



General Assembly

January Session, 2023

Committee Bill No. 6462

LCO No. 5635



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:
(LAB)

***AN ACT CONCERNING THE RECOUPMENT OF STATE COST
ATTRIBUTABLE TO LOW-WAGE EMPLOYERS.***

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

1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section and
2 sections 2 to 5, inclusive, of this act:

3 (1) "Person" has the same meaning as provided in section 42-133e of
4 the general statutes;

5 (2) "Franchise" has the same meaning as provided in section 42-133e
6 of the general statutes;

7 (3) "Franchisor" has the same meaning as provided in section 42-133e
8 of the general statutes;

9 (4) "Franchisee" has the same meaning as provided in section 42-133e
10 of the general statutes;

11 (5) "Employee" means any individual employed or permitted to work
12 by an employer, but does not include any individual employed in any
13 park, camp or resort that is open not more than six months of the year;

14 (6) "Covered employer" means:

15 (A) Any person, firm, business or educational institution in the state
16 that employs five hundred or more employees during any one quarter,
17 on and after January 1, 2023, based upon the wage information
18 submitted to the Labor Commissioner pursuant to section 31-225a of the
19 general statutes;

20 (B) Any franchisor in the state, where the franchisor and its
21 franchisees in the state employ, in the aggregate, five hundred or more
22 employees during any one quarter on and after January 1, 2023, based
23 upon the information submitted to the Labor Commissioner pursuant
24 to section 4 of this act; or

25 (C) "Covered employer" does not include any private nonprofit
26 entity, the state, or any department, agency or political subdivision
27 thereof; and

28 (7) "Wage" means compensation due to an employee by reason of his
29 or her employment.

30 (b) Any covered employer that employs any employee (1) who on
31 and after January 1, 2024, was listed on such covered employer's or such
32 franchisee's payroll for at least ninety calendar days prior to the
33 completion of the current calendar quarter, and (2) whose wages paid
34 by the covered employer, or the covered employer's franchisee, during
35 such quarter were less than twenty dollars per hour, shall pay a fee to
36 the Labor Commissioner. Such fee shall be assessed quarterly by the
37 commissioner and shall be equal to one dollar for each hour such
38 employee worked for such covered employer during the current
39 quarter. Such fee shall not be assessed until January 1, 2024.

40 (c) A covered employer shall not (1) designate, or cause such covered
41 employer's franchisee to designate, an employee as an independent
42 contractor or temporary employee, (2) reduce, or cause such covered
43 employer's franchisee to reduce, an employee's hours of work, or (3)

44 terminate, or cause such covered employer's franchisee to terminate, an
45 employee for the purpose of avoiding such covered employer's
46 obligations under this section.

47 Sec. 2. (NEW) (*Effective from passage*) (a) The Labor Commissioner
48 shall collect fees assessed pursuant to subsection (b) of section 1 of this
49 act from each covered employer not later than sixty days after the
50 completion of the quarter in which such fees were assessed.

51 (b) The commissioner shall deposit moneys collected pursuant to
52 subsection (a) of this section with the State Treasurer, who shall deposit
53 such moneys in the General Fund.

54 Sec. 3. (NEW) (*Effective from passage*) Not later than October 1, 2023,
55 the Labor Commissioner shall adopt regulations, in accordance with the
56 provisions of chapter 54 of the general statutes, for the assessment and
57 collection of fees pursuant to sections 1 and 2 of this act.

58 Sec. 4. (NEW) (*Effective from passage*) (a) Any covered employer
59 aggrieved by the Labor Commissioner's assessment of fees, pursuant to
60 subsection (b) of section 1 of this act, may file a complaint with the
61 commissioner. Upon receipt of such complaint, the commissioner shall
62 review such complaint and shall conduct a hearing in accordance with
63 the provisions of chapter 54 of the general statutes. After such hearing,
64 the commissioner shall send the covered employer a written copy of the
65 commissioner's decision. Any covered employer who prevails in such
66 hearing shall be awarded reasonable attorney's fees and costs.

67 (b) Any covered employer aggrieved by the decision of the
68 commissioner may appeal the decision to the Superior Court in
69 accordance with the provisions of chapter 54 of the general statutes.

70 Sec. 5. (NEW) (*Effective from passage*) Not later than January 1, 2024,
71 and annually thereafter, each employer that submits wage information
72 to the Labor Commissioner pursuant to section 31-225a of the general
73 statutes shall inform the commissioner if such employer is a franchisee.

74 If such employer is a franchisee, such employer shall provide to the
75 commissioner the name and address of the franchisor that granted the
76 franchise to such employer and any other information the commissioner
77 may require.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section

Statement of Purpose:

To require certain employers to pay a quarterly fee to the Labor Commissioner for each employee that receives less than twenty dollars an hour in wages.

[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.]

Co-Sponsors: REP. ELLIOTT, 88th Dist.; SEN. ANWAR, 3rd Dist.
SEN. CABRERA, 17th Dist.; SEN. LOPES, 6th Dist.
REP. ARNONE, 58th Dist.; REP. TURCO, 27th Dist.
REP. WELANDER, 114th Dist.; REP. CHAFEE, 33rd Dist.
REP. PARIS, 145th Dist.; REP. PALM, 36th Dist.
REP. MUSHINSKY, 85th Dist.; REP. D'AGOSTINO, 91st Dist.
REP. MESKERS, 150th Dist.; REP. LUXENBERG, 12th Dist.
REP. HUGHES, 135th Dist.; REP. KAVROS DEGRAW, 17th Dist.
REP. HALL J., 7th Dist.

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