



Testimony providing comments on:

HB 5003: AAC Workforce Development and Working Conditions

Labor and Public Employees Committee

3.3.26

Good afternoon, Senator Kushner, Representative Sanchez, Senator Sampson, Representative Weir, and members of the Labor and Public Employees Committee. My name is Paul Amarone, and I'm a Senior Policy Director for Job Growth and Manufacturing at the Connecticut Business and Industry Association, the state's largest business organization representing thousands of member companies.

While we strongly support the workforce development initiatives in **Sections 30-34**, CBIA has serious concerns related to the significant regulatory expansion, cost increases, operational inflexibility, and litigation exposure imposed on private-sector employers in other sections of the bill.

Expansion of Employer Liability:

Several provisions in the bill substantially increase employer liability beyond existing frameworks, negatively impacting the state's healthcare system. The new mandatory indemnification and wage continuation requirements in **Section 1** for workplace assaults in health care settings create financial exposure that extends beyond traditional workers' compensation systems. Employers would be required to continue full salary without charging accrued leave and to indemnify employees for losses not otherwise covered by insurance.

Additionally, the bill authorizes private civil actions with attorney fees. This layered liability structure increases litigation risk, raises insurance costs, and creates unpredictable financial exposure even in circumstances where employers have followed existing safety protocols and complied with regulatory requirements.

Connecticut healthcare providers are unwavering in their commitment to physical and psychological safety. Providers implement and continuously refine comprehensive workplace violence prevention strategies that include trained on-site security personnel, controlled access systems, real-time monitoring technology, de-escalation training for staff, multidisciplinary safety committees, and ongoing risk assessment and response protocols. These measures are not theoretical, they are active, evolving safeguards designed to prevent incidents before they occur and to respond immediately and effectively when they do. Providers also provide strong post-incident support, including counseling resources, employee assistance programs, and structured reporting and follow-up procedures.

In addition, Connecticut's Workers' Compensation system already provides a stable, predictable framework to ensure employees who are injured on the job receive timely medical care and wage replacement benefits, while



maintaining clear standards and defined obligations for employers. This balanced structure has long served both employees and employers by providing certainty, fairness, and sustainability.

Section 1 would significantly depart from that framework by creating what amounts to an unlimited benefit category for workplace-related “assaults,” a term that is not clearly defined. Without clear parameters, this change risks inconsistent interpretation, expanded disputes, and open-ended liability that is inconsistent with the principles of the Workers’ Compensation system.

The financial implications of such an expansion are substantial. Broadening liability without defined standards or limits would inevitably increase costs for employers and insurers and could affect the affordability and availability of coverage. Providers are already navigating workforce shortages, rising operational expenses, and significant financial pressures. Policies that introduce uncapped exposure could intensify those challenges, creating additional strain on care delivery systems and potentially affecting patient access.

Connecticut providers are already investing in prevention, training, security infrastructure, and employee recovery resources. Any policy changes in this area should build upon these existing safeguards and preserve the integrity of the Workers’ Compensation framework, ensuring that reforms strengthen the systems that protect both healthcare workers and the institutions that serve their communities.

Operational Restrictions on Private Employers:

The expansion of the successor contractor law in **Section 10** represents one of the most significant private-sector impacts in the bill. The proposal broadens coverage to numerous industries, including warehouses, residential complexes, hospitals, schools, commercial centers, and industrial facilities, and lowers the employee threshold to just two workers. Successor contractors would be required to retain the predecessor’s workforce for 90 days and could only terminate those employees for just cause during that period. The previous performance-based exception has been removed, and civil penalties of \$500 per employee per day may be imposed for violations.

This fundamentally alters how service contracts are structured. It eliminates staffing flexibility, discourages competitive bidding, increases compliance burdens, and exposes contractors to significant financial penalties. Employers would be required to assume unknown wage structures, unknown performance histories, and potential labor disputes, all of which would increase business risk and discourage market entry.

Regulatory Leverage and License Risk in the Cannabis Sector:

The bill’s revisions to cannabis labor peace agreement requirements in **Section 7** raises serious concerns for licensed businesses. Conditioning license approval and continuation on compliance with a labor peace



agreement, combined with binding arbitration and automatic license suspension upon an arbitrator's finding of noncompliance, creates substantial business interruption risk.

Automatic suspension without further administrative process exposes employers to immediate revenue loss and inventory disruption. In a highly regulated and capital-intensive industry, this type of regulatory leverage introduces instability and uncertainty that discourages investment.

Restrictions on Training Investment and Workforce Flexibility:

The elimination of the employee-size threshold in the employment promissory note statute in **Section 4** expands restrictions to all employers, including small businesses. While we support fair labor standards, employers must retain reasonable tools to protect investments in employee training, certifications, and professional development. Removing flexibility in structuring reimbursement agreements for small businesses may discourage employers from offering advanced training opportunities, particularly in high-skill industries, at a time when Connecticut small businesses are investing more than ever in workforce development and training.

Full Wages for Cancelled Shifts Due to Weather:

Section 38 mandates that if an employer's business closes due to inclement weather, employees must receive full wages for any canceled shifts. Employers may require remote work if feasible, but if remote work is not possible, employees cannot be forced to use sick leave, vacation time, personal leave, or other accrued leave for the canceled shift.

Small businesses, retail stores, restaurants, and service-based businesses would be most impacted. These businesses often operate on tighter profit margins and rely heavily on in-person operations to generate revenue. If they are forced to close due to inclement weather, they would still need to pay employees for canceled shifts, which could strain their financial resources. Additionally, businesses that cannot offer remote work options, such as those in hospitality, manufacturing, or physical services, would face greater challenges as employees would still need to be compensated despite not being able to work.

Workforce Development Investments:

CBIA strongly supports **Sections 30-34**, which represent forward-thinking investments in workforce development. **Section 30**, which increases school construction reimbursement rates for technical education spaces, will strengthen career and technical education infrastructure and help build the skilled workforce pipeline Connecticut employers urgently need.

Section 31's survey of work-based learning programs will provide valuable data to identify gaps and expand employer-partnered experiential learning opportunities.



Section 32's educator externship pilot program is particularly promising. Allowing teachers to gain firsthand experience with private-sector employers will help align classroom instruction with current industry standards, especially in STEM, manufacturing, and health care. This initiative promotes meaningful public-private collaboration and strengthens long-term workforce alignment.

Section 33 enhances the responsiveness and accountability of regional workforce development boards and creates regional workforce navigators to support work-based learning development. This improves coordination between employers and training providers and reduces administrative barriers for businesses seeking to participate in workforce programs.

Section 34 requires the Department of Education to study the effectiveness and benefits of co-instruction teaching models used by local charter schools. This includes models where individuals without professional certification teach alongside certified teachers. This is something CBIA has been advocating for in recent years, as there is a high demand for industry specific instructors who do not necessarily have the educational credentials to teach courses, but can be an asset to a growing number of students looking into alternative career pathways.

These sections reflect the type of collaborative, growth-oriented policy that strengthens both employers and employees.

In conclusion, CBIA shares the goal of promoting safe workplaces, fair labor standards, and a strong workforce pipeline. However, HB 5003, as drafted, imposes sweeping new mandates on the private sector that increases liability, restricts operational flexibility, and elevates compliance risk.

We strongly urge the committee to make significant changes before moving the bill forward, and we would be happy to be a part of those discussions.

Thank you for your time and consideration.

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