Robinson+Cole

Construction



September 2014

2014 Connecticut Legislative Summary

The 2014 regular session of the Connecticut General Assembly closed with only a few new laws on the books that will affect the design and construction industry. The summaries below highlight the most significant of these. Links to specific statutes are included below. For more information, please contact Robert M. Barrack (rbarrack@rc.com).

WORKING GROUP TO STUDY AND RECOMMEND CHANGES TO STATE PUBLIC CONTRACTING LAWS

Special Act No. 14-18: An Act Establishing the Construction Contracting and Bidding Transparency Working Group

Special Act 14-18 establishes the Construction Contracting and Bidding Transparency Working Group, chaired by the commissioner of the Department of Administrative Services (DAS). The act charges the working group, which includes members of several state agencies, as well as certain appointed representatives from the construction industry, with studying state construction contracting and subcontracting laws, regulations, and processes. As part of this study, the act requires the working group to solicit testimony and recommendations from the public, trade associations, general contractors, and subcontractors.

The working group is required to submit a report on its findings and recommendations for administrative and legislative changes to the governor and the Government Administration and Elections (GAE) Committee no later than January 1, 2015.

Effective: July 1, 2014

PREVAILING WAGE SUBMITTALS AND NOTICES TO BE ALLOWED ELECTRONICALLY

Public Act No. 14-44: An Act Concerning Electronic Prevailing Wage Notices, Information and Records

Under the state's prevailing wage law, <u>General Statutes Section 31-53</u>, contractors on certain state or municipal public works projects are required to pay prevailing hourly wages to their workers. This requirement applies to repair and renovation projects costing \$100,000 or more and new construction projects costing \$400,000 or more. Contractors on these projects must submit monthly certified payrolls

to the contracting state or local agency verifying that they have met the law's requirements.

Effective July 1, 2015, <u>Public Act No. 14-44</u> allows certain records, notices, and certifications required for prevailing wage jobs to be submitted, maintained, or certified electronically. Specifically, it includes the following:

- It allows employers to (a) electronically submit their monthly certified payroll records to the state or local contracting agency and (b) keep, maintain, and preserve these payroll records in an electronic format.
- 2. It allows a state or local contracting agency to electronically (a) notify a contractor that it is terminating the contractor's right to work on the job because of the contractor's, or a subcontractor's, failure to pay the required prevailing wages; (b) notify the labor commissioner that it has terminated such contractor's right to work on a job; and (c) certify a prevailing wage job's total cost to the labor commissioner.

Under current law, an employer must submit a certified payroll in paper form that includes an original signed statement from an authorized agent of the employer indicating that the payroll is correct and the employer has met other requirements. The act eliminates the requirement for an original signed statement, which also allows it to be submitted electronically.

The act also clarifies the circumstances requiring certification of a prevailing wage project's total cost by a state or local contracting agency. The present statute provides that the agency must do so before awarding a contract subject to prevailing wage requirements. As amended, the act further specifies that this requirement applies to the award of any purchase orders, bid packages, or other designations subject to prevailing wage requirements.

Effective: July 1, 2015

\$103.5 MILLION IN NEW BONDING AUTHORIZED FOR STATE INFRASTRUCTURE PROGRAM FOR HIGHER EDUCATION FACILITIES

Public Act No. 14-98: An Act Authorizing and Adjusting Bonds of the State for Capital Improvements, Transportation and Other Purposes, and Concerning Miscellaneous Programs, Including the Smart Start Program, The Water Improvement System Program, School Security Grants, the Regenerative Medicine Research Fund, the Connecticut Manufacturing Innovation Fund and The Board Of Regents for Higher Education Infrastructure Act

Public Act 14-98 authorizes up to \$933.1 million in new state general obligation (GO) bonds for state capital projects and grant programs, including (a) \$860.5 million in new authorizations for fiscal years (FYs) 2014 through 2024, (b) \$89.7 million in net changes to FY 2015 authorizations enacted in 2013, and (c) \$17.2 million in cancellations of authorizations from prior fiscal years. It also authorizes up to \$17.6 million in new special tax obligation (STO) bonds for transportation projects, including (a) \$28.4 million in new authorizations for FY 2015 projects and (b) \$10.9 million in net decreases to FY 2015 STO authorizations enacted in 2013.

One notable provision of the act amends <u>General Statutes Section 10a-91d</u> by (a) authorizing \$103.5 million in new bonding under the Connecticut State University System (CSUS) 2020 infrastructure program, renamed by the act as the Connecticut State Colleges and Universities (CSCU) 2020 program; (b) expanding the program to include the regional community-technical colleges and Charter Oak State College; and (c) extending the program by one year to FY 2019.

Effective: July 1, 2014

GREEN BUILDING STANDARDS ELIMINATED FOR CERTAIN TRANSPORTATION-RELATED FACILITIES

Public Act No. 14-199: An Act Concerning Revisions to the Transportation Statutes

Public Act 14-199 makes a number of changes in transportation-related laws, most of which have little or no direct impact on the construction industry. One exception, however, is Section 5 of the act, the Exemption of Certain Facilities from LEED Standards. Under prior law, <u>General Statutes Section 16a-</u><u>38k</u>, any new construction or renovation of a state facility budgeted in excess of \$5 million, with at least \$2 million contributed from state funds, had to qualify for the "silver" rating by the Leadership in Energy and Environmental Design (LEED) rating system of the U.S. Green Building Council. The act now exempts salt sheds, parking garages, and other maintenance facilities from LEED requirements, provided they incorporate the best economically feasible energy standards.

Effective on signing June 12, 2014.

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