



Senate

General Assembly

File No. 355

February Session, 2024

Substitute Senate Bill No. 414

Senate, April 9, 2024

The Committee on Labor and Public Employees reported through SEN. KUSHNER of the 24th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING EQUITY IN STATE EMPLOYMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2024*) (a) For the purposes of this
2 section and sections 2 to 6, inclusive, of this act:

3 (1) "Constitutional officer" means the Secretary of State, Comptroller,
4 Treasurer and Attorney General;

5 (2) "Department" means the (A) Departments of Administrative
6 Services, Aging and Disability Services, Agriculture, Banking, Children
7 and Families, Consumer Protection, Correction, Developmental
8 Services, Economic and Community Development, Education,
9 Emergency Services and Public Protection, Energy and Environmental
10 Protection, Housing, Insurance, Labor, Mental Health and Addiction
11 Services, Motor Vehicles, Public Health, Revenue Services, Social
12 Services, Transportation and Veterans Affairs, (B) Offices of Early
13 Childhood and Policy and Management, and (C) offices of the Secretary

14 of State, Comptroller, Treasurer and Attorney General;

15 (3) "Department head" means the (A) Commissioners of
16 Administrative Services, Aging and Disability Services, Agriculture,
17 Banking, Children and Families, Consumer Protection, Correction,
18 Developmental Services, Economic and Community Development,
19 Education, Emergency Services and Public Protection, Early Childhood,
20 Energy and Environmental Protection, Housing, Insurance, Labor,
21 Mental Health and Addiction Services, Motor Vehicles, Public Health,
22 Revenue Services, Social Services, Transportation and Veterans Affairs,
23 and (B) the Secretary of the Office of Policy and Management;

24 (4) "Director" means the director of the Diversity, Equity and
25 Inclusion division established pursuant to subsection (b) of this section;

26 (5) "Division" means the Diversity, Equity and Inclusion division of
27 each department established pursuant to subsection (b) of this section;

28 (6) "Equity" means the consistent and systematic fair, just and
29 impartial treatment of all individuals, including individuals who belong
30 to underserved communities that have been denied such treatment,
31 such as Black, Latino, Indigenous and Native American persons, Asian
32 Americans and Pacific Islanders and other persons of color, members of
33 religious minorities, women, lesbian, gay, bisexual, transgender and
34 queer persons, persons with disabilities, persons who live in rural areas
35 and persons otherwise adversely affected by persistent poverty or
36 inequality;

37 (7) "Implicit bias" means an attitude or internalized stereotype that
38 affects a person's perceptions, actions and decisions in an unconscious
39 manner and often contributes to unequal treatment of a person based on
40 such person's race, ethnicity, gender identity, sexual orientation, age,
41 disability or other characteristics; and

42 (8) "Underserved community" means populations sharing a
43 particular characteristic and geographical communities that have been
44 systemically denied a full opportunity to participate in aspects of

45 economic, social and civic life, such as Black, Latino, Indigenous and
46 Native American persons, Asian Americans and Pacific Islanders and
47 other persons of color, members of religious minorities, women, lesbian,
48 gay, bisexual, transgender and queer persons, persons with disabilities,
49 persons who live in rural areas and persons otherwise adversely
50 affected by persistent poverty or inequality.

51 (b) There shall be established a Diversity, Equity and Inclusion
52 Division within each department, which shall be administered by a full-
53 time, salaried director, who shall be subject to the supervision and the
54 direction of the department head or constitutional officer. Such director
55 shall be in the classified service and shall devote full-time to the duties
56 of such director's office. The department head or constitutional officer
57 may appoint and fix the compensation of such director, provided such
58 appointment shall be subject to the approval of the Governor and the
59 rate of such compensation shall be subject to the approval of the
60 Governor and the Secretary of the Office of Policy and Management.
61 The Diversity, Equity and Inclusion Division shall be responsible for
62 equity-related matters within the department and in relation to the
63 services provided by the department.

64 (c) The director shall be responsible for (1) coordinating the
65 department's equity initiatives, (2) serving as the primary contact and
66 subject matter expert for officials and employees within the department
67 regarding the development, implementation and assessment of the
68 division's programs, (3) developing and publishing the department's
69 equity plan pursuant to section 2 of this act, (4) evaluating the policies,
70 operations, training and hiring practices of the department, (5)
71 evaluating outcomes of services provided by the department, (6)
72 collecting and using data from the department relevant to the division,
73 including, but not limited to, disparate outcomes of services provided
74 by the department or disparate outcomes in the operations and policies
75 of the department, (7) assisting department staff in creating division-
76 related training programs required pursuant to sections 5 and 6 of this
77 act and participating in the presentation of such training programs, (8)
78 supporting the department in creating and sustaining inclusive cultures

79 and behaviors, (9) maintaining knowledge of equity-related issues,
80 operations and strategies that ensure the department's activities reflect
81 best equity practices for the department, (10) overseeing the community
82 engagement work of the division and ensuring that underserved
83 communities are encouraged to provide feedback on department
84 activities, (11) providing department staff with advice and guidance on
85 how to navigate situations that impact the diversity, equity, and
86 inclusion of the department, and (12) any other duties assigned by the
87 department head or constitutional officer.

88 (d) Prior to implementing any proposed department policy or
89 adopting any proposed regulation, in accordance with the provisions of
90 chapter 54 of the general statutes, the department head or constitutional
91 officer shall consult with the director to ensure that the proposed policy
92 or regulation will not have an indirect or direct adverse impact on any
93 underserved communities.

94 Sec. 2. (NEW) (*Effective October 1, 2024*) Not later than October 1, 2026,
95 and annually thereafter, the director for each department shall create an
96 equity action plan for such department that identifies specific diversity,
97 equity and inclusion goals for the department and establishes
98 accountability mechanisms for achieving such goals. All department
99 heads and constitutional officers shall ensure effective implementation
100 of such equity action plans by prioritizing and incorporating the
101 strategies of the equity action plan when setting equity goals for the
102 department. Such equity action plan shall be posted on the department's
103 Internet web site. Such equity action plan shall:

104 (1) Identify the progress made by the department on the actions,
105 performance, measures and milestones highlighted in the preceding
106 year's equity action plan;

107 (2) Identify potential barriers that underserved communities may
108 face in accessing and benefitting from the benefits, services and
109 programs provided by the department or in providing feedback
110 concerning department programs;

111 (3) Evaluate certain key programs and policies of the department as
112 identified by the department head or constitutional officer, to assess
113 whether underserved communities and their members face systemic
114 barriers in accessing benefits and opportunities available pursuant to
115 those policies and programs;

116 (4) Identify how the department intends to engage with underserved
117 communities in order to advance equity in the department's policies,
118 services and programs, including, but not limited to, accessible and
119 appropriate outreach to such underserved communities and individuals
120 in underserved communities and the incorporation of perspectives of
121 underserved communities in the department's policies, services and
122 programs and continually assess the progress made or not made
123 towards attaining such community engagement during the prior year;

124 (5) Identify training programs developed by the division pursuant to
125 section 5 of this act;

126 (6) Evaluate the applicant data required pursuant to section 3 of this
127 act and identify demographic hiring trends within the department; and

128 (7) Evaluate whether new policies, regulations or guidance
129 documents may be necessary to address potential barriers to benefits,
130 services and programs provided by the department.

131 Sec. 3. (NEW) (*Effective October 1, 2024*) (a) Each department shall
132 collect and maintain data regarding demographic information for each
133 individual that applies for positions with such department.

134 (b) Each division shall annually examine data regarding
135 demographic information for individuals who apply for positions with
136 the department collected pursuant to subsection (a) of this section and
137 disaggregate such data by the categories of age, race, ethnicity, religious
138 creed, gender identity or expression, sexual orientation, individuals
139 with disabilities and how far an individual of each category progressed
140 in the hiring or interview process, provided such disaggregation keeps
141 such individuals' information personally nonidentifiable. The division

142 shall annually submit to the department head or constitutional officer,
143 and post on its Internet web site, a report summarizing the examination
144 and disaggregation of such data.

145 Sec. 4. (NEW) (*Effective October 1, 2024*) (a) Each department shall
146 utilize diverse hiring panels to conduct interviews for open positions
147 within such department. Such hiring panels shall be comprised of
148 current employees in appropriate positions from varying backgrounds,
149 including, but not limited to, race, ethnicity, gender, age and sexual
150 orientation. Such hiring panels shall be utilized for at least one interview
151 of a candidate. Departments may, where appropriate, utilize employees
152 from other departments to serve on hiring panels. When filling a
153 position within the department, where relevant, the department shall
154 consider whether a candidate is conversant in a language other than
155 English that is spoken by the diverse populations served by the
156 department.

157 (b) The director may waive the requirements of this section in writing
158 if the director determines that a diverse hiring panel cannot be
159 organized after considering (1) the circumstances around not being able
160 to fulfil such requirement, (2) whether reasonable efforts were made to
161 fulfil such requirement, and (3) the demographic information of current
162 employees at the department.

163 Sec. 5. (NEW) (*Effective October 1, 2024*) (a) The director shall develop
164 a standardized diversity, equity and inclusion training program that
165 shall be used by the department in completing the diversity, equity and
166 inclusion training required under this section. Such program shall
167 include, but need not be limited to, training on how to recognize and
168 mitigate unconscious implicit biases, how to reduce miscommunication
169 and misinformation regarding different identities and backgrounds,
170 and how to cultivate inclusive community and cross-community
171 interactions both within the department and with the wider community,
172 including when interacting with a member of an underserved
173 community.

174 (b) Each department shall require diversity, equity and inclusion

175 training and education for all supervisory and nonsupervisory
176 employees hired on or after July 1, 2025, not later than six months after
177 such employees' assumption of a position within the department, while
178 prioritizing providing such training for supervisory employees.

179 Sec. 6. (NEW) (*Effective October 1, 2024*) (a) The director shall develop
180 annual training and materials on diversity, equity and inclusion topics
181 for all supervisory and nonsupervisory employees, including
182 supervisory-specific trainings and materials. Such training and
183 materials shall include, but need not be limited to, topics related to
184 cultural sensitivity, sexual orientation and gender identities, anti-
185 racism, anti-sexism and disability awareness.

186 (b) Each department shall require a minimum of four hours of annual
187 diversity, equity and inclusion training (1) for all existing supervisory
188 and nonsupervisory employees, not later than July 1, 2025, and annually
189 thereafter, while prioritizing providing such training for supervisory
190 employees, and (2) for all supervisory and nonsupervisory employees
191 hired on or after July 1, 2025, not later than six months after such
192 employees' assumption of a position within the department, and
193 annually thereafter, while prioritizing providing such training for
194 supervisory employees.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2024</i>	New section
Sec. 2	<i>October 1, 2024</i>	New section
Sec. 3	<i>October 1, 2024</i>	New section
Sec. 4	<i>October 1, 2024</i>	New section
Sec. 5	<i>October 1, 2024</i>	New section
Sec. 6	<i>October 1, 2024</i>	New section

LAB Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
State Comptroller - Fringe Benefits ¹	App Fund - Cost	1,100,000	1,500,000
Various State Agencies	App Fund - Cost	3,900,000	3,800,000

Note: App Fund=All Appropriated Funds

Municipal Impact: None

Explanation

The bill, which creates a Diversity, Equity and Inclusion division within 28 state agencies, is estimated to result in a cost of approximately \$5 million in FY 25 and \$5.3 million per year thereafter.²

The bill requires the creation of a director level position within each of these divisions which is estimated to cost approximately \$3.4 million per year in salary and other expenses costs associated with the 28 positions as well as an additional \$1.4 million per year in fringe benefit costs on an annualized basis.

The bill also places requirements on each division to develop programs, systems of data collection and analysis, and training programs. These requirements are anticipated to require \$1 million in startup costs in FY 25 and annualized ongoing costs of \$483,000 per year

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.25% of payroll in FY 25.

² Annual salary and associated fringe are prorated for FY 25 because of the October 1, 2024 effective date within the bill.

(\$200,000 in other expenses, and two new positions costing \$200,000 in salary and \$83,000 in fringe benefits).

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Sources: Department of Administrative Services website

OLR Bill Analysis**sSB 414*****AN ACT CONCERNING EQUITY IN STATE EMPLOYMENT.*****SUMMARY**

This bill establishes a (1) Diversity, Equity, and Inclusion (DEI) Division in state agencies and the offices of certain constitutional officers (collectively referred to as “departments” below) and (2) full-time, salaried director position to lead each division. It makes a DEI Division responsible for equity-related matters within its department and in relation to the services the department provides. It also requires department heads (which includes the applicable constitutional officers), before implementing a proposed policy or regulation, to consult with their DEI Division director to ensure that it will not have an indirect or direct adverse impact on any underserved communities.

Under the bill, each DEI Division director must, among other things, create an equity action plan for the department that identifies specific DEI goals and establishes accountability mechanisms for achieving them. Each division must annually examine (1) demographic data on its department’s job applicants and (2) how far an individual of each category progressed in the hiring process. And each department must use diverse hiring panels to conduct interviews, although this requirement may be waived under certain conditions.

Lastly, the bill sets DEI standardized and annual training requirements for department employees, which DEI directors must develop to meet specified criteria (e.g., how to mitigate unconscious implicit biases and reduce misinformation about different identities).

Under the bill, “equity” is the consistent and systematic, fair, just, and impartial treatment of all people, including those who belong to

underserved communities that have been denied this treatment, such as Black, Latino, Indigenous, and Native American people, Asian Americans and Pacific Islanders, and other people of color; members of religious minorities; women; lesbian, gay, bisexual, transgender, and queer people; people with disabilities; people who live in rural areas; and people otherwise adversely affected by persistent poverty or inequality. An “underserved community” is populations sharing a particular characteristic and geographic communities that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, such as the people listed above.

EFFECTIVE DATE: October 1, 2024

§ 1 — DEI DIVISIONS AND DIRECTORS

The bill creates a DEI Division and director position in the offices of the secretary of the state, comptroller, treasurer, and attorney general, and in the following state agencies: the departments of Administrative Services, Aging and Disability Services, Agriculture, Banking, Children and Families, Consumer Protection, Correction, Developmental Services, Economic and Community Development, Education, Emergency Services and Public Protection, Energy and Environmental Protection, Housing, Insurance, Labor, Mental Health and Addiction Services, Motor Vehicles, Public Health, Revenue Services, Social Services, Transportation, and Veterans Affairs, and the offices of Early Childhood and Policy and Management (OPM).

Under the bill, the director position is a full-time salaried position in the state employee classified service under the supervision and direction of the department head. The department head may appoint their director, subject to the governor’s approval, and fix their director’s compensation, subject to the governor’s and OPM secretary’s approval.

Director Responsibilities

The bill makes each DEI director responsible for doing the following:

1. coordinating their department’s equity initiatives;

2. serving as the primary contact and subject matter expert for the department's officials and employees on developing, implementing, and assessing the DEI Division's programs;
3. developing and publishing the department's equity plan (see below);
4. evaluating the department's policies, operations, training, and hiring practices;
5. evaluating outcomes of services provided by the department;
6. collecting and using department data relevant to the division, such as disparate outcomes (a) of services provided by the department or (b) in the department's operations and policies;
7. helping department staff create division-related training programs required by the bill and presenting those training programs;
8. supporting the department in creating and sustaining inclusive cultures and behaviors;
9. maintaining knowledge about equity-related issues, operations, and strategies that ensure that a department's activities reflect its best equity practices;
10. overseeing the division's community engagement work and ensuring that underserved communities are encouraged to provide feedback on department activities;
11. advising and guiding department staff on navigating situations that impact the department's DEI; and
12. any other duties the department head assigns.

§ 2 — EQUITY ACTION PLANS

The bill requires each department's DEI director, starting by October 1, 2026, to annually create an equity action plan for the department that

identifies specific DEI goals and establishes accountability mechanisms for achieving them. All department heads must ensure the plan's effective implementation by prioritizing and incorporating its strategies when setting department goals. The plans must be posted on each department's website.

Under the bill, the plans must:

1. identify the department's progress on the actions, performance, measures, and milestones highlighted in the preceding year's plan;
2. identify potential barriers that underserved communities may face in (a) accessing and benefiting from the department's benefits, services, and programs, or (b) providing feedback about department programs;
3. evaluate certain key department programs and policies that the department head identifies to assess whether underserved communities and their members face systemic barriers in accessing program benefits and opportunities;
4. identify how the department intends to engage with underserved communities to advance equity in department policies, services, and programs, including by (a) accessible and appropriate outreach to them; (b) incorporating their perspectives in the department's policies, services, and programs; and (c) continually assessing the progress made or not made towards attaining community engagement during the prior year;
5. identify training programs developed by the division (see below); and
6. evaluate applicant data required by the bill (see below) and identify demographic hiring trends in the department.

§ 3 — JOB APPLICANT DATA

The bill requires each (1) department to collect and maintain

demographic data for job applicants and (2) division to annually examine the data and disaggregate it by age, race, ethnicity, religious creed, gender identity or expression, sexual orientation, and people with disabilities, as well as how far a person of each category progressed in the hiring or interview process. The disaggregation must keep each person's information personally nonidentifiable.

The bill requires the division to annually submit a summary of the data to the department head and post it on its website.

§ 4 — DIVERSE HIRING PANELS

The bill requires each department to use diverse hiring panels to conduct interviews for open positions. The panels must be (1) comprised of current employees in appropriate positions from varying backgrounds such as race, ethnicity, gender, age, and sexual orientation, and (2) used for at least one candidate interview.

The bill allows departments to use employees from other departments on hiring panels, when appropriate. And when filling a position, and where relevant, a department must consider whether a candidate is conversant in a language other than English that is spoken by the diverse populations the department serves.

Under the bill, the director may waive the diverse hiring panel requirement if he or she determines that the panel cannot be organized after considering (1) the circumstances, (2) whether reasonable efforts were made to fulfill the requirement, and (3) the demographic information of the department's current employees.

§ 5 — STANDARDIZED DEI TRAINING

Under the bill, each department must require DEI training and education for all supervisory and nonsupervisory employees hired on or after July 1, 2025, within six months after the employee assumes a position in the department, while prioritizing the training for supervisory employees.

The bill requires each DEI director to develop a standardized DEI

training program that their department must use to complete this training requirement. The program must at least include training on how to (1) recognize and mitigate unconscious implicit biases; (2) reduce miscommunication and misinformation about different identities and backgrounds; and (3) cultivate inclusive community and cross-community interactions within the department and with the wider community, including when interacting with underserved community members.

Under the bill, “implicit bias” is an attitude or internalized stereotype that affects someone’s perceptions, actions, and decisions in an unconscious way and often contributes to unequal treatment of someone based on their race, ethnicity, gender identity, sexual orientation, age, disability, or other characteristics.

§ 6 — ANNUAL DEI TRAINING

The bill requires each DEI director to develop annual training and materials on DEI topics for all supervisory and nonsupervisory employees, including supervisory-specific trainings and materials. These must include topics related to cultural sensitivity, sexual orientation and gender identities, anti-racism, anti-sexism, and disability awareness.

The bill also requires each department to require at least four hours of annual DEI training starting (1) by July 1, 2025, for all existing employees and (2) for any employee hired on or after that date, within six months after they assume a position in the department. In both instances, the department must prioritize the training for supervisory employees.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 8 Nay 4 (03/21/2024)