

1 H.344

2 Introduced by Representatives Logan of Burlington, Bos-Lun of Westminster,
3 Casey of Montpelier, Cina of Burlington, Cordes of Bristol,
4 Headrick of Burlington, Hooper of Burlington, McCann of
5 Montpelier, McGill of Bridport, Priestley of Bradford, and
6 Tomlinson of Winooski

7 Referred to Committee on

8 Date:

9 Subject: Labor; employment practices; good cause termination of employment

10 Statement of purpose of bill as introduced: This bill proposes to establish a
11 good cause standard for termination of employment.

12 An act relating to creating a good cause standard for termination of
13 employment

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 Sec. 1. 21 V.S.A § 495 is amended to read:

16 § 495. UNLAWFUL EMPLOYMENT PRACTICE

17 * * *

18 (b)(1) It shall be an unlawful employment practice for an employer to
19 discharge an employee for other than good cause shown. As used in this
20 subdivision, “good cause” means either a reasonable, good-faith reason for

1 discharge related to a legitimate business reason or that the employee has been
2 employed by the employer for fewer than 90 days. “Good cause” does not
3 include reasons for discharge that are trivial, arbitrary, capricious, or otherwise
4 unrelated to a legitimate business reason. A “legitimate business reason”
5 includes the employee’s failure to satisfactorily perform job duties.

6 (2) The provisions of this section shall not be construed to limit:

7 (A) the rights of employers to discharge employees for good cause
8 shown; or

9 (B) any other rights of employees provided pursuant to law or in a
10 contract or collective bargaining agreement.

11 (3) An employer shall post notice of the provisions of this subsection in
12 a form provided by the Commissioner in a place conspicuous to employees at
13 the employer’s place of business.

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15 Sec. 2. EFFECTIVE DATE

16 This act shall take effect on July 1, 2025.