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## **Raised Bill No. 412, AAC The Enforcement of Certain Licensing Statutes**

### **Committee on General Law**

**March 11, 2014**

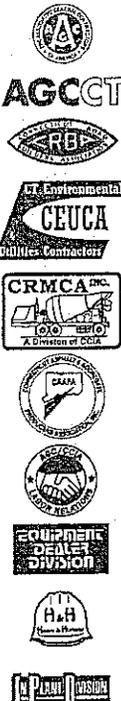
### **CCIA Position: Supports Concept with Amendments**

The Connecticut Construction Industries Association is comprised of a number of substantial firms in various sectors of the construction industry who have a great deal of experience performing work under the state occupational licensing statutes. Those firms include union and non-union building contractors, heavy civil contractors, environmental contractors, utility contractors, and transportation contractors that rely on employees who are properly credentialed to perform licensed work as part of the normal course of conducting business.

CCIA has been a principle supporter of the Connecticut Department of Labor's administration of statutes that provide for the use of stop work orders for wage and hour violations. CCIA understands that Raised Bill No. 412 attempts to apply a similar concept to licensing enforcement. Our association fully appreciates the attention that leadership in the General Assembly is paying to this important issue, and respects the work that the task force has done to enhance the Connecticut General Statutes to address licensing violations.

CCIA supports the concept of this bill, however has serious concerns that the provisions in this measure create a statutory scheme that can be abused in unintended ways for improper purposes. CCIA respectfully requests that the committee consider amending this bill to guard against the improper abuse that may arise if this measure is used as a means to exploit licensing laws to gain leverage and threaten contractors when jurisdictional disputes are being contested.

Jurisdictional disputes between construction trade unions are common in the industry. Disputes between licensed and unlicensed trades are more dynamic due to the potential consequences of a person or contractor being found in violation of occupational licensing laws. Contractors take the threat of licensing violations very seriously and can be caught in very challenging situations when trade unions dispute the assignment of work on a project and one trade claims the work is licensable. Contractors also know that delays on scheduled work can be expensive on construction project, and that a cease work order placed on an employee, several members of a crew, or every participant in an operation when a licensed trade is engaged in a jurisdictional dispute with an unlicensed trade can irrevocably harm all of the project participants, including an owner.



CCIA suggests that bona fide jurisdictional disputes be specifically excluded from the provisions of this bill.

Several other provisions in this bill that are intended to improve enforcement may have similar unintended consequences as jurisdictional disputes interact with licensing laws.

- The bill lowers the legal standard for violations from willful to negligent which makes it more subjective and vastly broadens the scope of potential threats against contractors assigning work that is subject to jurisdictional disputes on licensing grounds. CCIA suggests that the negligence provisions be removed from the bill.
- The bill makes the cease work order mandatory, which takes needed discretion away from judicious enforcement and raises the stakes to a contractor when unions engage in these jurisdictional disputes. CCIA suggests that the mandatory requirement be replaced with a permissive provision.
- The bill places the licensing boards on par with the Commissioner, which can lead to conflicting decisions between the board and the Commissioner that could take weeks or months to resolve. CCIA suggests that the authority of the commissioner be maintained.

Any one of these provisions as drafted, or all of them taken together, can exacerbate the situation when a contractor is caught in the middle of a jurisdictional dispute between trade unions.

For all of these reasons and more, CCIA respectfully requests that this committee amend the bill to guard against potential abuse before considering whether it is an effective and appropriate measure to address licensing violations in the construction trades.

Please contact Don Shubert, CCIA President, at 860-529-6855, or at [dshubert@ctconstruction.org](mailto:dshubert@ctconstruction.org) if you have any questions or if you need additional information.

*For more than 80 years, CCIA has represented the commercial construction industry in Connecticut, carrying on its founding members' belief in the power of collective action and cooperation to grow the industry. One of the Association's oldest entities, the Connecticut Road Builders Association, was formed in 1933. CCIA is an organization of associations, where various segments of the commercial construction industry work together to advance and promote their shared interests. CCIA is comprised of over 300 members, including contractors, subcontractors, material producers, equipment and material suppliers, professionals such as accountants, attorneys, engineers, surety and insurance companies, as well as other professionals allied with the state's construction industry.*