



General Assembly

Substitute Bill No. 1075

January Session, 2013



**AN ACT CONCERNING NONWAGE PAYMENTS IN THE
CONSTRUCTION INDUSTRY AND DAMAGE AWARDS IN WAGE
CLAIM CASES.**

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

1 Section 1. (NEW) (*Effective October 1, 2013*) (a) For purposes of this
2 section:

3 (1) "Administrator of the Unemployment Compensation Fund"
4 means the Labor Commissioner;

5 (2) "Construction services" means any erection, excavation,
6 installation, alteration, addition, modification, repair, improvement,
7 demolition, destruction, dismantling or removal of all or any part of a
8 building, structure, dock, wharf, surface or subsurface construction on
9 or attached to any real property;

10 (3) "Commissioner" means the Commissioner of Revenue Services;

11 (4) "Construction services provider" means any person in the
12 business of performing construction services that is paid by a payor for
13 performing such services;

14 (5) "Payor" means any person in the business of performing
15 construction services that makes payment to a construction services
16 provider; and

17 (6) "Person" means an individual, individuals, firm, partnership,
18 association, corporation, limited liability company, business trust, legal
19 representative or organized group of persons.

20 (b) Any payor that makes payment, other than wages, but including
21 payment made for materials and equipment, in excess of six hundred
22 dollars in any calendar year to a construction services provider shall
23 provide notice of such payment to the construction services provider
24 and the Commissioner of Revenue Services on a form prescribed by
25 the commissioner. Such form shall be submitted by the payor on or
26 before January thirty-first of the year following the calendar year in
27 which such payment was made and shall include: (1) The name and
28 address of the payor; (2) the name, address and tax identification
29 number of the construction services provider; (3) the amount of such
30 payment and the cumulative amount of all payments made by the
31 payor to the construction services provider in the calendar year; and
32 (4) any other information that the commissioner may require.

33 (c) The commissioner shall transmit the notice submitted by the
34 payor pursuant to subsection (b) of this section to the Administrator of
35 the Unemployment Compensation Fund not later than the first day of
36 the month following the calendar year in which the commissioner
37 receives such notice. The commissioner may share any information
38 contained in the notice with any other state or federal law enforcement
39 agency.

40 (d) Any payor that fails to provide notice to the construction
41 services provider and the commissioner as required pursuant to
42 subsection (b) of this section shall be fined not more than two hundred
43 fifty dollars for each such failure.

44 Sec. 2. Section 31-72 of the general statutes is repealed and the
45 following is substituted in lieu thereof (*Effective October 1, 2013*):

46 When any employer fails to pay an employee wages in accordance
47 with the provisions of sections 31-71a to 31-71i, inclusive, or fails to

48 compensate an employee in accordance with section 31-76k or where
 49 an employee or a labor organization representing an employee
 50 institutes an action to enforce an arbitration award which requires an
 51 employer to make an employee whole or to make payments to an
 52 employee welfare fund, unless the employer proves a good faith basis
 53 for believing that its underpayment of wages was in compliance with
 54 the law, such employee or labor organization [may] shall recover, in a
 55 civil action, twice the full amount of such wages, with costs and such
 56 reasonable attorney's fees as may be allowed by the court, and any
 57 agreement between him and his employer for payment of wages other
 58 than as specified in said sections shall be no defense to such action.
 59 The Labor Commissioner may collect the full amount of any such
 60 unpaid wages, payments due to an employee welfare fund or such
 61 arbitration award, as well as interest calculated in accordance with the
 62 provisions of section 31-265 from the date the wages or payment
 63 should have been received, had payment been made in a timely
 64 manner. In addition, the Labor Commissioner may bring any legal
 65 action necessary to recover twice the full amount of unpaid wages,
 66 payments due to an employee welfare fund or arbitration award, and
 67 the employer shall be required to pay the costs and such reasonable
 68 attorney's fees as may be allowed by the court. The commissioner shall
 69 distribute any wages, arbitration awards or payments due to an
 70 employee welfare fund collected pursuant to this section to the
 71 appropriate person.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2013</i>	New section
Sec. 2	<i>October 1, 2013</i>	31-72

LAB *Joint Favorable Subst.*