



General Assembly

February Session, 2024

***Raised Bill No. 409***

LCO No. 2577



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:  
(LAB)

***AN ACT CONCERNING WAGE THEFT RESPONSIBILITY.***

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

1 Section 1. (NEW) (*Effective October 1, 2024*) (a) For purposes of this  
2 section and section 2 of this act:

3 (1) "Construction contract" means any contract entered into on or  
4 after October 1, 2024, for construction, renovation or rehabilitation in  
5 this state, including any improvements to real property that are  
6 associated with such construction, renovation or rehabilitation, or any  
7 subcontract for construction, renovation or rehabilitation between an  
8 owner and a contractor, a contractor and a subcontractor or a  
9 subcontractor and another subcontractor. "Construction contract" does  
10 not include (A) any public works or other contract entered into with this  
11 state, any other state or the United States, or (B) a home improvement  
12 contract for (i) the construction, renovation or rehabilitation of an  
13 owner-occupied residence, or (ii) the construction, renovation or  
14 rehabilitation of a one-family or two-family dwelling unit, except when  
15 such contract is for the construction of more than fifteen one-family or  
16 two-family dwelling units at one project site;

17 (2) "Contractor" means any individual, firm, partnership,  
18 corporation, association, company, organization or other business  
19 entity, including, but not limited to, a construction manager, general or  
20 prime contractor, joint venture or any combination thereof that has a  
21 direct contractual relationship with an owner;

22 (3) "Employee" has the same meaning as provided in section 31-71a  
23 of the general statutes;

24 (4) "Owner" has the same meaning as provided in section 42-158i of  
25 the general statutes;

26 (5) "Subcontractor" means any individual, firm, partnership,  
27 corporation, association, company, organization or other business entity  
28 or any combination thereof that (A) does not have a direct contractual  
29 relationship with an owner, (B) (i) is a party to a contract with a  
30 contractor, or (ii) is a party to a construction contract with another  
31 subcontractor that has a direct contractual relationship with a  
32 contractor, and (C) performs any portion of work at any tier within the  
33 scope of a construction contract; and

34 (6) "Wages" has the same meaning as provided in section 31-71a of  
35 the general statutes.

36 (b) Any contractor entering a construction contract shall be jointly  
37 and severally liable for any unpaid wages due to any employee of (1)  
38 any subcontractor in a direct contractual relationship with the  
39 contractor, or (2) any subcontractor of a subcontractor in a direct  
40 contractual relationship with the contractor, for such employee's  
41 performance of labor included within the scope of the construction  
42 contract.

43 (c) Nothing in this section shall prohibit a contractor from including  
44 in each of its subcontracts a provision establishing a remedy for any  
45 liability created by the nonpayment of wages by a subcontractor,  
46 provided such provision does not diminish the right of an employee to  
47 bring an action under section 31-72 of the general statutes, as amended

48 by this act, and does not waive or release liability assigned to a  
49 contractor pursuant to this section. No provision to waive or release  
50 liability assigned to the contractor pursuant to subsection (b) of this  
51 section shall be enforceable.

52 Sec. 2. (NEW) (*Effective October 1, 2024*) (a) (1) A contractor may  
53 request from a subcontractor the payroll records of employees  
54 providing labor on a construction contract. Such request shall be sent to  
55 the subcontractor by certified mail and shall notify the subcontractor  
56 that such subcontractor has thirty days to respond.

57 (2) Upon request of a contractor for the payroll records of employees  
58 of a subcontractor pursuant to this subsection, a subcontractor and any  
59 other subcontractors under contract to such subcontractor shall provide  
60 such contractor with such payroll records not later than thirty days after  
61 such request is received. Such payroll records shall (A) be attested to  
62 and certified to be accurate and complete, (B) indicate the  
63 subcontractor's and any lower tier subcontractor's payment status in  
64 paying wages to employees, and (C) be marked or redacted only to  
65 prevent disclosure of an employee's full Social Security number.

66 (b) (1) A contractor may request from a subcontractor: (A) The names  
67 of all employees and independent contractors such subcontractor  
68 employs who are providing labor on the construction contract between  
69 a contractor and subcontractor; (B) when applicable, the name, address  
70 and phone number of any subcontractors with whom such  
71 subcontractor is under contract, the anticipated start date of such  
72 contract and the duration of work under such contract; and (C) when  
73 applicable, collective bargaining agreements of which such  
74 subcontractor is a signatory contractor. Such request shall be sent to the  
75 subcontractor by certified mail and shall notify the subcontractor that  
76 such subcontractor has thirty days to respond. For purposes of this  
77 subdivision, "signatory contractor" means a subcontractor that is  
78 independently obligated to one or more collective bargaining  
79 agreements with any labor organization.

80 (2) Upon request of a contractor pursuant to this section, a  
81 subcontractor and any lower tier subcontractor under contract to such  
82 subcontractor shall provide such contractor such information not later  
83 than thirty days after such request is received.

84 (c) Failure by a subcontractor to comply with a request from a  
85 contractor under subsections (a) and (b) of this section shall be cause for  
86 a contractor to withhold payments owed to a subcontractor.

87 Sec. 3. Section 31-72 of the general statutes is repealed and the  
88 following is substituted in lieu thereof (*Effective October 1, 2024*):

89 (a) When any employer fails to pay an employee wages in accordance  
90 with the provisions of sections 31-71a to 31-71i, inclusive, or fails to  
91 compensate an employee in accordance with section 31-76k or where an  
92 employee or a labor organization representing an employee institutes  
93 an action to enforce an arbitration award which requires an employer to  
94 make an employee whole or to make payments to an employee welfare  
95 fund, such employee or labor organization shall recover, in a civil action,  
96 (1) twice the full amount of such wages, with costs and such reasonable  
97 attorney's fees as may be allowed by the court, or (2) if the employer  
98 establishes that the employer had a good faith belief that the  
99 underpayment of wages was in compliance with law, the full amount of  
100 such wages or compensation, with costs and such reasonable attorney's  
101 fees as may be allowed by the court. Any agreement between an  
102 employee and his or her employer for payment of wages other than as  
103 specified in said sections shall be no defense to such action. The Labor  
104 Commissioner may collect the full amount of any such unpaid wages,  
105 payments due to an employee welfare fund or such arbitration award,  
106 as well as interest calculated in accordance with the provisions of section  
107 31-265 from the date the wages or payment should have been received,  
108 had payment been made in a timely manner. In addition, the Labor  
109 Commissioner may bring any legal action necessary to recover twice the  
110 full amount of unpaid wages, payments due to an employee welfare  
111 fund or arbitration award, and the employer shall be required to pay the  
112 costs and such reasonable attorney's fees as may be allowed by the court.

113 The commissioner shall distribute any wages, arbitration awards or  
114 payments due to an employee welfare fund collected pursuant to this  
115 section to the appropriate person.

116 (b) When a subcontractor fails to pay an employee for labor  
117 performed within the scope of a construction contract entered into on or  
118 after October 1, 2024, an employee, or a labor organization representing  
119 an employee, may bring a civil action under this section against either  
120 the subcontractor, the contractor or both the subcontractor and  
121 contractor. Not less than ten days prior to bringing a civil action under  
122 this section, such employee shall provide notice of an alleged violation  
123 by such subcontractor to the contractor. Such notice shall describe the  
124 general nature of the alleged violation. No employee shall be required  
125 to provide notice pursuant to this subsection if such employee has  
126 previously given notice to a contractor of either the same violation or a  
127 prior violation by the same subcontractor. Any notice provided to a  
128 contractor pursuant to this subsection shall not limit the liability of the  
129 contractor or preclude subsequent amendments of an action brought  
130 under this section to encompass additional employees employed by the  
131 subcontractor. For purposes of this section, "construction contract",  
132 "contractor" and "subcontractor" have the same meanings as provided  
133 in section 1 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2024</i>	New section
Sec. 2	<i>October 1, 2024</i>	New section
Sec. 3	<i>October 1, 2024</i>	31-72

**Statement of Purpose:**

To make a contractor liable for unpaid wages owed to an employee of a subcontractor at any tier who performs work on any portion of a construction contract.

*[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.]*