



General Assembly

January Session, 2015

***Raised Bill No. 1037***

LCO No. 4267



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:  
(LAB)

***AN ACT CONCERNING EMPLOYEE LIENS AGAINST EMPLOYERS  
FOR UNPAID WAGES.***

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

1 Section 1. (NEW) (*Effective October 1, 2015*) (a) Whenever an  
2 employee is aggrieved by an employer's failure to pay wages in  
3 violation of section 31-68 or 31-72 of the general statutes, the Labor  
4 Commissioner shall have a lien on any property, real or personal, in  
5 which such employer has an interest to enforce payment of twice the  
6 full amount of such wages with costs and such reasonable attorney's  
7 fees that may be allowed by the court pursuant to said sections.

8 (b) To establish a lien for unpaid wages under this section, an  
9 employee shall serve notice of such lien by certified mail to the  
10 employer that failed to pay such wages. Such notice of lien shall  
11 contain such information as will identify (1) the owner of the property  
12 upon which the lien is claimed, (2) the residence or business address of  
13 such owner, (3) the specific property claimed to be subject to such lien,  
14 (4) the location of such property, (5) the amount of wages and accrued  
15 penalties and interest, including reasonable attorney's fees, claimed to

16 be due the employee in relation to the lien, and (6) the tax period or  
17 periods for which such lien is claimed. Such lien shall be filed not later  
18 than three years after the final pay period in which such wages were  
19 due and shall be perfected automatically upon the date that such an  
20 employee's wages become due.

21 (c) An employer may dispute such lien by filing a complaint in  
22 small claims court or the Superior Court where the employer's  
23 property is located not later than thirty days after notice was served on  
24 the employer. A complaint under this section shall include (1) a copy  
25 of the notice served pursuant to subsection (b) of this section, and (2) a  
26 statement of any defense to the lien for unpaid wages with an affidavit  
27 containing a statement of facts that support such defense. Not later  
28 than forty-five days after receiving such complaint, the court shall  
29 determine whether to issue an order establishing such lien and shall  
30 provide written notification to the employer and employee of such  
31 determination. On request of the employer or employee, the court may  
32 hold an evidentiary hearing prior to making such determination.

33 (d) Such lien is established after the court provides written  
34 notification to the employer and employee of such determination,  
35 provided such employer does not file an appeal of such determination  
36 within thirty days after receiving such determination. Such lien shall  
37 be effective for a period of ten years from the date of filing unless  
38 discharged as hereinafter provided.

39 (e) An action to recover unpaid wages by the employee or the Labor  
40 Commissioner shall be deemed an action to foreclose upon any  
41 property subject to a lien established pursuant to subsection (b) of this  
42 section. In any judgment resulting from such action, the commissioner  
43 may order the sale or the transfer to the employee of title or possession  
44 of any property subject to such lien. Any property subject to such lien  
45 may be foreclosed upon at any point after a judgment for unpaid  
46 wages is issued.

47 (f) Notwithstanding any provision of the general statutes, a lien  
48 under this section has priority over the rights of any purchaser of any  
49 property of the employer, including any bona fide purchaser under 11  
50 USC 545(2) and over all other debts, judgments, decrees, liens,  
51 mortgages against the employer, including a lien by a commercial  
52 lending company, regardless of whether these debts, judgments,  
53 decrees, liens or mortgages originate before or after the wage lien, and  
54 regardless of whether these debts, judgments, decrees, liens or  
55 mortgages were perfected prior to the wage lien. An employee's lien is  
56 effective against the employer and the estate of the employer.

57 (g) A wage lien against real property may be recorded with the  
58 town clerk for the town in which any portion of the property is  
59 located. A wage lien against personal property may be recorded in the  
60 same manner a financing statement is filed with the Secretary of the  
61 State.

62 (h) Nothing in this section shall be construed to prevent an  
63 employee from exercising any right or seeking any remedy to which he  
64 or she may otherwise be entitled under any state or federal law.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2015	New section

**Statement of Purpose:**

To enable the Labor Commissioner or an employee to place a lien on an employer's property, real or personal, in which such employer has an interest to enforce payment of wages owed to an employee under chapter 558.

*[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.]*