
OLR Bill Analysis

HB 7197

AN ACT REQUIRING PAYCHECK TRANSPARENCY.

SUMMARY

This bill requires employers to create a guide for their employees with the pay codes that the employer uses. The guide must be posted on the employer's website (in English, Spanish, and the most common other languages spoken by their employees) and explain the codes used for straight time, overtime, and any pay differentials (such as shift differentials, on-call pay, hazard pay, call-back pay, holiday or weekend pay, or geographical pay differentials). The guide must also include contact information of the designated office or individual who will handle employee disputes regarding calculations of hours and pay differentials.

The bill also requires that an employer update the guide each time a new pay code is added. And it requires that employers include a link to the guide on each record of hours given to an employee.

Under the bill, upon hire, an employer must also give a detailed explanation of the relevant pay codes to an employee for the employee's position. This detailed explanation must include a definition for each code.

EFFECTIVE DATE: October 1, 2025

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 10 Nay 3 (03/18/2025)