

Labor and Public Employees Committee

JOINT FAVORABLE REPORT

Bill No: HB-5386 / [Bill Status](#) / [Public Hearing Testimony](#)

Title: AN ACT REQUIRING PAYCHECK TRANSPARENCY.

Vote Date: 3/12/2026

Vote Action: Joint Favorable

PH Date: 3/3/2026

File No.:

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SPONSORS OF BILL:

Labor & Public Employees Committee

REASONS FOR BILL:

The intention of the bill is to require employers to provide clear guides for reference when looking at payroll. This is needed due to many employers having different and varying payroll codes that make checking paychecks for errors difficult. Workers desire the ability to determine if they are being paid correctly and have their paycheck information be easily readable in a language, they are most comfortable with.

RESPONSE FROM ADMINISTRATION/AGENCY:

None Provided.

NATURE AND SOURCES OF SUPPORT:

James Case, Communications Workers of America, Local 1298 - submitted testimony on behalf of CWA in support of the bill because when Frontier Communications changed from doing internal payroll processing to contracting an outside payroll company it created difficulty for employees to understand and was impossible to read. Payments into 401k accounts were missed with corrections still being made months later and no way of determining if the corrections were accurate. Even after all the adjustments, employees still find it difficult to read. This legislation is needed to ensure that payroll systems are accurately providing correct information.

David Hannon, President, CHCA District 1199 NUHCE submitted testimony in support of this bill because every worker has a right to understand all pay codes on their paycheck. A pay stub filled with cryptic codes fails to deliver on the promise of the existing law. No worker

should have to consult a specialist to understand what they were paid and why but should be able to reference a clear guide. Because Connecticut's workforce is diverse, especially in healthcare, multi-lingual access ensures that the promise of the bill extends to all workers, not just those who are fluent in English.

John Brady, Executive VP, AFT Connecticut writes in support of HB 5386 because all employees should be able to understand their paystubs. Many workers, particularly healthcare workers, receive paychecks that vary in amount weekly. Reading their paystub can be difficult. Requiring employers to provide a clear guide explaining pay codes and posting it on their website is the simple solution.

Ed Hawthorne, President, CT AFL-CIO submitted testimony in support of this bill because it is an important transparency measure that gives employees the ability to verify that they are being paid correctly, catch payroll errors early and seek resolution, and it is an effective tool to prevent wage theft.

Tonishia Signore, Policy Director, She Leads Justice submitted written testimony in support of bills unrelated to HB 5386

NATURE AND SOURCES OF OPPOSITION:

Paul Amarone, Sr. Policy Director for Job Growth & Manufacturing, CT Business and Industry Association: Submitted testimony in opposition stating it would be a costly mandate that would not be needed since employers already comply with CT Minimum Wage Act and the Fair Labor Standards Act. There would be numerous administrative burdens as pay codes, classification and shift structure vary between multi-location businesses. The regulatory documentation would need legal review which would be another burden and the expanding statutory obligations could increase litigation. There is also a concern that public posting of the compensation structure could expose proprietary information.

John Cattelan, VP Government Relations, CT Alliance of YMCAs submitted written testimony stating that his organization has some concerns regarding the potential impact of this bill, particularly on smaller YMCAs with limited Human Resources staff. Requiring each employer to create and maintain a detailed pay code guide; publicly post it on a website and update if every time a new pay code is introduced could pose significant administrative challenges, especially for organizations with diverse pay structures. Also, mandating that this guide be posted in Spanish and other common languages spoken by employees adds another layer of complexity. Ensuring accurate translation, particularly for payroll terms, could be both difficult and costly. The Committee is urged to consider the potential financial impact this may have on non-profit organizations with limited staff and resources.

Reported by: Jacqueline Olsen & Lawrence Sanchez

Date: 03/25/2026