



# Senate

General Assembly

**File No. 180**

January Session, 2025

Senate Bill No. 1254

*Senate, March 24, 2025*

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 ESTABLISHING ADDITIONAL PROTECTIONS FOR WAREHOUSE WORKERS.**

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

1       Section 1. (NEW) (*Effective October 1, 2025*) As used in this section and  
2       sections 2 to 9, inclusive, of this act:

3       (1) "Employee" means an individual who is employed at a warehouse  
4       distribution center and who is not exempt from the minimum wage and  
5       overtime requirements of the Fair Labor Standards Act of 1938, as  
6       amended from time to time. "Employee" does not include a driver or  
7       courier traveling to or from a warehouse distribution center;

8       (2) "Employer" means an individual, corporation, partnership,  
9       limited partnership, limited liability partnership, limited liability  
10      company, business trust, estate, trust, association, joint venture, agency,  
11      instrumentality or any other legal or commercial entity, whether  
12      domestic or foreign, that directly or indirectly, or through an agent or  
13      any other person, including through the services of a third-party

14 employer, temporary services, staffing agency, independent contractor  
15 or any similar entity, at any time in the prior twelve months, employs  
16 or exercises control over the wages, hours or working conditions of two  
17 hundred fifty or more employees at a single warehouse distribution  
18 center in the state or one thousand or more employees at one or more  
19 warehouse distribution centers in the state;

20 (3) "Quota" means a work performance standard under which an  
21 employee is assigned or required to perform at a specified productivity  
22 speed or a quantified number of tasks or to handle or produce a  
23 quantified amount of material within a defined time period and under  
24 which the employee may suffer an adverse employment action if the  
25 employee fails to complete or meet such work performance standard;

26 (4) "Work speed data" means information an employer collects,  
27 stores, analyzes or interprets relating to an individual employee's  
28 performance of a quota, including, but not limited to, quantities of tasks  
29 performed, quantities of items or materials handled or produced, rates  
30 or speeds of tasks performed, measurements or metrics of employee  
31 performance in relation to a quota and time categorized as performing  
32 tasks or not performing tasks. "Work speed data" does not include wage  
33 statements or data an employer collects, stores, analyzes or interprets  
34 that does not relate to the performance of a quota, except for any content  
35 of such records that includes work speed data; and

36 (5) "Warehouse distribution center" means an establishment as  
37 defined by any of the following North American Industry Classification  
38 System Codes, however such establishment is denominated: (A) 493110  
39 for General Warehousing and Storage; (B) 423 for Merchant  
40 Wholesalers, Durable Goods; (C) 424 for Merchant Wholesalers,  
41 Nondurable Goods; (D) 454110 for Electronic Shopping and Mail-Order  
42 Houses; or (E) 492110 for Couriers and Express Delivery Services.

43 Sec. 2. (NEW) (*Effective October 1, 2025*) (a) On and after July 1, 2026,  
44 an employer shall provide to each employee a written description of  
45 each quota to which such employee is subject, including any potential  
46 adverse employment action that may result from a failure to satisfy such

47 quota. Such written description shall be provided to an employer's  
48 current employees not later than August 1, 2026. For employees hired  
49 after August 1, 2026, such written description shall be provided to the  
50 employee upon hire.

51 (b) Whenever an employer makes a change to an existing quota for  
52 an employee that results in a new quota for such employee, an employer  
53 shall:

54 (1) Notify the employee of such change as soon as possible, either  
55 verbally or in writing, and prior to the effective date of such new quota;  
56 and

57 (2) Provide the employee with a written description of the new quota  
58 to which such employee is subject not later than two business days after  
59 the change is made.

60 (c) Any written description required pursuant to this section shall be  
61 provided directly to an employee by a manager during such employee's  
62 work hours.

63 Sec. 3. (NEW) (*Effective October 1, 2025*) (a) On and after July 1, 2026,  
64 no quota shall (1) prevent compliance with the provisions of section 31-  
65 51ii of the general statutes concerning meal periods, or (2) interfere with  
66 an employee's use of the bathroom facilities, including reasonable travel  
67 time to and from the bathroom facilities.

68 (b) Paid and unpaid breaks shall not be considered productive time  
69 for the purposes of any quota or an employee productivity monitoring  
70 system unless the employee is required to remain on call.

71 Sec. 4. (NEW) (*Effective October 1, 2025*) On and after July 1, 2026, no  
72 employer shall take any adverse action against an employee for failing  
73 to satisfy a quota that violates the provisions of subsection (a) of section  
74 3 of this act or has not previously been provided to the employee  
75 pursuant to section 2 of this act.

76 Sec. 5. (NEW) (*Effective October 1, 2025*) On and after July 1, 2026, each

77 employer shall establish, maintain and preserve contemporaneous, true  
78 and accurate records of (1) each individual employee's work speed data;  
79 (2) the aggregated work speed data for similar employees at the same  
80 warehouse distribution center; and (3) the written description provided  
81 to each employee pursuant to section 2 of this act. Such records shall be  
82 maintained for a period of three years. Nothing in this section shall  
83 require an employer to establish, maintain and preserve the records  
84 required pursuant to this section if such employer does not assign or  
85 require quotas or collect, store, analyze or interpret work speed data.

86 Sec. 6. (NEW) (*Effective October 1, 2025*) (a) On and after July 1, 2026,  
87 if an employee believes satisfying a quota caused or will cause a  
88 violation of section 3 of this act, such employee may request from such  
89 employee's employer: (1) A written description of each quota the  
90 employee is subject to; (2) a copy of the employee's personal work speed  
91 data for the prior ninety days; and (3) a copy of aggregated work speed  
92 data for similar employees at the same warehouse distribution center  
93 for the prior ninety days.

94 (b) On and after July 1, 2026, a former employee may request from a  
95 former employer: (1) A written description of each quota the employee  
96 was subject to for the ninety days prior to the employee's separation  
97 from employment with such employer; (2) a copy of the employee's  
98 personal work speed data for the ninety days prior to such employee's  
99 separation from employment with such employer; and (3) a copy of  
100 aggregated work speed data for similar employees at the same  
101 warehouse distribution center for the ninety days prior to such  
102 employee's separation from employment with such employer. A former  
103 employee may only make one request under this section.

104 (c) An employer shall provide a written copy of any records  
105 requested pursuant to this section not later than five calendar days after  
106 receipt of such request. Such written copy shall be provided (1) in both  
107 English and the primary language of the employee requesting such  
108 records, and (2) (A) for a current employee, directly to the employee  
109 requesting such records by a manager during such employee's work

110 hours, or (B) for a former employee, either at a mutually convenient time  
111 or via a mutually convenient delivery method.

112 Sec. 7. (NEW) (*Effective October 1, 2025*) (a) On and after July 1, 2026,  
113 no employer shall discharge or in any way retaliate, discriminate or take  
114 any adverse action against any employee or former employee for (1)  
115 making a request pursuant to section 6 of this act, or (2) filing a civil  
116 action pursuant to section 8 of this act.

117 (b) On and after July 1, 2026, if an employer discharges or in any way  
118 retaliates, discriminates or takes any adverse action against any  
119 employee or former employee within ninety days after such employee  
120 engages in or attempts to engage in the activities described in subsection  
121 (a) of this section, there shall be a rebuttable presumption that such  
122 adverse action is in violation of this section. Such presumption may be  
123 rebutted by clear and convincing evidence that (1) the adverse action  
124 was taken for other permissible reasons, and (2) the employee engaging  
125 or attempting to engage in the activities described in subsection (a) of  
126 this section was not a motivating factor in the employer taking such  
127 adverse action.

128 Sec. 8. (NEW) (*Effective October 1, 2025*) (a) On and after July 1, 2026,  
129 an employee aggrieved by a violation of sections 2 to 7, inclusive, of this  
130 act, or the Attorney General on behalf of an employee aggrieved by a  
131 violation of sections 2 to 7, inclusive, of this act, may bring a civil action  
132 in the Superior Court to recover damages, civil penalties and such  
133 equitable and injunctive relief as the court deems appropriate. Any  
134 party who prevails in such civil action may be awarded reasonable  
135 attorney's fees and costs to be taxed by the court.

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

141 Sec. 9. (NEW) (*Effective October 1, 2025*) On and after July 1, 2026, the

142 Workers' Compensation Commission shall monitor the injury rates of  
143 employees working in warehouse distribution centers in the state. If an  
144 employer is found to have an annual injury rate at or over one and one-  
145 half times the average annual injury rate for the relevant North  
146 American Industry Classification System codes, based on data reported  
147 to the federal Occupational and Safety and Health Administration, the  
148 Workers' Compensation Commission shall notify the Labor  
149 Commissioner and the commissioner shall determine whether an  
150 investigation concerning potential violations of sections 2 to 7, inclusive,  
151 of this act is appropriate.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2025</i>	New section
Sec. 2	<i>October 1, 2025</i>	New section
Sec. 3	<i>October 1, 2025</i>	New section
Sec. 4	<i>October 1, 2025</i>	New section
Sec. 5	<i>October 1, 2025</i>	New section
Sec. 6	<i>October 1, 2025</i>	New section
Sec. 7	<i>October 1, 2025</i>	New section
Sec. 8	<i>October 1, 2025</i>	New section
Sec. 9	<i>October 1, 2025</i>	New section

**LAB**      *Joint Favorable*

*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 \$
Workers' Compensation Com.	WCF - Potential Cost	None	Up to 91,630
Resources of the General Fund	GF - Potential Revenue Gain	None	See Below

Note: GF=General Fund; WCF=Workers' Compensation Fund

### **Municipal Impact:** None

### **Explanation**

The bill establishes protections for employees of certain warehouse distribution centers, resulting in the following fiscal impacts beginning in FY 27.

The bill allows covered employees or the Attorney General to bring a civil action in Superior Court for violations of the bill's provisions, resulting in a potential revenue gain to the state. Violations may be subject to civil penalties of up to \$3,000.<sup>1</sup> These cases are not expected to result in a cost to the Attorney General or the courts.<sup>2</sup>

**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

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

<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.

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>

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of civil actions brought under this bill and extent of the increased workload to WCC.

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<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.



**OLR Bill Analysis****SB 1254*****AN ACT ESTABLISHING ADDITIONAL PROTECTIONS FOR WAREHOUSE WORKERS.*****SUMMARY**

Starting July 1, 2026, this 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) 250 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 or (b) interfere with the employee using bathroom facilities; 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

### **COVERED EMPLOYERS AND EMPLOYEES**

The employers covered by the bill 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) 250 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 the bill are anyone employed at a warehouse distribution center who is not exempt from the federal Fair Labor Standards Act's minimum wage and overtime requirements, except drivers or couriers traveling to or from a warehouse distribution center.

### **QUOTAS**

Under the bill, a “quota” is a work performance standard under which an employee:

1. 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 and
2. may suffer an adverse employment action for failing to complete or meet that work performance standard.

### ***Quota Disclosure***

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***

Starting July 1, 2026, the bill prohibits quotas from (1) preventing compliance with the state law on required meal periods or (2) interfering with an employee’s use of bathroom facilities, including reasonable time to travel to and from them.

Under the bill, paid and unpaid breaks cannot be considered productive time for any quota or employee monitoring system unless

the employee is required to remain on call.

### ***Adverse Action Ban***

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 RECORDS**

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. It does not include wage statements or data an employer collects, stores, analyzes, or interprets that does not relate to performing a quota, except for any content that includes work speed data.

### **EMPLOYEE ACCESS TO WORK SPEED DATA**

Starting July 1, 2026, if employees believe 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 employees 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. If a former employee requested the records, they must be provided either at a mutually convenient time or through a mutually convenient delivery method.

### ***Anti-retaliation***

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 requested the information or filed 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**

Starting July 1, 2026, the bill allows any employee aggrieved by a violation of the bill's 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**

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 Safety and 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).

## **BACKGROUND**

### ***Related Bills***

SB 8 (§§ 1-9) and HB 6907, both reported favorably by the Labor and Public Employees Committee, include largely similar provisions to this bill. However, those bills differ by, among other things, (1) also covering (and counting) employees exempt under the federal Fair Labor Standards Act's minimum wage and overtime requirements; (2) requiring single warehouses to have at least 100 employees (rather than 250) to be covered; and (3) explicitly covering quotas that count an employee's actions between time performing and not performing tasks, count time increments when an employee is or is not doing a particular activity, or rank employees against each other.

## **COMMITTEE ACTION**

Labor and Public Employees Committee

Joint Favorable

Yea 9      Nay 4      (03/06/2025)