

# Labor and Public Employees Committee

## JOINT FAVORABLE REPORT

**Bill No.:** HB-5245

AN ACT CONCERNING FORCED ARBITRATION AGREEMENTS AND  
ALLOWING CERTAIN COURT ACTIONS TO BE BROUGHT ON BEHALF OF

**Title:** THE STATE.

**Vote Date:** 3/10/2022

**Vote Action:** Joint Favorable

**PH Date:** 3/3/2022

**File No.:** 127

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### SPONSORS OF BILL:

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### REASONS FOR BILL:

Many employees sign agreements when they are hired without understanding the contents. This bill would offer them an avenue other than arbitration.

### RESPONSE FROM ADMINISTRATION/AGENCY:

State of Connecticut, Judicial Branch: shares concerns regarding whether the realtor/plaintiff is considered a private party or if it is the state. Clarification on this distinction is necessary because it relates to their filing fees. These are normally waived for state agencies, but as the bill is drafted, this is unclear.

Department of Labor, Deputy Commissioner, Daryle Dudzinski: their testimony stated concerns about the requirement that CTDOL distribute various grants collected in the non-lapsing General Fund "community outreach and workplace account". This would place undue burdens on the Agency since they don't have the staff to fulfill this mandate.

### NATURE AND SOURCES OF SUPPORT:

CT. Trial Lawyers Association: support the bill because it allows private citizens to enforce labor and discrimination laws as private attorneys general on behalf of the state. It

encourages employees who witness violations to investigate and prosecute, brings in revenues and strengthens enforcement.

People's Priority Party, UConn Law, Legislative Director, Steve Kennedy: they stated many prospective employees entering into agreements are at an extreme disadvantage and are unaware of clauses in the contracts. Arbitration is meant to reduce costs and improve fairness but can be used as a tool to silence the voices of the marginalized. Allowing employees to file suit on behalf of the state adds teeth to workers' right laws, helps strike a fair balance and filters out frivolous claims.

Service Employees International (SEIU) CT. State Council, Stacey Zimmerman: supports all agenda items. They are pleased the committee is willing to tackle a number of issues facing working people.

#### **NATURE AND SOURCES OF OPPOSITION:**

CT. Business and Industry Association, Vice President of Public Policy, Eric Gjede: oppose because arbitration agreements, which are voluntarily entered into by both parties, are mutually beneficial to resolve disputes. This saves time, financial resources and is more accessible to individuals who don't have necessary legal training. They have concerns of the potential consequences of outsourcing the Attorney Generals' law enforcement.

Self, David Godbout: opposes all bills because they are in violation of his Fourth Amendment rights.

National Federal of Independent Business (NFIB), opposes because there is no need to create new unnecessary private enforcement actions that could lead to frivolous claims. Known as "The Private Attorney General Act", the broad unworkable nature could put a small employer out of business with just one claim.

**Reported by:** Marie Knudsen

**Date:** March 25, 2022