



General Assembly

Substitute Bill No. 137

February Session, 2024



AN ACT CONCERNING GAS, ELECTRIC, SEWER AND WATER DELIVERY WORK.

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

1 Section 1. (NEW) (*Effective October 1, 2024*) (a) As used in this section,
2 section 2 of this act and section 31-53 of the general statutes, as amended
3 by this act:

4 (1) "Public utility project" means the construction, remodeling,
5 refinishing, refurbishing, rehabilitation, alteration or repair of any
6 property that is owned and operated by a public utility;

7 (2) "Contractor" means any individual or business entity that is
8 awarded, or is a subcontractor under, a public utility project contract;

9 (3) "Electric distribution company" has the same meaning as
10 provided in section 16-1 of the general statutes;

11 (4) "Gas company" has the same meaning as provided in section 16-1
12 of the general statutes;

13 (5) "Pipeline company" has the same meaning as provided in section
14 16-1 of the general statutes;

15 (6) "Public utility" means an electric distribution company, gas

16 company, pipeline company, sewage company or water company;

17 (7) "Sewage company" has the same meaning as provided in section
18 16-1 of the general statutes;

19 (8) "Water company" has the same meaning as provided in section 16-
20 1 of the general statutes; and

21 (9) "Preapprenticeship program" means a program approved
22 pursuant to sections 31-22m to 31-22v, inclusive, of the general statutes.

23 (b) Any contractor who has entered into a contract for a public utility
24 project shall provide (1) apprenticeship training through an
25 apprenticeship program registered with the Labor Department, or (2) a
26 preapprenticeship training program.

27 (c) A contractor shall certify, in a form and manner prescribed by the
28 Labor Commissioner, that such contractor currently provides (1)
29 apprenticeship training through an apprenticeship program registered
30 with the Labor Department, or (2) a preapprenticeship program.

31 Sec. 2. (NEW) (*Effective October 1, 2024*) (a) Each contract for a public
32 utility project entered into on or after October 1, 2024, shall contain the
33 following provision: "The wages paid on an hourly basis to any person
34 performing the work of any mechanic, laborer or worker on the work
35 herein, contracted to be done and the amount of payment or
36 contribution paid or payable on behalf of each such person to any
37 employee welfare fund, as defined in subsection (i) of section 31-53 of
38 the general statutes, shall be at a rate equal to the rate customary or
39 prevailing for the same work in the same trade or occupation in the town
40 in which such construction, remodeling, refinishing, refurbishing,
41 rehabilitation, alteration or repair project is being undertaken. Any
42 contractor who is not obligated by agreement to make payment or
43 contribution on behalf of such person to any such employee welfare
44 fund shall pay to each mechanic, laborer or worker as part of such
45 person's wages the amount of payment or contribution for such person's
46 classification on each pay day."

47 (b) If the Labor Commissioner, upon inspection or investigation of a
48 complaint, believes that a contractor or subcontractor has knowingly or
49 wilfully employed any mechanic, laborer or worker in the construction,
50 remodeling, refinishing, refurbishing, rehabilitation, alteration or repair
51 of any public utility project at a rate of wage on an hourly basis that is
52 less than the rate customary or prevailing for the same work in the same
53 trade or occupation in the town in which such public utility project is
54 being constructed, remodeled, refinished, refurbished, rehabilitated,
55 altered or repaired, or who has failed to pay the amount of payment or
56 contributions paid or payable on behalf of each such person to any
57 employee welfare fund, or in lieu thereof to the person, as provided in
58 subsection (a) of this section, such contractor or subcontractor shall be
59 issued a citation and may be fined five thousand dollars for each offense.
60 The commissioner shall maintain a list of any contractor or
61 subcontractor that, during the three preceding calendar years, violates
62 this section or enters into a settlement with the commissioner to resolve
63 any claim brought by the commissioner pursuant to this section. For
64 each contractor or subcontractor placed on such list, the commissioner
65 shall record the following information: (1) The nature of the violation;
66 (2) the total amount of wages and fringe benefits making up the
67 violation or agreed upon in any settlement with the commissioner; and
68 (3) the total amount of civil penalties and fines agreed upon by the
69 commissioner. The commissioner shall review the list on May first of
70 each year for the preceding rolling three-year period and may refer for
71 debarment any contractor or subcontractor that committed a violation
72 of this section during the rolling three-year period. The commissioner
73 shall refer for debarment any contractor or subcontractor that entered
74 into one or more settlement agreements with the commissioner where
75 the sum total of all settlements within such period exceeds fifty
76 thousand dollars in back wages or fringe benefits, or entered into one or
77 more settlement agreements with the commissioner where the sum total
78 of all settlements within such period exceeds fifty thousand dollars in
79 civil penalties or fines agreed upon by the commissioner. Any contractor
80 or subcontractor the commissioner refers for debarment may request a
81 hearing before the commissioner. Such hearing shall be conducted in

82 accordance with the provisions of chapter 54 of the general statutes. In
83 addition, if it is found by the contracting officer representing the public
84 utility that any mechanic, laborer or worker employed by the contractor
85 or any subcontractor directly on the site for the work covered by the
86 contract has been or is being paid a rate of wages less than the rate of
87 wages required by the contract to be paid as required by this section, the
88 public utility may (A) by written or electronic notice to the contractor,
89 terminate such contractor's right to proceed with the work or such part
90 of the work as to which there has been a failure to pay said required
91 wages and to prosecute the work to completion by contract or
92 otherwise, and the contractor and the contractor's sureties shall be liable
93 to the public utility for any excess costs occasioned to public utility
94 thereby, or (B) withhold payment of money to the contractor or
95 subcontractor. The contracting officer of the public utility shall, not later
96 than two days after taking such action, notify the commissioner, in
97 writing or electronically, of the name of the contractor or subcontractor,
98 the project involved, the location of the work, the violations involved,
99 the date the contract was terminated and steps taken to collect the
100 required wages.

101 (c) The Labor Commissioner may make complaint to the proper
102 prosecuting authorities for the violation of any provision of subsection
103 (b) of this section.

104 (d) The Labor Commissioner shall predetermine the prevailing rate
105 and the amount of payment or contributions paid or payable on behalf
106 of each person to any employee welfare fund, as defined in subsection
107 (i) of section 31-53 of the general statutes, in each town where such
108 contract is to be performed, in the same manner as provided in
109 subsection (d) of section 31-53 of the general statutes.

110 (e) Any public utility that awards a contract for a public utility project
111 that requires the contractor to pay prevailing wages under this section
112 and where such costs associated with such public utility project are
113 determined by the Public Utility Regulatory Authority to be recoverable
114 under the provisions of sections 16-19 and 16-19e of the general statutes

115 shall recover, in either base rates or an approved rate recovery
116 mechanism determined by the Public Utility Regulatory Authority, any
117 and all prudent and reasonably incurred costs for such prevailing
118 wages.

119 (f) The provisions of this section shall not apply where (1) the
120 combined total cost or total bond authorization for all work to be
121 performed by all contractors and subcontractors in connection with new
122 construction of any public utility project is less than one million dollars,
123 or (2) the combined total cost of all work to be performed by all
124 contractors and subcontractors in connection with any remodeling,
125 refinishing, refurbishing, rehabilitation, alteration or repair of any
126 public utility project is less than one hundred thousand dollars.

127 Sec. 3. Subsection (f) of section 31-53 of the 2024 supplement to the
128 general statutes is repealed and the following is substituted in lieu
129 thereof (*Effective October 1, 2024*):

130 (f) Each employer subject to the provisions of this section, section 31-
131 53c, subsection (f) of section 31-53d, [or] section 31-54 or section 2 of this
132 act shall (1) keep, maintain and preserve such records relating to the
133 wages and hours worked by each person performing the work of any
134 mechanic, laborer and worker and a schedule of the occupation or work
135 classification at which each person performing the work of any
136 mechanic, laborer or worker on the project is employed during each
137 work day and week in such manner and form as the Labor
138 Commissioner establishes to assure the proper payments due to such
139 persons or employee welfare funds under this section, section 31-53c,
140 subsection (f) of section 31-53d, [or] section 31-54 or section 2 of this act,
141 regardless of any contractual relationship alleged to exist between the
142 contractor and such person, provided such employer shall have the
143 option of keeping, maintaining and preserving such records in an
144 electronic format, and (2) submit monthly to the contracting agency or
145 the Department of Economic and Community Development pursuant
146 to section 31-53c or to the developer of a covered project, as defined in
147 section 31-53d, or to the public utility, as defined in section 1 of this act,

148 as applicable, by mail, electronic mail or other method accepted by such
149 agency, the Department of Economic and Community Development or
150 such developer or to such public utility, a certified payroll that shall
151 consist of a complete copy of such records accompanied by a statement
152 signed by the employer that indicates (A) such records are correct; (B)
153 the rate of wages paid to each person performing the work of any
154 mechanic, laborer or worker and the amount of payment or
155 contributions paid or payable on behalf of each such person to any
156 employee welfare fund, as defined in subsection (i) of this section, are
157 not less than the prevailing rate of wages and the amount of payment or
158 contributions paid or payable on behalf of each such person to any
159 employee welfare fund, as determined by the Labor Commissioner
160 pursuant to subsection (d) of this section, and not less than those
161 required by the contract to be paid; (C) the employer has complied with
162 the applicable provisions of this section, section 31-53c, subsection (f) of
163 section 31-53d, [and] section 31-54 and section 2 of this act; (D) each such
164 person is covered by a workers' compensation insurance policy for the
165 duration of such person's employment, which shall be demonstrated by
166 submitting to the contracting agency the name of the workers'
167 compensation insurance carrier covering each such person, the effective
168 and expiration dates of each policy and each policy number; (E) the
169 employer does not receive kickbacks, as defined in 41 USC 52, from any
170 employee or employee welfare fund; and (F) pursuant to the provisions
171 of section 53a-157a, the employer is aware that filing a certified payroll
172 which the employer knows to be false is a class D felony for which the
173 employer may be fined up to five thousand dollars, imprisoned for up
174 to five years, or both. This subsection shall not be construed to prohibit
175 a general contractor from relying on the certification of a lower tier
176 subcontractor, provided the general contractor shall not be exempted
177 from the provisions of section 53a-157a if the general contractor
178 knowingly relies upon a subcontractor's false certification.
179 Notwithstanding the provisions of section 1-210, the certified payroll
180 shall be considered a public record and every person shall have the right
181 to inspect and copy such records in accordance with the provisions of
182 section 1-212. The provisions of subsections (a) and (b) of section 31-59

183 and sections 31-66 and 31-69 that are not inconsistent with the
184 provisions of this section, section 31-53c, [or] 31-54 or section 2 of this
185 act apply to this section. Failing to file a certified payroll pursuant to
186 subdivision (2) of this subsection is a class D felony for which the
187 employer may be fined up to five thousand dollars, imprisoned for up
188 to five years, or both.

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>	31-53(f)

Statement of Legislative Commissioners:

Section 1 was rewritten for clarity and consistency; in Section 2(b), "contracting department" was changed to "contracting officer" for consistency with other provisions of the Subsec., and in Section 2(f), Subparas. (A) and (B) were changed to Subdivs. (1) and (2) for consistency with standard drafting conventions.

LAB *Joint Favorable Subst.*