

Sec. 31-273-9. Employer fraud: contested case hearing

(a) If, after investigation, the Administrator determines that there is probable cause to believe that a person, firm or corporation has wilfully failed to declare payment of wages in a payroll record, pursuant to section 31-273(d) of the Connecticut General Statutes, the Administrator shall provide an opportunity for hearing.

(b) (1) If the person, firm or corporation requests a hearing, it shall be conducted pursuant to the rules of procedure for hearings in contested cases to be conducted by the Labor Commissioner as provided in Sections 31-1-1 through 31-1-9, inclusive, of the Regulations of Connecticut State Agencies.

(2) Notice of the time, place, reason for such hearing and right of representation shall be provided to the person, firm or corporation requesting the hearing.

(c) (1) After the hearing, or after opportunity for hearing has been provided and no such hearing has been requested, the Administrator shall issue his final decision. Where, in his final decision, the Administrator determines that such nondeclaration occurred and was wilful, he shall fix the payments and penalties in accordance with the provisions of Section 31-273(e) of the Connecticut General Statutes.

(2) The Administrator may impose a penalty of ten(10) percent of the total contributions past due to the Administrator, as determined pursuant to Section 31-270. Such penalty shall be in addition to any other applicable penalty and interest under Section 31-266. In addition, the Administrator may require the person, firm or corporation to make contributions at the maximum rate provided in Section 31-225a for a period of one year following the determination by the Administrator concerning the wilful nondeclaration. If the person, firm or corporation is paying or should have been paying, the maximum rate at the time of the determination, the Administrator may require that such maximum rate continue for a period of three years following the determination.

(Adopted effective July 1, 1996)