



Senate Bill No. 268

Public Act No. 26-17

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

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

Section 1. Section 31-76a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) On receipt of a complaint for nonpayment of wages, a violation of the provisions of subsection (g) of section 31-288 or a violation of the provisions of subsection (b) of section 31-53, the Labor Commissioner, the director of Wage and Workplace Standards or the director's designee, shall have power to enter, during usual business hours, the place of business or employment of any employer to determine compliance with the wage payment laws, subsection (g) of section 31-288 or subsection (b) of section 31-53, 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.

(b) The commissioner or the director, for such purpose, may issue subpoenas for the attendance of witnesses and the production of books and records. Any employer or any officer or agent of any employer,

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corporation, firm or partnership who wilfully fails to furnish time and wage records as required by law to the commissioner, the director of minimum wage or any wage enforcement agent upon request, or who refuses to admit the commissioner, the director or such agent to the place of employment of such employer, corporation, firm or partnership, or who hinders or delays the commissioner, the director or such agent in the performance of the commissioner's, the director's or such agent's duties in the enforcement of this section shall be fined not less than one thousand dollars. Each day of such failure to furnish the time and wage records to the commissioner, the director or such agent shall constitute a separate offense, and each day of refusal to admit, of hindering or of delaying the commissioner, the director or such agent shall constitute a separate offense.

(c) (1) If the commissioner determines, after an investigation pursuant to subsection (a) of this section, that an employer is in violation of (A) subsection (g) of section 31-288, or (B) subsection (b) of section 31-53, the commissioner shall issue, not later than seventy-two hours after making such determination, a stop work order against the employer requiring the cessation of all business operations of such employer. Such stop work order shall be issued only against the employer found to be in violation of subsection (g) of section 31-288 or in violation of subsection (b) of section 31-53 and only as to the specific place of business or employment for which the violation exists. Such order shall be effective when served upon the employer or at the place of business or employment. A stop work order may be served at a place of business or employment by posting a copy of the stop work order in a conspicuous location at the place of business or employment. Such order shall remain in effect until the commissioner issues an order releasing the stop work order upon a finding by the commissioner that the employer has come into compliance with the requirements of subsection (b) of section 31-284 or subsection (b) of section 31-53, or after a hearing held pursuant to subdivision (2) of this subsection.

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(2) Any employer against which a stop work order is issued pursuant to subdivision (1) of this subsection may request a hearing before the commissioner. Such request shall be made in writing to the commissioner not more than ten days after the issuance of such order. Such hearing shall be conducted in accordance with the provisions of chapter 54.

(3) Stop work orders and any penalties imposed under section 31-288 or 31-69a against a corporation, partnership or sole proprietorship for a violation of subsection (g) of section 31-288 or for a violation of subsection (b) of section 31-53 shall be effective against any successor entity that has one or more of the same principals or officers as the corporation, partnership or sole proprietorship against which the stop work order was issued and are engaged in the same or equivalent trade or activity.

(d) (1) After issuing a stop work order for a violation of subsection (b) of section 31-53 pursuant to subsection (c) of this section, the commissioner may notify the Comptroller, in a form and manner prescribed by the Comptroller, of the issuance of such stop work order against a contractor or subcontractor performing work on a public works project.

(2) Not later than ten business days following receipt of notice from the commissioner pursuant to subdivision (1) of this subsection, the Comptroller shall notify the contractor or subcontractor that the Comptroller has received such notice from the commissioner and such contractor or subcontractor shall comply with the provisions of subsection (b) of section 31-53 not later than ten business days following receipt of such notice from the Comptroller.

(3) If, after ten business days, such contractor or subcontractor remains out of compliance with the provisions of subsection (b) of section 31-53, the Comptroller may withhold payment of money to such

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contractor or subcontractor until the commissioner issues an order releasing the stop work order pursuant to subsection (c) of this section or upon payment of any penalties imposed under section 31-53 or 31-69a or finalization of any settlement agreement entered into pursuant to section 31-53.

Governor's Action:
Approved May 14, 2026