



House of Representatives

General Assembly

File No. 91

February Session, 2026

House Bill No. 5275

House of Representatives, March 19, 2026

The Committee on Labor and Public Employees reported through REP. SANCHEZ, E. of the 24th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING A CONTRACTOR'S RESPONSIBILITY FOR UNPAID WAGES ON A CONSTRUCTION CONTRACT.

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

1 Section 1. (NEW) (*Effective October 1, 2026*) (a) For the purposes of this
2 section and section 31-72 of the general statutes, as amended by this act:

3 (1) "Construction contract" means any contract entered into on or
4 after October 1, 2026, for construction, renovation or rehabilitation in the
5 state, including any improvements to real property that are associated
6 with such construction, renovation or rehabilitation, or any subcontract
7 for construction, renovation or rehabilitation between an owner and a
8 contractor, a contractor and a subcontractor or between a subcontractor
9 and another subcontractor. "Construction contract" does not include (A)
10 any public works or other contract entered into with any agency or
11 department in the state, another state or a federal agency or department,
12 or (B) a home improvement contract for (i) the construction, renovation
13 or rehabilitation of an owner-occupied residence or the property where

14 such residence is located, or (ii) the construction, renovation or
15 rehabilitation of a one-family or two-family dwelling unit or the
16 property where such dwelling unit is located, except when such contract
17 is for the construction of more than fifteen one-family or two-family
18 dwelling units at one project site;

19 (2) "Contractor" means any individual, firm, partnership,
20 corporation, association, company, organization or other business
21 entity, including, but not limited to, a construction manager, general or
22 prime contractor, joint venture or any combination thereof that has a
23 direct contractual relationship with an owner;

24 (3) "Employee" has the same meaning as provided in section 31-71a
25 of the general statutes;

26 (4) "Owner" has the same meaning as provided in section 42-158i of
27 the general statutes;

28 (5) "Subcontractor" means any individual, firm, partnership,
29 corporation, association, company, organization or other business entity
30 or any combination thereof that (A) does not have a direct contractual
31 relationship with an owner, and (B) (i) is a party to a construction
32 contract with a contractor, (ii) is a party to a construction contract with
33 another subcontractor that has a direct contractual relationship with a
34 contractor, or (iii) performs any portion of work at any tier within the
35 scope of a construction contract regardless of whether such
36 subcontractor has a direct contractual relationship with a contractor;
37 and

38 (6) "Wages" has the same meaning as provided in section 31-71a of
39 the general statutes.

40 (b) A contractor that enters into a construction contract shall be jointly
41 and severally liable for any unpaid wages due to an employee of a
42 subcontractor for such employee's performance of labor included within
43 the scope of the construction contract.

44 (c) Nothing in this section shall prohibit a contractor from including

45 in any construction contract between such contractor and a
46 subcontractor a provision establishing a remedy for any liability created
47 by the nonpayment of wages by a subcontractor, provided such
48 provision does not diminish the right of an employee to bring an action
49 under section 31-72 of the general statutes, as amended by this act, and
50 does not waive or release any liability assigned to a contractor under
51 this section. No such provision to waive or release liability assigned to
52 the contractor under this section shall be enforceable.

53 Sec. 2. Section 31-72 of the general statutes is repealed and the
54 following is substituted in lieu thereof (*Effective October 1, 2026*):

55 (a) When any employer fails to pay an employee wages in accordance
56 with the provisions of sections 31-71a to 31-71i, inclusive, or fails to
57 compensate an employee in accordance with section 31-76k or where an
58 employee or a labor organization representing an employee institutes
59 an action to enforce an arbitration award which requires an employer to
60 make an employee whole or to make payments to an employee welfare
61 fund, such employee or labor organization shall recover, in a civil action,
62 (1) twice the full amount of such wages, with costs and such reasonable
63 attorney's fees as may be allowed by the court, or (2) if the employer
64 establishes that the employer had a good faith belief that the
65 underpayment of wages was in compliance with law, the full amount of
66 such wages or compensation, with costs and such reasonable attorney's
67 fees as may be allowed by the court. Any agreement between an
68 employee and his or her employer for payment of wages other than as
69 specified in said sections shall be no defense to such action. The Labor
70 Commissioner may collect the full amount of any such unpaid wages,
71 payments due to an employee welfare fund or such arbitration award,
72 as well as interest calculated in accordance with the provisions of section
73 31-265 from the date the wages or payment should have been received,
74 had payment been made in a timely manner. In addition, the Labor
75 Commissioner may bring any legal action necessary to recover twice the
76 full amount of unpaid wages, payments due to an employee welfare
77 fund or arbitration award, and the employer shall be required to pay the
78 costs and such reasonable attorney's fees as may be allowed by the court.

79 The commissioner shall distribute any wages, arbitration awards or
80 payments due to an employee welfare fund collected pursuant to this
81 section to the appropriate person.

82 (b) When a subcontractor fails to pay an employee wages for labor
83 performed within the scope of a construction contract entered into on or
84 after October 1, 2026, the employee, or a labor organization representing
85 the employee, may bring a civil action under this section against either
86 the subcontractor, the contractor or both the subcontractor and
87 contractor. Not less than thirty days prior to bringing a civil action
88 under this section, if a contractor is a party in such action, an employee
89 shall provide notice of an alleged violation by the subcontractor to such
90 contractor. Such notice shall describe the general nature of the alleged
91 violation. No employee shall be required to provide notice pursuant to
92 this subsection if such employee has previously given notice to a
93 contractor of either the same violation or a prior violation by the same
94 subcontractor. Any notice provided to a contractor pursuant to this
95 subsection shall not limit the liability of the contractor or preclude
96 subsequent amendments of an action brought under this section to
97 encompass additional employees employed by the subcontractor. For
98 purposes of this section, "construction contract", "contractor" and
99 "subcontractor" have the same meanings as provided in section 1 of this
100 act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2026	New section
Sec. 2	October 1, 2026	31-72

LAB *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which makes contractors liable for unpaid wages owed to employees of subcontractors that perform work on any portion of certain construction contracts, does not result in any fiscal impact to the state or municipalities.¹

Section 2 allows an employee and other designated parties to bring civil action against a contractor for unpaid wages. The court system disposes of over 250,000 cases annually and the number of cases is not anticipated to be great enough to need additional resources.

The Out Years

State Impact: None

Municipal Impact: None

¹ Current law, unchanged by the bill, allows employees to sue an employer for failure to pay wages or fringe benefits, and may be awarded up to twice their unpaid wages, related costs, and attorney's fees (CGS § 31-72).

OLR Bill Analysis**HB 5275*****AN ACT CONCERNING A CONTRACTOR'S RESPONSIBILITY FOR UNPAID WAGES ON A CONSTRUCTION CONTRACT.*****SUMMARY**

For certain construction contracts executed on or after October 1, 2026, this bill makes a construction contractor jointly and severally liable for any unpaid wages owed to a subcontractor's employee working within the contract's scope.

Under the bill, if the subcontractor fails to pay such an employee, either the employee or a labor organization may sue the subcontractor, the contractor, or both. If the contractor is a party in the suit, the employee must give the contractor at least 30 days' advance notice about the subcontractor's alleged violation before suing. The notice must describe the alleged violation's general nature. However, the employee does not have to give this notice if he or she has previously given the contractor notice about the same violation or a prior violation by the same subcontractor. The bill specifies that the notice does not limit the contractor's liability or prevent subsequent amendments to the suit to include more of the subcontractor's employees.

The bill also specifies that it does not prohibit a construction contract between a contractor and subcontractor from including a provision establishing a remedy for any liability created by a subcontractor's nonpayment of wages, as long as it does not (1) diminish an employee's right to bring a lawsuit for unpaid wages or (2) waive or release any liability assigned to the contractor under the bill. Additionally, the bill makes any provision to waive or release liability assigned to the contractor unenforceable.

EFFECTIVE DATE: October 1, 2026

CONTRACTS, CONTRACTORS, AND SUBCONTRACTORS

Under the bill, a “construction contract” is a contract entered into on or after October 1, 2026, for construction, renovation, or rehabilitation in the state, including any improvements to real property associated with it. It includes those contracts between an owner and a contractor, a contractor and a subcontractor, or between subcontractors. It does not include:

1. public works or other contracts by the state, another state, or the federal government or
2. home improvement contracts to build, renovate, or rehabilitate
 - (a) an owner-occupied residence or property where it is located or
 - (b) one- or two-family dwelling units or properties unless there are more than 15 of them at one project site.

Under the bill, “contractors” are business entities, including construction managers, general or prime contractors, joint ventures, or combinations of them, that have a direct contractual relationship with an owner (the owner of record or lessee of real property where the construction, renovation, or rehabilitation will be or is being done).

A “subcontractor” is a business entity that does not have a direct contractual relationship with an owner but:

1. is a party to a construction contract with the contractor;
2. is a party to a construction contract with another subcontractor that has a direct contractual relationship with the contractor; or
3. does any work at any tier within the construction contract’s scope, regardless of whether it has a direct contractual relationship with a contractor.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 9 Nay 4 (03/05/2026)