

What is worker misclassification?



Misclassification occurs when an employer incorrectly defines their worker as an “independent contractor” rather than an employee. Although misclassification can happen inadvertently, it is often used to circumvent the law.

Remember, worker misclassification is against the law and hurts our economy!



- ✓ Taxpayers pay more than their share when irresponsible employers don't pay.
- ✓ Towns and cities lose much-needed tax revenue.
- ✓ States pay for benefits that should be provided by the employer.

You can help ensure your workers are properly classified

Connecticut has a Joint Enforcement Commission to help you determine a worker's employment status as employee or independent contractor. The Commission includes the CT Department of Labor, Department of Revenue Services, Worker's Compensation Commission, the Chief State's Attorney's Office, and the Attorney General's Office. If you need guidance, contact the Connecticut Department of Labor's Wage and Workplace Standards Division for assistance.

These resources can offer additional guidance:

Department of Revenue Services	860-541-7525
Department of Consumer Protection	860-713-1630
CT Department of Labor	
Unemployment Division	860-263-6550
Out-of-State Contractor Bonding	860-263-6191

CT Department of Labor, Apprenticeship Unit Vinnie Valente Vinnie.Valentei@ct.gov	860-263-6087
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CT Department of Labor, Stop Fraud Construction Unit Resa Spaziani Resa.Spaziani@ct.gov	860-263-6545
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The Connecticut Department of Labor is an equal opportunity employer with equal opportunity programs. Auxiliary aids and services are available upon request to individuals with disabilities.

A Contractor's Guide To Construction Compliance



Keep Your Company in Compliance with these Tips...

When employers don't adhere to Connecticut's laws they create an unfair business climate for everyone else. This means law-abiding businesses cannot compete against those that don't follow the rules and it can also result in substantial penalties when an employer comes under investigation. Use this checklist, prior to starting work at a site, to help keep your company in compliance.



Prior to starting work...



Register your business All businesses must be registered with Secretary of the State to conduct work in Connecticut. Companies must also register with Department of Revenue Services and the Department of Labor's Unemployment Division. Out-of-state contractors who have not reported to Connecticut must also provide an au-960, au-961, and uc-220 bond.

Worker's Compensation coverage All businesses must have a Connecticut Worker's Compensation policy that reflects the correct class code for the work being performed, and the expected payroll for all employees performing work. A Worker's Compensation policy from another state cannot be accepted. Please note that Connecticut must be listed under the 3A portion of the policy.

While working in Connecticut...



- Every worker on your project must complete W-4 and I-9 forms.
- True and accurate time records must be kept. Records must include time in, meal period, and time out. Sign-in logs are not considered to be acceptable time cards.
- You are required to establish a weekly payroll. A bi-weekly payroll system is not accepted unless formal approval has been provided by the Connecticut Department of Labor's Wage and Workplace Standards Division.
- Each worker must receive a hiring agreement that states rate of pay at hire, pay date, and any company policies and procedures.
- Time and payroll records must be kept in Connecticut for a period of three years. No deductions in wages are permitted, other than state and federal taxes and health and welfare benefits. Tools, lodging, food, debit cards, or loans are not acceptable deductions.

These key guidelines can help keep your company on the job, on schedule, and in compliance

- Apprenticeship programs from other states are not accepted unless there is a reciprocal agreement.
- All licensed trade work must be performed by a Connecticut license holder.
- Overtime wages are due after 40 working hours. All wages are due for the workweek on the regular pay day.
- If an employee quits she/he may be paid the next payday. If an employee is terminated, she/he must be paid by the next business day.
- Any employee required to drive a company truck to the job site must be compensated.
- No employee or helper under the age of 18 is allowed to be on any construction site.
- Be careful if classifying a worker as an independent contractor – misclassification is against the law! If you do use subcontractors they must meet the statute requirements of Section 31-288.