
OLR Bill Analysis

SB 1488

AN ACT AUTHORIZING THE COMPTROLLER TO WITHHOLD PAYMENT FOR VIOLATIONS OF THE PREVAILING WAGE STATUTES.

SUMMARY

This bill allows the labor commissioner to notify the state comptroller when she issues a stop work order against a contractor or subcontractor for a prevailing wage violation on a public works project. The notice must be in a form and manner set by the comptroller.

The bill also allows the comptroller, upon receiving the notice, to withhold payment to the contractor or subcontractor the order was issued against until the (1) labor commissioner releases the stop work order, (2) contractor or subcontractor pays any penalties imposed under the prevailing wage law or the law on additional wage-related penalties, or (3) parties finalize a settlement agreement.

The state's prevailing wage law generally requires contractors and subcontractors on certain public works projects to pay their construction workers wages and benefits equal to those that are customary or prevailing for the same work, in the same occupation, in the same town. The requirement applies to new construction projects costing at least \$1 million and renovation projects costing at least \$100,000.

Under existing law, unchanged by the bill, if the contracting officer on a prevailing wage job finds that a contractor or subcontractor failed to pay a worker the required prevailing wage, the state may generally (1) terminate the contractor's right to proceed with the work or (2) withhold payment to the contractor or subcontractor (CGS § 31-53).

EFFECTIVE DATE: October 1, 2025

BACKGROUND

Related Bill

sSB 1370, reported favorably by the Labor and Public Employees Committee, extends the state's prevailing wage law to cover contracts for off-site custom fabrication for a public works project.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 9 Nay 4 (03/13/2025)