### Senate



General Assembly

File No. 177

January Session, 2025

Senate Bill No. 8

Senate, March 24, 2025

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The Committee on Labor and Public Employees reported through SEN. KUSHNER of the 24th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

## AN ACT CONCERNING PROTECTIONS FOR WORKERS AND ENHANCEMENTS TO WORKERS' RIGHTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. (NEW) (*Effective October 1, 2025*) As used in this section and sections 2 to 9, inclusive, of this act:
- (1) "Employee" means an individual who is employed at a warehouse
   distribution center. "Employee" does not include a driver or courier
   traveling to or from a warehouse distribution center;
  - (2) "Employer" means an individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, business trust, estate, trust, association, joint venture, agency, instrumentality or any other legal or commercial entity, whether domestic or foreign, that directly or indirectly, or through an agent or any other person, including through services of a third-party employer, temporary services, staffing agency, independent contractor or any similar entity, at any time in the prior twelve months, employs or

14 exercises control over the wages, hours or working conditions of one

- 15 hundred or more employees at a single warehouse distribution center
- 16 in the state or one thousand or more employees at one or more
- 17 warehouse distribution centers in the state;
- 18 (3) "Quota" means a work performance standard where:
- 19 (A) An employee is assigned or required to perform at a specified 20 productivity speed or a quantified number of tasks or to handle or
- 21 produce a quantified amount of material within a defined time period;
- 22 (B) Actions by an employee are categorized and measured between
- 23 time performing tasks and not performing tasks within a defined time
- 24 period;
- 25 (C) Increments of time within a defined time period during which an
- 26 employee is or is not doing a particular activity are measured, recorded
- 27 or tallied; or
- 28 (D) An employee's performance is ranked in relation to the
- 29 performance of other employees;
- 30 (4) "Work speed data" means information an employer collects,
- 31 stores, analyzes or interprets relating to an individual employee's
- 32 performance of a quota, including, but not limited to, quantities of tasks
- performed, quantities of items or materials handled or produced, rates
- or speeds of tasks performed by the employee, measurements or metrics
- 35 of employee performance in relation to a quota and time categorized as
- 36 performing tasks or not performing tasks; and
- 37 (5) "Warehouse distribution center" means an establishment as
- 38 defined by any of the following North American Industry Classification
- 39 System Codes, however such establishment is denominated: (A) 493110
- 40 for General Warehousing and Storage, (B) 423 for Merchant
- 41 Wholesalers, Durable Goods, (C) 424 for Merchant Wholesalers,
- 42 Nondurable Goods, (D) 454110 for Electronic Shopping and Mail-Order
- Houses, or (E) 492110 for Couriers and Express Delivery Services.

44 Sec. 2. (NEW) (Effective October 1, 2025) (a) On and after July 1, 2026, 45 an employer shall provide to each employee a written description of 46 each quota to which such employee is subject, including any potential 47 adverse employment action that may result from a failure to satisfy such 48 quota. Such written description shall be provided to an employer's 49 current employees not later than August 1, 2026. For employees hired after August 1, 2026, such written description shall be provided to the 50 51 employee upon hire.

- 52 (b) Whenever an employer makes a change to an existing quota for 53 an employee that results in a new quota for such employee, an employer 54 shall:
- 55 (1) Notify the employee of such change as soon as possible, either 56 verbally or in writing, and prior to the effective date of such new quota; 57 and
- 58 (2) Provide the employee with a written description of the new quota 59 to which such employee is subject not later than two business days after 60 the change is made.
- 61 (c) Any written description required pursuant to this section shall be 62 provided directly to an employee by a manager during such employee's 63 work hours.
- Sec. 3. (NEW) (*Effective October 1, 2025*) On and after July 1, 2026, no quota shall:
- 66 (1) Prevent compliance with the provisions of section 31-51ii of the 67 general statutes concerning meal periods;
- 68 (2) Interfere with an employee's use of the bathroom facilities, 69 including reasonable travel time to and from the bathroom facilities;
- 70 (3) Set a performance standard that measures an employee's total 71 output over an increment of time that is shorter than such employee's 72 work day; or

(4) Set a performance standard that is based solely on ranking the performance of an employee in relation to the performance of other employees.

- Sec. 4. (NEW) (*Effective October 1, 2025*) On and after July 1, 2026, no employer shall take any adverse action against an employee for failing to satisfy a quota that violates the provisions of section 3 of this act or has not previously been provided to the employee pursuant to section 2 of this act.
  - Sec. 5. (NEW) (*Effective October 1, 2025*) On and after July 1, 2026, each employer shall establish, maintain and preserve contemporaneous, true and accurate records of (1) each individual employee's work speed data, (2) the aggregated work speed data for similar employees at the same warehouse distribution center, and (3) the written descriptions provided to each employee pursuant to section 2 of this act. Such records shall be maintained for a period of three years. Nothing in this section shall require an employer to establish, maintain and preserve the records required pursuant to this section if such employer does not assign or require quotas or collect, store, analyze or interpret work speed data.
  - Sec. 6. (NEW) (Effective October 1, 2025) (a) On and after July 1, 2026, if an employee believes satisfying a quota caused or will cause a violation of section 3 of this act, such employee may request from such employee's employer: (1) A written description of each quota the employee is subject to, (2) a copy of the employee's personal work speed data for the prior ninety days, and (3) a copy of aggregated work speed data for similar employees at the same warehouse distribution center for the prior ninety days.
  - (b) On and after July 1, 2026, a former employee may request from a former employer: (1) A written description of each quota the employee was subject to for the ninety days prior to the employee's separation from employment with such employer; (2) a copy of the employee's personal work speed data for the ninety days prior to such employee's separation from employment with such employer; and (3) a copy of

aggregated work speed data for similar employees at the same warehouse distribution center for the ninety days prior to such employee's separation from employment with such employer. A former employee may only make one request under this section.

- (c) An employer shall provide a written copy of any records requested pursuant to this section not later than five calendar days after receipt of such request. Such written copy shall be provided (1) in both English and the primary language of the employee requesting such records, and (2) for a current employee, directly to the requesting employee by a manager during such employee's work hours.
- Sec. 7. (NEW) (*Effective October 1, 2025*) (a) On and after July 1, 2026, no employer shall discharge or in any way retaliate, discriminate or take any adverse action against an employee or former employee for (1) making a request pursuant to section 6 of this act, or (2) filing a civil action pursuant to section 8 of this act.
  - (b) On and after July 1, 2026, if an employer discharges or in any way retaliates, discriminates or takes any adverse action against an employee or former employee within ninety days after such employee engages in or attempts to engage in the activities described in subsection (a) of this section, there shall be a rebuttable presumption that such adverse action is in violation of this section. Such presumption may be rebutted by clear and convincing evidence that (1) the adverse action was taken for other permissible reasons, and (2) the employee engaging or attempting to engage in the activities described in subsection (a) of this section was not a motivating factor for the employer taking such adverse action.
  - Sec. 8. (NEW) (Effective October 1, 2025) (a) On and after July 1, 2026, an employee aggrieved by a violation of sections 2 to 7, inclusive, of this act, or the Attorney General on behalf of an employee aggrieved by a violation of sections 2 to 7, inclusive, of this act, may bring a civil action in the Superior Court to recover damages, civil penalties and such equitable and injunctive relief as the court deems appropriate. The prevailing party in such civil action may be awarded reasonable attorney's fees and costs to be taxed by the court.

(b) An employer who violates the provisions of sections 2 to 7, inclusive, of this act may be assessed a civil penalty by the court of (1) one thousand dollars for a first violation, (2) two thousand dollars for a second violation, or (3) three thousand dollars for a third or subsequent violation.

- Sec. 9. (NEW) (*Effective October 1, 2025*) On and after July 1, 2026, the Workers' Compensation Commission shall monitor the injury rates of employees working in warehouse distribution centers in the state. If an employer is found to have an annual injury rate at or over one and one-half times the average annual injury rate for the relevant North American Industry Classification System codes, based on data reported to the federal Occupational and Safety and Health Administration, the Workers' Compensation Commission shall notify the Labor Commissioner and the commissioner shall determine whether an investigation concerning potential violations of sections 2 to 7, inclusive, of this act is appropriate.
- Sec. 10. Subdivision (3) of subsection (a) of section 31-236 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):
  - (3) During any week in which the administrator finds that the individual's total or partial unemployment is due to the existence of a labor dispute other than a lockout at the factory, establishment or other premises at which the individual is or has been employed, [provided] except that the provisions of this subsection do not apply if it is shown to the satisfaction of the administrator that: (A) For a labor dispute that begins on or after December 14, 2026, such labor dispute has been continuous for fourteen days since the commencement of such labor dispute; (B) (i) the individual is not participating in or financing or directly interested in the labor dispute that caused the unemployment, and [(B)] (ii) the individual does not belong to a trade, class or organization of workers, members of which, immediately before the commencement of the labor dispute, were employed at the premises at which the labor dispute occurred, and are participating in or financing

or directly interested in the dispute; or (C) the individual's unemployment is due to the existence of a lockout. A lockout exists whether or not such action is to obtain for the employer more advantageous terms when an employer (i) fails to provide employment to its employees with whom the employer is engaged in a labor dispute, either by physically closing its plant or informing its employees that there will be no work until the labor dispute has terminated, or (ii) makes an announcement that work will be available after the expiration of the existing contract only under terms and conditions that are less favorable to the employees than those current immediately prior to such announcement; provided in either event the recognized or certified bargaining agent shall have advised the employer that the employees with whom the employer is engaged in the labor dispute are ready, able and willing to continue working pending the negotiation of a new contract under the terms and conditions current immediately prior to such announcement;

This act shall take effect as follows and shall amend the following sections:				
Section 1	October 1, 2025	New section		
Sec. 2	October 1, 2025	New section		
Sec. 3	October 1, 2025	New section		
Sec. 4	October 1, 2025	New section		
Sec. 5	October 1, 2025	New section		
Sec. 6	October 1, 2025	New section		
Sec. 7	October 1, 2025	New section		
Sec. 8	October 1, 2025	New section		
Sec. 9	October 1, 2025	New section		
Sec. 10	October 1, 2025	31-236(a)(3)		

LAB Joint Favorable

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The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

#### **OFA Fiscal Note**

#### State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Labor Dept.	GF - Cost	195,000	199,000
Workers' Compensation Com.	WCF - Potential	None	Up to
	Cost		91,630
Resources of the General Fund	GF - Potential	None	See Below
	Revenue Gain		
Labor Dept.	UITF - Potential	None	See Below
_	Cost		
Labor Dept.	UITF - Potential	None	See Below
	Revenue Gain		

Note: GF=General Fund; WCF=Workers' Compensation Fund; UITF=Unemployment Insurance Trust Fund

#### Municipal Impact: None

#### Explanation

The bill establishes protections for employees of certain warehouse distribution centers and makes striking workers (in any type of employment) eligible for unemployment benefits after they have been on strike for 14 consecutive days, resulting in the following fiscal impacts.

**Section 8** allows covered employees or the Attorney General to bring a civil action in Superior Court for violations of sections 2 to 7, resulting in a potential revenue gain to the state. Violations may be subject to civil penalties of up to \$3,000.1 These cases are not expected to result in a cost

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 $<sup>^1\,\$1,\!000</sup>$  for the first violation,  $\$2,\!000$  for the second violation, and  $\$3,\!000$  for the third and subsequent violations.

to the Attorney General or the courts.2

**Section 9** requires the Workers' Compensation Commission (WCC) to monitor injury rates at warehouse distribution centers, resulting in a potential cost to the Workers' Compensation Fund of up to \$91,630 in FY 27. Because WCC does not currently have a system or staff monitoring these injury rates in this manner, it's possible that, if the workload increase is great enough, they will need to hire a part-time State Program Manager, for \$50,000 per year with an estimated fringe benefits rate of \$41,630.<sup>3</sup>

**Section 10** makes striking workers eligible for unemployment benefits after they have been on strike for 14 consecutive days. This results in a potential cost and potential revenue gain to the Unemployment Insurance Trust Fund, starting in FY 27. In addition, the bill results in a one-time cost of \$394,000 to the General Fund (\$195,000 in FY 26 and \$199,000 in FY 27).

To the extent any striking workers become eligible for unemployment benefits as a result of the bill, this would result in a cost to the trust fund. Subsequent increases in experience ratings by employers would result in increased tax revenue to the trust fund on a lagged basis. The amounts are dependent on striking workers' benefits and affected employers' experience ratings.

Additionally, the bill would require the Labor Department to make state-specific technology changes to ReEmployCT, the unemployment insurance administration system, which results in a cost of \$195,000 in FY 26 and \$199,000 in FY 27 (\$394,000 in total).

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<sup>&</sup>lt;sup>2</sup> The court system disposes of over 250,000 cases annually and the number of cases is not anticipated to be great enough to need additional resources.

<sup>&</sup>lt;sup>3</sup> The fringe benefit costs for employees funded out of other appropriated funds are budgeted within the fringe benefit account of those funds, as opposed to the fringe benefit accounts within the Office of the State Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes for other appropriated fund employees is 83.26% of payroll in FY 26.

#### The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of civil actions brought under section 8, extent of the increased workload to WCC under section 9, and for the trust fund, the number of workers and employers affected. There is no cost to the General Fund beyond FY 27.

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# OLR Bill Analysis SB 8

## AN ACT CONCERNING PROTECTIONS FOR WORKERS AND ENHANCEMENTS TO WORKERS' RIGHTS.

#### **SUMMARY**

This bill generally (1) limits how employers at certain warehouses may use quotas for their employees and (2) makes striking workers (in any type of employment) eligible for unemployment benefits after they have been on strike for 14 consecutive days.

For warehouse quotas, starting July 1, 2026, the bill limits the extent to which employers at certain warehouse distribution centers can require their employees to meet production quotas. It generally applies to employers that employ at least (1) 100 employees at a single warehouse distribution center in the state or (2) 1,000 employees at multiple warehouse distribution centers in the state.

#### Among other things, the bill:

- 1. requires the covered employers to give their employees a written description of the quotas they must meet and any possible adverse employment actions they may face for failing to do so;
- 2. prohibits the employers from using quotas that (a) prevent compliance with the state law on meal periods, (b) interfere with the employee using bathroom facilities, or (c) use certain methods to measure work; and
- 3. sets recordkeeping requirements for employers and requires them to give copies of their quota records to current or former employees who believe that meeting a quota caused a violation of certain provisions in the bill.

The bill allows an employee aggrieved by a violation of the bill's provisions to bring a civil action in Superior Court, which may assess civil penalties for violations. It also prohibits employers from discharging or retaliating against employees solely because they requested their quota records or filed a civil action, and creates a rebuttable presumption that a violation occurred if this happens within 90 days after the request or filing.

Lastly, the bill requires the Workers' Compensation Commission to monitor and report on injury rates of employees in warehouse distribution centers in the state. The commission must report its findings to the labor commissioner if the injury rate at a distribution center is above a threshold the bill sets.

EFFECTIVE DATE: October 1, 2025

#### §§ 1-9 — WAREHOUSE QUOTAS

#### Covered Employers and Employees (§ 1)

The employers covered by the bill's provision on warehouse quotas are any domestic or foreign legal or commercial entities that over the previous 12 months employed or exercised control over the wages, hours, or working conditions of at least (1) 100 employees at a single warehouse distribution center in the state or (2) 1,000 employees, in total, at multiple warehouse distribution centers in the state. The employer's exercise of control over the employees may be direct or indirect, or through an agent or another entity, including through the services of a third-party employer, temporary services or staffing agency, independent contractor, or any similar entity.

Under the bill, a warehouse distribution center is an establishment as defined by the following North American Industry Classification System (NAICS) code, however the establishment is designated: (1) 493110 for General Warehousing and Storage; (2) 423 for Merchant Wholesalers, Durable Goods; (3) 424 for Merchant Wholesalers, Nondurable Goods; (4) 454110 for Electronic Shopping and Mail-Order Houses (it appears that this code was removed in the 2022 revision to

the NAICS); or (5) 492110 for Couriers and Express Delivery Services.

"Employees" under these provisions are anyone employed at a warehouse distribution center, except drivers or couriers traveling to or from a warehouse distribution center.

#### Quotas (§§ 1-4)

Under the bill, a "quota" is a work performance standard where:

- an employee is assigned or required to (a) perform at a specified productivity speed, (b) perform a certain number of tasks, or (c) handle or produce a certain amount of material within a defined period;
- 2. an employee's actions are categorized and measured between time performing tasks and not performing tasks within a defined period;
- 3. increments of time within a defined period when an employee is or is not doing a particular activity are measured, recorded, or tallied; or
- 4. an employee's performance is ranked in relation to other employees' performance.

**Quota Disclosure** (§ 2). Starting July 1, 2026, the bill requires covered employers to give employees a written description of each quota they are subject to, including any potential adverse employment action that could result from failing to meet it. The employers must do so for their existing employees by August 1, 2026, and upon hiring for employees hired after that date.

Whenever an employer makes a change to an employee's existing quota that results in a new quota for the employee, the bill requires the employer to (1) notify the employee about the change verbally or in writing as soon as possible, but before the quota becomes effective, and (2) give the employee a written description of the new quota within two business days after the quota changes.

The bill requires that the written description of these quotas be given directly to the employee by a manager during the employee's work hours.

**Prohibited Quotas (§ 3).** Starting July 1, 2026, the bill prohibits quotas from:

- 1. preventing compliance with the state law on required meal periods;
- 2. interfering with an employee's use of bathroom facilities, including reasonable time to travel to and from them;
- 3. setting a performance standard that measures an employee's total output over an increment shorter than the employee's work day; or
- 4. setting a performance standard based solely on ranking an employee's performance in relation to other employees.

**Adverse Action Ban (§ 4).** Starting July 1, 2026, the bill also prohibits employers from taking any adverse action against an employee for failing to satisfy a quota that (1) violates the bill's provision on prohibited quotas or (2) has not been disclosed as the bill requires.

#### Employer Quota Records (§ 5)

Starting July 1, 2026, the bill requires employers to establish, maintain, and preserve contemporaneous, true, and accurate records for (1) each employee's personal work speed data, (2) the aggregate work speed data for similar employees at the same warehouse distribution center, and (3) the written quota descriptions given to each employee as required by the bill. The employer must maintain and preserve these records for three years. However, the bill specifies that these requirements do not apply if the employer does not assign or require quotas, or collect, store, analyze, or interpret work speed data.

Under the bill, "work speed data" is information an employer collects, stores, analyzes, or interprets about an employee's quota

performance, including quantities of tasks performed, quantities of items or materials handled or produced, rates or speeds of tasks performed, employee performance measurements or metrics in relation to a quota, or time categorized as performing tasks or not performing tasks.

#### Employee Access to Work Speed Data (§ 6)

Starting July 1, 2026, if employees believes that satisfying a quota caused or will cause a violation of the bill's provisions on prohibited quotas, the bill allows them to request (1) a written description of each quota they were subject to, (2) copies of their personal work speed data records for the past 90 days, and (3) copies of the aggregate work speed data for similar employees at the same warehouse distribution center for the past 90 days. The bill similarly allows former employee to request this same information for the 90 days before they separated from employment with the employer. However, the bill limits a former employee to one of these requests.

The bill requires employers to provide a written copy of the requested records within five calendar days after receiving the request. They must be (1) written in English and the language the employee identifies as his or her primary language and (2) given directly to the employee by a manager during the employee's work hours (the bill does not specify how employers must provide the records to former employees).

Anti-retaliation (§ 7). Starting July 1, 2026, the bill prohibits employers from discharging or retaliating, discriminating, or taking any adverse action against an employee or former employee for requesting their quotas and work speed data or filing a civil action as allowed by the bill (see below). If an employer does so within 90 days after the employee or former employees requests the information or files the lawsuit, the bill creates a rebuttable presumption that the employer's adverse action violates this prohibition. The presumption may be rebutted by clear and convincing evidence that the (1) adverse action was taken for other permissible reasons and (2) employee's request or

filing was not a motivating factor for the employer's action.

#### Civil Actions (§ 8)

Starting July 1, 2026, the bill allows any employee aggrieved by a violation of the bill's warehouse quota provisions, or the attorney general on the employee's behalf, to bring a civil action in Superior Court to recover damages, civil penalties, and equitable and injunctive relief. (The bill does not similarly authorize former employees to bring these actions.) The party that prevails in the case may be awarded attorney's fees and costs. The court may also assess civil penalties against an employer of \$1,000 for its first violation, \$2,000 for its second, and \$3,000 for a third or subsequent violation.

#### Injury Rate Monitoring (§ 9)

Starting July 1, 2026, the bill requires the Workers' Compensation Commission to monitor injury rates of employees in warehouse distribution centers in the state. If an employer has an annual injury rate of at least 1.5 times the average annual injury rate for the relevant NAICS code, based on data reported to the federal Occupational and Safety Health Administration (OSHA), the commission must notify the labor commissioner, who must decide whether an investigation for potential violations of the bill is appropriate. (It is unclear how this provision would be implemented, as the bill does not give the labor commissioner any investigative or enforcement authority over the bill's provisions and the federal Department of Labor would be responsible for enforcing any safety violations under OSHA.)

#### §10 — UNEMPLOYMENT BENEFITS FOR STRIKING WORKERS

For labor disputes that start on or after December 14, 2026, the bill generally makes striking workers eligible for unemployment benefits after they have been on strike for 14 consecutive days. Current law generally disqualifies claimants for benefits during any week in which their unemployment is due to a labor dispute. The bill lifts this disqualification once the labor dispute has been continuous for 14 days.

Existing law also allows claimants to qualify for benefits during a

labor dispute, with no waiting period, if the (1) unemployment is due to a lockout (e.g., the employer closed the employment premises) or (2) claimant is not participating in the dispute and does not belong to a trade, class, or organization of workers that is participating in, financing, or directly interested in the dispute (e.g., non-union employees at a business temporarily closed by a strike).

#### **BACKGROUND**

#### Related Bills

SB 1254, reported favorably by the Labor and Public Employees Committee, has warehouse quota provisions that are largely similar to this bill. However, SB 1254, differs by, among other things, (1) only covering (and counting) employees who are nonexempt under the federal Fair Labor Standards Act's minimum wage and overtime requirements, (2) requiring single warehouses to have at least 250 employees (rather than 100) to be covered, and (3) not explicitly covering quotas that count an employee's actions between time performing tasks, count time increments when an employee is or is not doing a particular activity, or rank employees against each other.

HB 6904, reported favorably by the Labor and Public Employees Committee, is identical to this bill's provision on unemployment benefits for striking workers.

HB 6907, reported favorably by the Labor and Public Employees Committee, is identical to this bill's provisions on warehouse quotas.

#### **COMMITTEE ACTION**

Labor and Public Employees Committee

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Joint Favorable
Yea 9 Nay 4 (03/06/2025)
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