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## **OLR Bill Analysis**

**HB 6383**

### ***AN ACT CONCERNING CALL CENTERS AND NOTICE OF CLOSURES.***

#### **SUMMARY**

This bill establishes notice requirements for certain call centers that relocate out of state and makes them ineligible to receive state financial support for five years after the relocation. They must also remit the value of any state financial support they received over the previous five years. The bill applies to call centers that employ at least 50 employees to staff a call center who (1) work at least 20 hours per week or have been employed by the center for at least six months or (2) work at least 1,500 hours in the aggregate (excluding overtime) per week. "Call centers" are facilities or operations through which employees receive phone calls or electronic communications to provide customer assistance or service.

The bill also establishes certain in-state requirements for state contractors who perform state-business-related call center and customer service work.

EFFECTIVE DATE: October 1, 2021

#### **CALL CENTER RELOCATIONS**

##### ***Notice Requirement***

The bill requires call centers that intend to relocate out of state to notify the labor commissioner at least 100 days before doing so. This applies to relocations of call center facilities or operations that comprise at least 30% of a call center's or operating unit's average total call volume over the previous 12 months.

The bill subjects violators of the notice requirement to a civil penalty of up to \$10,000 per day for each violation but allows the

commissioner to reduce the penalty for just cause.

***Loss of State Financial Support***

The bill requires the labor commissioner to compile an annual list of each call center whose relocation was subject to the bill's notice requirement. He must make the list publicly available and prominently display a link to it on the Department of Labor website.

Under the bill, a call center on the list:

1. is ineligible for direct or indirect state grants, state guaranteed loans, state tax benefits, or other state financial support for five years after the list is published and
2. must remit the unamortized value of any state grant, guaranteed loan, state tax benefit, or other state financial support it received in the five-year period before it was placed on the list.

The bill allows the commissioner, in consultation with the appropriate agency, to waive the remittance requirement if the call center shows that the remittance would threaten state or national security, result in substantial job loss in the state, or harm the environment.

**STATE CONTRACTOR REQUIREMENTS**

The bill requires each state agency head to ensure that for all new contracts or agreements entered into on or after October 1, 2021, all state-business-related call center and customer service work is performed by state contractors, or other agents or subcontractors, entirely within the state. If any of these entities perform work outside the state and add customer service employees who will perform work under the new contracts or agreements, the bill requires the new employees to be immediately employed within the state. In addition, any businesses subject to a contract or agreement before October 1, 2021, with terms that extend beyond October 1, 2023, must meet these in-state requirements if their contract is renewed.

## **OTHER PROVISIONS**

The bill also specifies that it does not:

1. prevent an employer from receiving a grant to provide training or other employment assistance to people who particularly need such training or employment assistance due to the call center's relocation;
2. allow withholding or denial of payments or other compensation or benefits provided by law (e.g., unemployment benefits, disability payments, or worker retraining or readjustment funds) to workers employed by employers that relocate out of state; or
3. create a private cause of action against a call center that violates the bill's provisions.

## **COMMITTEE ACTION**

Labor and Public Employees Committee

Joint Favorable

Yea 9      Nay 4      (02/18/2021)