



# Senate

General Assembly

**File No. 313**

February Session, 2014

Substitute Senate Bill No. 64

*Senate, April 3, 2014*

The Committee on Labor and Public Employees reported through SEN. HOLDER-WINFIELD of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING THE CONNECTICUT EMPLOYMENT AND TRAINING COMMISSION AND AMENDMENTS TO THE DEPARTMENT OF LABOR STATUTES.***

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

1 Section 1. (NEW) (*Effective from passage*) On or before October 1,  
2 2014, and annually thereafter, the Connecticut Employment and  
3 Training Commission shall submit to the Office of Policy and  
4 Management and the joint standing committees of the General  
5 Assembly having cognizance of matters relating to labor, higher  
6 education and education a report card of each program emphasizing  
7 employment placement included in the commission's annual inventory  
8 developed and maintained by the Labor Commissioner pursuant to  
9 section 31-2 of the general statutes. The report card shall, at a  
10 minimum, identify for each program the cost, number of individuals  
11 entering the program, number of individuals satisfactorily completing  
12 the program and the employment placement rates of those individuals  
13 at thirteen and twenty-six-week intervals following completion of the

14 program or a statement as to why such measure is not relevant.

15 Sec. 2. Section 4-66e of the general statutes is repealed and the  
16 following is substituted in lieu thereof (*Effective from passage*):

17 (a) For purposes of this section, "self-sufficiency measurement"  
18 means a calculation of the income an employed adult may need to  
19 meet family needs, including, but not limited to, housing, food, day  
20 care, transportation and medical costs.

21 (b) Not later than January 1, 1999, the Office of Policy and  
22 Management shall contract with a private vendor to develop a self-  
23 sufficiency measurement by October 1, 1999. This measurement shall  
24 take into account geographical variations in costs and the age and  
25 number of children in the family. The value of any state or federal  
26 public assistance benefit received by a recipient of temporary family  
27 assistance shall be calculated into such recipient's self-sufficiency  
28 measurement.

29 (c) Not later than October 31, 1999, the Office of Policy and  
30 Management shall distribute the self-sufficiency measurement to all  
31 state agencies that counsel individuals who are seeking education,  
32 training or employment. Effective October 31, 1999, the Office of Policy  
33 and Management may also distribute the self-sufficiency measurement  
34 to any other entity that requests such measurement. Such state  
35 agencies and other entities may use the self-sufficiency measurement  
36 to assist and guide individuals who are seeking education, training or  
37 employment in establishing personal financial goals and estimating the  
38 amount of income such individuals may need to support their families.

39 [(d) Not later than January 1, 2003, and every three years thereafter,  
40 the Office of Workforce Competitiveness, in consultation with the  
41 Office of Policy and Management, and within existing budgetary  
42 resources, shall update the self-sufficiency measurement developed  
43 pursuant to subsection (b) of this section, and shall distribute the  
44 updated self-sufficiency measurement to all state agencies that counsel  
45 individuals who are seeking education, training or employment.

46 Effective January 1, 2003, the Office of Workforce Competitiveness  
47 may also distribute the updated self-sufficiency measurement to any  
48 other entity that requests such measurement. Such state agencies and  
49 other entities may use the updated self-sufficiency measurement to  
50 assist and guide individuals who are seeking education, training or  
51 employment in establishing personal financial goals and estimating the  
52 amount of income such individuals may need to support their  
53 families.]

54 [(e)] (d) The self-sufficiency measurement shall not be used to: (1)  
55 Analyze the success or failure of any program; (2) determine or  
56 establish eligibility or benefit levels for any state or federal public  
57 assistance program, including, but not limited to, temporary family  
58 assistance, child care assistance, medical assistance, state administered  
59 general assistance, supplemental nutrition assistance or eligibility for  
60 the HUSKY plan; (3) determine whether a person subject to time-  
61 limited benefits under the temporary family assistance program  
62 qualifies for an extension of benefits under such program; or (4)  
63 supplement the amount of benefits awarded under the temporary  
64 family assistance program.

65 Sec. 3. Section 31-2d of the 2014 supplement to the general statutes is  
66 repealed and the following is substituted in lieu thereof (*Effective from*  
67 *passage*):

68 Any order or regulation of the Office of Workforce Competitiveness  
69 affecting the functions, powers, duties and obligations set forth in this  
70 section and sections 4-124w, 4-124z, 4-124bb, 4-124ff, 4-124gg, 4-124hh,  
71 4-124tt [, 4-124uu] and 4-124vv which is in force on July 1, 2011, shall  
72 continue in force and effect as an order or regulation of the Labor  
73 Department until amended, repealed or superseded pursuant to law.  
74 Where any orders or regulations of said office and said department  
75 conflict, the Labor Commissioner may implement policies and  
76 procedures consistent with the provisions of this section and sections  
77 4-124w, 4-124z, 4-124bb, 4-124ff, 4-124gg, 4-124hh, 4-124tt, [4-124uu,] 4-  
78 124vv, 10-95h, 10a-11b, 10a-19d, 31-3h, as amended by this act, and 31-

79 3k while in the process of adopting the policy or procedure in  
80 regulation form, provided notice of intention to adopt regulations is  
81 printed in the Connecticut Law Journal not later than twenty days after  
82 implementation. The policy or procedure shall be valid until the time  
83 final regulations are effective.

84 Sec. 4. Subsection (b) of section 31-3h of the general statutes is  
85 repealed and the following is substituted in lieu thereof (*Effective from*  
86 *passage*):

87 (b) The duties and responsibilities of the commission shall include:

88 (1) Carrying out the duties and responsibilities of a state job training  
89 coordinating council pursuant to the federal Job Training Partnership  
90 Act, 29 USC 1532, as amended, a state human resource investment  
91 council pursuant to 29 USC 1501 et seq., as amended, and such other  
92 related entities as the Governor may direct;

93 (2) Reviewing all employment and training programs in the state to  
94 determine their success in leading to and obtaining the goal of  
95 economic self-sufficiency and to determine if such programs are  
96 serving the needs of Connecticut's workers, employers and economy;

97 (3) Developing a plan for the coordination of all employment and  
98 training programs in the state to avoid duplication and to promote the  
99 delivery of comprehensive, individualized employment and training  
100 services. The plan shall contain the commission's recommendations for  
101 policies and procedures to enhance the coordination and collaboration  
102 of all such programs and shall be submitted on ~~June 1, 2000~~ January  
103 31, 2015, and annually thereafter, to the Governor for the Governor's  
104 approval;

105 (4) Reviewing and commenting on all employment and training  
106 programs enacted by the General Assembly;

107 (5) Implementing the federal Workforce Investment Act of 1998, P.L.  
108 105-220, as from time to time amended. Such implementation shall  
109 include (A) developing, in consultation with the regional workforce

110 development boards, a single Connecticut workforce development  
111 plan that (i) complies with the provisions of said act and section 31-  
112 11p, and (ii) includes comprehensive state performance measures for  
113 workforce development activities specified in Title I of the federal  
114 Workforce Investment Act of 1998, P.L. 105-220, as from time to time  
115 amended, which performance measures comply with the requirements  
116 of 20 CFR Part 666.100, (B) preparing and submitting a report on the  
117 state's progress in achieving such performance measures to the  
118 Governor and the General Assembly annually on January thirty-first,  
119 (C) making recommendations to the General Assembly concerning the  
120 allocation of funds received by the state under said act and making  
121 recommendations to the regional workforce development boards  
122 concerning the use of formulas in allocating such funds to adult  
123 employment and job training activities and youth activities, as  
124 specified in said act, (D) providing oversight and coordination of the  
125 state-wide employment statistics system required by said act, (E) as  
126 appropriate, recommending to the Governor that the Governor apply  
127 for workforce flexibility plans and waiver authority under said act,  
128 after consultation with the regional workforce development boards, (F)  
129 developing performance criteria for regional workforce development  
130 boards to utilize in creating a list of eligible providers, and (G) on or  
131 before December 31, 1999, developing a uniform individual training  
132 accounts voucher system that shall be used by the regional workforce  
133 development boards to pay for training of eligible workers by eligible  
134 providers, as required under said act;

135 (6) Developing and overseeing a plan for the continuous  
136 improvement of the regional workforce development boards  
137 established pursuant to section 31-3k;

138 (7) Developing incumbent worker, and vocational and manpower  
139 training programs, including customized job training programs to  
140 enhance the productivity of Connecticut businesses and to increase the  
141 skills and earnings of underemployed and at-risk workers, and other  
142 programs administered by the regional workforce development  
143 boards. The Labor Department, in collaboration with the regional

144 workforce development boards, shall implement any incumbent  
145 worker and customized job training programs developed by the  
146 commission pursuant to this subdivision; and

147 (8) Developing a strategy for providing comprehensive services to  
148 eligible youths, which strategy shall include developing youth  
149 preapprentice and apprentice programs through, but not limited to,  
150 technical high schools, and improving linkages between academic and  
151 occupational learning and other youth development activities.

152 Sec. 5. Subsection (b) of section 31-60 of the 2014 supplement to the  
153 general statutes is repealed and the following is substituted in lieu  
154 thereof (*Effective from passage*):

155 (b) The Labor Commissioner shall adopt such regulations, in  
156 accordance with the provisions of chapter 54, as may be appropriate to  
157 carry out the purposes of this part. Such regulations may include, but  
158 are not limited to, regulations defining and governing an executive,  
159 administrative or professional employee and outside salesperson;  
160 learners and apprentices, their number, proportion and length of  
161 service; and piece rates in relation to time rates; and shall recognize, as  
162 part of the minimum fair wage, gratuities in an amount (1) equal to  
163 twenty-nine and three-tenths per cent, and effective January 1, 2009,  
164 equal to thirty-one per cent of the minimum fair wage per hour, and  
165 effective January 1, 2014, equal to thirty-four and six-tenths per cent of  
166 the minimum fair wage per hour, and effective January 1, 2015, equal  
167 to thirty-six and eight-tenths per cent of the minimum fair wage per  
168 hour for persons, other than bartenders, who are employed in the hotel  
169 and restaurant industry, including a hotel restaurant, who customarily  
170 and regularly receive gratuities, (2) equal to eight and two-tenths per  
171 cent, and effective January 1, 2009, equal to eleven per cent of the  
172 minimum fair wage per hour, and effective January 1, 2014, equal to  
173 fifteen and six-tenths per cent of the minimum fair wage per hour, and  
174 effective January 1, 2015, equal to eighteen and one-half per cent of the  
175 minimum fair wage per hour for persons employed as bartenders who  
176 customarily and regularly receive gratuities, and (3) not to exceed

177 thirty-five cents per hour in any other industry, and shall also  
178 recognize deductions and allowances for the value of board, in the  
179 amount of eighty-five cents for a full meal and forty-five cents for a  
180 light meal, lodging, apparel or other items or services supplied by the  
181 employer; and other special conditions or circumstances which may be  
182 usual in a particular employer-employee relationship. The  
183 commissioner may provide, in such regulations, modifications of the  
184 minimum fair wage herein established for learners and apprentices;  
185 persons under the age of eighteen years; and for such special cases or  
186 classes of cases as the commissioner finds appropriate to prevent  
187 curtailment of employment opportunities, avoid undue hardship and  
188 safeguard the minimum fair wage herein established. Regulations in  
189 effect on July 1, 1973, providing for a board deduction and allowance  
190 in an amount differing from that provided in this section shall be  
191 construed to be amended consistent with this section.

192 Sec. 6. Section 31-223 of the 2014 supplement to the general statutes  
193 is repealed and the following is substituted in lieu thereof (*Effective*  
194 *from passage*):

195 (a) Every employer who was subject to this chapter immediately  
196 prior to January 1, 1980, shall continue to be so subject. An employer  
197 not previously subject to this chapter shall become subject to this  
198 chapter as follows: (1) An employer subject to the Federal  
199 Unemployment Tax Act for any year shall be subject to the provisions  
200 of this chapter from the beginning of such year if he had one or more  
201 employees in his employment in the state of Connecticut in such year;  
202 (2) an employer who acquires substantially all of the assets,  
203 organization, trade or business of another employer who at the time of  
204 such acquisition was subject to this chapter shall immediately become  
205 subject to this chapter as a successor employer; (3) an employer who,  
206 after December 31, 1973, (A) in any calendar quarter in either the  
207 current or preceding calendar year paid wages for services in  
208 employment of one thousand five hundred dollars or more, or (B) for  
209 some portion of a day in each of twenty different calendar weeks,  
210 whether or not such weeks were consecutive, in either the current or

211 the preceding calendar year, had in employment at least one  
212 individual irrespective of whether the same individual was in  
213 employment in each such day; (4) an employer for which service in  
214 employment as defined in subdivision (1) (C) of subsection (a) of  
215 section 31-222 is performed after December 31, 1971; (5) an employer  
216 for which service in employment as defined in subdivision (1) (D) of  
217 said subsection (a) is performed after December 31, 1971; (6) an  
218 employer which, together with one or more other employers, is owned  
219 or controlled, by legally enforceable means or otherwise, directly or  
220 indirectly by the same interests, or which owns or controls, by legally  
221 enforceable means or otherwise, one or more other employers, and  
222 which, if treated as a single unit or entity with such other employers or  
223 interests, or both, would be an employer under subdivision (3) of this  
224 subsection and subparagraphs (H) and (J) of subdivision (1) of  
225 subsection (a) of section 31-222; (7) any employer, not defined as such  
226 by any other subdivision of this subsection, (A) for which, within  
227 either the current or preceding calendar year, service is or was  
228 performed with respect to which such employer is liable for any  
229 federal tax against which credit may be taken for contributions  
230 required to be paid into a state unemployment fund, or (B) which, as a  
231 condition for approval of this chapter for full tax credit against the tax  
232 imposed by the federal Unemployment Tax Act, is required, pursuant  
233 to such federal act, to be an "employer" under this chapter; (8) an  
234 employer which, having become an employer under any of  
235 subdivisions (1) to (7), inclusive, of this subsection, has not, under  
236 subsection (c) ceased to be an employer subject to this chapter; (9) for  
237 the effective period of its election pursuant to subsection (b), an  
238 employer which has elected to become subject to this chapter. In  
239 determining whether an employer in question shall be considered, for  
240 the purposes of this section, as having had a particular number of  
241 employees in his employment at a given time, there shall be counted,  
242 in addition to his own employees, if any, (A) the employees of each  
243 employer whose business was at the given time owned or controlled,  
244 directly or indirectly, by the same interests which owned or controlled  
245 the business of the employer in question, and (B) the employees of

246 each employer, substantially all of whose assets, organization, trade or  
247 business has, after the given time during the same calendar year, been  
248 acquired by the employer in question. If an employer shall contract  
249 with or shall have under him any contractor or subcontractor for any  
250 work which is part of said employer's usual trade, occupation,  
251 profession or business, and which is performed in, on or about the  
252 premises under such employer's control, and if such contractor or  
253 subcontractor shall not be subject to this chapter, such employer shall,  
254 for all the purposes of this chapter, be deemed to employ each  
255 individual in the employ of such contractor or subcontractor for each  
256 day during which such individual is engaged solely in performing  
257 such work; but this provision shall not prevent such employer from  
258 recovering from such contractor or subcontractor the amount of any  
259 contributions he may be required by this chapter to pay with respect to  
260 wages of such individuals for such work.

261 (b) Any employer not so subject to this chapter may accept the  
262 provisions of this chapter and become in all respects subject thereto by  
263 agreeing in writing filed with the administrator to pay the  
264 contributions required from employers subject to this chapter. Any  
265 employer with persons in his employ engaged in one or more of the  
266 types of service specified in subdivision (5) of subsection (a) of section  
267 31-222, except the service described by subparagraph (A) thereof, may  
268 elect that the provisions of this chapter apply to such services by  
269 agreeing in writing filed with the administrator to pay the  
270 contributions on wages for such services. Any employer defined in  
271 subdivision (1) (D) or (E) of subsection (a) of section 31-222 or (5) (F) or  
272 (L) of said section may elect either to pay the contributions on wages  
273 for services or to finance benefits on a reimbursable basis, by paying  
274 into the Unemployment Compensation Fund an amount equivalent to  
275 the amount of benefits paid out to claimants who during the applicable  
276 period were paid wages by the employer concerned, said election to be  
277 made in writing to the administrator in accordance with the provisions  
278 of subsection (g) of section 31-225. Any employer may revoke  
279 acceptance of voluntary liability at the end of any calendar year  
280 following the calendar year in which he made such acceptance if he

281 gives written notice to the administrator, accompanied by proof  
282 satisfactory to the administrator that he has paid all contributions due  
283 under the provisions of this chapter and that he has notified his  
284 employees of his intention to revoke such acceptance; such application  
285 to revoke acceptance shall be submitted within thirty days after the  
286 end of a calendar year and the administrator shall render his decision  
287 on such application within sixty days after submission thereof and  
288 such revocation of acceptance shall be effective on the thirty-first day  
289 of December next preceding the giving of written notice from the  
290 administrator to the employer that he is satisfied with such proofs.

291 (c) An employer may cease to be subject to this chapter at the end of  
292 any calendar year following the calendar year in which he became  
293 subject to this chapter if he gives written notice to the administrator,  
294 accompanied by proof satisfactory to the administrator that he has not  
295 employed one employee for at least thirteen weeks during the next-  
296 preceding fifteen months, that he is not subject to the Federal  
297 Unemployment Tax Act, and that he has notified his employees of his  
298 intention to cease to be subject to this chapter; such application for  
299 release shall be submitted within thirty days after the end of a calendar  
300 year and the administrator shall render his decision on such  
301 application within sixty days after submission thereof and the  
302 employer shall cease to be subject to this chapter on the thirty-first day  
303 of December next preceding the giving of written notice from the  
304 administrator to the employer that he is satisfied with such proofs. The  
305 administrator shall waive the requirement for an application for  
306 release whenever it shall appear that the employer was unable to  
307 comply with such requirement for the reason that, at the time when he  
308 had qualified for release from liability under the provisions of this  
309 chapter, he was in good faith not aware of the fact that he was subject  
310 to the provisions of this chapter. An employer who discontinues his  
311 business and enters the armed forces of the United States shall cease  
312 immediately to be subject to this chapter.

313 (d) For the purposes of subdivisions (5) and (7) of subsection (a) of  
314 this section, employment shall include service which would constitute

315 employment but for the fact that such service is deemed to be  
316 performed entirely within another state pursuant to an election under  
317 an arrangement entered into with such state by the administrator and  
318 an agency charged with the administration of any other state or federal  
319 unemployment compensation law.

320 (e) For the purposes of subdivisions (3)(B) and (5) of subsection (a)  
321 of this section, in respect to any week including both December thirty-  
322 first and January first, the days of that week to and including  
323 December thirty-first shall be deemed one calendar week, and the days  
324 beginning and including January first another such week.

325 (f) Any employer not previously subject to this chapter, that  
326 becomes subject to this chapter pursuant to subsection (a) or (b) of this  
327 section, shall provide electronic notice of the same to the administrator,  
328 in a manner prescribed by the administrator, not later than thirty days  
329 after becoming subject to this chapter.

330 (g) Any employer acquiring substantially all of the assets,  
331 organization, trade or business of another employer subject to this  
332 chapter shall provide electronic notice of such acquisition to the  
333 administrator, in a manner prescribed by the administrator, not later  
334 than thirty days after such acquisition. For purposes of this subsection,  
335 trade or business includes an employer's employees.

336 (h) Any employer that fails to provide electronic notice as required  
337 by subsections (f) and (g) of this section shall be liable to the  
338 administrator for a civil penalty of fifty dollars for each violation.

339 Sec. 7. Section 31-254 of the 2014 supplement to the general statutes  
340 is repealed and the following is substituted in lieu thereof (*Effective*  
341 *from passage*):

342 (a) (1) Each employer, whether or not otherwise subject to this  
343 chapter, shall keep accurate records of employment as defined in  
344 subsection (a) of section 31-222, containing such information as the  
345 administrator may by regulation prescribe in order to effectuate the

346 purposes of this chapter. Such records shall be open to, and available  
347 for, inspection and copying by the administrator or his authorized  
348 representatives at any reasonable time and as often as may be  
349 necessary. The administrator may require from any employer, whether  
350 or not otherwise subject to this chapter, any sworn or unsworn reports  
351 with respect to persons employed by him which are necessary for the  
352 effective administration of this chapter. Except as provided in  
353 subdivision (2) of this subsection and subsection (g) of this section,  
354 information obtained shall not be published or be open to public  
355 inspection, other than to public employees in the performance of their  
356 public duties, in any manner revealing the employee's or the  
357 employer's identity, but any claimant at a hearing before a  
358 commissioner shall be supplied with information from such records to  
359 the extent necessary for the proper presentation of his claim. Any  
360 employee of the administrator, or any other public employee, who  
361 violates any provision of this section shall be fined not more than two  
362 hundred dollars or imprisoned not more than six months or both and  
363 shall be dismissed from the service. Reports or records which have  
364 been required by the administrator and which have been used in  
365 computing benefit rights of claimants or in the determination of the  
366 amounts and rates of contributions shall be preserved by the  
367 administrator for a period of at least four years. Those records or  
368 reports required by the administrator which have not been used for the  
369 purpose of computing benefit rights or in the determination of the  
370 amounts or rates of contributions shall be preserved by the  
371 administrator for at least two and one-half years. Such records or  
372 reports may, after preservation for the minimum period required by  
373 this section, be destroyed by the administrator in his discretion,  
374 notwithstanding the provisions of section 11-8a. Notwithstanding any  
375 of the disclosure provisions of this chapter, the administrator shall  
376 provide upon request of the public agency administering the TANF  
377 and child support programs, any information in his possession relating  
378 to individuals: (A) Who are receiving, have received, or have applied  
379 for unemployment insurance; (B) the amount of benefits being  
380 received; (C) the current home address of such individuals; and (D)

381 whether any offer of work has been refused and, if so, a description of  
382 the job and the terms, conditions, and rate of pay therefor.  
383 Notwithstanding any of the disclosure provisions of this chapter, the  
384 administrator shall provide, upon request of the Connecticut Student  
385 Loan Foundation, its officers or employees, any information in his  
386 possession relating to the current residence address or place of  
387 employment of any individual who has been determined by the  
388 Connecticut Student Loan Foundation to be in default on his student  
389 loan. Reimbursement for the cost of furnishing this information shall  
390 be made by the agency requesting the data in a manner prescribed by  
391 the administrator of this chapter.

392 (2) Any authorized user of the CTWorks Business System shall have  
393 access to any information required to be entered into such system by  
394 the federal Trade Adjustment Assistance program, established by the  
395 Trade Act of 1974, as amended by 19 USC 2271 et seq., provided the  
396 user enters into a written agreement with the administrator  
397 establishing safeguards to protect the confidentiality of any  
398 information disclosed to such user. Each authorized user shall  
399 reimburse the administrator for all costs incurred by the administrator  
400 in disclosing information to such user. Information contained in the  
401 system shall not be disclosed or redisclosed to any unauthorized user,  
402 except that aggregate reports from which individual data cannot be  
403 identified may be disclosed. Any person who violates any provision of  
404 this subdivision shall be fined not more than two hundred dollars or  
405 imprisoned not more than six months, or both, and shall be prohibited  
406 from any further access to information in the system.

407 (b) The Labor Department shall administer a state directory of new  
408 hires in accordance with this section. Not later than twenty days after  
409 the date of employment, each employer maintaining an office or  
410 transacting business in this state shall report the name, address and  
411 Social Security number of each new employee employed in this state to  
412 the Labor Department by forwarding to said department a copy of the  
413 Connecticut income tax withholding or exemption certificate  
414 completed by such employee or by any other means consistent with

415 regulations the Labor Commissioner may adopt in accordance with  
416 chapter 54, except that employers reporting magnetically or  
417 electronically shall report new employees, if any, at least twice per  
418 month by transmissions not less than twelve nor more than sixteen  
419 days apart. Each such report shall indicate the name, address and state  
420 and federal tax registration or identification numbers of the employer.  
421 Such information shall be transmitted in a format prescribed by the  
422 Labor Commissioner. Such information shall be entered by the Labor  
423 Department in the state directory of new hires within five business  
424 days of receipt and may be used by the Labor Commissioner in  
425 accordance with his powers and duties but shall be confidential and  
426 shall not be disclosed except as provided in subsections (d) and (e) of  
427 this section and subsection (b) of section 31-254a.

428 (c) (1) For the purposes of this section, "employer" does not include  
429 any department, agency or instrumentality of the United States; or any  
430 state agency performing intelligence or counterintelligence functions, if  
431 the head of such agency has determined that reporting pursuant to this  
432 section with respect to the employee could endanger the safety of the  
433 employee or compromise an ongoing investigation or intelligence  
434 mission. For the purposes of subsections (b) to (e), inclusive, of this  
435 section, the terms "employer" and "employee" shall include persons  
436 engaged in the acquisition and rendition, respectively, of independent  
437 contractual services, provided the expected value of such services for  
438 the calendar year next succeeding the effective date of the contract for  
439 such services, is at least five thousand dollars.

440 (2) An employer that has employees who are employed in this state  
441 and one or more other states and that transmits reports magnetically or  
442 electronically shall not be required to report to this state if such  
443 employer has designated another state in which it has employees to  
444 which it will transmit reports, provided such employer has notified the  
445 Labor Commissioner, in writing, as to which other state it has  
446 designated for the purpose of sending such reports.

447 (d) On a daily basis, in IV-D support cases, as defined in section

448 46b-231, the Department of Social Services shall compile a list of all  
449 individuals who are the subject of a child support investigation or  
450 action being undertaken by the IV-D agency, as defined in section 46b-  
451 231, and shall transmit such list to the Labor Department. The Labor  
452 Department shall promptly identify any new employee who is such an  
453 individual and said department shall transmit to the Department of  
454 Social Services the name, address and Social Security number of each  
455 new employee and the name, address and state and federal tax  
456 registration or identification numbers of the employer. The IV-D  
457 agency shall use such information to locate individuals for purposes of  
458 establishing paternity and establishing, modifying and enforcing child  
459 or medical support orders, and may disclose such information to any  
460 agent of such agency that is under contract to carry out such purposes.  
461 The Labor Commissioner shall require that confidentiality safeguards  
462 be part of the contracting agency's agreement with the Department of  
463 Social Services.

464 [(e) On a biweekly basis, the Department of Social Services shall  
465 compile a list of individuals who are receiving public assistance under  
466 the temporary assistance for needy families, Medicaid, supplemental  
467 nutrition assistance, state supplement and state-administered general  
468 assistance programs and shall transmit such list to the Labor  
469 Department. The Labor Department shall promptly identify any new  
470 employee who is such an individual and said department shall  
471 transmit to the Department of Social Services the name, address and  
472 Social Security number of each such new employee and the name,  
473 address and state and federal tax registration or identification numbers  
474 of the employer.]

475 (e) (1) The Labor Department shall execute memoranda of  
476 understanding with (A) the Department of Social Services, and (B) the  
477 Connecticut Health Insurance Exchange, to establish procedures to  
478 furnish wage and claim information contained in the records required  
479 and maintained by the Labor Commissioner to assist such entities in  
480 the determination of eligibility for public assistance under the  
481 temporary assistance for needy families, Medicaid, food stamps,

482 supplemental security income and other state supplement and state-  
483 administered general assistance programs. Such memoranda of  
484 understanding shall contain appropriate confidentiality safeguards  
485 regarding such wage and claim information.

486 (2) Upon execution of the memoranda of understanding pursuant to  
487 subdivision (1) of this subsection, and upon the request of the  
488 Department of Social Services and the Connecticut Health Insurance  
489 Exchange, the Labor Department shall furnish such wage and claim  
490 information to (A) the Department of Social Services, and any agents of  
491 said department that perform services associated with the Connecticut  
492 Health Insurance Exchange, and (B) the Connecticut Health Insurance  
493 Exchange, and any agents of said exchange.

494 (f) The Department of Social Services and the Connecticut Health  
495 Insurance Exchange shall reimburse the Labor Department for any  
496 costs included in carrying out the provisions of this section, including  
497 the cost of providing a toll-free facsimile number for employers  
498 required to report pursuant to subsection (b) of this section and section  
499 31-254a. The Commissioner of Social Services and the Labor  
500 Commissioner, and the Chief Executive Officer of the Connecticut  
501 Health Insurance Exchange and the Labor Commissioner, shall enter  
502 into [a] separate purchase of service [agreement] agreements which  
503 [establishes] establish procedures necessary for the administration of  
504 subsections (b) to (f), inclusive, of this section.

505 (g) (1) Notwithstanding any of the information disclosure  
506 provisions of this section, the administrator shall disclose information  
507 obtained pursuant to subsection (a) of this section to: (A) A regional  
508 workforce development board, established pursuant to section 31-3k,  
509 to the extent necessary for the effective administration of the federal  
510 Trade Adjustment Assistance Program of the Trade Act of 1974, as  
511 amended from time to time, the federal Workforce Investment Act, as  
512 amended from time to time, and the state employment services  
513 program established pursuant to section 17b-688c for recipients of  
514 temporary family assistance, provided a regional workforce

515 development board, enters into a written agreement with the  
516 administrator, pursuant to subdivision (2) of this subsection,  
517 concerning protection of the confidentiality of such information prior  
518 to the receipt of any such information; (B) a nonpublic entity that is  
519 under contract with the administrator where necessary for the effective  
520 administration of this chapter or with the United States Department of  
521 Labor to administer grants which are beneficial to the interests of the  
522 administrator, provided such nonpublic entity enters into a written  
523 agreement with the administrator, pursuant to subdivision (2) of this  
524 subsection, concerning protection of the confidentiality of such  
525 information prior to the receipt of any such information; (C) the  
526 president of the Board of Regents for Higher Education, appointed  
527 under section 10a-1a, for use in the performance of such president's  
528 official duties to the extent necessary for evaluating programs at  
529 institutions of higher education governed by said board pursuant to  
530 section 10a-1a, provided such president enters into a written  
531 agreement with the administrator, pursuant to subdivision (2) of this  
532 subsection, concerning protection of the confidentiality of such  
533 information prior to the receipt of any such information; or (D) a third  
534 party pursuant to written, informed consent of the individual or  
535 employer to whom the information pertains.

536 (2) Any written agreement shall contain safeguards as are necessary  
537 to protect the confidentiality of the information being disclosed,  
538 including, but not limited to a:

539 (A) Statement from the regional workforce development board,  
540 nonpublic entity, or president of the Board of Regents for Higher  
541 Education, as appropriate, of the purposes for the requested  
542 information and the specific use intended for the information;

543 (B) Statement from the regional workforce development board,  
544 nonpublic entity, or president of the Board of Regents for Higher  
545 Education, as appropriate, that the disclosed information shall only be  
546 used for such purposes as are permitted by this subsection and  
547 consistent with the written agreement;

548 (C) Requirement that the regional workforce development board,  
549 nonpublic entity, or president of the Board of Regents for Higher  
550 Education, as appropriate, store the disclosed information in a location  
551 that is physically secure from access by unauthorized persons;

552 (D) Requirement that the regional workforce development board,  
553 nonpublic entity, or president of the Board of Regents for Higher  
554 Education, as appropriate, store and process the disclosed information  
555 maintained in an electronic format in such a way that ensures that  
556 unauthorized persons cannot obtain the information by any means;

557 (E) Requirement that the regional workforce development board,  
558 nonpublic entity, or president of the Board of Regents for Higher  
559 Education, as appropriate, establish safeguards to ensure that only  
560 authorized persons, including any authorized agent of the board,  
561 nonpublic entity, or president of the Board of Regents for Higher  
562 Education, are permitted access to disclosed information stored in  
563 computer systems;

564 (F) Requirement that the regional workforce development board,  
565 nonpublic entity, or president of the Board of Regents for Higher  
566 Education, as appropriate, enter into a written agreement, that has  
567 been approved by the administrator, with any authorized agent of the  
568 board, nonpublic entity, or president of the Board of Regents for  
569 Higher Education, which agreement shall contain the requisite  
570 safeguards contained in the written agreement between the board,  
571 nonpublic entity, or president of the Board of Regents for Higher  
572 Education and the administrator;

573 (G) Requirement that the regional workforce development board,  
574 nonpublic entity, or president of the Board of Regents for Higher  
575 Education, as appropriate, instruct all persons having access to the  
576 disclosed information about the sanctions specified in this section, and  
577 further require each employee of such board, nonpublic entity, or  
578 president of the Board of Regents for Higher Education, and any agent  
579 of such board, nonpublic entity, or president of the Board of Regents  
580 for Higher Education, authorized to review such information, to sign

581 an acknowledgment that such employee or such agent has been  
582 advised of such sanctions;

583 (H) Statement that redisclosure of confidential information is  
584 prohibited, except with the written approval of the administrator;

585 (I) Requirement that the regional workforce development board,  
586 nonpublic entity, or president of the Board of Regents for Higher  
587 Education, as appropriate, dispose of information disclosed or  
588 obtained under this subsection, including any copies of such  
589 information made by the board, nonpublic entity, or president of the  
590 Board of Regents for Higher Education, after the purpose for which the  
591 information is disclosed has been served, either by returning the  
592 information to the administrator, or by verifying to the administrator  
593 that the information has been destroyed;

594 (J) Statement that the regional workforce development board,  
595 nonpublic entity, or president of the Board of Regents for Higher  
596 Education, as appropriate, shall permit representatives of the  
597 administrator to conduct periodic audits, including on-site inspections,  
598 for the purpose of reviewing such board's, nonpublic entity's, or  
599 president of the Board of Regents for Higher Education's adherence to  
600 the confidentiality and security provisions of the written agreement;  
601 and

602 (K) Statement that the regional workforce development board,  
603 nonpublic entity, or president of the Board of Regents for Higher  
604 Education, as appropriate, shall reimburse the administrator for all  
605 costs incurred by the administrator in making the requested  
606 information available and in conducting periodic audits of the board's,  
607 nonpublic entity's, or president of the Board of Regents for Higher  
608 Education's procedures in safeguarding the information.

609 (3) Any employee or agent of a regional workforce development  
610 board, nonpublic entity, or president of the Board of Regents for  
611 Higher Education, as appropriate, who discloses any confidential  
612 information in violation of this section and the written agreement,

613 entered into pursuant to subdivision (2) of this subsection, shall be  
 614 fined not more than two hundred dollars or imprisoned not more than  
 615 six months, or both, and shall be prohibited from any further access to  
 616 confidential information.

617 Sec. 8. Section 4-124uu of the general statutes is repealed. (*Effective*  
 618 *from passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	4-66e
Sec. 3	<i>from passage</i>	31-2d
Sec. 4	<i>from passage</i>	31-3h(b)
Sec. 5	<i>from passage</i>	31-60(b)
Sec. 6	<i>from passage</i>	31-223
Sec. 7	<i>from passage</i>	31-254
Sec. 8	<i>from passage</i>	Repealer section

**Statement of Legislative Commissioners:**

In section 1, "developed and maintained by the Labor Commissioner pursuant to section 31-2 of the general statutes" was inserted after "annual inventory" for clarity.

**LAB**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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***OFA Fiscal Note******State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill, which changes and expands certain Connecticut Employment and Training Commission (CETC) job placement program reporting requirements, does not result in any fiscal impact to the state or municipalities. It is anticipated that CETC will not require outside expertise or additional staffing as the information required in the report falls within the normal course of the agency's duties.

Additionally, the bill makes a number of technical and conforming changes to the Department of Labor statutes that do not result in any fiscal impact to the state or municipalities.

***The Out Years******State Impact:*** None***Municipal Impact:*** None

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**OLR Bill Analysis****sSB 64*****AN ACT CONCERNING THE CONNECTICUT EMPLOYMENT AND TRAINING COMMISSION AND AMENDMENTS TO THE DEPARTMENT OF LABOR STATUTES.*****SUMMARY:**

This bill makes several changes to the labor statutes. It:

1. changes and expands certain Connecticut Employment and Training Commission (CETC) job placement program reporting requirements,
2. repeals the requirement that the Office of Workforce Competitiveness (OWC) update a self-sufficiency measurement every three years,
3. changes how employment information is exchanged between the Department of Labor (DOL) and the Department of Social Services (DSS),
4. requires DOL to enter into an agreement with the Connecticut Health Insurance Exchange (HIX) for employment information,
5. eliminates the film industry workforce training program, and
6. makes conforming and technical changes (§§ 3,5, and 6).

EFFECTIVE DATE: Upon passage

**§§ 1 & 4 — REPORT CARD ON EMPLOYMENT PLACEMENT PROGRAMS**

The bill requires CETC to submit a new report to the Office of Policy and Management (OPM) and legislature every year and changes the due date for an existing CETC annual report is due.

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***New Report***

The bill requires CETC to annually submit a report card for each employment placement program included in CETC's annual inventory, which the labor commissioner maintains. The report card must identify, for each program, the:

1. cost,
2. number of program participants,
3. number of participants completing the program, and
4. the employment placement rates at 13- and 26-week intervals for those completing the program or a statement saying why such measure is not relevant.

CETC must submit the report to OPM and the Education, Higher Education and Workforce Advancement, and Labor committees by October 1, 2014, and every year thereafter.

***Existing Report***

The bill changes, from June 1 to January 31, the date by which that CETC must submit (1) an annual plan for coordinating all state employment and training programs and (2) recommendations for policies and procedures to improve program coordination. The plan and recommendations are submitted to the governor for approval.

The January 31 date coincides with an existing statutory deadline for CETC to submit a progress report on its duties, responsibilities, and goals to the governor and the Appropriations, Education, Labor, and Human Services committees.

**§ 2 — REPEAL OF SUFFICIENCY MEASUREMENT UPDATE**

The bill repeals the requirement that OWC triennially update a self-sufficiency measurement originally developed by a private vendor under contract with OPM in 1999. It also repeals the requirement that the updated measurement be distributed to all state agencies that counsel people seeking education, training, or employment. The

measurement looks at what is a sufficient income for a person, depending on where he or she lives in the state and the size of the family he or she supports.

### **§ 7 — NEW EMPLOYEES INFORMATION**

The bill replaces a biweekly exchange of information between DSS and DOL to check whether any people receiving public assistance have become employees, with the requirement that DOL execute memoranda of understanding with DSS and HIX to accomplish a similar exchange of information.

The bill requires DOL to execute MOUs with (1) DSS and (2) HIX to establish procedures to furnish wage and claim information from the DOL records to assist DSS and HIX in determining of eligibility for public assistance under:

1. the temporary assistance for needy families (TANF),
2. Medicaid,
3. food stamps,
4. supplemental security income, and
5. other state supplement and state-administered general assistance programs.

The MOUs must contain appropriate confidentiality safeguards regarding the wage and claim information. Presumably, this means safeguards on information such as Social Security numbers.

Once the MOUs are in place, DOL must furnish the wage and claim information to DSS and any of its agents that perform services associated with HIX, and HIX or any of its agents. It is not clear what type of claim information DOL has to share with DSS or HIX.

Under current law, DSS must prepare a biweekly list of people who are receiving public assistance (TANF, Medicaid, supplemental

nutrition assistance, state supplement and state-administered general assistance programs) and send the list to DOL. DOL must promptly identify any new employee on the DSS list and transmit to DSS the name, address, and Social Security number of each new employee along with the name, address, and state and federal tax registration or identification numbers of the employer.

By law, DSS must reimburse DOL for the costs of providing this information and for maintaining a toll-free facsimile number for employers required to report new employee information. The bill also requires HIX to reimburse DOL for these costs. It also requires the HIX chief executive officer to enter into a purchase of service agreement with DOL to establish administrative procedures. By law, the DSS commissioner must already do the same.

**§ 8 — FILM INDUSTRY WORKFORCE TRAINING**

The bill repeals the law requiring OWC to establish a film industry workforce training program. It also repeals the requirement for an annual status report on the program.

**COMMITTEE ACTION**

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 10    Nay 0    (03/18/2014)