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**OLR Bill Analysis**

**sHB 5332**

***AN ACT PROHIBITING HOME CARE AGENCY CONTRACTS THAT PENALIZE CLIENTS FOR DIRECTLY HIRING AGENCY STAFF.***

**SUMMARY**

This bill prohibits contracts between a homemaker-companion agency or home health agency and a client from including a “no-hire” clause that, should the client directly hire an agency employee, (1) imposes a financial penalty; (2) assesses any charges or fees, including legal fees; or (3) contains any language that can create grounds for a breach of contract assertion or a claim for damages or injunctive relief. It expressly deems these clauses against public policy and void.

By law, employment contracts for providing homemaker, companion, or home health services are prohibited from including a provision that restricts an individual’s right to provide these services (1) in any geographic area of the state for any time period or (2) to a specific person (i.e., a “covenant not to compete”). These covenants are deemed against public policy, void, and unenforceable (CGS § 20-681).

EFFECTIVE DATE: Upon passage

**COMMITTEE ACTION**

Human Services Committee

Joint Favorable Substitute

Yea 15 Nay 5 (03/17/2022)