

General Assembly

Raised Bill No. 6551

January Session, 2023

LCO No. 3256



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by: (LAB)

AN ACT CONCERNING STANDARD WAGES FOR CERTAIN SERVICE WORKERS AND PAID LEAVE.

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

- Section 1. Section 31-57f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):
- 3 (a) As used in this section: (1) "Required employer" means any provider of food, building, property or equipment services or 4 maintenance listed in this subdivision whose rate of reimbursement or 5 6 compensation is determined by contract or agreement with the state or any state agent: (A) Building, property or equipment service 8 companies; (B) management companies providing 9 management services; and (C) companies providing food preparation 10 or service, or both; (2) "state agent" means any state official, state 11 employee or other person authorized to enter into a contract or 12 agreement on behalf of the state; (3) "person" means one or more 13 individuals, partnerships, associations, corporations, business trusts, 14 legal representatives or organized groups of persons; (4) "building, 15 property or equipment service" means any janitorial, cleaning,

maintenance, security or related service; (5) "prevailing rate of wages" means the hourly wages paid for work performed within the city of Hartford under the collective bargaining agreement covering the largest number of hourly nonsupervisory employees employed within Hartford County in each classification established by the Labor Commissioner under subsection (e) of this section, provided the collective bargaining agreement covers no less than five hundred employees in the classification; (6) "prevailing rate of benefits" means the total cost to the employer on an hourly basis for work performed within the city of Hartford, under a collective bargaining agreement that establishes the prevailing rate of wages, of providing health, welfare and retirement benefits, including, but not limited to, (A) medical, surgical or hospital care benefits; (B) disability or death benefits; (C) benefits in the event of unemployment; (D) pension benefits; (E) [vacation, holiday and personal leave; (F)] training benefits; and [(G)] (F) legal service benefits, and may include payment made directly to employees, payments to purchase insurance and the amount of payment or contributions paid or payable by the employer on behalf of each employee to any employee benefit fund; (7) "employee benefit fund" means any trust fund established by one or more employers and one or more labor organizations or one or more other third parties not affiliated with such employers to provide, whether through the purchase of insurance or annuity contracts or otherwise, benefits under an employee health, welfare or retirement plan, but does not include any such fund where the trustee or trustees are subject to supervision by the Banking Commissioner of this state or of any other state, or the Comptroller of the Currency of the United States or the Board of Governors of the Federal Reserve System; [and] (8) "benefits under an employee health, welfare or retirement plan" means one or more benefits or services under any plan established or maintained for employees or their families or dependents, or for both, including, but not limited to, medical, surgical or hospital care benefits, benefits in the event of sickness, accident, disability or death, benefits in the event of unemployment, retirement benefits, vacation and paid holiday benefits, legal service benefits or training benefits;

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- and (9) "paid leave" means any leave in which an employee is paid while such employee is on vacation, holiday or personal leave other than leave provided by federal, state or local law.
 - (b) On and after July 1, [2000] 2023, the wages paid to an employee on an hourly basis and paid leave provided to any employee of a required employer in the provision of food, building, property or equipment services provided to the state pursuant to a contract or agreement with the state or any state agent, shall be at a rate not less than the standard rate determined by the Labor Commissioner pursuant to subsection (g) of this section. A required employer shall not be required to ensure that an employee uses the entirety of the paid leave provided.
 - (c) Any required employer or agent of such employer that violates subsection (b) of this section shall pay a civil penalty in an amount not less than two thousand five hundred dollars but not more than five thousand dollars for each offense. A violation of the standard rate of wages is when, during any pay period, an employee is paid at a rate less than that required by this section. The contracting department of the state that has imposed such civil penalty on the required employer or agent of such employer shall, within two days after taking such action, notify the Labor Commissioner, in writing, of the name of the employer or agent involved, the violations involved and steps taken to collect the fine.
 - (d) The Labor Commissioner may make complaint to the proper prosecuting authorities for the violation of any provision of subsection (b) of this section.
 - (e) For the purpose of predetermining the standard rate of covered wages on an hourly basis and the standard rate for paid leave, the Labor Commissioner shall establish classifications for all hourly nonsupervisory employees based on the applicable occupation codes and titles set forth in the federal Register of Wage Determinations under the McNamara-O'Hara Service Contract Act of 1965, 41 USC

[351] 6701, et seq., provided the Labor Commissioner shall classify any individual employed on or before July 1, 2009, as a grounds maintenance laborer or laborer as a janitor, and shall classify any individual hired after July 1, 2009, performing the duty of grounds maintenance laborer, laborer or janitor as a light cleaner, heavy cleaner, furniture handler or window cleaner, as appropriate. The Labor Commissioner shall then determine the standard rate of wages for each classification of hourly nonsupervisory employees which shall be (1) the prevailing rate of wages paid to employees in each classification, or if there is no such prevailing rate of wages, the minimum hourly wages set forth in the federal Register of Wage Determinations under the McNamara-O'Hara Service Contract Act, plus (2) the prevailing rate of benefits paid to employees in each classification, or if there is no such prevailing rate of benefits, a thirty per cent surcharge on the amount determined in subdivision (1) of this subsection to cover the cost of any health, welfare and retirement benefits, other than those otherwise required by federal, state or local law, or, if no such benefits are provided to the employees, an amount equal to thirty per cent of the amount determined in subdivision (1) of this section, which shall be paid directly to the employees. [The standard rate of wages for any employee entitled to receive such rate on or before July 1, 2009, shall not be less than the minimum hourly wage for the classification set forth in the federal Register of Wage Determinations under the Service Contract Act plus the prevailing rate of benefits for such classification for as long as that employee continues to work for a required employer.] The standard rate of paid leave shall be the greater of the paid leave provided under (A) the McNamara-O'Hara Service Contract Act of 1965, 41 USC 6701 et seq., or (B) the collective bargaining agreement covering the largest number of hourly nonsupervisory employees employed within Hartford County in each classification established by the Labor Commissioner under this subsection, provided the collective bargaining agreement covers not fewer than five hundred employees in the classification.

(f) Required employers with employees covered by collective

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- bargaining agreements which call for wages, [and] benefits <u>and paid</u>
 leave that are reasonably related to the standard rate of wages <u>and</u>
 paid leave shall not be economically disadvantaged in the bidding
 process, provided the collective bargaining agreement was arrived at
 through arms-length negotiations.
 - (g) The Labor Commissioner shall, in accordance with subsection (e) of this section, determine the standard rate of wages for each classification on an hourly basis and the standard rate of paid leave provided for each classification where any covered services are to be provided, and the state agent empowered to let such contract shall contact the Labor Commissioner at least ten days prior to the date such contract will be advertised for bid, to ascertain the standard rate of wages and paid leave and shall include the standard rate of wages on an hourly basis and the standard rate of paid leave provided for all classifications of employment in the proposal for the contract. The standard rate of wages on an hourly basis and the standard rate of paid leave provided shall, at all times, be considered the minimum rate for the classification for which it was established. Each required employer shall contact the Labor Commissioner on or before September first of each year for the duration of such contract to ascertain the standard wages and paid leave to be provided each year and shall make any necessary adjustments on or before October first, annually.
 - (h) Where a required employer is awarded a contract to perform services that are substantially the same as services that have been rendered under a predecessor contract, such required employer shall retain, for a period of ninety days, all employees who had been employed by the predecessor to perform services under such predecessor contract, except that the successor contract need not retain employees who worked less than fifteen hours per week or who had been employed at the site for less than sixty days. During such ninety-day period, the successor contract shall not discharge without just cause an employee retained pursuant to this subsection. If the

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performance of an employee retained pursuant to this subsection or section 4a-82 is satisfactory during the ninety-day period, the successor contractor shall offer the employee continued employment for the duration of the successor contract under the terms and conditions established by the successor contractor, or as required by law. The provisions of this subsection shall not apply to any contract covered by section 31-57g or subsections (n) and (o) of section 4a-82.

(i) Each required employer subject to the provisions of this section shall (1) keep, maintain and preserve such records relating to the wages and hours worked and paid leave taken by each employee and a schedule of the occupation or work classification at which each person is employed during each work day and week in such manner and form as the Labor Commissioner establishes to assure the proper payments and paid leave due to such employees, [and] (2) annually or upon written request, submit to the contracting state agent a certified payroll which shall consist of a complete copy of such records accompanied by a statement signed by the employer which indicates that (A) such records are correct, (B) the rate of wages paid to each employee is not less than the standard rate of wages required by this section, (C) such employer has complied with the provisions of this section, [and] (D) such employer is aware that filing a certified payroll which it knows to be false is a class D felony for which such employer may be fined not more than five thousand dollars or imprisoned not more than five years, or both, and (E) the rate of paid leave provided to each employee is not less than the standard rate of paid leave required by this section, and (3) not later than the first day upon which work is required to be performed under the contract, and for the duration of the contract, post in a prominent and accessible place a poster stating (A) the standard rate of wages and paid leave owed to employees under this section, (B) employee rights and remedies for a violation of this section, and (C) the contact information of the Labor Commissioner. The Labo<u>r Commissioner shall develop a suitable</u> poster containing the information described in subdivision (3) of this subsection and provide such poster to required employers. The Labor

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- 184 Commissioner shall post its determinations of the corresponding 185 standard rates for each classification on its Internet web site. 186 Notwithstanding the provisions of section 1-210, the certified payroll shall be considered a public record and every person shall have the 187 188 right to inspect and copy such record in accordance with the 189 provisions of section 1-212. The provisions of subsections (a) and (b) of 190 section 31-59, section 31-66 and section 31-69 which are not 191 inconsistent with the provisions of this section shall apply. Any person 192 who files a false certified payroll in violation of subdivision (2) of this 193 subsection shall be guilty of a class D felony for which such person 194 may be fined not more than five thousand dollars or imprisoned not 195 more than five years, or both.
 - (j) This section shall not apply to contracts, agreements or grants which do not exceed forty-nine thousand nine hundred ninety-nine dollars per annum.
 - (k) [On receipt of a complaint for nonpayment of the standard rate of wages,] Any employee or group of employees and their designated representatives alleging nonpayment of the standard rate of wages or failure to provide the standard rate of paid leave may bring a complaint to the Labor Commissioner. The Labor Commissioner, the Director of Wage and Workplace Standards and wage enforcement agents of the Labor Department shall have power to enter, during usual business hours, the place of business or employment of any employer to determine compliance with this section, and for such purpose may examine payroll and other records and interview employees, call hearings, administer oaths, take testimony under oath and take depositions in the manner provided by sections 52-148a to 52-148e, inclusive. The commissioner or the director, for such purpose, may issue subpoenas for the attendance of witnesses and the production of books and records. Any required employer, an officer or agent of such employer, or the officer or agent of any corporation, firm or partnership who wilfully fails to furnish time and wage records as required by law to the commissioner, the director or any wage

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217 enforcement agent upon request or who refuses to admit the 218 commissioner, the director or such agent to a place of employment or 219 who hinders or delays the commissioner, the director or such agent in 220 the performance of any duties in the enforcement of this section shall 221 be fined not less than twenty-five dollars nor more than one hundred 222 dollars, and each day of such failure to furnish time and wage records 223 to the commissioner, the director or such agent shall constitute a 224 separate offense, and each day of refusal of admittance, of hindering or 225 of delaying the commissioner, the director or such agent shall 226 constitute a separate offense.

- (l) Notwithstanding subsection (j) of this section, any employer that pays the state for a franchise to provide food preparation or service, or both, for the state shall be required to certify that the wages and benefits paid <u>and paid leave provided</u> to its employees are not less than the standard rate established pursuant to this section, provided, if no prevailing rate of wages or benefits was in effect at the time the state entered into a franchise agreement, then the employer shall not be required to pay the prevailing rate of wages or benefits <u>or provide</u> <u>paid leave</u> during the life of the agreement, unless the agreement is amended, extended or renewed.
- (m) The Labor Commissioner may adopt regulations, in accordance with chapter 54, to carry out the provisions of this section.
- (n) The provisions of this section and any regulation adopted pursuant to subsection (m) of this section shall not apply to any contract or agreement entered into before July 1, 2000.

_	ll take effect as follo	ows and shall amend the following
sections:		
Section 1	July 1, 2023	31-57f

LAB Joint Favorable

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