



December 13, 2011

Labor & Employment Update

U.S AND CONNECTICUT DEPARTMENTS OF LABOR JOIN FORCES TO ENFORCE WAGE AND HOUR LAWS ON CONSTRUCTION SITES

The Wage and Hour Division of the United States Department of Labor (“US DOL”) announced a multi-year enforcement initiative focusing on the construction industry in Connecticut and Rhode Island. The US DOL intends to remedy what it believes to be systemic violations of the Fair Labor Standards Act (“FLSA”) and to promote contractor and subcontractor compliance with the law.

Since 2008, the US DOL’s Hartford Office has conducted 183 investigations in Connecticut and Rhode Island and has recovered almost \$3.3 million in back wages. The US DOL has typically acted in cases in which it believes that employers have misclassified employees as independent contractors to avoid wage and hour laws, paid piece-work rates which resulted in compensation below the minimum wage, and failed to pay overtime compensation. The Connecticut Department of Labor has also been active in investigating wage and hour compliance at construction sites and has issued stop work orders under Connecticut law.

In September the US DOL signed a Memorandum of Understanding with the Internal Revenue Service to improve efforts to end the misclassification of employees as independent contractors. The Connecticut DOL has also signed a Memorandum of Understanding with the US DOL which allows for information sharing and coordination of law enforcement efforts.

Independently, Connecticut has established a Joint Enforcement Commission on Employee Misclassification (“JEC”). Representatives from the Connecticut DOL and other agencies coordinate the civil prosecution of violations of state laws due to employee misclassification. The JEC reports suspected violations of state criminal laws to appropriate authorities.

The Connecticut DOL has made it very easy to report suspected misclassification of workers. The Agency’s website includes a link to information on the JEC which in turn contains a link to a Worker Classification Complaint Form which can be printed and completed or completed online.

The best way to protect your company is to take steps to ensure that your work practices comply with the law before either DOL shows up at your jobsite. If you have questions, or if you are the subject of a DOL investigation, please contact.

Louis B. Todisco at 203.772.7718 or ltodisco@murthalaw.com
Hugh F. Murray, III at 860.240.6077 or hmurray@murthalaw.com
Michael C. Harrington at 860.240.6049 or mharrington@murthalaw.com



If you have any questions about the issues addressed here, or any other matters involving Labor & Employment law issues, please feel free to contact:

Louis B. Todisco
203.772.7718
ltodisco@murthalaw.com

Hugh F. Murray, III
860.240.6077
hmurray@murthalaw.com

Michael C. Harrington
860.240.6049
mharrington@murthalaw.com

BOSTON

HARTFORD

MADISON

NEW HAVEN

STAMFORD

WOBURN