



# WORKING DRAFT

General Assembly

**Bill No.**

July 22 Special Session,  
2019

LCO No. 11202

Referred to Committee on

Introduced by:

***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 Section 31-11hh of the general statutes is repealed and the  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 October 1, 2019*):

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;

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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 Section 31-11ii of the general statutes is repealed and the  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 October 1, 2019*):

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 September 30, 2019, shall consist of the following members:  
30 [(1)] (A) Four appointed by the Governor; [(2)] (B) one appointed by  
31 the 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

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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 September 30, 2019;

57 (2) On and after October 1, 2019, shall consist of the following  
58 members: (A) Four appointed by the Governor, one of whom is a  
59 representative of a community college, one of whom is a  
60 representative of a state university, one of whom is a representative of  
61 The University of Connecticut and one of whom is a representative of  
62 the independent colleges; (B) two appointed by the president pro  
63 tempore of the Senate, one of whom is a formerly incarcerated  
64 individual or someone who helps formerly incarcerated individuals  
65 find employment and one of whom is a representative of the  
66 Connecticut AFL-CIO; (C) two appointed by the majority leader of the  
67 Senate, one of whom is a representative of a workforce investment  
68 board and one of whom is a representative of the Connecticut State  
69 Building and Construction Trades Council; (D) two appointed by the  
70 speaker of the House of Representatives, one of whom is a  
71 representative of The University of Connecticut Health Center and one  
72 of whom is a representative from a Connecticut affiliate of the National  
73 Urban League or the National Association for the Advancement of

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

94 (b) All initial appointments to the board pursuant to subdivision (2)  
95 of subsection (a) of this section shall be made not later than October 1,  
96 2019. Appointed members shall each serve a term that is coterminous  
97 with the respective appointing authority. Each member shall hold  
98 office until a successor is appointed. Any vacancy occurring on the  
99 board, other than by expiration of term, shall be filled in the same  
100 manner as the original appointment for the balance of the unexpired  
101 term.

102 [(b)] (c) The chairperson shall call the first meeting of the board  
103 appointed under subdivision (2) of subsection (a) of this section not  
104 later than December 1, [2017] 2019. The board shall meet at such times

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105 as the chairperson deems necessary.

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

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

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

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

128 Sec. 3. Section 31-11jj of the general statutes is repealed and the  
129 following is substituted in lieu thereof (*Effective October 1, 2019*):

130 (a) There is established the Workforce Training Authority Fund,  
131 which shall be an account [in the Department of] within the Labor  
132 Department. The following moneys shall be deposited in the fund: (1)

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133 Any moneys received as part of a memorandum of understanding  
134 with the Workforce Training Authority; (2) all private contributions,  
135 gifts, grants, donations, bequests or devises received by the fund; and  
136 (3) to the extent not otherwise prohibited by state or federal law, any  
137 local, state or federal funds received by the fund.

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

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

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164 the time of such program approval.

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

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

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195 creating career pathways for women, minorities and soon to be  
196 released and formerly incarcerated individuals.

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

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

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

222 (i) On January 1, 2019, and annually thereafter, the administrator  
223 shall provide a report of the [activities] expenditures of the Workforce  
224 Training Authority Fund to the Workforce Training Authority for the



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225 board's review and approval. Upon such approval, the board shall  
226 provide such report, in accordance with the provisions of section 11-4a,  
227 to the joint standing committees of the General Assembly having  
228 cognizance of matters relating to labor, commerce and employment  
229 advancement. Such report shall contain available information on the  
230 status and progress of the operations of the programs funded by and  
231 [funding] resources of the Workforce Training Authority Fund and the  
232 types, amounts and recipients of financial assistance awarded.

233 (j) The administrator shall consult with the office of apprenticeship  
234 training, the Connecticut Employment and Training Commission, the  
235 Planning Commission on Higher Education and the administrator of  
236 the Connecticut Manufacturing Innovation Fund to ensure  
237 coordination and compatibility of the development and  
238 implementation of training programs awarded by the Workforce  
239 Training Authority. [Fund.]

240 Sec. 4. (*Effective from passage*) (a) Not later than October 1, 2019, the  
241 Labor Department, in collaboration with workforce development  
242 boards within the state, shall conduct a study of programs offered to  
243 individuals seeking employment within the state. The topics of such  
244 study shall include, but not be limited to:

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

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

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

252 (4) The number of employers, classified by industry, that utilize

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253 workforce development boards throughout the state;

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

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

260 (7) The type of training programs;

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

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

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

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

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

278 (b) Not later than January 1, 2020, the department shall submit, in

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279 accordance with the provisions of section 11-4a of the general statutes,  
280 a report to the joint standing committee of the General Assembly  
281 having cognizance of matters relating to labor detailing the findings of  
282 the study conducted pursuant to subsection (a) of this section.

283 Sec. 5. (NEW) (*Effective from passage*) Not later than December 1,  
284 2019, the Labor Commissioner shall post on the eRegulations System a  
285 notice of intent to adopt regulations, in accordance with the provisions  
286 of chapter 54 of the general statutes, concerning employees who  
287 perform both service and nonservice duties and allowances for  
288 gratuities permitted or applied as part of the minimum fair wage  
289 pursuant to section 31-60 of the general statutes. The Labor  
290 Commissioner shall consult with representatives of the restaurant  
291 industry, restaurant employees, service employees and other  
292 interested stakeholders prior to posting such notice and shall consider  
293 any state and federal guidance regarding such allowances. Such  
294 regulation shall also provide for the repeal of section 31-62-E4 of the  
295 regulations of Connecticut state agencies upon the effective date for  
296 such regulations. Such regulations shall be effective when posted to  
297 the eRegulations System web site by the 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

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

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340 (4) Any agreement between an employee and his or her employer to  
341 work for less than such minimum fair wage or overtime wage shall be  
342 no defense to such action as described in this section. The  
343 commissioner may collect the full amount of unpaid minimum fair  
344 wages or unpaid overtime wages to which an employee is entitled  
345 under said sections or order, as well as interest calculated in  
346 accordance with the provisions of section 31-265 from the date the  
347 wages should have been received, had they been paid in a timely  
348 manner. In addition, the commissioner may bring any legal action  
349 necessary to recover twice the full amount of the unpaid minimum fair  
350 wages or unpaid overtime wages to which the employee is entitled  
351 under said sections or under an order, and the employer shall be  
352 required to pay the costs and such reasonable attorney's fees as may be  
353 allowed by the court. The commissioner shall distribute any wages or  
354 interest collected pursuant to this section to the employee or in  
355 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>October 1, 2019</i>	31-11hh
Sec. 2	<i>October 1, 2019</i>	31-11ii
Sec. 3	<i>October 1, 2019</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)