



General Assembly

February Session, 2014

**Raised Bill No. 5071**

LCO No. 316



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:  
(LAB)

**AN ACT CONCERNING CIVIL ACTIONS AGAINST AN EMPLOYER  
FOR FAILURE TO PAY WAGES OR COMPENSATION OR MAKE  
PAYMENTS TO AN EMPLOYEE WELFARE FUND.**

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

1 Section 1. Section 31-72 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2014*):

3 When any employer fails to pay an employee wages in accordance  
4 with the provisions of sections 31-71a to 31-71i, inclusive, or fails to  
5 compensate an employee in accordance with section 31-76k or where  
6 an employee or a labor organization representing an employee  
7 institutes an action to enforce an arbitration award which requires an  
8 employer to make an employee whole or to make payments to an  
9 employee welfare fund, such employee or labor organization [may]  
10 shall recover, in a civil action, twice the full amount of such wages,  
11 with costs and such reasonable attorney's fees as may be allowed by  
12 the court, [and any] unless the employer establishes that the employer  
13 had a good faith belief that its underpayment of wages was in  
14 compliance with law. Any agreement between [him] an employee and

15 his or her employer for payment of wages other than as specified in  
16 said sections shall be no defense to such action. The Labor  
17 Commissioner may collect the full amount of any such unpaid wages,  
18 payments due to an employee welfare fund or such arbitration award,  
19 as well as interest calculated in accordance with the provisions of  
20 section 31-265 from the date the wages or payment should have been  
21 received, had payment been made in a timely manner. In addition, the  
22 Labor Commissioner may bring any legal action necessary to recover  
23 twice the full amount of unpaid wages, payments due to an employee  
24 welfare fund or arbitration award, and the employer shall be required  
25 to pay the costs and such reasonable attorney's fees as may be allowed  
26 by the court. The commissioner shall distribute any wages, arbitration  
27 awards or payments due to an employee welfare fund collected  
28 pursuant to this section to the appropriate person.

29 Sec. 2. Subsection (e) of section 31-273 of the 2014 supplement to the  
30 general statutes is repealed and the following is substituted in lieu  
31 thereof (*Effective January 1, 2015*):

32 (e) If the administrator determines that any person, firm or  
33 corporation has wilfully failed to declare the payment of wages on  
34 payroll records, the administrator may impose a penalty of ten per  
35 cent of the total contributions [past] due to the administrator during  
36 the entire period the person, firm or corporation wilfully failed to  
37 declare the payment of wages on payroll records, as determined  
38 pursuant to section 31-270. Such penalty shall be in addition to any  
39 other applicable penalty and interest under section 31-266. In addition,  
40 the administrator may require the person, firm or corporation to make  
41 contributions at the maximum rate provided in section 31-225a for a  
42 period of one year following the determination by the administrator  
43 concerning the wilful nondeclaration. If the person, firm or corporation  
44 is paying or should have been paying, the maximum rate at the time of  
45 the determination, the administrator may require that such maximum  
46 rate continue for a period of three years following the determination.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014</i>	31-72
Sec. 2	<i>January 1, 2015</i>	31-273(e)

***Statement of Purpose:***

To allow employees or labor organizations to recover twice the full amount of damages associated with an employer's failure to pay wages unless the employer can demonstrate a good faith belief that it was complying with the law and to clarify the time period the administrator may use to calculate damages when any person, firm or corporation has wilfully failed to declare the payment of wages on payroll records.

*[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.]*