



Senate

General Assembly

File No. 365

February Session, 2026

Substitute Senate Bill No. 435

Senate, April 2, 2026

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 substitute bill ought to pass.

AN ACT CONCERNING AUTOMATED DECISION SYSTEMS PROTECTIONS FOR EMPLOYEES.

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

1 Section 1. (NEW) (*Effective October 1, 2026*) As used in this section and
2 sections 2 to 13, inclusive, of this act:

3 (1) "Automated employment-related decision process" (A) means a
4 computational process that makes, assists in making or is used in the
5 course of making an employment-related decision, (B) includes, but is
6 not limited to, a computational process that (i) uses a computer-based
7 assessment or test to (I) make a predictive assessment concerning an
8 applicant for employment or employee, (II) measure the skills, dexterity,
9 reaction time or any other ability or characteristic of an applicant for
10 employment or employee, (III) measure the personality traits, aptitude,
11 attitude or cultural fit of an applicant for employment or employee, or
12 (IV) screen, evaluate, categorize or recommend an applicant for
13 employment or employee, (ii) directs job advertisements or other
14 recruiting materials to targeted groups, (iii) screens resumes for

15 particular terms or patterns, (iv) analyzes a facial expression, word
16 choice or voice captured during an online interview, or (v) analyzes data
17 acquired from a third party concerning an applicant for employment or
18 an employee, and (C) does not include any word processing,
19 spreadsheet, map navigation, web hosting, domain registration,
20 networking, caching, Internet web site loading, data storage, firewall,
21 anti-virus, anti-malware, spam and robocall filtering, spellchecking,
22 calculator, database or similar software or technology insofar as such
23 software or technology does not make an employment-related decision;

24 (2) "Deploy" means to put an automated employment-related
25 decision process into use;

26 (3) "Deployer" means a person doing business in the state that
27 deploys an automated employment-related decision process in the state;

28 (4) "Developer" means a person doing business in the state that
29 develops, or intentionally and substantially modifies, an automated
30 employment-related decision process;

31 (5) "Employment-related decision" (A) means a decision regarding a
32 term or condition of employment, and (B) includes, but is not limited to,
33 (i) the decision to hire, promote or terminate an applicant for
34 employment or employee, (ii) decisions related to compensation,
35 scheduling, assigning duties, productivity monitoring, workplace
36 surveillance or performance evaluations of an applicant for
37 employment or employee, and (iii) any other decision affecting the
38 rights, benefits or obligations of an applicant for employment or
39 employee;

40 (6) "Person" means an individual, association, corporation, limited
41 liability company, partnership, trust or other legal entity;

42 (7) "Substantial factor" (A) means a factor that assists in making, and
43 is capable of altering the outcome of, an employment-related decision
44 concerning an individual in the state, and (B) includes, but is not limited
45 to, any use of an automated employment-related decision process to

46 generate any content, decision, prediction or recommendation
47 concerning an individual in the state that is used as a basis to make an
48 employment-related decision concerning such individual; and

49 (8) "Trade secret" has the same meaning as provided in section 35-51
50 of the general statutes.

51 Sec. 2. (NEW) (*Effective October 1, 2026*) (a) Except as provided in
52 subsection (b) of this section, the developer of an automated
53 employment-related decision process that is deployed in the state shall
54 provide to the deployer of such automated employment-related
55 decision process all information that such deployer requires to perform
56 such deployer's duties under sections 3 to 6, inclusive, of this act.

57 (b) The developer of an automated employment-related decision
58 process may enter into a contract with a deployer of the automated
59 employment-related decision process to assume the deployer's duties
60 under sections 3 to 6, inclusive, of this act. The contract shall be binding
61 and clearly set forth which of the deployer's duties under sections 3 to
62 6, inclusive, of this act the developer has assumed. No provision of such
63 contract that waives or releases liability assigned under subsection (b)
64 of section 12 of this act shall be enforceable.

65 Sec. 3. (NEW) (*Effective October 1, 2026*) Except as provided in
66 subsection (b) of section 2 of this act, a deployer that deploys an
67 automated employment-related decision process that is intended to
68 interact with an applicant for employment or employee in the state shall
69 ensure that it is disclosed to each such applicant or employee who
70 interacts with such process that such applicant or employee is
71 interacting with an automated employment-related decision process.

72 Sec. 4. (NEW) (*Effective October 1, 2026*) Except as provided in
73 subsection (b) of section 2 of this act, prior to collecting any personal
74 data of an applicant for employment or employee in the state for
75 processing in an automated employment-related decision process, a
76 deployer shall provide to such applicant or employee a written notice
77 disclosing:

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- 78 (1) The purpose of such data collection;
- 79 (2) The categories of personal data that will be collected for
80 processing in such automated employment-related decision process;
- 81 (3) The retention period for any personal data collected;
- 82 (4) The categories of persons who will have access to such personal
83 data; and
- 84 (5) Information concerning the right, under subparagraph (C) of
85 subdivision (5) of subsection (a) of section 42-518 of the general statutes,
86 to opt out of the processing of personal data for the purposes set forth
87 in said subparagraph.

88 Sec. 5. (NEW) (*Effective October 1, 2026*) (a) Except as provided in
89 subsection (b) of section 2 of this act, a deployer that has deployed an
90 automated employment-related decision process to make, or be a
91 substantial factor in making, an employment-related decision
92 concerning an applicant for employment or employee in the state shall,
93 before such employment-related decision is made, provide to such
94 applicant or employee a written notice disclosing:

- 95 (1) That the deployer has deployed an automated employment-
96 related decision process;
- 97 (2) The purpose of the automated employment-related decision
98 process and the nature of such employment-related decision;
- 99 (3) Information concerning the right, under subparagraph (C) of
100 subdivision (5) of subsection (a) of section 42-518 of the general statutes,
101 to opt out of the processing of personal data for the purposes set forth
102 in said subparagraph;
- 103 (4) Contact information for the deployer;
- 104 (5) The availability of human review pursuant to section 7 of this act;
- 105 (6) Information concerning how such applicant or employee may

106 request a reevaluation of any employment-related decision made in
107 whole or in part by such automated employment-related decision
108 process;

109 (7) A link to the summary of the most recent bias audit required
110 pursuant to section 8 of this act; and

111 (8) Information concerning how to request additional documentation
112 or information about such automated employment-related decision
113 process.

114 (b) A deployer that is required to provide a written notice pursuant
115 to subsection (a) of this section shall establish a process in which an
116 applicant or employee may request a reevaluation of any employment-
117 related decision made in whole or in part by an automated employment-
118 related decision process.

119 Sec. 6. (NEW) (*Effective October 1, 2026*) (a) Except as provided in
120 subsection (b) of section 2 of this act, a deployer that has deployed an
121 automated employment-related decision process to make, or be a
122 substantial factor in making, an employment-related decision
123 concerning an applicant for employment or employee in the state shall,
124 if such employment-related decision is adverse to such applicant or
125 employee, provide to such applicant or employee:

126 (1) A high-level statement disclosing the principal reason or reasons
127 for such adverse employment-related decision, including, but not
128 limited to, (A) the degree to which, and manner in which, the automated
129 employment-related decision process contributed to such adverse
130 employment-related decision, (B) the type of data that were processed
131 by such automated employment-related decision process in making, or
132 as a substantial factor in making, such adverse employment-related
133 decision, and (C) the source of the data described in subparagraph (B)
134 of this subdivision;

135 (2) An opportunity to (A) examine the data the automated
136 employment-related decision process processed in making, or as a

137 substantial factor in making, such adverse employment-related
138 decision, (B) correct any incorrect data described in subparagraph (A) of
139 this subdivision, and (C) appeal such adverse employment-related
140 decision. Such appeal shall allow for human review; and

141 (3) Upon request by such applicant or employee, or such applicant or
142 employee's representative, a copy of the most recent bias audit required
143 pursuant to section 8 of this act.

144 (b) A deployer that is required to provide a high-level statement to
145 an applicant for employment or employee in the state pursuant to
146 subdivision (1) of subsection (a) of this section shall provide such
147 statement:

148 (1) Directly to such applicant or employee;

149 (2) In plain language;

150 (3) In all languages in which such deployer, in the ordinary course of
151 such deployer's business, provides contracts, disclaimers, sales
152 announcements and other information to persons in the state; and

153 (4) In a format that is accessible to individuals with disabilities.

154 Sec. 7. (NEW) (*Effective October 1, 2026*) (a) For the purposes of this
155 section "human review" means a review conducted by a qualified
156 individual who (1) has the authority to make or change an employment-
157 related decision, (2) is given appropriate training in order to understand
158 the capabilities, limitations and risks of the automated employment-
159 related decision process, including, but not limited to, patterns of bias,
160 disparate impact and data quality issues, and (3) does not rely solely on
161 the content, decision, prediction or recommendation generated by the
162 automated employment-related decision process in making a final or
163 determinative employment-related decision.

164 (b) (1) A deployer that has deployed an automated employment-
165 related decision process in making, or as a substantial factor in making,
166 an employment-related decision concerning an applicant for

167 employment or employee in the state shall implement human review
168 over such automated employment-related decision process by
169 providing for sufficient time to review the (A) content, decisions,
170 predictions or recommendations generated by the automated
171 employment-related decision process, (B) data upon which such
172 content, decisions, predictions or recommendations are based, and (C)
173 any other information relevant to such content, decision, prediction or
174 recommendation in order to confirm the accuracy of data processed by
175 such automated employment-related decision process and, when
176 appropriate, modify or veto any such content, decision, prediction or
177 recommendation generated by such automated decision-making
178 process prior to any adverse employment-related decision.

179 (2) A deployer shall (A) establish procedures necessary to pause,
180 correct or reverse erroneous or harmful content, decision, prediction or
181 recommendation generated by an automated employment-related
182 decision process, and (B) establish and maintain logs listing all human
183 review reports and any intervention taken by an individual conducting
184 such human review.

185 (c) No automated employment-related decision process shall be used
186 by a deployer in making any employment-related decision without
187 human review over such employment-related decision.

188 Sec. 8. (NEW) (*Effective October 1, 2026*) (a) (1) Prior to deploying an
189 automated employment-related decision process, and annually
190 thereafter, a deployer shall contract with an independent auditor to
191 complete a bias audit. Such bias audit shall be done not later than one
192 year prior to the date the deployer intends to deploy such automated
193 employment-related decision process.

194 (2) Each bias audit conducted pursuant to this subsection shall:

195 (A) Evaluate the automated employment-related decision process
196 performance and error rates across relevant subgroups;

197 (B) Assess disparate impact caused by the automated employment-

198 related decision process against protected classes;

199 (C) Examine the sources of data processed by the automated
200 employment-related decision process and quality of content, decisions,
201 predictions or recommendations generated by the automated
202 employment-related decision process;

203 (D) Evaluate the effects of any thresholds, scoring or ranking criteria
204 utilized by the automated employment-related decision process; and

205 (E) Test for less discriminatory alternatives or adjustments to such
206 automated employment-related decision process.

207 (3) No deployer shall contract with an independent auditor who (A)
208 has a financial or operational interest in the deployer or developer of the
209 automated employment-related decision process, or (B) has not been
210 approved by the Labor Commissioner pursuant to subsection (b) of this
211 section.

212 (b) The Labor Commissioner shall establish and implement an
213 approval process of independent auditors to conduct bias audits
214 pursuant to subsection (a) of this section and shall maintain a registry of
215 independent auditors approved by such process.

216 (c) Not later than thirty days after completing a bias audit pursuant
217 to subsection (a) of this section, the deployer shall (1) in a form and
218 manner prescribed by the Labor Commissioner, file a bias audit report
219 and a plain-language summary of such report with the commissioner,
220 and (2) publish a plain-language summary of such audit report on the
221 deployer's Internet web site in a conspicuous place accessible to
222 applicants for employment and employees. Such summary shall include
223 (A) the methodology used in such bias audit, (B) the key findings and
224 identified risks found by such bias audit, and (C) any corrective actions
225 taken by the deployer.

226 (d) No automated employment-related decision process shall be
227 deployed or continue to be deployed by a deployer if the most recent
228 bias audit conducted pursuant to subsection (a) of this section identified

229 any disparate impact caused by such automated employment-related
230 decision process, except where the deployer can demonstrate such
231 deployer has implemented corrective actions approved by the Labor
232 Commissioner.

233 (e) Each deployer shall maintain records relating to bias audits
234 required pursuant to subsection (a) of this section for a period of not less
235 than five years and shall make such records available to the Labor
236 Commissioner upon request.

237 (f) The Labor Commissioner may issue an order suspending the use
238 of any automated employment-related decision process by a deployer
239 that violates the provisions of this section.

240 (g) The Labor Commissioner may adopt regulations, in accordance
241 with the provisions of chapter 54 of the general statutes, necessary to
242 carry out the purposes of this section, including, but not limited to,
243 establishing minimum qualifications for independent auditors and
244 methodologic requirements for bias audits required pursuant to
245 subsection (a) of this section and shall define the terms "relevant
246 subgroups", "disparate impact" and "protected classes" on or before
247 January 1, 2027.

248 Sec. 9. (NEW) (*Effective October 1, 2026*) No employer, deployer,
249 developer, labor organization or any other person shall discharge or in
250 any manner discriminate or retaliate against, any applicant for
251 employment or employee because such applicant or employee:

252 (1) Filed a complaint, provided information or otherwise assisted in
253 an investigation or proceeding concerning any alleged violation of
254 sections 3 to 8, inclusive, of this act;

255 (2) Objected to or refused to participate in any activity that such
256 applicant or employee reasonably believed to be in violation of sections
257 3 to 8, inclusive, of this act; or

258 (3) Exercised any rights granted under the provisions of sections 3 to
259 8, inclusive of this act.

260 Sec. 10. (NEW) (*Effective October 1, 2026*) (a) No provision of sections
261 2 to 8, inclusive, of this act shall be construed to require any person to
262 disclose any information that is a trade secret or otherwise protected
263 from disclosure under state or federal law.

264 (b) If a person withholds any information under subsection (a) of this
265 section, the person shall send a notice to the person from whom such
266 information is being withheld. Such notice shall disclose (1) that such
267 person is withholding such information, and (2) the basis for such
268 person's decision to withhold such information.

269 (c) Nothing in this section shall be construed to allow any person to
270 withhold information necessary for an applicant or employee to exercise
271 such applicant or employee's rights granted under the provisions of
272 sections 3 to 8, inclusive, of this act.

273 Sec. 11. (NEW) (*Effective October 1, 2026*) Any violation of the
274 provisions of sections 3 to 8, inclusive, of this act shall constitute an
275 unfair or deceptive trade practice for the purposes of subsection (a) of
276 section 42-110b of the general statutes and shall be enforced solely by
277 the Attorney General. The provisions of section 42-110g of the general
278 statutes shall not apply to any such violation.

279 Sec. 12. (NEW) (*Effective October 1, 2026*) (a) An applicant or employee
280 aggrieved by a violation of sections 3 to 9, inclusive, of this act, or an
281 employee organization on behalf of an aggrieved applicant or
282 employee, may bring a civil action in the Superior Court to recover
283 damages and for such declaratory, injunctive or other equitable relief as
284 the court deems appropriate, including, but not limited to, suspension
285 of the use of any automated employment-related decision process. The
286 court may award such applicant or employee costs and reasonable
287 attorney's fees.

288 (b) A deployer of an automated employment-related decision process
289 that violates the provisions of sections 3 to 9, inclusive, of this act, and
290 the developer of such automated employment-related decision process,
291 shall be jointly and severally liable under this section.

292 Sec. 13. (NEW) (*Effective October 1, 2026*) Where an applicant for
293 employment or employee is represented by an employee organization,
294 a employer shall provide written notice to such employee organization
295 prior to any testing, deployment or material modification of an
296 automated employment-related decision process.

297 Sec. 14. Section 4a-2e of the general statutes is repealed and the
298 following is substituted in lieu thereof (*Effective October 1, 2026*):

299 (a) For the purposes of this section:

300 (1) "Artificial intelligence" means (A) an artificial system that (i)
301 performs tasks under varying and unpredictable circumstances without
302 significant human oversight or can learn from experience and improve
303 such performance when exposed to data sets, (ii) is developed in any
304 context, including, but not limited to, software or physical hardware,
305 and solves tasks requiring human-like perception, cognition, planning,
306 learning, communication or physical action, or (iii) is designed to (I)
307 think or act like a human, including, but not limited to, a cognitive
308 architecture or neural network, or (II) act rationally, including, but not
309 limited to, an intelligent software agent or embodied robot that achieves
310 goals using perception, planning, reasoning, learning, communication,
311 decision-making or action, or (B) a set of techniques, including, but not
312 limited to, machine learning, that is designed to approximate a cognitive
313 task; and

314 (2) "State agency" has the same meaning as provided in section 4d-1.

315 (b) (1) Not later than December 31, [2023] 2025, and annually
316 thereafter, the Department of Administrative Services shall conduct an
317 inventory of all systems that employ artificial intelligence and are in use
318 by any state agency. Each such inventory shall include at least the
319 following information for each such system:

320 (A) The name of such system and the vendor, if any, that provided
321 such system;

322 (B) A description of the general capabilities and uses of such system;

323 (C) Whether such system was used to independently make, inform or
324 materially support a conclusion, decision or judgment; [and]

325 (D) Whether such system underwent an impact assessment prior to
326 implementation;

327 (E) The date of the last impact assessment;

328 (F) Whether such system has access to personally identifiable
329 information of individuals in the state;

330 (G) The cost of time savings provided by such system; and

331 (H) The potential risks of such system toward individuals in the state,
332 communities and state employees.

333 (2) The Department of Administrative Services shall make each
334 inventory conducted pursuant to subdivision (1) of this subsection
335 publicly available on the state's open data portal.

336 (c) Beginning on February 1, 2024, the Department of Administrative
337 Services shall perform ongoing assessments of systems that employ
338 artificial intelligence and are in use by state agencies to ensure that no
339 such system shall result in any unlawful discrimination or disparate
340 impact described in subparagraph (B) of subdivision (1) of subsection
341 (b) of section 4-68jj. The department shall perform such assessment in
342 accordance with the policies and procedures established by the Office of
343 Policy and Management pursuant to subsection (b) of section 4-68jj.

344 Sec. 15. (NEW) (*Effective October 1, 2026*) (a) As used in this section:

345 (1) "Artificial intelligence technology" means a computer system,
346 application or other product that uses or incorporates one or more forms
347 of artificial intelligence; and

348 (2) "State agency" has the same meaning as provided in section 1-79
349 of the general statutes.

350 (b) (1) No state agency, or any entity acting on behalf of a state

351 agency, shall, directly or indirectly, utilize or apply any artificial
352 intelligence technology in performing any function that (A) is related to
353 the delivery of any public assistance benefit to individuals in the state
354 by such agency, or (B) will have a material impact on the rights, civil
355 liberties, safety or welfare of individuals in the state, unless such
356 utilization or application is specifically authorized by law.

357 (2) No state agency shall authorize any procurement, purchase or
358 acquisition of any artificial intelligence technology, except where the use
359 of such system is specifically authorized by law.

360 (3) If a state agency is authorized to procure, purchase or acquire an
361 artificial intelligence technology, the state agency shall contract with an
362 independent auditor to complete a bias audit pursuant to subsection (a)
363 of section 8 of this act.

364 (c) Any bias audit completed pursuant to subdivision (3) of
365 subsection (b) of this section shall be submitted to the Commissioner of
366 Administrative Services, in a form and manner prescribed by the
367 commissioner, and posted on the agency's Internet web site not later
368 than sixty days prior to deployment of such artificial intelligence
369 technology. Any agency may redact any data in such impact statement
370 to remove personally identifiable information of any individual.

371 Sec. 16. Subsection (a) of section 7-468 of the general statutes is
372 repealed and the following is substituted in lieu thereof (*Effective October*
373 *1, 2026*):

374 (a) Employees shall have, and shall be protected in the exercise of, the
375 right of self-organization, to form, join or assist any employee
376 organization, to bargain collectively through representatives of their
377 own choosing on questions of wages, hours and other conditions of
378 employment, including, but not limited to, the use of artificial
379 intelligence technology by an employer and to engage in other
380 concerted activities for the purpose of collective bargaining or other
381 mutual aid or protection, free from actual interference, restraint or
382 coercion. For purposes of this subsection, "artificial intelligence

383 technology" has the same meaning as provided in section 15 of this act.

384 Sec. 17. Subsection (a) of section 5-271 of the general statutes is
385 repealed and the following is substituted in lieu thereof (*Effective October*
386 *1, 2026*):

387 (a) Employees shall have, and shall be protected in the exercise of the
388 right of self-organization, to form, join or assist any employee
389 organization, to bargain collectively through representatives of their
390 own choosing on questions of wages, hours, the use of artificial
391 intelligence technology by an employer and other conditions of
392 employment, except as provided in subsection (d) of section 5-272, and
393 to engage in other concerted activities for the purpose of collective
394 bargaining or other mutual aid or protection, free from actual
395 interference, restraint or coercion. For purposes of this subsection,
396 "artificial intelligence technology" has the same meaning as provided in
397 section 15 of this act.

398 Sec. 18. Subsection (a) of section 10-153a of the general statutes is
399 repealed and the following is substituted in lieu thereof (*Effective October*
400 *1, 2026*):

401 (a) Members of the teaching profession shall have and shall be
402 protected in the exercise of the right to form, join or assist, or refuse to
403 form, join or assist, any organization for professional or economic
404 improvement and to negotiate in good faith through representatives of
405 their own choosing with respect to salaries, hours, the use of artificial
406 intelligence technology by a board of education and other conditions of
407 employment free from interference, restraint, coercion or discriminatory
408 practices by any employing board of education or administrative agents
409 or representatives thereof in derogation of the rights guaranteed by this
410 section and sections 10-153b to 10-153n, inclusive. For purposes of this
411 subsection "artificial intelligence technology" has the same meaning as
412 provided in section 15 of this act.

413 Sec. 19. Section 5-270 of the general statutes is repealed and the
414 following is substituted in lieu thereof (*Effective October 1, 2026*):

415 When used in sections 5-270 to 5-280, inclusive, as amended by this
416 act, and section 20 of this act:

417 (a) "Employer" means the state of Connecticut, its executive and
418 judicial branches, including, without limitation, any board, department,
419 commission, institution, or agency of such branches or any appropriate
420 unit thereof and any board of trustees of a state-owned or supported
421 college or university and branches thereof, public and quasi-public state
422 corporation, or authority established by state law, or any person or
423 persons designated by the employer to act in its interest in dealing with
424 employees, but shall not include the State Board of Labor Relations or
425 the State Board of Mediation and Arbitration.

426 (b) "Employee" means any employee of an employer, whether or not
427 in the classified service of the employer, except elected or appointed
428 officials other than special deputy sheriffs, board and commission
429 members, disability policy specialists assigned to the Council on
430 Developmental Disabilities, managerial employees and confidential
431 employees.

432 (c) "Professional employee" means: (1) Any employee engaged in
433 work (A) predominantly intellectual and varied in character as opposed
434 to routine mental, manual, mechanical or physical work; (B) involving
435 the consistent exercise of discretion and judgment in its performance;
436 (C) of such a character that the output produced or the result
437 accomplished cannot be standardized in relation to a given time period;
438 (D) requiring knowledge of an advanced type in a field of science or
439 learning customarily acquired by a prolonged course of specialized
440 intellectual instruction and study in an institution of higher learning or
441 a hospital, as distinguished from a general academic education or from
442 an apprenticeship or from training in the performance of routine mental,
443 manual or physical processes; or (2) any employee who has completed
444 the courses of specialized intellectual instruction and study described in
445 [subsection (c)(1)(D)] subparagraph (D) of subdivision (1) of this
446 subsection and is performing related work under the supervision of a
447 professional person to qualify himself to become a professional

448 employee as defined in [subsection (c)(1)] subdivision (1) of this
449 subsection.

450 (d) "Employee organization" means any lawful association, labor
451 organization, federation or council having as a primary purpose the
452 improvement of wages, hours and other conditions of employment
453 among state employees.

454 (e) "Confidential employee" means any public employee who would
455 have access to confidential information used in collective bargaining.

456 (f) "Supervisory employee" means any individual in a position in
457 which the principal functions are characterized by not fewer than two
458 of the following: (1) Performing such management control duties as
459 scheduling, assigning, overseeing and reviewing the work of
460 subordinate employees; (2) performing such duties as are distinct and
461 dissimilar from those performed by the employees supervised; (3)
462 exercising judgment in adjusting grievances, applying other established
463 personnel policies and procedures and in enforcing the provisions of a
464 collective bargaining agreement; and (4) establishing or participating in
465 the establishment of performance standards for subordinate employees
466 and taking corrective measures to implement those standards, provided
467 in connection with any of the foregoing the exercise of such authority is
468 not merely of a routine or clerical nature, but requires the use of
469 independent judgment, and such individuals shall be employees within
470 the meaning of subsection (b) of this section. The above criteria for
471 supervisory positions shall not necessarily apply to police or fire
472 departments.

473 (g) "Managerial employee" means any individual in a position in
474 which the principal functions are characterized by not fewer than two
475 of the following, provided for any position in any unit of the system of
476 higher education, one of such two functions shall be as specified in
477 subdivision (4) of this subsection: (1) Responsibility for direction of a
478 subunit or facility of a major division of an agency or assignment to an
479 agency head's staff; (2) development, implementation and evaluation of
480 goals and objectives consistent with agency mission and policy; (3)

481 participation in the formulation of agency policy; or (4) a major role in
482 the administration of collective bargaining agreements or major
483 personnel decisions, or both, including staffing, hiring, firing,
484 evaluation, promotion and training of employees.

485 (h) "Artificial intelligence technology" has the same meaning as
486 provided in section 15 of this act.

487 Sec. 20. (NEW) (*Effective October 1, 2026*) During the term of a written
488 collective bargaining agreement entered into by an employer and a
489 designated employee organization in accordance with the provisions of
490 sections 5-270 to 5-280, inclusive, of the general statutes, as amended by
491 this act, no artificial intelligence technology shall be used by or on behalf
492 of the employer in any manner that:

493 (1) Modifies or impairs such agreement in any way, including, but
494 not limited to, any such use that has the effect of modifying or impairing
495 the rights, benefits and privileges accorded to the employee members of
496 the bargaining unit that is represented by such designated employee
497 organization, by, among other things, (A) reducing the wages, fringe
498 benefits or nonovertime hours of such employee members, or (B)
499 assuming the duties and functions of such employee members;

500 (2) Modifies or impairs the designated employee organization's role
501 as the exclusive representative of the bargaining unit for the purposes
502 of such agreement; or

503 (3) Modifies or impairs the relationship between the employer and
504 the designated employee organization with respect to such agreement.

505 Sec. 21. Section 7-467 of the general statutes is repealed and the
506 following is substituted in lieu thereof (*Effective October 1, 2026*):

507 When used in sections 7-467 to 7-477, inclusive, as amended by this
508 act, and section 22 of this act:

509 (1) "Municipal employer" means any political subdivision of the state,
510 including any town, city, borough, district, district department of

511 health, school board, housing authority or other authority established
512 by law, a private nonprofit corporation which has a valid contract with
513 any town, city, borough or district to extinguish fires and to protect its
514 inhabitants from loss by fire, and any person or persons designated by
515 the municipal employer to act in its interest in dealing with municipal
516 employees;

517 (2) "Employee" means any employee of a municipal employer,
518 whether or not in the classified service of the municipal employer,
519 except elected officials, administrative officials, board and commission
520 members, certified teachers, part-time employees who work less than
521 twenty hours per week on a seasonal basis, department heads and
522 persons in such other positions as may be excluded from coverage
523 under sections 7-467 to 7-477, inclusive, as amended by this act, in
524 accordance with subdivision (2) of section 7-471;

525 (3) "Seasonal basis" means working for a period of not more than one
526 hundred twenty calendar days in any calendar year;

527 (4) "Department head" means an employee who heads any
528 department in a municipal organization, has substantial supervisory
529 control of a permanent nature over other municipal employees, and is
530 directly accountable to the board of selectmen of a town, city or borough
531 not having a charter or special act form of government, or to the chief
532 executive officer of any other town, city or borough;

533 (5) "Department" means any major functional division in a municipal
534 organization, notwithstanding the provisions of any charter or special
535 act to the contrary;

536 (6) "Employee organization" means any lawful association, labor
537 organization, federation or council having as a primary purpose the
538 improvement of wages, hours and other conditions of employment
539 among employees of municipal employers; and

540 (7) "Artificial intelligence technology" has the same meaning as
541 provided in section 15 of this act.

542 Sec. 22. (NEW) (*Effective October 1, 2026*) During the term of a written
543 collective bargaining agreement entered into by an employer and a
544 designated employee organization in accordance with the provisions of
545 sections 7-467 to 7-477, inclusive, of the general statutes, as amended by
546 this act, no artificial intelligence technology shall be used by or on behalf
547 of the employer in any manner that:

548 (1) Modifies or impairs such agreement in any way, including, but
549 not limited to, any such use that has the effect of modifying or impairing
550 the rights, benefits and privileges accorded to the employee members of
551 the bargaining unit that is represented by such designated employee
552 organization, by, among other things, (A) reducing the wages, fringe
553 benefits or nonovertime hours of such employee members, or (B)
554 assuming the duties and functions of such employee members;

555 (2) Modifies or impairs the designated employee organization's role
556 as the exclusive representative of the bargaining unit for the purposes
557 of such agreement; or

558 (3) Modifies or impairs the relationship between the employer and
559 the designated employee organization with respect to such agreement.

560 Sec. 23. Section 46a-60 of the 2026 supplement to the general statutes
561 is repealed and the following is substituted in lieu thereof (*Effective*
562 *October 1, 2026*):

563 (a) As used in this section:

564 (1) "Automated employment-related decision process" (A) means a
565 computational process that makes, assists in making or is used in the
566 course of making a decision regarding a term or condition of
567 employment, (B) includes, but is not limited to, a computational process
568 that (i) uses a computer-based assessment or test to (I) make a predictive
569 assessment concerning an applicant for employment or employee, (II)
570 measure the skills, dexterity, reaction time or any other ability or
571 characteristic of an applicant for employment or employee, (III) measure
572 the personality traits, aptitude, attitude or cultural fit of an applicant for

573 employment or employee, or (IV) screen, evaluate, categorize or
574 recommend an applicant for employment or employee, (ii) directs job
575 advertisements or other recruiting materials to targeted groups, (iii)
576 screens resumes for particular terms or patterns, (iv) analyzes a facial
577 expression, word choice or voice captured during an online interview,
578 or (v) analyzes data acquired from a third party concerning an applicant
579 for employment or employee, and (C) does not include any word
580 processing, spreadsheet, map navigation, web hosting, domain
581 registration, networking, caching, Internet web site loading, data
582 storage, firewall, anti-virus, anti-malware, spam and robocall filtering,
583 spellchecking, calculator, database or similar software or technology
584 insofar as such software or technology does not make a decision
585 regarding any term or condition of employment;

586 [(1)] (2) "Pregnancy" means pregnancy, childbirth or a related
587 condition, including, but not limited to, lactation;

588 [(2)] (3) "Reasonable accommodation" means, but is not limited to,
589 being permitted to sit while working, more frequent or longer breaks,
590 periodic rest, assistance with manual labor, job restructuring, light duty
591 assignments, modified work schedules, temporary transfers to less
592 strenuous or hazardous work, time off to recover from childbirth or
593 break time and appropriate facilities for expressing breast milk; and

594 [(3)] (4) "Undue hardship" means an action requiring significant
595 difficulty or expense when considered in light of factors such as (A) the
596 nature and cost of the accommodation; (B) the overall financial
597 resources of the employer; (C) the overall size of the business of the
598 employer with respect to the number of employees, and the number,
599 type and location of its facilities; and (D) the effect on expenses and
600 resources or the impact otherwise of such accommodation upon the
601 operation of the employer.

602 (b) It shall be a discriminatory practice in violation of this section:

603 (1) (A) For an employer, by the employer or the employer's agent,
604 except in the case of a bona fide occupational qualification or need, to

605 refuse to hire or employ or to bar or to discharge from employment any
606 individual or to discriminate against any individual in compensation or
607 in terms, conditions or privileges of employment because of, or to use
608 an automated employment-related decision process in any manner that
609 has the effect of causing the employer to refuse to hire or employ or to
610 bar or to discharge from employment any individual or to discriminate
611 against any individual in compensation or in terms, conditions or
612 privileges of employment on the basis of, the individual's race, color,
613 religious creed, age, sex, gender identity or expression, marital status,
614 national origin, ancestry, present or past history of mental disability,
615 intellectual disability, learning disability, physical disability, including,
616 but not limited to, blindness, status as a veteran, status as a victim of
617 domestic violence, status as a victim of sexual assault or status as a
618 victim of trafficking in persons. [;] In any action for a discriminatory
619 practice in violation of this subparagraph involving an automated
620 employment-related decision process, the commission or the court shall
621 consider any evidence, or lack of evidence, of anti-bias testing or similar
622 proactive efforts to avoid such discriminatory practice, including, but
623 not limited to, the quality, efficacy, recency and scope of such testing or
624 efforts, the results of such testing or efforts and the response thereto.

625 (B) For an employer, by the employer or the employer's agent, to fail
626 to provide to any individual advance written notice disclosing, at a
627 minimum, that an automated employment-related decision process will
628 be used to make, to assist in making or in the course of making a
629 decision to hire or employ or to bar or to discharge from employment,
630 or concerning the compensation or terms, conditions or privileges of
631 employment, of such individual. Such notice shall, at a minimum,
632 disclose the trade name of the automated employment-related decision
633 process and the types and sources of personal information concerning
634 the individual that the automated employment-related decision process
635 will process or analyze.

636 (2) For any employment agency, except in the case of a bona fide
637 occupational qualification or need, to fail or refuse to classify properly
638 or refer for employment or otherwise to discriminate against any

639 individual because of such individual's race, color, religious creed, age,
640 sex, gender identity or expression, marital status, national origin,
641 ancestry, present or past history of mental disability, intellectual
642 disability, learning disability, physical disability, including, but not
643 limited to, blindness, status as a veteran, status as a victim of domestic
644 violence, status as a victim of sexual assault or status as a victim of
645 trafficking in persons. [;]

646 (3) For a labor organization, because of the race, color, religious creed,
647 age, sex, gender identity or expression, marital status, national origin,
648 ancestry, present or past history of mental disability, intellectual
649 disability, learning disability, physical disability, including, but not
650 limited to, blindness, status as a veteran, status as a victim of domestic
651 violence, status as a victim of sexual assault or status as a victim of
652 trafficking in persons of any individual to exclude from full membership
653 rights or to expel from its membership such individual or to
654 discriminate in any way against any of its members or against any
655 employer or any individual employed by an employer, unless such
656 action is based on a bona fide occupational qualification. [;]

657 (4) For any person, employer, labor organization or employment
658 agency to discharge, expel or otherwise discriminate against any person
659 because such person has opposed any discriminatory employment
660 practice or because such person has filed a complaint or testified or
661 assisted in any proceeding under section 46a-82, 46a-83 or 46a-84. [;]

662 (5) For any person, whether an employer or an employee or not, to
663 aid, abet, incite, compel or coerce the doing of any act declared to be a
664 discriminatory employment practice or to attempt to do so. [;]

665 (6) For any person, employer, employment agency or labor
666 organization, except in the case of a bona fide occupational qualification
667 or need, to advertise employment opportunities in such a manner as to
668 restrict such employment so as to discriminate against individuals
669 because of their race, color, religious creed, age, sex, gender identity or
670 expression, marital status, national origin, ancestry, present or past
671 history of mental disability, intellectual disability, learning disability,

672 physical disability, including, but not limited to, blindness, status as a
673 veteran, status as a victim of domestic violence, status as a victim of
674 sexual assault or status as a victim of trafficking in persons. [;]

675 (7) For an employer, by the employer or the employer's agent: (A) To
676 terminate a woman's employment because of her pregnancy; (B) to
677 refuse to grant to that employee a reasonable leave of absence for
678 disability resulting from her pregnancy; (C) to deny to that employee,
679 who is disabled as a result of pregnancy, any compensation to which
680 she is entitled as a result of the accumulation of disability or leave
681 benefits accrued pursuant to plans maintained by the employer; (D) to
682 fail or refuse to reinstate the employee to her original job or to an
683 equivalent position with equivalent pay and accumulated seniority,
684 retirement, fringe benefits and other service credits upon her signifying
685 her intent to return unless, in the case of a private employer, the
686 employer's circumstances have so changed as to make it impossible or
687 unreasonable to do so; (E) to limit, segregate or classify the employee in
688 a way that would deprive her of employment opportunities due to her
689 pregnancy; (F) to discriminate against an employee or person seeking
690 employment on the basis of her pregnancy in the terms or conditions of
691 her employment; (G) to fail or refuse to make a reasonable
692 accommodation for an employee or person seeking employment due to
693 her pregnancy, unless the employer can demonstrate that such
694 accommodation would impose an undue hardship on such employer;
695 (H) to deny employment opportunities to an employee or person
696 seeking employment if such denial is due to the employee's request for
697 a reasonable accommodation due to her pregnancy; (I) to force an
698 employee or person seeking employment affected by pregnancy to
699 accept a reasonable accommodation if such employee or person seeking
700 employment (i) does not have a known limitation related to her
701 pregnancy, or (ii) does not require a reasonable accommodation to
702 perform the essential duties related to her employment; (J) to require an
703 employee to take a leave of absence if a reasonable accommodation can
704 be provided in lieu of such leave; and (K) to retaliate against an
705 employee in the terms, conditions or privileges of her employment
706 based upon such employee's request for a reasonable accommodation.

707 [;]

708 (8) For an employer, by the employer or the employer's agent, for an
709 employment agency, by itself or its agent, or for any labor organization,
710 by itself or its agent, to harass any employee, person seeking
711 employment or member on the basis of sex or gender identity or
712 expression. If an employer takes immediate corrective action in
713 response to an employee's claim of sexual harassment, such corrective
714 action shall not modify the conditions of employment of the employee
715 making the claim of sexual harassment unless such employee agrees, in
716 writing, to any modification in the conditions of employment.
717 "Corrective action" taken by an employer, includes, but is not limited to,
718 employee relocation, assigning an employee to a different work
719 schedule or other substantive changes to an employee's terms and
720 conditions of employment. Notwithstanding an employer's failure to
721 obtain a written agreement from an employee concerning a modification
722 in the conditions of employment, the commission may find that
723 corrective action taken by an employer was reasonable and not of
724 detriment to the complainant based on the evidence presented to the
725 commission by the complainant and respondent. As used in this
726 subdivision, "sexual harassment" means any unwelcome sexual
727 advances or requests for sexual favors or any conduct of a sexual nature
728 when (A) submission to such conduct is made either explicitly or
729 implicitly a term or condition of an individual's employment, (B)
730 submission to or rejection of such conduct by an individual is used as
731 the basis for employment decisions affecting such individual, or (C)
732 such conduct has the purpose or effect of substantially interfering with
733 an individual's work performance or creating an intimidating, hostile or
734 offensive working environment. [;]

735 (9) For an employer, by the employer or the employer's agent, for an
736 employment agency, by itself or its agent, or for any labor organization,
737 by itself or its agent, to request or require information from an
738 employee, person seeking employment or member relating to the
739 individual's child-bearing age or plans, pregnancy, function of the
740 individual's reproductive system, use of birth control methods, or the

741 individual's familial responsibilities, unless such information is directly
742 related to a bona fide occupational qualification or need, provided an
743 employer, through a physician may request from an employee any such
744 information which is directly related to workplace exposure to
745 substances which may cause birth defects or constitute a hazard to an
746 individual's reproductive system or to a fetus if the employer first
747 informs the employee of the hazards involved in exposure to such
748 substances. [;]

749 (10) For an employer, by the employer or the employer's agent, after
750 informing an employee, pursuant to subdivision (9) of this subsection,
751 of a workplace exposure to substances which may cause birth defects or
752 constitute a hazard to an employee's reproductive system or to a fetus,
753 to fail or refuse, upon the employee's request, to take reasonable
754 measures to protect the employee from the exposure or hazard
755 identified, or to fail or refuse to inform the employee that the measures
756 taken may be the subject of a complaint filed under the provisions of
757 this chapter. Nothing in this subdivision is intended to prohibit an
758 employer from taking reasonable measures to protect an employee from
759 exposure to such substances. For the purpose of this subdivision,
760 "reasonable measures" are those measures which are consistent with
761 business necessity and are least disruptive of the terms and conditions
762 of the employee's employment. [;]

763 (11) For an employer, by the employer or the employer's agent, for an
764 employment agency, by itself or its agent, or for any labor organization,
765 by itself or its agent: (A) To request or require genetic information from
766 an employee, person seeking employment or member, or (B) to
767 discharge, expel or otherwise discriminate against any person on the
768 basis of genetic information. For the purpose of this subdivision,
769 "genetic information" means the information about genes, gene
770 products or inherited characteristics that may derive from an individual
771 or a family member. [;]

772 (12) For an employer, by the employer or the employer's agent, to
773 request or require a prospective employee's age, date of birth, dates of

774 attendance at or date of graduation from an educational institution on
775 an initial employment application, provided the provisions of this
776 subdivision shall not apply to any employer requesting or requiring
777 such information (A) based on a bona fide occupational qualification or
778 need, or (B) when such information is required to comply with any
779 provision of state or federal law. [; and]

780 (13) (A) For an employer or the employer's agent to deny an employee
781 a reasonable leave of absence in order to: (i) Seek attention for injuries
782 caused by domestic violence, sexual assault or trafficking in persons,
783 including for a child who is a victim of domestic violence, sexual assault
784 or trafficking in persons, provided the employee is not the perpetrator
785 of any act of domestic violence, sexual assault or trafficking in persons
786 committed against a child; (ii) obtain services including safety planning
787 from a domestic violence agency or rape crisis center, as those terms are
788 defined in section 52-146k, as a result of domestic violence, sexual
789 assault or trafficking in persons; (iii) obtain psychological counseling
790 related to an incident or incidents of domestic violence, sexual assault
791 or trafficking in persons, including for a child who is a victim of
792 domestic violence, sexual assault or trafficking in persons, provided the
793 employee is not the perpetrator of any act of domestic violence, sexual
794 assault or trafficking in persons committed against a child; (iv) take
795 other actions to increase safety from future incidents of domestic
796 violence, sexual assault or trafficking in persons, including temporary
797 or permanent relocation; or (v) obtain legal services, assisting in the
798 prosecution of the offense, or otherwise participate in legal proceedings
799 in relation to the incident or incidents of domestic violence, sexual
800 assault or trafficking in persons.

801 (B) An employee who is absent from work in accordance with the
802 provisions of subparagraph (A) of this subdivision shall, within a
803 reasonable time after the absence, provide a certification to the employer
804 when requested by the employer. Such certification shall be in the form
805 of: (i) A police report indicating that the employee or the employee's
806 child was a victim of domestic violence, sexual assault or trafficking in
807 persons; (ii) a court order protecting or separating the employee or

808 employee's child from the perpetrator of an act of domestic violence,
809 sexual assault or trafficking in persons; (iii) other evidence from the
810 court or prosecuting attorney that the employee appeared in court; or
811 (iv) documentation from a medical professional, including a domestic
812 violence counselor or sexual assault counselor, as those terms are
813 defined in section 52-146k, or other health care provider, that the
814 employee or the employee's child was receiving services, counseling or
815 treatment for physical or mental injuries or abuse resulting in
816 victimization from an act of domestic violence, sexual assault or
817 trafficking in persons.

818 (C) Where an employee has a physical or mental disability resulting
819 from an incident or series of incidents of domestic violence, sexual
820 assault or trafficking in persons, such employee shall be treated in the
821 same manner as an employee with any other disability.

822 (D) To the extent permitted by law, employers shall maintain the
823 confidentiality of any information regarding an employee's status as a
824 victim of domestic violence, sexual assault or trafficking in persons.

825 (c) (1) The provisions of this section concerning age shall not apply
826 to: (A) The termination of employment of any person with a contract of
827 unlimited tenure at an independent institution of higher education who
828 is mandatorily retired, on or before July 1, 1993, after having attained
829 the age of seventy; (B) the termination of employment of any person
830 who has attained the age of sixty-five and who, for the two years
831 immediately preceding such termination, is employed in a bona fide
832 executive or a high policy-making position, if such person is entitled to
833 an immediate nonforfeitable annual retirement benefit under a pension,
834 profit-sharing, savings or deferred compensation plan, or any
835 combination of such plans, from such person's employer, which equals,
836 in aggregate, at least forty-four thousand dollars; (C) the termination of
837 employment of persons in occupations, including police work and fire-
838 fighting, in which age is a bona fide occupational qualification; (D) the
839 operation of any bona fide apprenticeship system or plan; or (E) the
840 observance of the terms of a bona fide seniority system or any bona fide

841 employee benefit plan for retirement, pensions or insurance which is not
842 adopted for the purpose of evading said provisions, except that no such
843 plan may excuse the failure to hire any individual and no such system
844 or plan may require or permit the termination of employment on the
845 basis of age. No such plan which covers less than twenty employees may
846 reduce the group hospital, surgical or medical insurance coverage
847 provided under the plan to any employee who has reached the age of
848 sixty-five and is eligible for Medicare benefits or any employee's spouse
849 who has reached age sixty-five and is eligible for Medicare benefits
850 except to the extent such coverage is provided by Medicare. The terms
851 of any such plan which covers twenty or more employees shall entitle
852 any employee who has attained the age of sixty-five and any employee's
853 spouse who has attained the age of sixty-five to group hospital, surgical
854 or medical insurance coverage under the same conditions as any
855 covered employee or spouse who is under the age of sixty-five.

856 (2) No employee retirement or pension plan may exclude any
857 employee from membership in such plan or cease or reduce the
858 employee's benefit accruals or allocations under such plan on the basis
859 of age. The provisions of this subdivision shall be applicable to plan
860 years beginning on or after January 1, 1988, except that for any
861 collectively bargained plan this subdivision shall be applicable on the
862 earlier of (A) January 1, 1990, or (B) the later of (i) the expiration date of
863 the collective bargaining agreement, or (ii) January 1, 1988.

864 (3) The provisions of this section concerning age shall not prohibit an
865 employer from requiring medical examinations for employees for the
866 purpose of determining such employees' physical qualification for
867 continued employment.

868 (4) Any employee who continues employment beyond the normal
869 retirement age in the applicable retirement or pension plan shall give
870 notice of intent to retire, in writing, to such employee's employer not
871 less than thirty days prior to the date of such retirement.

872 (d) (1) An employer shall provide written notice of the right to be free
873 from discrimination in relation to pregnancy, childbirth and related

874 conditions, including the right to a reasonable accommodation to the
875 known limitations related to pregnancy pursuant to subdivision (7) of
876 subsection (b) of this section to: (A) New employees at the
877 commencement of employment; (B) existing employees within one
878 hundred twenty days of October 1, 2017; and (C) any employee who
879 notifies the employer of her pregnancy within ten days of such
880 notification. An employer may comply with the provisions of this
881 section by displaying a poster in a conspicuous place, accessible to
882 employees, at the employer's place of business that contains the
883 information required by this section in both English and Spanish. The
884 Labor Commissioner may adopt regulations, in accordance with
885 chapter 54, to establish additional requirements concerning the means
886 by which employers shall provide such notice.

887 (2) The Commission on Human Rights and Opportunities shall
888 develop courses of instruction and conduct ongoing public education
889 efforts as necessary to inform employers, employees, employment
890 agencies and persons seeking employment about their rights and
891 responsibilities under this section.

892 Sec. 24. (NEW) (*Effective October 1, 2026*) (a) As used in this section,
893 "artificial intelligence system" means any machine-based system that,
894 for any explicit or implicit objective, infers from the inputs such system
895 receives how to generate outputs, including, but not limited to, synthetic
896 digital content.

897 (b) Each employer that serves written notice on the Labor
898 Department pursuant to 29 USC 2102(a), as amended from time to time,
899 shall disclose to the department, in a form and manner prescribed by
900 the Labor Commissioner, whether the layoffs that are the subject of such
901 written notice are related to the employer's use of an artificial
902 intelligence system or another technological change.

903 (c) Any application for unemployment benefits shall include a
904 question concerning whether an applicant's unemployment is due to an
905 employer's use of an artificial intelligence system.

| | | |
|---|------------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>October 1, 2026</i> | New section |
| Sec. 2 | <i>October 1, 2026</i> | New section |
| Sec. 3 | <i>October 1, 2026</i> | New section |
| Sec. 4 | <i>October 1, 2026</i> | New section |
| Sec. 5 | <i>October 1, 2026</i> | New section |
| Sec. 6 | <i>October 1, 2026</i> | New section |
| Sec. 7 | <i>October 1, 2026</i> | New section |
| Sec. 8 | <i>October 1, 2026</i> | New section |
| Sec. 9 | <i>October 1, 2026</i> | New section |
| Sec. 10 | <i>October 1, 2026</i> | New section |
| Sec. 11 | <i>October 1, 2026</i> | New section |
| Sec. 12 | <i>October 1, 2026</i> | New section |
| Sec. 13 | <i>October 1, 2026</i> | New section |
| Sec. 14 | <i>October 1, 2026</i> | 4a-2e |
| Sec. 15 | <i>October 1, 2026</i> | New section |
| Sec. 16 | <i>October 1, 2026</i> | 7-468(a) |
| Sec. 17 | <i>October 1, 2026</i> | 5-271(a) |
| Sec. 18 | <i>October 1, 2026</i> | 10-153a(a) |
| Sec. 19 | <i>October 1, 2026</i> | 5-270 |
| Sec. 20 | <i>October 1, 2026</i> | New section |
| Sec. 21 | <i>October 1, 2026</i> | 7-467 |
| Sec. 22 | <i>October 1, 2026</i> | New section |
| Sec. 23 | <i>October 1, 2026</i> | 46a-60 |
| Sec. 24 | <i>October 1, 2026</i> | New section |

Statement of Legislative Commissioners:

In Section 19(c), internal references were updated for consistency with standard drafting conventions.

LAB *Joint Favorable Subst.*

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 27 \$ | FY 28 \$ |
|--|-----------------------------|----------|----------|
| Department of Administrative Services | GF - Cost | 422,000 | 422,000 |
| Labor Dept. | GF - Cost | 286,375 | 307,166 |
| State Comptroller - Fringe Benefits ¹ | GF - Cost | 180,385 | 209,566 |
| Human Rights & Opportunities, Com. | GF - Potential Revenue Gain | Minimal | Minimal |
| Human Rights & Opportunities, Com. | GF - Potential Cost | Minimal | Minimal |

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which establishes various requirements for employers using automated employment-related decision processes (AEDP), results in the impacts described below.

Section 8 requires the Department of Labor (DOL) to establish and implement a process for approving independent auditors to conduct bias audits and to maintain a registry of such approved auditors. It also tasks the DOL with approving corrective actions taken by AEDP deployers if disparate impacts are found in such audits. This results in a cost to the (1) DOL of \$236,375 in FY 27 (partial year cost) and \$307,166 in FY 28, and (2) State Comptroller-Fringe Benefits account of \$87,545 in

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.82% of payroll in FY 27.

FY 27 (partial year cost) and \$116,726 in FY 28.

The costs identified above reflect the hiring of one research analyst supervisor (annualized cost of \$113,059 for salary, \$11,362 for overhead, and \$47,281 for fringe benefits), one research analyst (annualized cost of \$89,730 for salary, \$9,018 for overhead, and \$37,525 for fringe benefits), and one research associate (annualized cost of \$76,326 for salary, \$7,671 for overhead, and \$31,920 for fringe benefits).

Sections 14 and 15, which add additional requirements regarding the inventory, assessment, procurement, and use of AI by state agencies, result in a cost of \$514,840 to the General Fund in FY 27 and annually thereafter. The costs include \$314,840 in salary and fringe for two new analysts within the Department of Administrative Services (DAS) and \$200,000 in costs related to changes in IT infrastructure and ongoing bias assessments of AI systems.

Section 23 expands the definition of a "discriminatory practice" under the Commission on Human Rights and Opportunities (CHRO) laws to include: (1) failure to disclose use of AEDP in personnel decisions and (2) using AEDP in personnel decisions and discriminating based on protected status, resulting in a potential cost² and potential revenue gain to CHRO beginning in FY 27.

The exact cost and revenue gain will depend on the number of additional CHRO proceedings brought and fines imposed in response to this section. These impacts are expected to be minimal.

Section 24 requires that applications for unemployment benefits include whether the applicant's unemployment is due to the use of an AI system. This results in a one-time cost to the DOL of \$50,000 in FY 27 related to vendor costs needed to make changes to ReEmployCT, the state's unemployment tax and benefits system.

The bill also (1) adds various requirements for AEDP deployers and

² This cost is associated with additional staff time, materials, and resources required to facilitate additional proceedings.

employers, (2) makes conforming changes to public employee collective bargaining matters, (3) establishes procedures for related violations, and (4) allows municipal employees, state employees, and public-school teachers to collectively bargain over their employer's use of AI technology. This does not result in any fiscal impact to the state.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, and the proceedings and fines imposed as a result of section 23.

OLR Bill Analysis**sSB 435*****AN ACT CONCERNING AUTOMATED DECISION SYSTEMS PROTECTIONS FOR EMPLOYEES.*****SUMMARY**

This bill sets limitations and requirements for employers using an automated employment-related decision process (AEDP) (for example artificial intelligence (AI)) to make employment-related decisions. Among other things, it requires AEDP deployers to (1) notify job applicants and employees about certain information when the deployer uses AEDP; (2) have a way for applicants and employees to appeal an adverse employment decision made by an AEDP, including through a human review process; and (3) have an independent bias audit performed on the AEDP annually.

The bill prohibits firing, discriminating against, or retaliating against an applicant or employee because they filed a complaint about a violation of the bill's AEDP provisions, objected to or refused to participate in an activity that they reasonably believed to be a violation of them, or exercised any rights granted under them. It allows aggrieved applicants, employees, and their unions to sue in Superior Court. It also makes violations of the bill's AEDP provisions an unfair or deceptive trade practice, solely enforced by the attorney general.

The bill also:

1. expands the information that must be included in the annual inventory of state agency AI systems;
2. generally prohibits state agencies from (a) using AI to perform certain functions or (b) procuring or acquiring an AI system without specific legal authorization;

3. explicitly makes the use of AI a subject of collective bargaining for public sector employees;
4. makes it a discriminatory employment practice for an employer to use an AEDP in a way that causes the employer to refuse to hire someone or discriminate against them based on their protected class status (for example, race, religion, or sex); and
5. requires employers subject to the federal Worker Adjustment and Retraining Notification (WARN) Act to disclose whether certain layoffs are due to using AI.

EFFECTIVE DATE: October 1, 2026

§§ 1-13 — AUTOMATED EMPLOYMENT-RELATED DECISION PROCESSES

Under the bill, an “automated employment-related decision process” is a computational process that makes, helps make, or is used in the course of making an employment-related decision. This includes a computational process that:

1. uses a computer-based assessment or test to (a) make a predictive assessment about a job applicant or employee; (b) measure the applicant’s or employee’s skills, dexterity, reaction time, or any other ability or characteristic; (c) measure the applicant’s or employee’s personality traits, aptitude, attitude, or cultural fit; or (d) screen, evaluate, categorize, or recommend an applicant or employee;
2. directs job advertisements or other recruiting materials to targeted groups;
3. screens resumes for particular terms or patterns;
4. analyzes a facial expression, word choice, or voice captured during an online interview; or
5. analyzes data from a third party about an applicant or employee.

AEDP does not include software or technology such as word processing, data storage, or anti-virus software to the extent that it does not make an employment-related decision.

An “employment-related decision” is a decision about a term or condition of employment. It includes decisions (1) to hire, promote, or terminate a job applicant or employee; (2) about an applicant’s or employee’s compensation, scheduling, duty assignments, productivity monitoring, workplace surveillance, or performance evaluations; and (3) affecting an applicant’s or employee’s rights, benefits, or obligations.

Required Information (§ 2)

The bill generally requires the developer of an AEDP deployed in the state to give the system’s deployer all information that the deployer needs to perform its duties under the bill. For this purpose, the “developer” is the person (including entities) doing business in the state who develops, or intentionally and substantially modifies, an AEDP. A “deployer” is a person doing business in the state who puts an AEDP into use in the state.

The bill allows an AEDP developer to enter into a contract with a deployer to assume the deployer’s disclosure requirements under the bill (see §§ 3-6 below). This contract must be binding and clearly state which of the deployer’s duties the developer has assumed. No provision of the contract that waives or releases the developer’s or deployer’s joint and several liability under the bill can be enforced.

Disclosure Requirements (§§ 3-6)

All of the notice and disclosure requirements described below apply to an AEDP deployer unless a developer has contracted to assume the deployer’s disclosure duties.

Disclosure on Interacting with an AEDP. The bill requires a deployer who deploys an AEDP meant to interact with an in-state job applicant or employee to ensure that it is disclosed to each applicant or employee who interacts with the AEDP that they are interacting with one.

Personal Data Collection Disclosure. The bill requires a deployer, before collecting from an in-state job applicant or employee any personal data for processing in an AEDP, to give the applicant or employee a written notice disclosing:

1. the data collection's purpose;
2. the personal data categories that will be collected for processing;
3. how long the personal data will be retained;
4. the categories of persons who will have access to this data; and
5. information about the right, under state law, to opt out of personal data processing for profiling in furtherance of solely automated decisions that produce legal or similarly significant effects.

Disclosure of Employment-Related Decisions. The bill requires a deployer, before using an AEDP to make, or be a substantial factor in making, an employment-related decision about an in-state job applicant or employee, to give the applicant or employee a written notice disclosing:

1. that the deployer has deployed an AEDP;
2. the AEDP's purpose and the employment-related decision's nature;
3. information about the right, under state law, to opt out of personal data processing for profiling in furtherance of solely automated decisions that produce legal or similarly significant effects;
4. the deployer's contact information;
5. the availability of human review under the bill (see § 7);
6. information about how the applicant or employee can request a

reevaluation of any employment-related decision made in whole or in part by the AEDP;

7. a link to the summary of the most recent bias audit as required by the bill (see § 8); and
8. information on how to request additional documentation or information about the AEDP.

Under the bill, a “substantial factor” is a factor that helps in making, and can alter the outcome of, an employment-related decision about an individual in the state. It includes any use of an AEDP to generate any content, decision, prediction, or recommendation about someone that is used as a basis to make an employment-related decision about that individual.

The bill also requires such a deployer to have a process for an applicant or employee to request a reevaluation of any employment-related decision made in whole or in part by an AEDP.

Disclosure on Adverse Decisions. The bill requires a deployer who has deployed an AEDP to make, or be a substantial factor in making, an adverse employment-related decision about an in-state job applicant or employee to give the applicant or employee:

1. a high-level statement disclosing the principal reason or reasons for the adverse decision, including the (a) degree to which, and manner in which, the AEDP contributed to the decision; (b) type of data processed by the AEDP in making, or as a substantial factor in making, the decision; and (c) source of the data;
2. an opportunity to (a) examine the data the AEDP processed in making, or as a substantial factor in making, the adverse decision; (b) correct any incorrect data; and (c) appeal the decision, which must allow for human review; and
3. upon the applicant’s or employee’s request (or that of their representative), a copy of the most recent bias audit required

under the bill.

Under the bill, a deployer who must give an applicant or employee a high-level statement about an adverse employment-related decision must provide the statement (1) directly to the applicant or employee; (2) in plain language; (3) in all languages the deployer uses in the ordinary course of its business for contracts, disclaimers, sales announcements, and other information to persons in the state; and (4) in a format that is accessible to individuals with disabilities.

Human Review (§ 7)

The bill requires a deployer who uses an AEDP to make, or as a substantial factor in making, an employment-related decision about a job applicant or employee in the state to implement human review over the AEDP by allowing sufficient time to review (1) the content, decisions, predictions, or recommendations generated by the AEDP; (2) data upon which they are based; and (3) any other information relevant to them to confirm the accuracy of the data processed by the AEDP. When appropriate, it must also allow sufficient time to modify or veto any content, decision, prediction, or recommendation the AEDP generated before any adverse decision.

Under the bill, “human review” is a review conducted by a qualified individual who (1) has the authority to make or change an employment-related decision; (2) has received appropriate training to understand the AEDP’s capabilities, limitations, and risks, including its patterns of bias, disparate impact, and data quality issues; and (3) does not rely solely on the AEDP’s content, decision, prediction, or recommendation in making a final or determinative employment-related decision.

The bill requires a deployer to (1) establish procedures needed to pause, correct, or reverse erroneous or harmful content, decisions, predictions, or recommendations generated by an AEDP and (2) establish and maintain logs listing all human review reports and any intervention taken by an individual conducting a human review.

The bill prohibits deployers from using an AEDP to make any

employment-related decision without human review over the decision.

Bias Audits (§ 8)

The bill requires deployers, before deploying an AEDP, and then annually, to contract with an independent auditor to complete a bias audit. The audit must be done no later than one year before the date the deployer intends to deploy the AEDP.

The bill requires each bias audit to:

1. evaluate the AEDP's performance and error rates across relevant subgroups;
2. assess disparate impact caused by the AEDP against protected classes;
3. examine the sources of data processed by the AEDP and the quality of the content, decisions, predictions, or recommendations it generates;
4. evaluate the effects of any thresholds, scoring, or ranking criteria used by the AEDP; and
5. test for less discriminatory alternatives or adjustments to the AEDP.

The bill requires the labor commissioner to (1) establish and implement a process for approving independent auditors to conduct bias audits and (2) maintain a registry of the approved auditors. It prohibits deployers from contracting with independent auditors who (1) have a financial or operational interest in the deployer or the AEDP's developer or (2) have not been approved by the labor commissioner as required by the bill.

Under the bill, within 30 days after completing a bias audit the deployer must (1) file an audit report and plain-language summary of it with the commissioner in a form and manner she sets and (2) publish a plain-language summary of the audit report on the deployer's website

in a conspicuous place accessible to job applicants and employees. The summary must include (1) the methodology used in the audit, (2) the audit's key findings and identified risks, and (3) any corrective actions taken by the deployer.

The bill prohibits an AEDP from being deployed or continuing to be deployed by a deployer if the most recent bias audit identified any disparate impact caused by the AEDP, unless the deployer can show that it has implemented corrective actions approved by the labor commissioner.

The bill requires deployers to maintain records on their required bias audits for at least five years and make them available to the labor commissioner upon request.

It allows the commissioner to (1) issue an order suspending the use of any AEDP by a deployer that violates these bias audit provisions and (2) adopt regulations needed to carry out these bias audit provisions, including establishing minimum qualifications for independent auditors and methodologic requirements for bias audits. The regulations must define the terms "relevant subgroups," "disparate impact," and "protected classes" by January 1, 2027.

Withholding Information (§ 10)

The bill specifies that its AEDP provisions (§§ 2-8) do not require any person to disclose trade secrets or information otherwise protected from disclosure under state or federal law. However, if a person withholds any information as a trade secret or protected information, the bill requires the person to send a notice to the person from whom the information is being withheld. The notice must disclose (1) that the person is withholding the information and (2) the basis for the person's decision to do so.

The bill specifies that this provision does not allow any person to withhold information needed for an applicant or employee to exercise their rights under the bill's AEDP provisions (§§ 3-8).

Retaliation Protections and Court Relief (§§ 9 & 12)

The bill prohibits employers, deployers, developers, labor organizations, or any other person from discharging, or in any way discriminating or retaliating against, a job applicant or employee because they (1) filed a complaint, provided information, or otherwise assisted in an investigation or proceeding about any alleged violation of the bill's AEDP provisions (§§ 3-8); (2) objected to or refused to participate in any activity that they reasonably believed to violate those provisions; or (3) exercised any rights granted under those provisions.

Under the bill, an applicant or employee aggrieved by a violation of the AEDP provisions (including its retaliation protections), or an employee organization on their behalf, may bring a Superior Court civil action to recover damages and for declaratory, injunctive, or other equitable relief, including suspending the use of any AEDP. The court may award the applicant or employee costs and reasonable attorney's fees. Under the bill, a deployer of an AEDP who violates the bill's AEDP provisions and the AEDP's developer are jointly and severally liable.

CUTPA Violation (§ 11)

The bill also makes a violation of its AEDP provisions (§§ 3-8) an unfair or deceptive trade practice under the Connecticut Unfair Trade Practices Act (CUTPA, see BACKGROUND) to be enforced solely by the attorney general (and not by private lawsuits or class actions).

Notice to Employee Unions (§ 13)

Under the bill, if a job applicant or employee is represented by an employee organization (union), a deployer must give the organization written notice before any testing, deployment, or material modification of an AEDP.

§ 14 — ANNUAL INVENTORY OF STATE AGENCY AI SYSTEMS

By law, the Department of Administrative Services (DAS) must annually inventory all executive branch state agency systems that use AI. The inventory must include, among other things, whether the system (1) was used to independently make, inform, or materially

support a conclusion, decision, or judgment and (2) had an impact assessment before its implementation.

Starting with the inventory due by the end of 2025, the bill expands the required information to also include (1) the date of the last impact assessment, (2) whether the system has access to personally identifiable information of people in the state, (3) the cost of time savings provided by the system, and (4) the system’s potential risks to people in the state, communities, and state employees.

§ 15 — STATE AGENCY USE OF AI

The bill prohibits any state agency, or any entity acting on its behalf, from directly or indirectly using or applying an AI technology to perform a function that (1) is related to the agency delivering a public assistance benefit to people in the state or (2) will have a material impact on the rights, civil liberties, safety, or welfare of people in the state, unless the use or application is specifically authorized by law.

Under this provision, “AI technology” is a computer system, application, or other product that uses or incorporates one or more forms of AI. A “state agency” is any office, department, board, council, commission, institution, constituent unit of the state system of higher education, technical education and career school, or other agency in the executive, legislative, or judicial branch of state government.

The bill also prohibits state agencies from authorizing any procurement, purchase, or acquisition of any AI technology, unless its use is specifically authorized by law. Under the bill, if such an acquisition is authorized, the agency must contract with an independent auditor to complete a bias audit as required for AEDP deployers (see § 8). The audit must be submitted to the DAS commissioner, in a form and way she sets, and posted on the DAS website at least 60 days before the AI technology is deployed. The agency may redact any data in the bias audit to remove anyone’s personally identifiable information.

§§ 16-22 — AI IN PUBLIC EMPLOYEE COLLECTIVE BARGAINING

The bill specifies that municipal employees, state employees, and

public school teachers have a right to collectively bargain over their employer's (or, for teachers, board of education's) use of AI technology.

The bill also prohibits the state and municipal employers, during the term of a written collective bargaining agreement with their employees, from using AI technology in a way that modifies or impairs the:

1. agreement in any way, including one that modifies or impairs the rights, benefits, and privileges of the union members by (a) reducing their wages, fringe benefits, or non-overtime hours or (b) assuming their duties and functions;
2. union's role as the exclusive representative of the bargaining unit for the agreement; or
3. relationship between the employer and the union with respect to the agreement.

§ 23 — AEDP IN EMPLOYMENT DISCRIMINATION

The bill makes it a discriminatory employment practice, under the laws administered by the Commission on Human Rights and Opportunities (CHRO), for an employer, or the employer's agent, to use an AEDP in any way that causes the employer to do any of the following based on the person's protected class status (for example, race, religion, sex, or gender identity or expression):

1. refuse to hire or employ someone;
2. bar or discharge someone from employment; or
3. discriminate against someone in compensation or in terms, conditions, or privileges of employment.

Existing law gives someone adversely affected by a discriminatory practice, or CHRO itself, the right to file a complaint with CHRO and, potentially, the courts. In any action for this particular discriminatory employment practice, the bill requires CHRO or a court to consider any evidence, or lack of it, of anti-bias testing or similar proactive efforts to

avoid the discriminatory practice, such as the quality, efficacy, recency, and scope of the testing or efforts, their results, and the response to them.

The bill also makes it a discriminatory employment practice for an employer, or the employer's agent, to fail to give someone advance written notice that discloses that an AEDP will be used to make or help make a decision (1) to hire or employ the person; (2) to bar or discharge the person from employment; or (3) about the person's compensation or terms, conditions, or privileges of employment. The notice must at least disclose the AEDP's trade name and the types and sources of personal information about the person that the AEDP will process or analyze.

§ 24 — AI NOTICE FOR UNEMPLOYMENT

The bill requires each employer that must notify the Department of Labor about certain layoffs under the federal WARN Act to disclose, in a form and way set by the labor commissioner, whether the layoffs are related to the employer's use of an AI system or another technological change. Generally, the WARN Act requires certain large employers to give 60 days' advance written notice of a mass layoff.

The bill also requires any application for unemployment benefits to include a question about whether the applicant's unemployment is due to an employer's use of an AI system.

BACKGROUND

CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the consumer protection commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$10,000, impose civil penalties of up to \$5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and

reasonable attorney’s fees; and impose civil penalties of up to \$5,000 for willful violations and up to \$25,000 for a restraining order violation.

Related Bills

sSB 4, §§ 13 & 14, reported favorably by the General Law Committee, gives consumers the right to be informed whether a profiling decision used personal data from a third party in processing an employment denial and to correct any inaccuracies.

sSB 5, reported favorably by the General Law Committee, includes similar provisions on AEDP use, AI use in public sector employee collective bargaining, AEDP use in employment discrimination, layoff notices, and unemployment benefit applications.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 9 Nay 4 (03/19/2026)