



General Assembly

**Bill No. 7501**

July 22 Special Session, 2019

LCO No. 11290



Referred to Committee on No Committee

Introduced by:

REP. ARESIMOWICZ, 30<sup>th</sup> Dist.

SEN. DUFF, 25<sup>th</sup> Dist.

REP. RITTER M., 1<sup>st</sup> Dist.

SEN. FASANO, 34<sup>th</sup> Dist.

SEN. LOONEY, 11<sup>th</sup> Dist.

REP. KLARIDES, 114<sup>th</sup> Dist.

**AN ACT CONCERNING THE WORKFORCE TRAINING NEEDS IN THE STATE AND REVISIONS TO AND REGULATION OF GRATUITIES PERMITTED OR APPLIED AS PART OF THE MINIMUM FAIR WAGE.**

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

1 Section 1. Section 31-11hh of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective May 1, 2020*):

3 As used in this section and sections 31-11ii and 31-11jj, as amended  
4 by this act:

5 (1) "Administrative costs" means the costs paid or incurred by the  
6 administrator, including, but not limited to, peer review costs,  
7 professional fees, allocated staff costs and other out-of-pocket costs  
8 attributable to the administration and operation of the Workforce  
9 Training Authority Fund;

10 (2) "Administrator" means the [Department of] Labor

11 Commissioner;

12 (3) "Board" means the Workforce Training Authority established  
13 pursuant to section 31-11ii, as amended by this act; and

14 (4) "Eligible recipient" means a [~~business~~] public or private entity [,  
15 including, but not limited to, those businesses in the bioscience,  
16 insurance, financial services, advanced manufacturing, digital media,  
17 green technology and tourism industry sectors] seeking to develop a  
18 workforce training program, either to grow an existing business or, in  
19 the case of a public entity, as part of partnership with business entities  
20 that have made a commitment to hire successful trainees from the  
21 workforce training program funded by the authority created by section  
22 31-11ii, as amended by this act.

23 Sec. 2. Section 31-11ii of the general statutes is repealed and the  
24 following is substituted in lieu thereof (*Effective May 1, 2020*):

25 (a) There is established a Workforce Training Authority [~~that~~]  
26 within the Labor Department whose purpose is to oversee the grant  
27 program described in section 31-11jj, as amended by this act. The  
28 Workforce Training Authority shall be composed of a board that:

29 (1) Until April 30, 2020, shall consist of the following members: [(1)]  
30 (A) Four appointed by the Governor; [(2)] (B) one appointed by the  
31 president pro tempore of the Senate; [(3)] (C) one appointed by the  
32 Senate Republican president pro tempore; [(4)] (D) one appointed by  
33 the speaker of the House of Representatives; [(5)] (E) one appointed by  
34 the majority leader of the Senate; [(6)] (F) one appointed by the  
35 majority leader of the House of Representatives; [(7)] (G) one  
36 appointed by the minority leader of the Senate; [(8)] (H) one appointed  
37 by the minority leader of the House of Representatives; [(9)] (I) the  
38 Labor Commissioner, or the commissioner's designee, who shall serve  
39 as the chairperson of the board; [(10)] (J) the Commissioner of [the  
40 Department of] Economic and Community Development, or the  
41 commissioner's designee; [(11)] (K) the president of the Connecticut

42 State Colleges and Universities, or the president's designee; [(12)] (L)  
43 the president of The University of Connecticut, or the president's  
44 designee; and [(13)] (M) the Commissioner of Correction, or the  
45 commissioner's designee. [Each legislatively appointed member shall  
46 have skill, knowledge or experience in industries and sciences related  
47 to insurance, financial services, bioscience, advance manufacturing,  
48 digital media, green technology, and tourism. All initial appointments  
49 to the board pursuant to this subsection shall be made not later than  
50 October 1, 2017. Appointed members shall each serve a term that is  
51 coterminous with the respective appointing authority. Each member  
52 shall hold office until a successor is appointed. Any vacancy occurring  
53 on the board, other than by expiration of term, shall be filled in the  
54 same manner as the original appointment for the balance of the  
55 unexpired term.] The term of any member appointed under this  
56 subdivision shall terminate on April 30, 2020;

57 (2) On and after May 1, 2020, shall consist of the following members:  
58 (A) Four appointed by the Governor, one of whom is a representative  
59 of a community college, one of whom is a representative of a state  
60 university, one of whom is a representative of The University of  
61 Connecticut and one of whom is a representative of the independent  
62 colleges; (B) two appointed by the president pro tempore of the Senate,  
63 one of whom is a formerly incarcerated individual or someone who  
64 helps formerly incarcerated individuals find employment and one of  
65 whom is a representative of the Connecticut AFL-CIO; (C) two  
66 appointed by the majority leader of the Senate, one of whom is a  
67 representative of a workforce investment board and one of whom is a  
68 representative of the Connecticut State Building and Construction  
69 Trades Council; (D) two appointed by the speaker of the House of  
70 Representatives, one of whom is a representative of The University of  
71 Connecticut Health Center and one of whom is a representative from a  
72 Connecticut affiliate of the National Urban League or the National  
73 Association for the Advancement of Colored People; (E) two  
74 appointed by the majority leader of the House of Representatives, one

75 of whom is a representative of the Connecticut Center for Advanced  
76 Technology and one of whom is a representative of a Connecticut  
77 chamber of the United States Hispanic Chamber of Commerce; (F) two  
78 appointed by the minority leader of the Senate, one of whom has skill,  
79 knowledge or expertise in the workforce needs of the financial services  
80 industry and one of whom is a representative from the Connecticut  
81 Business and Industry Association Manufacturers Advisory Council;  
82 (G) two appointed by the minority leader of the House of  
83 Representatives, one of whom is a representative from the Connecticut  
84 Association of Public School Superintendents and one of whom has  
85 skill, knowledge and expertise in the workforce needs of the digital  
86 media industry; (H) the Labor Commissioner, or the commissioner's  
87 designee, who shall serve as chairperson of the board; (I) the  
88 Commissioner of Economic and Community Development, or the  
89 commissioner's designee; (J) the Commissioner of Correction, or the  
90 commissioner's designee; (K) the superintendent of the Technical  
91 Education and Career System, or the superintendent's designee; and  
92 (L) the Commissioner of Agriculture, or the commissioner's designee.

93 (b) All initial appointments to the board pursuant to subdivision (2)  
94 of subsection (a) of this section shall be made not later than July 1,  
95 2020. Appointed members shall each serve a term that is coterminous  
96 with the respective appointing authority. Each member shall hold  
97 office until a successor is appointed. Any vacancy occurring on the  
98 board, other than by expiration of term, shall be filled in the same  
99 manner as the original appointment for the balance of the unexpired  
100 term.

101 [(b)] (c) The chairperson shall call the first meeting of the board  
102 appointed under subdivision (2) of subsection (a) of this section not  
103 later than [December 1, 2017] July 1, 2020. The board shall meet at such  
104 times as the chairperson deems necessary.

105 [(c)] (d) No member of the board shall receive compensation for  
106 such member's services.

107        [(d)] (e) A majority of the members of said board shall constitute a  
108 quorum for the transaction of any business or the exercise of any  
109 power of the board. The board may act by a majority of the members  
110 present at any meeting at which a quorum is in attendance for the  
111 transaction of any business or the exercise of any power of the board,  
112 except as otherwise provided in this section.

113        [(e)] (f) Notwithstanding any provision of the general statutes, it  
114 shall not constitute a conflict of interest for a trustee, director, partner,  
115 officer, manager, shareholder, proprietor, counsel, public official acting  
116 in his or her official capacity or employee of an eligible recipient, or  
117 any individual with a financial interest in an eligible recipient, to serve  
118 as a member of the board, provided such trustee, director, partner,  
119 officer, manager, shareholder, proprietor, counsel, employee or  
120 individual shall abstain from deliberation, action or vote by the board  
121 concerning any matter relating to such eligible recipient, except such  
122 public official acting in his or her official capacity shall be permitted to  
123 engage in such deliberation.

124        [(f)] (g) The board may develop industry-specific advisory councils  
125 to provide guidance on job market trends and develop connections  
126 with the business community.

127        Sec. 3. Section 31-11jj of the general statutes is repealed and the  
128 following is substituted in lieu thereof (*Effective May 1, 2020*):

129        (a) There is established the Workforce Training Authority Fund,  
130 which shall be an account [in the Department of] within the Labor  
131 Department. The following moneys shall be deposited in the fund: (1)  
132 Any moneys received as part of a memorandum of understanding  
133 with the Workforce Training Authority; (2) all private contributions,  
134 gifts, grants, donations, bequests or devises received by the fund; and  
135 (3) to the extent not otherwise prohibited by state or federal law, any  
136 local, state or federal funds received by the fund.

137        (b) The Workforce Training Authority Fund shall be used by the

138 administrator: (1) To provide training assistance to eligible recipients  
139 as may be approved by the Workforce Training Authority pursuant to  
140 subsection (e) of this section, and (2) to pay or reimburse the  
141 administrator for administrative costs pursuant to subsection [(c)] (h)  
142 of this section. Such training assistance shall be awarded for the  
143 purpose of: Developing and implementing training programs for the  
144 recruitment of businesses to the state and the training or retraining of  
145 persons in the state to achieve the workforce goals established by the  
146 Connecticut Employment and Training Commission and the relevant  
147 sections of the strategic master plan for higher education developed  
148 pursuant to section 10a-11b. Training assistance shall target job growth  
149 in the areas of construction, health care, early childhood education,  
150 insurance, financial services, bioscience, advance manufacturing,  
151 digital media, green technology, and tourism.

152 (c) All expenditures from the Workforce Training Authority Fund,  
153 except for administrative costs reimbursed to the administrator  
154 pursuant to subsection (h) of this section, shall be approved by the  
155 board, provided the board may delegate to staff of the administrator  
156 the approval of transactions not greater than one hundred thousand  
157 dollars. Any such approval by the board shall be (1) specific to an  
158 individual expenditure to be made; (2) for budgeted expenditures with  
159 such variations as the board may authorize at the time of such budget  
160 approval; or (3) for training assistance programs to be administered by  
161 staff of the administrator, subject to limits, eligibility requirements and  
162 other conditions established by the Workforce Training Authority at  
163 the time of such program approval.

164 (d) The administrator shall provide any necessary staff, office space,  
165 office systems and administrative support for the operation of the  
166 Workforce Training Authority Fund in accordance with this section. In  
167 acting as administrator of the fund, the Labor [Department]  
168 Commissioner shall have and may exercise all of the powers set forth  
169 in the general statutes, provided expenditures from the fund shall be  
170 approved by the Workforce Training Authority pursuant to subsection

171 (c) of this section.

172 (e) The Workforce Training Authority shall establish an application  
173 and approval process with guidelines and terms for the development  
174 and implementation of training programs and training assistance  
175 awarded by the administrator from the Workforce Training Authority  
176 Fund to any eligible recipient. Such guidelines and terms shall include:  
177 (1) A requirement that any applicant for training assistance operate in  
178 the state or propose to relocate operations to the state, in whole or in  
179 part, as a condition of such training assistance; (2) eligibility  
180 requirements for training, including a requirement for applicants to  
181 obtain [matching] funds or in-kind services from nonstate sources; (3)  
182 a process for preliminary review of applications for strength and  
183 eligibility by the administrator before such applications are presented  
184 to the board for consideration; (4) return on investment objectives,  
185 including, but not limited to, job growth and leveraged investment  
186 opportunities; (5) a requirement that any [business] entity that receives  
187 assistance [must] first consider applicants who have completed the  
188 universal intake form; and (6) such other guidelines and terms as the  
189 board determines to be necessary and appropriate in furtherance of the  
190 objectives of this section. In developing such guidelines, the board  
191 shall include considerations for the size of such [businesses] entities  
192 and the number of workers employed by such [businesses] entities.  
193 Additionally, the board shall give consideration to developing training  
194 programs and creating career pathways for women, minorities and  
195 soon to be released and formerly incarcerated individuals.

196 (f) Training assistance awarded to eligible recipients from the  
197 Workforce Training Authority Fund [to eligible recipients] shall be  
198 used for costs related to facilities, necessary furniture, fixtures and  
199 equipment, development of programs, implementation of training  
200 programs, materials and supplies, compensation, apprenticeship and  
201 such other costs that the Workforce Training Authority [Board]  
202 determines [pursuant to subsection (e) of this section] to be eligible for  
203 training assistance within the purposes of this section pursuant to

204 subsection (e) of this section.

205 (g) On July 1, 2018, and prior to [each] the commencement of the  
206 next fiscal year thereafter, the administrator shall prepare a plan of  
207 operations and an operating and capital budget for the Workforce  
208 Training Authority Fund, provided not later than ninety days prior to  
209 the start of each fiscal year, the administrator shall submit such plan  
210 and budget to the board of the Workforce Training Authority [Board]  
211 for its review and approval.

212 (h) Administrative costs shall be paid or reimbursed to the  
213 administrator from the Workforce Training Authority Fund, provided  
214 the total of such administrative costs in any fiscal year shall not exceed  
215 five per cent of the total amount of the allotted funding for such fiscal  
216 year, as determined in the operating budget prepared pursuant to  
217 subsection (g) of this section. Nothing in this section shall be [deemed]  
218 construed to require the administrator to risk or expend the funds of  
219 the Labor Department in connection with the administration of the  
220 Workforce Training Authority Fund.

221 (i) On January 1, 2019, and annually thereafter, the administrator  
222 shall provide a report of the [activities] expenditures of the Workforce  
223 Training Authority Fund to the Workforce Training Authority for the  
224 board's review and approval. Upon such approval, the board shall  
225 provide such report, in accordance with the provisions of section 11-4a,  
226 to the joint standing committees of the General Assembly having  
227 cognizance of matters relating to labor, commerce and employment  
228 advancement. Such report shall contain available information on the  
229 status and progress of the operations of the programs funded by and  
230 [funding] resources of the Workforce Training Authority Fund and the  
231 types, amounts and recipients of financial assistance awarded.

232 (j) The administrator shall consult with the office of apprenticeship  
233 training, the Connecticut Employment and Training Commission, the  
234 Planning Commission on Higher Education and the administrator of



235 the Connecticut Manufacturing Innovation Fund to ensure  
236 coordination and compatibility of the development and  
237 implementation of training programs awarded by the Workforce  
238 Training Authority. [Fund.]

239 Sec. 4. (*Effective from passage*) (a) Not later than May 1, 2020, the  
240 Labor Department, in collaboration with workforce development  
241 boards within the state, shall conduct a study of programs offered to  
242 individuals seeking employment within the state. The topics of such  
243 study shall include, but not be limited to:

244 (1) The location, ownership and management of workforce  
245 development board offices within the state;

246 (2) The number of employees dedicated to assisting individuals  
247 seeking employment in each American Job Center office;

248 (3) The number of individuals seeking employment who are served  
249 through each American Job Center office and by which program on an  
250 annual basis;

251 (4) The number of employers, classified by industry, that utilize  
252 workforce development boards throughout the state;

253 (5) The number of individuals who successfully find employment  
254 through the American Job Centers and the nature of that employment,  
255 classified by industry;

256 (6) The number of individuals who successfully found employment,  
257 then lost that employment, who re-enrolled in an American Job Center  
258 program;

259 (7) The type of training programs;

260 (8) Whether activities offered by individual workforce development  
261 boards are planned in conjunction with the department to maximize  
262 efficiency and avoid duplication of resources;

263 (9) The funding sources for each workforce development board and  
264 any in-kind contributions offered by the state including, but not  
265 limited to, office space, utilities and equipment;

266 (10) Whether an individual seeking employment can simultaneously  
267 participate in a state-operated employment program through the  
268 department and a workforce development board program;

269 (11) The methods by which the department and workforce  
270 development boards coordinate employment programs in each region  
271 of the state; and

272 (12) The methods by which workforce development boards report to  
273 the department and whether the resources currently allocated to the  
274 workforce development boards by the department are adequate for the  
275 operation of the programs offered by the workforce development  
276 boards.

277 (b) Not later than January 1, 2021, the department shall submit, in  
278 accordance with the provisions of section 11-4a of the general statutes,  
279 a report to the joint standing committee of the General Assembly  
280 having cognizance of matters relating to labor detailing the findings of  
281 the study conducted pursuant to subsection (a) of this section.

282 Sec. 5. (NEW) (*Effective from passage*) Not later than April 1, 2020, the  
283 Labor Commissioner shall post on the eRegulations System a notice of  
284 intent to adopt regulations, in accordance with the provisions of  
285 chapter 54 of the general statutes, concerning employees who perform  
286 both service and nonservice duties and allowances for gratuities  
287 permitted or applied as part of the minimum fair wage pursuant to  
288 section 31-60 of the general statutes. The Labor Commissioner shall  
289 consult with representatives of the restaurant industry, restaurant  
290 employees, service employees and other interested stakeholders prior  
291 to posting such notice and shall consider any state and federal  
292 guidance regarding such allowances. Such notice shall also provide for  
293 the repeal of section 31-62-E4 of the regulations of Connecticut state

294 agencies upon the effective date of regulations adopted pursuant to  
295 this section. Regulations adopted pursuant to this section shall be  
296 effective when posted to the eRegulations System web site by the  
297 Secretary of the State.

298 Sec. 6. Subsection (a) of section 31-68 of the general statutes is  
299 repealed and the following is substituted in lieu thereof (*Effective from*  
300 *passage*):

301 (a) (1) If any employee is paid by his or her employer less than the  
302 minimum fair wage or overtime wage to which he or she is entitled  
303 under sections 31-58, 31-59 and 31-60 or by virtue of a minimum fair  
304 wage order he or she shall recover, in a civil action, ~~[(1)]~~ (A) twice the  
305 full amount of such minimum wage or overtime wage less any amount  
306 actually paid to him or her by the employer, with costs and such  
307 reasonable attorney's fees as may be allowed by the court, or ~~[(2)]~~ (B) if  
308 the employer establishes that the employer had a good faith belief that  
309 the underpayment of such wages was in compliance with the law, the  
310 full amount of such minimum wage or overtime wage less any amount  
311 actually paid to him or her by the employer, with costs and such  
312 reasonable attorney's fees as may be allowed by the court.

313 (2) Notwithstanding the provisions of subdivision (1) of this  
314 subsection, if any employee is paid by his or her employer less than the  
315 minimum fair wage or overtime wage to which he or she is entitled  
316 under section 31-62-E4 of the regulations of Connecticut state agencies,  
317 such employee shall recover, in a civil action, (A) twice the full amount  
318 of such minimum wage or overtime wage less any amount actually  
319 paid to such employee by the employer, with costs and such  
320 reasonable attorney's fees as may be allowed by the court, or (B) if the  
321 employer establishes that the employer had a good faith belief that the  
322 underpayment of such wages was in compliance with the law, the full  
323 amount of such minimum wage or overtime wage less any amount  
324 actually paid to such employee by the employer, with costs as may be  
325 allowed by the court. A good faith belief includes, but is not limited to,

326 reasonable reliance on written guidance from the Labor Department.

327 (3) Notwithstanding the provisions of section 52-105 of the general  
328 statutes, no person may be authorized by a court to sue for the benefit  
329 of other alleged similarly situated persons in a case brought for  
330 violations of section 31-62-E4 of the regulations of Connecticut state  
331 agencies, unless such person, in addition to satisfying any judicial  
332 rules of practice governing class action certifications, demonstrates to  
333 the court, under the appropriate burden of proof, that the defendant is  
334 liable to all individual proposed class members because all such  
335 members (A) performed nonservice duties while employed by the  
336 defendant, for more than a de minimis amount of time, that were not  
337 incidental to service duties, and (B) were not properly compensated by  
338 the defendant for some portion of their nonservice duties in  
339 accordance with section 31-62-E4 of the regulations of Connecticut  
340 state agencies.

341 (4) Any agreement between an employee and his or her employer to  
342 work for less than such minimum fair wage or overtime wage shall be  
343 no defense to such action as described in this section. The  
344 commissioner may collect the full amount of unpaid minimum fair  
345 wages or unpaid overtime wages to which an employee is entitled  
346 under said sections or order, as well as interest calculated in  
347 accordance with the provisions of section 31-265 from the date the  
348 wages should have been received, had they been paid in a timely  
349 manner. In addition, the commissioner may bring any legal action  
350 necessary to recover twice the full amount of the unpaid minimum fair  
351 wages or unpaid overtime wages to which the employee is entitled  
352 under said sections or under an order, and the employer shall be  
353 required to pay the costs and such reasonable attorney's fees as may be  
354 allowed by the court. The commissioner shall distribute any wages or  
355 interest collected pursuant to this section to the employee or in  
356 accordance with the provisions of subsection (b) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>May 1, 2020</i>	31-11hh
Sec. 2	<i>May 1, 2020</i>	31-11ii
Sec. 3	<i>May 1, 2020</i>	31-11jj
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	31-68(a)