



House of Representatives

General Assembly

File No. 60

February Session, 2024

House Bill No. 5267

House of Representatives, March 20, 2024

The Committee on Labor and Public Employees reported through REP. SANCHEZ, E. of the 24th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT MAKING CHANGES TO AND REPEALING OBSOLETE PROVISIONS OF STATUTES RELEVANT TO THE LABOR DEPARTMENT.

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

1 Section 1. Section 31-2 of the 2024 supplement to the general statutes
2 is repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (a) The Labor Commissioner shall collect information upon the
5 subject of labor, the hours of labor, the earnings of laboring individuals
6 and the means of promoting their material, social and intellectual
7 prosperity, and may summon and examine under oath such witnesses,
8 and may direct the production of, and examine or cause to be produced
9 and examined, such books, records, vouchers, memoranda, documents,
10 letters, contracts or other papers in relation thereto as he deems
11 necessary, and shall have the same powers in relation thereto as are
12 vested in magistrates in taking depositions, but for this purpose persons

13 shall not be required to leave the vicinity of their residences or places of
14 business.

15 (b) The commissioner may adopt regulations, in accordance with the
16 provisions of chapter 54, for all programs within the jurisdiction of the
17 Labor Department, including, but not limited to, employment and
18 training programs in the state.

19 (c) The commissioner may request the Attorney General to bring an
20 action in Superior Court for injunctive relief requiring compliance with
21 any statute, regulation, order or permit administered, adopted or issued
22 by the commissioner.

23 (d) The commissioner shall assist state agencies, boards and
24 commissions that issue occupational certificates or licenses in (1)
25 determining when to recognize and accept military training and
26 experience in lieu of all or part of the training and experience required
27 for a specific professional or occupational license, and (2) reviewing and
28 revising policies and procedures to ensure that relevant military
29 education, skills and training are given appropriate recognition in the
30 certification and licensing process.

31 (e) The commissioner may enter into contractual agreements, as may
32 be necessary, for all programs, activities, services and grants within the
33 jurisdiction of the Labor Department, including, but not limited to,
34 employment and training programs in the state and the application for
35 and use, administration or repayments of any federal funds made
36 available or allotted under any federal law.

37 (f) (1) The powers and duties enumerated in this section shall be in
38 addition to any other powers and duties conferred to the Labor
39 Commissioner in any other provision of the general statutes.

40 (2) Nothing in this section shall limit any other powers or duties
41 conferred to the Labor Commissioner in any other provisions of the
42 general statutes.

43 Sec. 2. Subdivision (1) of subsection (j) of section 31-225a of the 2024

44 supplement to the general statutes is repealed and the following is
45 substituted in lieu thereof (*Effective from passage*):

46 (j) (1) (A) Each employer subject to this chapter shall submit
47 quarterly, on forms supplied by the administrator, a listing of wage
48 information, including the name of each employee receiving wages in
49 employment subject to this chapter, such employee's Social Security
50 account number and the amount of wages paid to such employee during
51 such calendar quarter.

52 (B) Commencing with the third calendar quarter of 2026, any
53 employer subject to this chapter may include in the quarterly filing
54 submitted pursuant to subparagraph (A) of this subdivision, the
55 following data for each employee receiving wages in employment
56 subject to this chapter: (i) Such employee's occupation, (ii) such
57 employee's hours worked, and (iii) the [business mailing address zip
58 code of the employer of such employee] zip code of such employee's
59 primary worksite.

60 Sec. 3. Section 31-402 of the general statutes is repealed and the
61 following is substituted in lieu thereof (*Effective from passage*):

62 There is hereby established an Occupational Health Clinics Advisory
63 Committee. [Said committee shall report to the Governor and the
64 General Assembly no later than September 15, 1990, and annually
65 thereafter, their recommendations as to: (1) Methods for the
66 coordination of activities among occupational health clinics, auxiliary
67 occupational health clinics, the state and any other entities; (2) methods
68 and the nature of disclosure of research and data collection results and
69 related educational information; (3) the appropriate methods of
70 funding, including sources of funding for, occupational health clinics
71 and related state activities, particularly regarding surveillance, and (4)
72 delineation of new goals in occupational disease detection and
73 prevention.] The advisory committee shall consist of fifteen persons as
74 follows: The chairpersons and ranking members of the joint standing
75 committee of the General Assembly having cognizance of matters
76 concerning occupational health and safety or their designees, two

77 persons appointed by the Governor, one person appointed by the
78 chairman of the Workers' Compensation Commission, one person
79 appointed by the Labor Commissioner, one person appointed by the
80 Commissioner of Public Health, one person appointed by the president
81 pro tempore of the Senate to represent the insurance industry, one
82 person appointed by the majority leader of the Senate to represent the
83 business community, one person appointed by the minority leader of
84 the Senate to represent the labor community, one person appointed by
85 the speaker of the House of Representatives to represent the medical
86 community, one person appointed by the majority leader of the House
87 of Representatives to represent the labor community and one person
88 appointed by the minority leader of the House of Representatives to
89 represent the business community.

90 Sec. 4. Subsection (c) of section 31-76a of the 2024 supplement to the
91 general statutes is repealed and the following is substituted in lieu
92 thereof (*Effective from passage*):

93 (c) (1) If the commissioner determines, after an investigation
94 pursuant to subsection (a) of this section, that an employer is in violation
95 of (A) subsection (g) of section 31-288, or (B) subsection (b) of section 31-
96 53, the commissioner shall issue, not later than seventy-two hours after
97 making such determination, a stop work order against the employer
98 requiring the cessation of all business operations of such employer. Such
99 stop work order shall be issued only against the employer found to be
100 in violation of subsection (g) of section 31-288 or in violation of
101 subsection (b) of section 31-53 and only as to the specific place of
102 business or employment for which the violation exists. Such order shall
103 be effective when served upon the employer or at the place of business
104 or employment. A stop work order may be served at a place of business
105 or employment by posting a copy of the stop work order in a
106 conspicuous location at the place of business or employment. Such order
107 shall remain in effect until the commissioner issues an order releasing
108 the stop work order upon a finding by the commissioner that the
109 employer has come into compliance with the requirements of subsection
110 (b) of section 31-284 or subsection (b) of section 31-53, or after a hearing

111 held pursuant to subdivision (2) of this subsection.

112 (2) Any employer against which a stop work order is issued pursuant
113 to subdivision (1) of this subsection may request a hearing before the
114 commissioner. Such request shall be made in writing to the
115 commissioner not more than ten days after the issuance of such order.
116 Such hearing shall be conducted in accordance with the provisions of
117 chapter 54.

118 (3) Stop work orders and any penalties imposed under section 31-288
119 or 31-69a against a corporation, partnership or sole proprietorship for a
120 violation of subsection (g) of section 31-288 or for a violation of
121 subsection (b) of section 31-53 shall be effective against any successor
122 entity that has one or more of the same principals or officers as the
123 corporation, partnership or sole proprietorship against which the stop
124 work order was issued and are engaged in the same or equivalent trade
125 or activity.

126 [(4) The commissioner shall adopt regulations, in accordance with the
127 provisions of chapter 54, necessary to carry out this subsection.]

128 Sec. 5. Section 31-223b of the general statutes is repealed and the
129 following is substituted in lieu thereof (*Effective from passage*):

130 (a) For purposes of this section:

131 (1) "Knowingly" means having actual knowledge of or acting with
132 deliberate ignorance of or reckless disregard for a prohibition or
133 requirement under this section;

134 (2) "Person" means an individual, corporation, limited liability
135 company, company, trust, estate, partnership or association;

136 (3) "Trade or business" includes an employer's employees; and

137 (4) "Violates or attempts to violate" includes, but is not limited to, the
138 evasion of or attempt to evade any provision of this section, or any
139 misrepresentation or wilful nondisclosure of information required to be

140 given under this section.

141 (b) No person who acquires the assets, organization, trade or business
142 of an employer solely or primarily for the purpose of obtaining a lower
143 contribution rate to the Unemployment Compensation Fund shall
144 acquire the unemployment experience of such employer, and such
145 acquisition shall be deemed a violation under this subsection. If the
146 administrator determines that a person has acquired such assets solely
147 or primarily for the purpose of obtaining a lower contribution rate, the
148 administrator shall require such person to pay contributions at the rate
149 provided in subsection (d) of section 31-225a for an employer who has
150 not been chargeable with benefits for a sufficient period of time to have
151 such employer's rate otherwise computed under section 31-225a or,
152 where applicable, the person's charged tax rate, as provided in
153 subsection (e) of section 31-225a, whichever is greater. In determining
154 whether the assets, organization, trade or business of an employer was
155 acquired solely or primarily for the purpose of obtaining a lower
156 contribution rate, the factors the administrator shall consider shall
157 include, but not be limited to, the cost of acquiring the business, whether
158 the person continued the business activity of the acquired business, how
159 long the business was continued and whether a substantial number of
160 new employees were hired for performance of duties unrelated to the
161 business activity conducted by the business prior to its acquisition.

162 (c) Notwithstanding any other provision of this chapter relating to
163 the transfer of unemployment experience, if an employer transfers its
164 assets, organization, trade or business, or a portion of its assets,
165 organization, trade or business, to another employer with whom, at the
166 time of such transfer, the transferring employer shares substantially
167 common ownership, management or control, the unemployment
168 experience of the transferring employer shall be transferred to the
169 receiving employer. The administrator shall recalculate the contribution
170 rates of both employers and make such recalculated rates effective upon
171 the date of the transfer. The administrator may require from any
172 employer, whether or not otherwise subject to this chapter, any sworn
173 or unsworn reports that are necessary for the effective administration of

174 this section.

175 (d) In addition to the penalty imposed pursuant to subsection (e) of
176 this section and any applicable penalties under this chapter, if a person
177 knowingly violates or attempts to violate any provision of subsection
178 (b) or (c) of this section, or any other provision of this chapter relating to
179 determining the assignment of a contribution rate, or knowingly advises
180 another person in the violation of subsection (b) or (c) of this section,
181 such person shall be subject to the following penalties:

182 (1) If the person is an employer, such person shall be assigned a
183 penalty rate of contributions of two per cent of taxable wages for the
184 year during which such violation or attempted violation occurred and
185 for the following three years.

186 (2) If the person is not an employer, such person shall be subject to a
187 civil penalty of not less than five hundred dollars or more than five
188 thousand dollars. Any such penalty shall be deposited into the
189 Employment Security Special Administration Fund established under
190 subsection (d) of section 31-259.

191 (e) Any person who violates this section shall be fined not more than
192 two thousand dollars or imprisoned not more than one year, or both.

193 [(f) The administrator shall adopt regulations, in accordance with the
194 provisions of chapter 54, to establish procedures and guidelines
195 necessary to implement the provisions of this section, including
196 procedures to identify the transfer or acquisition of a business for
197 purposes of this section.]

198 [(g)] (f) This section shall be interpreted and applied in such a manner
199 as to meet the minimum requirements of Public Law 108-295 as
200 interpreted by the federal Department of Labor.

201 [(h)] (g) This section shall apply to unemployment compensation tax
202 years beginning on and after January 1, 2006.

203 Sec. 6. Section 38a-513e of the general statutes is repealed and the

204 following is substituted in lieu thereof (*Effective from passage*):

205 (a) In the event (1) an employer, as defined in section 31-58,
206 terminates an employee for any reason other than layoff or relocation or
207 closing of a covered establishment, [as defined in section 31-51n,] or (2)
208 an employee voluntarily terminates employment with an employer,
209 such employer may elect not to pay the premium for such employee and
210 any such employee's dependents under a group health insurance policy
211 after the date of such employee's termination. In the event such
212 employer makes such election, any insurer, health care center, hospital
213 service corporation, medical service corporation or fraternal benefit
214 society that issues such group health insurance policy shall credit such
215 employer the amount of any premium paid by such employer with
216 respect to such policy for such employee and such employee's
217 dependents attributable to the period after the date of such employee's
218 termination, provided the employer notifies the insurer, health care
219 center, hospital service corporation, medical service corporation or
220 fraternal benefit society that issued such policy and the terminated
221 employee not later than seventy-two hours after the termination. Upon
222 the issuance or renewal of such policy, such insurer, health care center,
223 hospital service corporation, medical service corporation or fraternal
224 benefit society shall provide such employer with relevant information
225 related to such employer's election, including a notice that it is the
226 employer's responsibility to remit to the terminated employee such
227 employee's portion of the credited premium. Any such credit shall be
228 applied to the employer's next month's premium. In the event of
229 nonrenewal of such policy, the insurer, health care center, hospital
230 service corporation, medical service corporation or fraternal benefit
231 society shall refund such credit to the employer. As used in this section,
232 "covered establishment" means any industrial, commercial or business
233 facility which employs, or has employed at any time in the preceding
234 twelve-month period, one hundred or more persons.

235 (b) Notwithstanding the provisions of subsection (a) of this section,
236 (1) any contractual agreement entered into through collective
237 bargaining that requires the employer to pay the premium for an

238 employee under a group health insurance policy after the date of such
 239 employee's termination shall supersede the provisions of subsection (a)
 240 of this section, and (2) no credit shall be available to an employer for any
 241 employee's and employee's dependents' coverage for the seventy-two
 242 hours immediately following the termination of such employee.

243 (c) Any right of an employee and his dependents to continuation of
 244 coverage following the relocation or closing of a covered establishment
 245 [, as set forth in section 31-51o,] shall not be affected by the provisions
 246 of this section.

247 Sec. 7. Sections 31-51n, 31-51o and 31-76l of the general statutes are
 248 repealed. (*Effective from passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	31-2
Sec. 2	<i>from passage</i>	31-225a(j)(1)
Sec. 3	<i>from passage</i>	31-402
Sec. 4	<i>from passage</i>	31-76a(c)
Sec. 5	<i>from passage</i>	31-223b
Sec. 6	<i>from passage</i>	38a-513e
Sec. 7	<i>from passage</i>	Repealer section

LAB *Joint Favorable*

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.

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

The bill, which makes technical adjustments and repeals various labor-related laws, does not result in any fiscal impact to the state or municipalities.

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

OLR Bill Analysis**HB 5267*****AN ACT MAKING CHANGES TO AND REPEALING OBSOLETE PROVISIONS OF STATUTES RELEVANT TO THE LABOR DEPARTMENT.*****SUMMARY**

This bill makes various unrelated changes in the labor statutes.

It explicitly authorizes the labor commissioner to enter contracts as needed for all programs, activities, services, and grants under the Department of Labor's (DOL) jurisdiction. These must include contracts for (1) employment and training programs and (2) applying for and using, administering, or repaying any federal funds made available or allotted under federal law. The bill also specifies that the commissioner's statutorily defined powers and duties are in addition to, and do not limit, any other powers and duties conferred to the commissioner in other statutes (§ 1).

Existing law generally requires employers to file quarterly employee wage reports with DOL for unemployment tax purposes, and starting in the third calendar quarter in 2026, employers may also include in these reports an employee's occupation, hours worked, and a zip code. The bill requires this zip code to be for the employee's primary worksite, rather than the employer's mailing address (§ 2).

The bill repeals a requirement for the Occupational Health Clinics Advisory Committee to annually report to the governor and legislature on ways to coordinate activities among occupational health clinics and disclose research and data collection results, among other things (§ 3).

The bill also repeals requirements for the labor commissioner to adopt regulations on:

1. investigations into complaints about nonpayment of wages or prevailing wages and related stop work orders (§ 4);
2. employers who acquire the assets, organization, trade, or business of another employer solely or primarily to lower their unemployment taxes (§ 5); and
3. exceptions to the state’s overtime pay requirement (§ 7).

Lastly, the bill repeals a law that generally requires certain businesses to maintain their employees’ health insurance if the business relocates or closes (the requirement is preempted by the federal Employee Retirement Income Security Act (ERISA)) (§§ 6 & 7).

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 9 Nay 3 (03/07/2024)