

Department of Planning and Budget 2023 Fiscal Impact Statement

1. **Bill Number:** HB1895

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. **Patron:** Filler-Corn

3. **Committee:** Commerce and Energy

4. **Title:** Employee protection; prohibited retaliation; prohibited nondisclosure and nondisparagement.

5. **Summary:** Prohibits the inclusion of provisions in any employment contract that waive an employee, prospective employee, or independent contractor's rights to disclose or discuss conduct that an employee reasonably believes under state, federal, or common law to be discrimination. The bill prohibits such nondisclosure and nondisparagement provisions in any employment contract or settlement agreement that concerns conduct at the workplace, at work-related events coordinated by or through an employer, between employees, or between an employer and an employee, whether on or off the employment premises. Under the bill, no employer shall discharge or otherwise retaliate against an employee, prospective employee, or independent contractor for disclosing or discussing conduct related to discrimination. An employer that violates the provisions of the bill may be subject to actual damages or statutory damages of \$10,000. The also bill requires employers to include in any settlement agreement or employment agreement with an employee a disclaimer that the agreement does not prohibit an employee from disclosing conduct as protected under the bill. The provisions of the bill apply to contracts entered into, renewed, modified, or amended on or after July 1, 2023, and apply retroactively to any provision in an existing contract or agreement that is deemed void and unenforceable under the bill.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** Preliminary

8. **Fiscal Implications:** The Courts anticipate that any action taken as a result of this bill will fall within the normal course of business and not create any additional fiscal impact.

The Department of Labor and Industry would not have additional enforcement responsibilities under this bill. Any increase in individuals contacting the department with questions or complaints related to the bill can be absorbed within existing resources.

9. **Specific Agency or Political Subdivisions Affected:** Courts

10. Technical Amendment Necessary: No

11. Other Comments: None