



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2104

PRINTER'S NO. 3020

PRIME SPONSOR: Madden

COST / (SAVINGS)

FUND	FY 2023/24	FY 2024/25
General Fund	\$0	\$185,000
Human Relations Training Fund	\$0	See Fiscal Impact

SUMMARY: HB 2104 PN 3020 requires employers to adopt policies and procedures against discrimination, harassment, and retaliation. This legislation will take effect in 120 days.

ANALYSIS: This legislation amends the Human Relations Act (Act 222 of 1955) to create a new Section 7.1, to require employers to adopt policies and procedures against discrimination, harassment, and retaliation. Additionally, the bill creates the Human Relations Training Fund.

Employer Responsibilities

An employer shall adopt the following policies and procedures which must be available and accessible by all employees, and which shall include:

- An explanation that harassment, discrimination, and retaliation are unlawful;
- A complaint procedure for reporting, which includes allowing an employee to report a claim to persons other than direct supervisors;
- Supervisors' responsibilities to identify, prevent, and report unlawful activities under this bill;
- Procedures for maintaining confidentiality;
- A procedure for the timely, thorough, and prompt investigation of complaints; and
- Provision that an employer may post its policies and procedures on its website;

Additionally, an employer is required to keep a record of current policies and procedures, as well as policies and procedures from the previous three years and have them available to be inspected upon request submitted by the Human Relations Commission.

Commission's Responsibilities

The Human Relations Commission must establish policies and procedures which at a minimum include the same protections required to be provided by employers. Those policies and procedures may be used, for free, by employers and must be made publicly available on the Commission's website.

Furthermore, within 45 days of changes related to applicable State or Federal laws, the Commission must update the standardized policies and procedures. Such an update must be published on its website and transmitted to the Legislative Reference Bureau for publishing in the Pennsylvania Bulletin.

The Commission is required to create a notification system to issue alerts and it requires employers to change their standard policies and procedures within forty-five days of receiving a notification from the Commission of a changes to its policies and procedures.

Violations and Penalties

An individual claiming a violation by their employer may submit a complaint to the Commission. If, upon investigation, it is determined that an employer is in violation, the Commission may seek compliance and issue a citation and a fine.

For a first violation, a fine of between \$500 and \$1,000 may be imposed. Language provides that the Commission may wave a fine for first-time violation by an employer unless an employer has demonstrated a willful disregard.

- For second or subsequent violations, a fine of between \$1,000 and \$5,000 may be imposed.

Fund

The Human Relations Training Fund is established in the State Treasury and would be the repository for fines associated with this act. Money in the Fund would be appropriated to the Commission on a continuing basis for training, education, and outreach.

FISCAL IMPACT: Enactment of this legislation would have a fiscal impact on Commonwealth funds, specifically both on the General Fund and the Human Relations Training Fund. Factors that should be considered in determining the impact of the legislation include the need for additional personnel by the Commission as well as the amount of fine proceeds deposited into the Human Relations Fund, which would be a function of the number and type of fines issued.

First, in order to perform its duties as provided for by the legislation, the Commission would need to add two Human Relations Representatives. Including salary and benefits, total costs associated with those positions would be about \$185,000 per fiscal year and would be incurred within the General Fund.

As it relates to proceeds deposited into the Human Relations Fund, due to the unknown nature of the number of investigations and potential fines to be issued, the fiscal impact is indeterminate at this point.

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House Appropriations Committee (D)

DATE: May 1, 2024

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.