

# **Labor and Public Employees Committee JOINT FAVORABLE REPORT**

**Bill No.:** HB-6843

AN ACT CONCERNING THE NUMBER OF WAGE AND HOUR

**Title:** INVESTIGATORS AT THE LABOR DEPARTMENT.

**Vote Date:** 3/13/2025

**Vote Action:** Joint Favorable

**PH Date:** 2/6/2025

**File No.:**

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## **SPONSORS OF BILL:**

Labor & Public Employees Committee

## **REASONS FOR BILL:**

The reason for this bill is to increase the total number of wage and hour investigators at the state Department of Labor to 22 by October of 2025, and 45 by June of 2026. Wage and hour investigators handle cases addressing wage theft, and there is at present a significant backlog of such cases. By increasing the number of wage and hour investigators, this bill would seek to more effectively address wage theft and encourage honest business practices in the state.

## **RESPONSE FROM ADMINISTRATION/AGENCY:**

None provided.

## **NATURE AND SOURCES OF SUPPORT:**

**Ivan Abarca, Connecticut Worker Center:** Supports the bill, been a victim in wage theft, was hired to do carpentry and painting work and was not paid, could not imagine this would turn into a delayed process without a resolution. Asked the police to help, referred to the Department of Labor. Connecticut Worker Center helped, sent a complaint to the Department of Labor. Months passed and the complaint was sent to the Attorney General, the employer paid fines, but did not receive payment. Took case to the court, judge ruled in favor, employer should pay \$35 per week and did not happen. Case lasted two years, was not resolved, and the employer did not suffer consequences. If the labor department has more investigators, then they can handle with each case with more dedication and more effectiveness.

**Constanza Segovia, Organizing-Director Hartford Deportation Defense:** Supports the bill, will allow the Department of Labor to hire more wage and hour inspectors to address the crisis of worker abuse that low wage workers experience in Connecticut, and cannot allow for any employer to cheat workers out of their pay. Honest businesses benefit when they don't have to compete with cheating corrupt employers who underpay workers. Investigators at the Connecticut Department of Labor recovered \$3.4 million for workers who had suffered wage theft in 2022, and this process cannot be ignored. Testify year after year to increase the positions but the staffing has been in a consistent decline. Concerned that more inspectors will be lost due to SEBAC agreements expiring and retirement of current inspectors. Without proper staffing at the Department of Labor, the state of Connecticut is unable to properly enforce labor laws in our state, wage theft is rampant and impacting residents' ability to stay healthy and housed.

**Anonymous:** Supports the bill and provides testimony describing working for a construction and was not paid for the hours worked, boss had no money to pay, made false promises. Tried to get paid in different ways, but boss would not pay. Wants to be recognized for the hours worked. Construction workers are more vulnerable to labor abuse, previous employer threatened because of claiming salary, and was afraid and did not file a complaint. Sees the need of more investigators to examine each case and be more effective with the results.

**Keith Brothers, President of the Connecticut State Building Trades Council:** Supports the bill, wage theft is still an issue in the state, employees have the opportunity to file a complaint with the Department of Labor to recover unpaid wages and the DOL has the authority to impose fines and penalties on employers who do not follow laws. CTDOL's Wage and Workplace Standards Division suffered staffing cuts and lack manpower over the years. The WWSD currently has approximately 1600 cases and have 945 waiting. The bill would require the CTDOL to have 45 Wage and Hour Inspectors at any given time, previous history in the Department of Labor had 40-45 inspectors.

**Zenia Castillo, Community Organizer-Comunidades Sin Fronteras CT:** Supports the bill, staff was reduced by 40% in two decades due to retirements and attrition. There are currently 9 wage and hour investigators and 17 wage enforcement agents, and that could decrease because SEBAC health and pension agreement expires in 2026, which could lead to new retirements. Continues to explain what will happen when an employer pays less than minimum wage, does not pay all the hours the employee has worked, fires the employee and withholds the last payment, misclassifies workers as independent contractors, and steals tips and keeps them. Many of these workers do not speak English, are women, are low-income, undocumented, and/or may be victims of human trafficking.

**Jenny Cornejo, Unidad Latina en Accion:** Supports the bill, organization assists migrant workers when they are victims of wage theft, sexual harassment, injury or other human rights violations in the workplace. Witnessed many cases of wage theft, frustrating to see types of cases of hardworking people who are trying to provide food and a roof over their heads. The migrant community is the most impacted, because employers intimidate them with statements. Accompanied a friend to get a paycheck for their 40 hours of work, contractor to them to come back in a month, the friend stated the need for the money to cover personal needs. American man went back to his house, grabbed his gun and told him to get off the property and called him an "illegal immigrant" and threatened to call the police. Went to file a

complaint with the Department of Labor in 2021, and so far, have not given him a solution. Workers do not go to state institutions because their rights are not protected.

**Aziz Dehkan, Connecticut Roundtable on Climate and Jobs:** Supports the bill, would increase the number of wage and hour investigators employed by the Labor Department to better enforce the state's labor laws. Increasing the number of wage and hour investigators is essential to enforcing labor laws, which include minimum wage compliance, overtime, and wage theft protections. Low-income workers often lack the resources to challenge unfair pay practices, which is why expanding investigator numbers would increase their chances of obtaining timely justice. Employees, who are compensated fairly, contribute to local economy by boosting consumer spending, supporting business development, and stimulating sustainable growth, which will ensure fair wages for workers, and uphold economic justice.

**Bill Fitch, Director of the Connecticut Labor Management Cooperation Committee:** Supports the bill, wage theft and other law-breaking are rampant in the construction in the United States. Some economists called the employment conditions in construction like the "Wild West", and it is usually worse in high-wage states, like Connecticut, where unscrupulous contractors can pocket enormous amount of money if not caught and brought to justice. When unscrupulous contractors flaunt the laws because there are not enough inspectors, they will underbid contractors who obey the law, and more inspectors are needed to catch those who cheat their workers, customers, and the State of Connecticut. Bill is important to protect the hundreds of honest contractors who play by the rules and follow the law, and when NECA contractors lose a bid to bad actors, often from outside of Connecticut, workers and their families lose income, and Connecticut workers classified as Independent Contractors are cheated out of approximately \$20,000 per year according to the Economic Policy Institute's analysis of Bureau of Labor Statistics data, with 15,000 and 21,000 workers are misclassified. This effort will significantly help the State's bottom line, wage theft is estimated to cost the Connecticut State treasury between 7.8 and 15.7 million dollars in lost tax revenue each year.

**Christopher Fryxell, President Associated Builders & Contractors:** Supports the bill, those that knowingly engage in unlawful treatment of workers should be investigated and punished by the State of Connecticut, this would be important to protect workers and punish bad actors. Workers are not sufficiently protected, the backlog of complaints at CTDOL indicates the state is falling behind on those goals. Empowering authorities to enforce our laws is the proper way to address the existence of bad actors. It is the state's responsibility to investigate complaints and hold guilty parties accountable, should not yield to the temptation of making private enterprise responsible for enforcing the state's wage laws and unfairly opening them up to unjustified liability.

**Kimberly Glassman, Director, Foundation for Fair Contracting:** Supports the bill, works for a non-profit organization that monitors public work construction projects and focuses on "proper payment of prevailing wage rates, proper classification of workers, licensing, and properly administered state apprenticeship standards". Believes wage theft is prevalent, and that Wage and Workplace Investigators play an essential role in protecting workers' rights. The organization currently has 23 complaints on file with CTDOL's WWSD alleging prevailing wage violations. State auditor's report found that 41% of wage and workplace complaints had not been assigned to an investigator. WWSD is operating with 21 investigators for all industries. They are overworked and cannot keep up with the number of wage complaints.

The mission of WWSD is crucial in providing justice to victims of wage theft and this bill would allow them to operate better and make an impact on even more people's lives.

**Norma Martinez-HoSang, Director, Connecticut For All:** Supports the bill, works in a coalition of union and nonunion families and workers that stands against wage theft and advocates for policies that provide workers security as they age. Most of this abuse happens to people employed as domestic workers in restaurants, construction, and agriculture. In 2022, Investigators at the CTDOL recovered \$3.4 million for workers who had suffered wage theft. Currently these investigators are experiencing an 8–10-month backlog. More investigators would allow workers to seek remedies quicker and also hold employers accountable to their responsibilities. Also urges committee to support SB 1221 to allow PCA's to put away some of their own money in the MyCT Savings program.

**Carmen Lanche, Executive Director - Comunidad's Sin Fronteras CT:** Supports the bill, member of Connecticut For All and executive director of Communities Without Borders. Hiring more wage and hour inspectors is important to him because low-wage workers are more vulnerable to wage theft and many of those workers do not speak English, are women, have low incomes, are undocumented, and/or may be victims of human trafficking. With more investigators, these cases would be addressed, and residents will have the ability to stay housed and healthy.

**Gerald Marotti, President, Bricklayers & Allied Craftworkers Local 1 CT:** Supports the bill, associated with CAD Local 1 CT. Explains that wage theft is prevalent and is fought by filing complaints with WWSD, but WWSD is understaffed and severely backlogged. Summarizes the Auditors of Public Accounts. Says that DOL has requested additional staffing in the past, but it has not been approved. Auditors recommend DOL continue to improve and hire more staff to allow sufficient resources to cases and address WWSD's backlog of unassigned complaints.

**Elza Monteiro, Connecticut Worker Center:** Supports the bill, is the Portuguese community leader with the Connecticut Working Center, and helps workers file wage theft cases to the DOL but finds it difficult due to labor laws not being implemented according to the state law in CT. Construction workers and domestic workers have been the most vulnerable and their cases often take months to get assigned to an investigator. Stated that many employees work 12-15 hours without overtime and therefore make less than the minimum wage. Wants committee to take into consideration hiring wage and hour inspectors that are bilingual to help clients feel more comfortable, the way that she does in her work with those that speak Portuguese. This bill would help keep workers healthy and safe.

**Rochelle Palache, District Director - 32BJ SEIU:** Supports the bill, director and vice president of 32BJ SEIU which represents workers and members of the property service industry, fights to better the lives of families in CT and strive for equal treatment in dignity and respect for all. It is low-wage workers, workers of color, and immigrant workers that are most impacted by this issue. Non-union counterparts rely heavily on DOL investigators to hold employer's accountable and recover stolen wages. Minimum wage violations affect around 17% of low wage workers, which comes to about 28,000 workers in Connecticut. The staffing levels of CT DOL have dropped by 40% in the past two decades which leaves them with 9 wage hour investigators and 17 wage enforcement agents. In 2024, roughly 1000 complaints had not been assigned to an investigator. In 2021 that number was just 117. The money lost

by workers awaiting investigations is negatively impacting their ability to live their everyday lives normally. This bill would be a crucial step in aiding those victims of wage theft. Gerardo Perez, Hartford Deportation Defense, February 6th, Supports the bill, talks about previous experience. Did not get paid for work, spoke for people with previous experience and was let go and threatened to call deportation if they said anything.

**Michael Rosario, Business Manager, UA Local 777 Plumbers and Pipefitters:** Supports the bill, explains his business and the significant role of WWSD in protecting worker's rights. Says DOL is extremely understaffed and urges passage of this bill.

**Don Scoopo, Business Manager, Insulators Local 33:** Supports the bill, on behalf of Local 33 Heat and Frost insulators, often engaged in public works projects. The laws are crucial to ensuring paid labor but seen significant challenged caused by underfunding of the DOL WWSD. 1600 cases already assigned and 945 additional cases waiting for investigation. States that wage theft impacts real people, families, and communities.

**Tonishia Signore, Policy Director She Leads Justice:** Supports the bill. States that wage theft is rampant and that workers across Connecticut struggle to stay financially afloat on low-wage jobs. States that due to budget constraints and COVID investigators of wage theft at DOL have struggled to keep up with the thousands of new complaints every year. States that passing the bill is an important step in evening the playing field in our state, and that it is good for the economy because all money recovered goes back into local communities.

**Jonah Stiger, Business Agent Boilermakers Local 237:** Supports the bill. States that wage theft is a very concerning and growing problem, and in their short time as a union leader has had many conversations with young people coming from private and non-union welding shops who have been taken advantage and are afraid to speak up in fear of losing their job.

**Michael Thompson, Executive Director - Mason Contractors Association of Connecticut:** Supports the bill. States that there are currently 21 investigators, and that the Department continues to lose seasoned investigators to retirement, higher-paying positions in other agencies or burn out. States that in 2023 843 or about 41% of the 2000 submitted complaint cases were not assigned for investigation, and that DOL has asked for additional staff, and delays cause harm to those that file complaints.

**Bret Wells, FST Business Manager, Iron Workers Local Union 15:** Supports the bill. States that DOL has approximately 1,600 cases assigned and 945 waiting for assignment and that their union has 23 complaints filed and adds that an auditor's report found that last year more than 800 all cases or 41% were not assigned to an investigator. Adds in that the Connecticut Department of Labor is understaffed, due to decades of budget cuts, but despite this in 2024 DOL had 3,000 cases filed as well as 176 stop work orders recovering \$2.7 million in back wages and \$1.4 in Civil Penalties. States the DOL is losing investigators to retirement, higher paying jobs, and burnout, adding that the DOL has historically had 40-45 investigators and not only 21. States the bill is a commonsense proposal.

**Kimberly Glassman, Director, Foundation for Fair Contracting of Connecticut:** Supports the bill. States that DOL has approximately 1,600 cases assigned and 945 waiting for

assignment and that their union has 23 complaints filed and adds that an auditor's report found that last year more than 800 all cases or 41% were not assigned to an investigator. Adds in that the Connecticut Department of Labor is understaffed, due to decades of budget cuts, but despite this in 2024 DOL had 3,000 cases filed as well as 176 stop work orders recovering \$2.7 million in back wages and \$1.4 in Civil Penalties. States the DOL is losing investigators to retirement, higher paying jobs, and burnout, adding that the DOL has historically had 40-45 investigators and not only 21. States the bill is a commonsense proposal.

Kristen Abrahamson, Executive VP Mechanical Contractors Association of Connecticut, Supports the bill. States that there are currently 21 investigators, and that the Department continues to lose seasoned investigators to retirement, higher-paying positions in other agencies or burn out. States that in 2023 843 or about 41% of the 2000 submitted complaint cases were not assigned for investigation, and that DOL has asked for additional staff, and delays cause harm to those that file complaints.

Leslie Blatteau, President of the New Haven Federation of Teachers, Supports the bill. States that we must ensure the CT Department to Labor has the staff needed to enforce the law and protect workers. States that by ensuring that the DOL has the necessary staff, the State of CT is also ensuring increased economic wellbeing for all residents. States that without proper funding DOL is unable to properly enforce labor laws in our state.

Fredy Cardenas, Member - Hartford Deportation Defense, Supports the bill. States personal experience of wage theft from an employer costing them and their family thousands of dollars. States that without proper staffing the state of Connecticut is unable to properly enforce labor laws, leading to wage theft becoming more rampant and impacting residents' ability to stay healthy and housed.

Michael Colombo, Business Manager – SMART Local 38, Supports the bill. States the DOL WWSD plays an essential role in protecting workers' rights. States that in 2023 843 or about 41% of the 2000 submitted complaint cases were not assigned for investigation, and that DOL has asked for additional staff, and delays cause harm to those that file complaints. Stating that WWSD is woefully understaffed with only 20 wage and hour investigators.

Jaylen Daniels, Connecticut Community Organizer for One Fair Wage, Supports the bill. States they have spoken with many workers across the state who have experienced wage theft and how it adversely affects them and the economy. States that in 2022 DOL recovered \$3.4 million in stolen wages and adds the benefits to workers and the local economy of hiring more investigators. States that by supporting this bill, the state of Connecticut can finally have the resources needed to hold bad actors accountable.

Carla Esquivel, Leader – NOSOTRAS, Supports the bill. States a personal story of wage theft as a child working as a nanny when she had just immigrated to the US, stating that even today people in the personal service industry are victims of wage theft. States that there is an urgent need for the Connecticut Department of Labor to have more wage theft investigators, because everyone deserves to work and live in safety and dignity.

Allie French, Executive Director - The Independent Electrical Contractors of New England, Supports the bill. States that their members understand the importance of fair labor practices., and that as independent contractors the reputation for fair treatment is what attracts and retains a skilled workforce. States that by increasing the number of instigators will enhance the enforcement of Connecticut's wage and hour laws, ensuring timely and equitable resolution of wage disputes.

Miguel Fuentes, Organizer – Regional Council of Carpenters, Supports the bill. States recent examples of wage theft and stop work orders in the Connecticut. States a study by the Century Foundation that found about 19% of construction workers are misclassified, leading to billions of dollars in lost pay, tax revenue, and payments into worker's comp funds. Also stating that a higher-than-average number of construction workers are enrolled in a government safety net program compared to other industries. States that in CT about 28% of the construction workforce are paid off the book or misclassified as independent contractors resulting in millions of dollars of lost wages and taxes.

Ed Hawthorne, President Connecticut AFL-CIO, Supports the bill. States The State Auditors of Public Accounts that in 2023 843 or about 41% of the 2000 submitted complaint cases were not assigned for investigation. States that findings stated that insufficient staffing is the reason for the growing backlog. States a history of similar bills that were not enacted into law and that there is no legitimate reason that the Wage and Workplace Standards Division should be understaffed.

Linnet Rodriguez, Connecticut Worker Center, Supports the bill. States a personal history working in a restaurant where they experienced wage theft and didn't speak out because of fear of retaliation. States that the Connecticut Worker Center helped with filling a complaint with the DOL who resolved the case. States that if the DOL hires more investigators, they can review and resolve cases faster.

John Jairo Lugo, Community Organizing Director - Unidad Latina en Accion, Supports the bill. States their agency has helped workers recover more than 1 million dollars in unpaid wages. States many occurrences in the State where wage theft is prevalent, and workers were retaliated against for complaining. States personal history of wage theft and bad working conditions because of lack of enforcement. States the DOL has helped in many cases, but Connecticut needs stronger protections to combat wage theft.

Beatriz Moncada, Community Organizer, Supports the bill. States that in 2022 DOL recovered \$3.4 million for workers in stolen wages, but it could have been more if there were more inspectors. States that the backlog of 8-10 months is too long and harms workers and lets companies evade paying stolen wages. Asks for passage of bill.

Jay More, Business Agent – United Association Local 777, Supports the bill. States the crucial role of the Department of Labor's Wage and Workplace Standards Division, and that when workers are not compensated properly, they are being essentially robbed. States The State Auditors of Public Accounts that in 2023 843 or about 41% of the 2000 submitted complaint cases were not assigned for investigation, and that the

department is woefully understaffed, and more staff is needed thanking the committee for their work.

Judith Paz, Community Organizer -Communicates Sin Fronteras, Supports

Supports the bill. States that when the DOL recovers unpaid wages those wages are invested into the local communities creating jobs and wealth in our state. Adding national studies show that 1 in 5 workers in restaurant, retail, construction, day laborers, babysitters, and agriculture are especially affected by wage theft violations, earning less than the minimum wage in each week. Urges the passage of bill for 45 investigators by June of 2026.

Rosalina Rojano, Member – Make the Road CT, Supports

Supports the bill. States previous experience with wage theft where employer would not pay and still hasn't paid what is owed, stating they have not filed a complaint because they know the DOL are understaffed, and it would take months for a resolution. States worry of being able to afford necessities.

Juan Salguero, Connecticut Worker Center, Supports

Supports the bill. States a previous experience with wage theft and sudden firing in 2022. States they filed a complaint that was finally resolved in their favor in 2024, but that if the state had more investigators, they could solve cases in a more efficient way.

Lina Segura, Member - Unidad Latina en Accion, Supports

Supports the bill. States experience with wage theft where her and her husband worked for 12 hours a day where the employer would not pay what was owed and have lost thousands of dollars because of it. States that they opened a case with the DOL but that they cannot help because they cannot find the employer. it is urgent that the Connecticut DOL have more wage theft inspectors.

Miriam Solano, Member - Unidad Latina en Accion, Supports

Supports the bill. States that many immigrants workers experience wage theft but are too afraid to report it or complain because employers will threaten to call immigration. States that wage theft impacts thousands of workers and immigrant workers are the most vulnerable. States the DOL hire more investigators, and that wage theft should be treated as a crime. When employers steal wages, they are taking away a family's livelihood.

Nick Teeling, Advocacy Director – Connecticut Voices for Children, Supports

Supports the bill. States support of bill because the DOL currently has a backlog of wage theft claims, disproportionately affecting low-wage workers. Lists a study that occurred from 2019-2023 citing that wages for low wage workers has increased from previous years, but that the gender, racial, and ethnic pay gaps are still very high in our state. State that hiring more Wage theft investigators would help to reduce the pay gaps, decrease the backlog of claims, and recover millions in stolen pay.

Xavier Gordon, President - AFSCME Council 4 Local 269, Supports

Supports the bill. States that the DOL is vastly understaffed, and that over the last decade the number of investigators has decreased significantly. Stating this has meant that workers who are being exploited must wait longer for their claims to be investigated and to receive what they are due. Adding that without adequate staffing in this division there is an incentive for employers to behave badly because they know that they may not face consequences. This

bill would provide proper staffing in the Department of Labor and would benefit workers and the business community.

**NATURE AND SOURCES OF OPPOSITION:**

None provided.

**Reported by: Matthew Domeczyk, Allie West**

**Date: 3/25/2025**