ASSISTANCE FROM STATE ECONOMIC DEVELOPMENT ENTITIES.

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

1 Section 1. (NEW) (*Effective January 1, 2013, and applicable to any*
2 *agreement for financial assistance entered into on or after said date*) (a) On
3 and after January 1, 2013, if the state or any agency of the state,
4 including the Department of Economic and Community Development,
5 the Connecticut Development Authority or Connecticut Innovations,
6 Incorporated, provides financial assistance to any business
7 organization in an amount greater than or equal to one million dollars,
8 such providing agency shall require, as a condition of receiving
9 financial assistance that (1) the business organization pay, to each
10 employee who provides food, building, property or equipment
11 services, as defined in section 31-57f of the general statutes, within a
12 period of five years from the date the business organization received
13 such assistance, wages greater than or equal to the prevailing rate of
14 wages paid by a required employer, as defined in said section 31-57f,
15 to an employee performing such services pursuant to said section 31-
16 57f, and (2) any contract entered into by the business organization for
17 the provision of food, building, property or equipment services, as
18 defined in said section 31-57f, for a period of five years from the date
19 the business organization received such assistance, shall contain the

20 following provision: "The wages paid on an hourly basis to any person
21 providing food, building, property or equipment services and the
22 amount of payment or contribution paid or payable on behalf of each
23 such person to any employee welfare fund, as defined in section 31-53
24 of the general statutes, shall be at a rate greater than or equal to the
25 prevailing rate of wages paid by a required employer, as defined in
26 section 31-57f of the general statutes, to an employee performing such
27 services pursuant to said section."

28 (b) If a business organization that receives financial assistance fails
29 to pay any employee providing such services at a rate greater than or
30 equal to the prevailing rate of wages, as required by subdivision (1) of
31 subsection (a) of this section, or fails to contract for the payment of
32 employees at a rate greater than or equal to the prevailing rate of
33 wages, as required by subdivision (2) of subsection (a) of this section,
34 the full amount of any financial assistance received and a penalty of
35 five per cent of such amount shall be repaid by the business
36 organization to the providing agency. For purposes of this section,
37 "financial assistance" includes, but is not limited to, all forms of loans,
38 grants, guarantees and tax abatements.

39 Sec. 2. (NEW) (*Effective January 1, 2013, and applicable to any contract*
40 *for construction, remodeling, refinishing, refurbishing, rehabilitation,*
41 *alteration or repair entered into on or after said date*) (a) On and after
42 January 1, 2013, if the state or any agency of the state, including the
43 Department of Economic and Community Development, the
44 Connecticut Development Authority or Connecticut Innovations,
45 Incorporated, provides financial assistance to any business
46 organization in an amount greater than or equal to one million dollars
47 for the construction, remodeling, refinishing, refurbishing,
48 rehabilitation, alteration or repair of any property owned by such
49 business organization, such providing agency shall require, as a
50 condition of receiving financial assistance, that the contract entered
51 into by the business organization for such construction, remodeling,
52 refinishing, refurbishing, rehabilitation, alteration or repair of any
53 property shall contain the following provision: "The wages paid on an

54 hourly basis to any person performing the work of any mechanic,
 55 laborer or worker on the work herein contracted to be done and the
 56 amount of payment or contribution paid or payable on behalf of each
 57 such person to any employee welfare fund, as defined in section 31-53
 58 of the general statutes, shall be at a rate equal to the rate customary or
 59 prevailing for the same work in the same trade or occupation for a
 60 public works project constructed in the town in which the property is
 61 located. Any contractor who is not obligated by agreement to make
 62 payment or contribution on behalf of such persons to any such
 63 employee welfare fund shall pay to each mechanic, laborer or worker
 64 as part of such person's wages the amount of payment or contribution
 65 that would be payable under said section 31-53 for such person's
 66 classification on each pay day."

67 (b) On and after January 1, 2013, a business organization that (1)
 68 received financial assistance from the state or any agency of the state,
 69 (2) entered into a contract for the construction, remodeling, refinishing,
 70 refurbishing, rehabilitation, alteration or repair of any property owned
 71 by such business organization, and (3) did not include the provision
 72 required pursuant to subsection (a) of this section in such contract,
 73 shall repay the full amount of any financial assistance received and a
 74 penalty of five per cent to the providing agency. For purposes of this
 75 section, "financial assistance" includes, but is not limited to, all forms
 76 of loans, grants, guarantees and tax abatements.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2013, and applicable to any agreement for financial assistance entered into on or after said date</i>	New section

Sec. 2	<i>January 1, 2013, and applicable to any contract for construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair entered into on or after said date</i>	New section
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Statement of Legislative Commissioners:

In section 1(a)(1), a comma was inserted after "pay" to comply with the proper rules of grammar, "for" was deleted and "within" was inserted in lieu thereof for clarity and to conform with the style of the general statutes, and "on an hourly basis" was deleted for consistency and to reflect the intent of the committee.

LAB *Joint Favorable Subst.*