



**HOME BUILDERS & REMODELERS ASSOCIATION  
OF CONNECTICUT, INC.**

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*Your Home  
Is Our  
Business*

**LABOR & PUBLIC EMPLOYEES COMMITTEE  
Public Hearing  
Testimony  
March 12, 2024**

**To:** Chairpersons Rep. Sanchez, Sen. Kushner, Ranking Members Rep. Weir, Sen. Sampson, and distinguished Members of the Labor & Public Employee Committee

**From:** Jim Perras, CEO

**Regarding:** **S.B. No. 409 (RAISED) AN ACT CONCERNING WAGE THEFT RESPONSIBILITY. (Oppose)**

The Home Builders and Remodelers Association of Connecticut (HBRA-CT) is a professional trade association with almost eight hundred business members statewide, employing tens of thousands of Connecticut residents. Our association of small businesses consists of residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to our diverse industry. We build between 70% to 80% of all new homes and apartments in Connecticut each year and engage in countless home remodeling projects.

**The HBRA of CT urges the committee to reject the proposed legislation, AN ACT CONCERNING WAGE THEFT RESPONSIBILITY,** as it imposes unjust burdens on the construction industry, hindering housing development. This legislation, if passed, would establish joint and several liability for contractors regarding unpaid wages to employees of subcontractors. While wage theft is a serious concern, this bill's approach is problematic for the following reasons:

**Firstly,** the legislation fails to recognize the complex dynamics of construction projects. Contractors often work with multiple subcontractors, making it challenging to monitor every detail of wage transactions. The imposition of joint and several liability unfairly penalizes contractors for the actions of subcontractors, creating an impractical and inequitable system.

**Secondly,** the bill's requirement for contractors to request and maintain extensive payroll records from subcontractors is overly burdensome. This bureaucratic approach adds unnecessary administrative complexities, consuming resources that could be directed towards housing production. The stipulation that non-compliance allows the withholding of payments exacerbates the financial strain on subcontractors, further impeding progress.

**Thirdly,** the legislation's repeal of Section 31-72 and substitution with a more punitive structure is excessive. The existing labor laws provide adequate remedies for wage disputes without disproportionately penalizing contractors. Doubling the damages and the imposition of costs and attorney fees are excessive measures that may deter contractors from engaging in construction projects, hampering the state's housing goals.

Moreover, the bill's incorporation of construction contracts, regardless of size or scope, fails to acknowledge the distinctive nature of residential development. Applying the legislation uniformly to all construction contracts overlooks the nuances of housing projects and unfairly burdens developers working on smaller-scale initiatives.

Connecticut urgently needs increased housing production to address the growing demand for affordable homes. The proposed legislation, instead of fostering an environment conducive to construction, imposes undue liabilities and administrative burdens that hinder progress. The HBRA of CT implores the committee to reconsider this legislation, emphasizing collaboration and a balanced approach to address wage theft concerns without stifling housing development.

**The HBRA-CT respectfully requests that the Committee reject SB 409.**