
OLR Bill Analysis

HB 5386

AN ACT REQUIRING PAYCHECK TRANSPARENCY.

SUMMARY

This bill requires employers with 50 or more employees (including the state and municipalities) to create a guide for their employees on the pay codes that the employer uses for overtime and pay differentials.

The bill requires employers to post the guide on their website in English, Spanish, and the most common other languages spoken by their employees. The guide must (1) explain the codes used for overtime and any pay differentials (for example, shift differentials, on-call pay, hazard pay, call-back pay, holiday or weekend pay, or geographic pay differentials) and (2) include contact information for the designated office or person who will handle employee disputes about calculations of hours and pay differentials.

Under the bill, employers must update the guide each time a new pay code is added for overtime or a pay differential. They must also (1) include a link to the guide on each record of hours given to an employee and (2) give new employees a link to the guide upon hire.

EFFECTIVE DATE: October 1, 2026

BACKGROUND

Related Bill

sHB 5003 (sec. 50), favorably reported by the Labor and Public Employees Committee, contains similar provisions requiring creation and posting of pay code guides.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 9 Nay 4 (03/12/2026)