

PA12-018

HB5057

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**JOINT
STANDING
COMMITTEE
HEARINGS**

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REP. NICASTRO: Thank you.

Thank you, Mr. Chairman.

SENATOR DOYLE: Thank you.

Any further questions from committee members?

Seeing none, thank you very much.

TIMOTHY J. DIETZ: Thank you.

SENATOR DOYLE: Next speaker is Joyce Wojtas and
Jenn Jennings, Bill Flynn, John Butts.

Joyce Wojtas.

JOYCE WOJTAS: Good afternoon, Mr. Chairman,
members of the General Law Committee. My name
is Joyce Wojtas and I'm the lobbyist for the
Mechanical Contractors Association of
Connecticut and I'm here to speak in favor of
House Bill 5057, AN ACT CONCERNING PENALTIES
FOR THE VIOLATION OF MECHANICAL CONTRACTOR
REGISTRATION REQUIREMENTS. To refresh your
memory, this General Law Committee reported
this bill favorably in 2011 and it was also
reported favorably by the Judiciary Committee,
the Planning and Development Committee and it
passed the Senate in the final days of the
session; however, it failed to get passed the
House. So we're back again this year and the
penalties -- currently, the law does provide
for a penalty, but it's Unfair Trade Practices
penalty which is quite complex, and we're
asking for regular penalties administered by
the department of \$1,000 for a first offense
and \$2500 for any subsequent offense, if a
mechanical contractor fails to register.

This bill does not have any impact on a small

business owner and that would be a plumbing contractor or a heating and air conditioning contractor who is working exclusively on residential properties or single-family, multi-family or private dwellings consisting of not more than four units so it would be small condominium complex where they have the individual buildings. However, once the contractor is performing work for larger facilities, which would be commercial or industrial, educational or hospital and they're doing mechanical work, which involves multiple trades including the plumbing and piping and heating and cooling and air conditioning, that would require the registration and the reason is that in most cases those companies -- the owners of the companies are not licensed tradespeople. They employ the licensed tradespeople to perform the work, but they themselves do not have a license and that's why we're asking for a penalty for failure to register.

When they register, they have to provide information to the commissioner or to the Department of Consumer Protection that they have fulfilled all of their obligations to the state and are current on all tax payments to the state, which would, you know, mean that they have to show that they're compliant with the worker's compensation requirements and unemployment compensation requirements and other tax liabilities that the state imposes. We hope we can again look forward to your support on this bill and if you have any questions, I'd be happy to answer them.

And on one note, I did discuss with Attorney Hanratty the fact that we're asking for simple amendment this year in Section 2 of the bill where it says that -- it has an explanation that any contractor who willfully engages its

employees in plumbing and piping work or heating or cooling work shall be fined. We're taking out the language "or willfully supplies employment of an employee who does not hold a valid license to perform such work." We're asking that that be taken out of that section simply because currently Chapter 393 does provide a penalty for providing unlicensed people on the job so this has no real purpose in this section.

SENATOR DOYLE: Thank you, Ms. Wojtas.

Any questions?

Representative Taborsak.

REP. TABORSAK: Hi, Joyce.

JOYCE WOJTAS: Hi.

REP. TABORSAK: Thanks for your testimony. Just to clarify a few things, I noticed in the beginning of the bill mentions -- or -- part of the bill deals with the definition of "employees" and things of that nature. I just want to confirm that this wouldn't interfere with the apprenticeship programs we have in the state. Correct? This would work with them. Right?

JOYCE WOJTAS: Absolutely.

REP. TABORSAK: Okay. Thank you. And then just a few other -- just if you could explain, I mean, what is -- so that people know -- people who that don't deal with, you know, these issues, what is the problem out there that you're seeing, that folks in the trade are seeing as far as contractors, you know, doing work with employees that do not have licenses or that are not registered in the state? Can

you give us a sense of what's going on out there. Why this is a big problem

JOYCE WOJTAS: Well, we -- number one, the registration requirements, of course, sets up an alert that there is a mechanical contractor, and oftentimes, it's someone coming in from out of state. It also helps to reemphasize that that mechanical contractor can only use licensed people on the job. We find that there are a lot of violations with unlicensed people and -- and people that are -- not only unlicensed people, but people that are also using people as what they call independent contractors and we're working closely with the Department of Labor on misclassification of employees and coordinating all enforcement efforts. This -- because it establishes registration for all the mechanicals. We're hoping eventually to be able to require on a building permit -- and this isn't in this session, but possibly next session -- to require that the mechanical contractor registration number actually get listed on the building permit when the mechanical -- usually the mechanical contractor has to have a P1 licensee or an S1 licensee, meaning plumbing and piping or heating, piping and cooling, take the permit for the mechanical work.

But we would also like to see the mechanical contractor license become a part of that because it's so important that legitimate mechanicals are doing these buildings, which are occupied by many people and it's a safety issue in the long run.

REP. TABORSAK: Thanks for that clarification because I think it's important for people to understand that this is coming from a problem where we have out-of-state contractors coming

into the state. There's no means to track them because they're not getting this certificate of registration and then they're working on commercial jobs with unlicensed employees doing work that people in our state, Connecticut residents, are required to do -- or required to get a license to do.

JOYCE WOJTAS: Right.

REP. TABORSAK: And so that's the problem. And just one other thing if you could, right now, if one of these contractors were out there, if someone was doing this kind of work and using unlicensed workers, how would the state typically find out about this. I mean, are we doing -- to your knowledge, sting operations? Are we doing surprise visits? Is anyone in the state that you know of -- on these constructions sites or is it more of a -- if someone finds out they might call it in and that's kind of all we're working with here.

JOYCE WOJTAS: Well, the Department of Consumer Protection usually performs inspections, but it's usually based on a complaint that's filed by someone. We -- a couple of years ago, we included in the building permit section in the public safety statutes an incentive for municipalities to trigger any observations of unlicensed people because the building inspector is usually closest to the job and he's on-site and if the building inspector reports to Consumer Protection of a problem with unlicensed people, the town can share in the revenue. I'm not up to date on how successful that has been, but we were hoping that that would help with the enforcement because you need -- we don't have many inspectors in the department and that's been an ongoing problem.

I'm hoping that we can work with the Governor's office between now and the next session to try to encourage more inspectors. We're also, as I said, working with the Labor Department, who has been doing a magnificent job on the independent contractor classification and is trying to get all the agencies together to discuss the various enforcement activities so we're hoping that as time goes on we're able to put a clamp on this. And of course, initially, there will be revenue that will coming to the state if enforcement is handled, you know, immediately and readily, but as the word gets out, especially to bordering states where we have contractors come in that are operating not quite legitimately, it will -- you know, the violations will die down, but I think that -- we're hoping that we're going to be able to get a better enforcement staff for the future through the Governor.

REP. TABORSAK: Okay. Well, I hope your successful in that effort and I appreciate your comments and, you know, I think the public policy behind this measure is very sound from a public safety perspective and I think that we do have to do more to make sure that we're setting up the resources in place to make sure that we can enforce these sorts of, you know, consumer protection measures; otherwise, you know, we're going to have a difficult time really seeing through the public policy that I think is very sound in this case. So thanks for your comments.

JOYCE WOJTAS: You're welcome.

REP. TABORSAK: Thanks, Mr. Chairman.

SENATOR DOYLE: Thank you.

Any further questions from committee members?

Seeing none, thank you very much, Joyce.

JOYCE WOJTAS: Thank you.

SENATOR DOYLE: As I mentioned earlier, Senator Looney was going to come back and Senator Looney is here. He had another commitment, another committee meeting. So I would ask Senator Looney to come up and present his testimony.

SENATOR LOONEY: Thank you very much, Mr. Chairman.

Senator Doyle and Representative Taborsak and members of the General Law Committee, I'm Martin Looney. I represent the 11th Senatorial District and I'm Senate Majority Leader. And I'm here to speak on behalf of Raised Bill Number 60, AN ACT PROHIBITING PRICE GOUGING DURING SEVERE WEATHER EVENTS. This is a bill that this committee showed great leadership on on raising last year. It was voted out of committee and did pass the Senate, although not the House of Representatives.

And since that time, the need for it, I think has become even more pronounced because what it does add services to our current price gouging statute, which covers goods only. The price gouging statute that we have in place was passed in 1986 in the wake of Hurricane Gloria, and at that time, there was concern raised about particular prices being raised in an unconscionable way on items like generators and on other things like dry ice in the wake of that storm. But last year, of course, we become aware of price gouging in relation to services like snow removal services and cleaning off snow from roofs in the -- in the

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LS**GENERAL LAW COMMITTEE PUBLIC HEARING TESTIMONY**

Tuesday, February 21, 2012 – 12 noon LOB Room 2E

Re: H.B. 5057 – An Act Concerning Penalties for the Violation of Mechanical Contractor Registration Requirements.**Presented by: Joyce A. Wojtas, Lobbyist for the Mechanical Contractors Association of CT (MCAC)**

The MCAC, on behalf of its members, strongly supports HB 5057 that accomplishes the following:

(1) It clarifies, under the definition of “Mechanical Contractor”, that the services they are offering to the public must be performed by employees who are licensed in accordance with C.G.S. Chapter 393, known as the “Occupational Licensing Laws” administered by the Department of Consumer Protection.

(2) It establishes penalties for any mechanical contractor who does not register with the Department of Consumer Protection. Currently the law does not provide for any penalty for failure to register. The mechanical contractor, defined in Section 1 of the bill, is a contractor with more than ten employees who performs work on commercial, industrial, and/or educational facilities that involves many of the licensed trades (plumbing/piping, heating/piping, cooling, process piping) and requires employees with different licenses.

This bill does not have any impact on a small business owner (plumbing contractor, heating/air conditioning contractor, etc.) or any mechanical contractor that performs work exclusively on single family or multifamily private residences or dwelling consisting of not more than four units.

The penalties provided for in Sec. 2, subsection (e) (\$1,000 for the first offence and \$2,500 for any subsequent offense) may seem high for the violations, however, high penalties are the only way to stop a non-compliant contractor from violating this law and at the same time, the penalties may prevent an unsafe installation of a major facility’s heating system.

In 2011, this bill was reported favorably by the General Law, Judiciary, and Planning & Development Committees. It passed the Senate in the final days of the session and did not get called in the House.

MCAC respectfully requests your support for this bill and recommends the following amendment to the bill.

Sec. 2. Section 20-341y of the general statutes is amended by adding subsection (e) as follows (Effective October 1, 2012):

(NEW) (e) A mechanical contractor who does not obtain a certificate of registration as required by section 20-341t and who wilfully engages its employees in plumbing and piping work or in heating, piping and cooling work [or who wilfully supplies for employment an employee who does not hold a valid license to perform such work] shall be fined one thousand dollars for the first offense and two thousand five hundred dollars for each subsequent offense.

Reason for Admenment: Chapter 393 currently has penalties for contractors supplying unlicensed people on projects.

For information contact: Joyce Wojtas 860-280-4623 or jawojtas@myway.com

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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
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Mr. Speaker and members of the Chamber, I want to please introduce the 2011 state champions. It's the Thomaston girls cross country team. In the interest of time, I understand of a lot of them are on the track team, too, so they have a meet this afternoon. So in the interest of time, I will not introduce each member as much as I would like to.

But I would like to introduce the head coach, Mark Olsen, and the assistant coach, Brian LaFontaine. Congratulations on being the 2011 state champions, and thank you very much for coming up to visit us. Thank you.

DEPUTY SPEAKER RYAN:

Congratulations. It's good to see that hard work paid off. Good luck.

Will the Clerk please call Calendar Number 56?

THE CLERK:

On page 6, Calendar 56, House Bill Number 5057, AN ACT CONCERNING PENALTIES FOR THE VIOLATION OF MECHANICAL CONTRACTOR REGISTRATION REQUIREMENTS, favorable report on the Committee on General law.

DEPUTY SPEAKER RYAN:

Representative Baram of the one -- of the 15th, excuse me.

REP. BARAM (15th):

Thank you. Good afternoon, Mr. Speaker.

I move for acceptance of the Joint Committee's favorable report and passage of this bill.

DEPUTY SPEAKER RYAN:

The question is acceptance of the Joint Committee's favorable report and passage of the bill.

Representative Baram, you have the floor.

REP. BARAM (15th):

Thank you, Mr. Speaker.

This bill establishes a penalty for mechanical contractors who fail to obtain a certificate of registration and willfully engage their employees in the services or supplies an employee who does not have a proper license. The bill imposes a thousand-dollar fine for the first offense and 2500 dollars for each subsequent offense. A mechanical contractor is one who works on commercial buildings or private dwellings of four or more units and has ten or more employees.

Mr. Speaker, I move passage of this bill.

DEPUTY SPEAKER RYAN:

Will you remark further on the bill?

Representative Rebimbas of the 70th.

REP. REBIMBAS (70th):

Good afternoon, Mr. Speaker.

I rise in support of this bill. I certainly wanted to echo what's already been said and also highlight the fact that this did come out of the General Law Committee unanimously. And it is strongly supported by the Mechanical Contractors Association of the State of Connecticut.

And there are certain exceptions regarding this legislation that does not negatively impact the small businesses, which was previously highlighted, which is also a very important point as we pass legislation in this Chamber to determine how it's going to impact our small businesses.

So again, Mr. Speaker, I rise in support and ask that my colleague support the bill as well. Thank you.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

Will you remark further on this bill? Will you remark further on this bill? If not, will staff and guests please come to the well of the House. Will the members please take your seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call. Members to the Chamber. The House is taking a roll call vote. Members to the Chamber, please.

DEPUTY SPEAKER RYAN:

Have all members voted? Have all members voted? Will the members please check the board to determine if their vote is properly cast. If all members have voted, the machine will be locked and the Clerk will take a tally. The Clerk will please announce the tally.

THE CLERK:

On House Bill 5057.

Total number voting	142
Necessary for adoption	72
Those voting Yea	142
Those voting Nay	0
Those absent and not voting	9

DEPUTY SPEAKER RYAN:

The bill passes.

Will the Clerk please call Calendar Number 117?

THE CLERK:

On page 14, Calendar 117, Substitute for House Bill Number 5250, AN ACT CONCERNING THE APPOINTMENT OF PRIMARY POLLING PLACE OFFICIALS, favorable report by

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GENERAL ASSEMBLY
SENATE**

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2, dated Wednesday, May 2, 2012, to be incorporated into the Senate Journal and the Senate transcript.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, we have some additional items to mark at this time. First is on calendar page 2, Calendar 129, Senate Bill 324; the second is on calendar page 3, Calendar 189, Senate Bill 323.

And then two items on calendar page 21, Calendar Number 72, Senate Bill 63; and also calendar page 21, Calendar Number 73, Senate Bill 195. If we might mark those items as go and take those up in sequence.

In addition, Madam President, we have some items to add to our consent calendar. Madam President, beginning on calendar page 5, Calendar 237, House Bill 5057, would move to place that item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

Thank you, Madam President.

Calendar page 6, House Bill 5225, move to place that item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

Thank you, Madam President.

Moving to calendar page 11 where we have two items. The first, Calendar 365, House Bill 5094, move to place this

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Thank you, madam.

And if there's no objection, I'd ask that this be put on
the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

Mr. Clerk --

Oh, sorry. Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

Madam President. Madam President.

THE CHAIR:

Yes. Yes, Senator Looney.

SENATOR LOONEY:

Yes, Thank you, Madam President.

Madam President, if the Clerk would now read the items on the consent calendar so that we might proceed to a vote on that consent calendar.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Let's see. On today's consent calendar we have on page 1, Calendar 85, Senate Bill Number 43; page 3, Calendar 189, Senate Bill 323; page 4, Calendar 205, Senate Bill Number 237; on page 5, Calendar 237, House Bill Number 5057; on page 6, Calendar 294, Senate Bill 111.

Also on page 6, Calendar 298, House Bill 5225; on page 11, Calendar 365, House Bill Number 5094; on page 11, Calendar 370, House Bill 5287; on page 13, Calendar 385,

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House Bill 5123; on page 15, Calendar 401, House Bill 5516; on page 19, Calendar 421, House Bill 5107.

On page 21, Calendar 59, Senate Bill Number 97; also on page 21, Calendar 90, Senate Bill 188; on page 21, again, Calendar 72, Senate Bill 63; page 21, Calendar 73, Senate Bill 195; on page 22, Calendar 104, Senate Bill 207; on page 24, Calendar 197, Senate Bill Number 315; also on page 24, Calendar 183, Senate Bill 234.

Page 25, Calendar 208, Senate Bill 347; on page 25, Calendar 233, Senate Bill 371; on page 26, Calendar 275, Senate Bill 391; on page 27, Calendar 288, Senate Bill 299; on page 27, Calendar 292, Senate Bill 156; and on page 28, Calendar 333, Senate Bill Number 426.

THE CHAIR:

Okay. Mr. Clerk, would you please call for a roll call vote and the machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Senators please return to the Chamber. Immediate roll call has been ordered in the Senate.

THE CHAIR:

If all members have voted -- all members voted. The machine will be closed. And Mr. Clerk, will you call this great tally?

THE CLERK:

On today's consent calendar.

Total Number voting	36	
Necessary for adoption	19	
Those voting Yea		36
Those voting Nay		0
Those absent and not voting	0	

THE CHAIR:

The consent calendar passed.