



NFIB
304 W. Main St., #205
Avon, CT 06001
(860) 248-NFIB
NFIB.com/CT

**TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)
OPPOSING
HB-6475, AAC FORCED ARBITRATION AGREEMENTS
BEFORE THE
LABOR & PUBLIC EMPLOYEES COMMITTEE
MARCH 4, 2021**

NFIB is the leading small business association in the nation with thousands of members in Connecticut representing a cross-section of the state's economy. For more than 75 years, NFIB has been advocating on behalf of America's small and independent business owners, both in Washington, D.C., and in all 50 state capitals. NFIB is nonprofit, nonpartisan, and member-driven. Since our founding in 1943, NFIB has been exclusively dedicated to small and independent businesses and remains so today. On behalf of those small- and independent- job-providers here in Connecticut, NFIB offers the following comments:

NFIB has significant concerns HB-6475 as currently drafted and therefore urges rejection. NFIB believes that this proposal is simply unnecessary and could hurt small business owners in Connecticut. Despite the title and statement of purpose, nothing in the underlying bill speaks directly to arbitration agreements or even contracts of a general nature. Rather, this legislation seeks to impose in Connecticut what is known elsewhere as a "private attorney general act" or, amongst employers, sometimes colloquially as a "sue your boss bill", because this legislation would allow for new civil lawsuits, or "public enforcement actions" as they are known in the bill language as drafted, to be brought by employees and even third-party organizations like a labor union, against a private employer for alleged violations of state labor and employment laws. Such a suit could even be brought in the name of multiple individuals similar to a class-action lawsuit. While NFIB certainly does not condone labor violations or even suppressing legitimate whistleblower claims, frivolous lawsuits against small business owners are a significant concern, and unfortunately this bill as currently drafted could potentially lead to frivolous claims due to its broad and unworkable nature. NFIB members say that being sued is one of the most threatening experiences for small business owners, especially for the smallest of the small, which can be put out of business by one lawsuit. Under this bill as currently proposed, small businesses could be sued for essentially any labor or employment law violation, no matter how inadvertent, minor, trivial or even regardless of any actual harm or injury. NFIB is neither aware of information that enforcement of our state labor laws is in any way inadequate, nor is there any urgent need to create new private enforcement actions. Rather to the contrary, Connecticut's state agencies, including the Department of Labor, the Office of the Attorney General, and the CHRO, among other entities, have plenty of tools at their disposal to bring enforcement actions and currently do a fine job overseeing and ensuring compliance with state labor and employment laws. Therefore, NFIB urges no action on 6475.

Thank you for the opportunity to comment and for your consideration of NFIB's concerns on behalf of small business. For any questions or additional information, please contact Andy Markowski, NFIB's State Director in Connecticut, at 860-248-NFIB.