

1 H.714

2 Introduced by Representatives Casey of Montpelier and Priestley of Bradford

3 Referred to Committee on

4 Date:

5 Subject: Executive; State employees; automated employment decision making

6 Statement of purpose of bill as introduced: This bill proposes to require the

7 State to disclose the use of automated employment decision-making tools to its

8 employees and to provide that the use of automated employment decision

9 making shall not affect the rights of State employees covered by existing

10 collective bargaining agreements. This bill also proposes to create a study

11 committee on the impact of the disclosure of automated employment decision-

12 making tools on State employees and the feasibility of extending the disclosure

13 requirement and protections for unionized employees to municipal employees,

14 teachers and employees of public schools, and employees of public institutions

15 of higher education.

16 An act relating to automated employment decision making and State  
17 employees

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

19 Sec. 1. 3 V.S.A. § 269 is added to read:

20 § 269. AUTOMATED EMPLOYMENT DECISION-MAKING TOOL

1        (a) Definitions. As used in this section:

2            (1) “Automated employment decision-making tool” means any software  
3        that uses algorithms, computational models, or artificial intelligence  
4        techniques, or a combination thereof, to materially automate or replace human  
5        decision making regarding employment, including wages and other  
6        compensation, hiring, recruitment, discipline, and promotion. “Automated  
7        employment decision-making tool” does not include any software used  
8        primarily for basic computerized processes, such as calculators, spell-check  
9        tools, autocorrect functions, spreadsheets, electronic communications, or any  
10        tool that relates only to internal office management, such as ordering office  
11        supplies or processing payments, and that does not materially affect the rights,  
12        liberties, benefits, safety, or welfare of any individual State employee.

13            (2) “State agency” means any agency, department, or division of the  
14        State.

15            (b) Disclosure of automated employment decision-making tools. Any State  
16        agency that utilizes automated employment decision-making tools shall  
17        publish and maintain a list of the tools on the State agency’s website. The  
18        disclosure shall include:

19            (1) a description of each automated employment decision-making tool  
20        utilized by the State agency;

1                   (2) the date the State agency began using each automated employment  
2                   decision-making tool;

3                   (3) a summary of the purpose and use of each automated employment  
4                   decision-making tool; and

5                   (4) any other information about the tools deemed relevant by the State  
6                   agency.

7                   (c) Bargaining rights.

8                   (1) The use of an automated employment decision-making tool by a  
9                   State agency shall not affect the rights of State employees pursuant to an  
10                   existing collective bargaining agreement or affect the existing bargaining  
11                   relationship between the State and employees covered by a collective  
12                   bargaining agreement.

13                   (2) The use of an automated employment decision-making tool shall not  
14                   result in:

15                   (A) the discharge, displacement, or loss of position, including partial  
16                   displacement such as a reduction in the hours of nonovertime work, wages, or  
17                   employment benefits, of State employees;

18                   (B) the impairment of existing collective bargaining agreements; or  
19                   (C) the transfer of existing duties and functions currently performed  
20                   by employees of a State agency to an automated employment decision-making  
21                   tool.

1                   (3) The use of an automated employment decision-making tool shall not  
2                   alter the rights, benefits, or privileges, including terms and conditions of  
3                   employment, classified service status, and collective bargaining unit  
4                   membership status, of all existing employees of a State agency, and the  
5                   collective bargaining unit membership status of all existing employees of a  
6                   State agency shall be preserved and protected.

7                   Sec. 2. STUDY COMMITTEE ON AUTOMATED EMPLOYMENT

8                   DECISION-MAKING TOOLS AND PUBLIC EMPLOYEES;

9                   REPORT

10                   (a) Creation. There is created the Study Committee on Automated  
11                   Employment Decision-Making Tools and Public Employees to examine the  
12                   impact of the disclosure of automated employment decision-making tools on  
13                   State employees and the feasibility of extending the disclosure requirement and  
14                   protections for unionized employees to municipal employees, teachers and  
15                   other public school employees, and employees of public institutions of higher  
16                   education.

17                   (b) Membership. The Study Committee shall be composed of nine  
18                   members as follows:

19                   (1) one current member of the House of Representatives, appointed by  
20                   the Speaker of the House;

1                   (2) one current member of the Senate, appointed by the Committee on  
2                   Committees;

3                   (3) one representative of the Department of Human Resources,  
4                   appointed by the Commissioner of Human Resources;

5                   (4) one representative of the Agency of Administration, appointed by  
6                   the Secretary of Administration;

7                   (5) one member who is a bargaining representative on behalf of State  
8                   employees, appointed by the Vermont State Employees' Association;

9                   (6) one representative of a statewide teachers' union, appointed by the  
10                   Vermont-National Education Association;

11                   (7) one representative of municipal employees, appointed by the  
12                   Vermont League of Cities and Towns;

13                   (8) one representative of a public institution of higher education,  
14                   appointed jointly by the President of the University of Vermont and the  
15                   Chancellor of the Vermont State Colleges; and

16                   (9) one public member with expertise in labor law or automated or  
17                   algorithmic decision making, appointed by the Governor.

18                   (c) Powers and duties. The Study Committee shall examine and make  
19                   findings and recommendations regarding the following:

20                   (1) the effectiveness of the disclosure requirements for automated  
21                   employment decision-making tools pursuant to 3 V.S.A. § 269;

1                   (2) the extent to which existing statutory and collectively bargained  
2                   employee protections adequately protect unionized State employees from  
3                   adverse employment actions resulting from the use of automated employment  
4                   decision-making tools;  
5                   (3) the interaction between automated employment decision-making  
6                   tools and the dispute resolution mechanisms in collective bargaining  
7                   agreements covering State employees;  
8                   (4) the feasibility, benefits, risks, and potential unintended consequences  
9                   of extending the disclosure and labor protection requirements of 3 V.S.A.  
10                  § 269 to:  
11                  (A) municipal employees;  
12                  (B) teachers and other public school employees; and  
13                  (C) employees of public institutions of higher education;  
14                  (5) the administrative, fiscal, and operational impacts of extending  
15                  coverage under 3 V.S.A. §269 to additional categories of public employees;  
16                  and  
17                  (6) whether statutory amendments, phased implementation, or  
18                  differentiated approaches are advisable for different categories of public  
19                  employees.

1        (d) Assistance. The Study Committee shall have the administrative,  
2        technical, and legal assistance of the Department of Human Resources. The  
3        Joint Fiscal Office shall provide fiscal analysis upon request.

4        (e) Report. On or before December 15, 2028, the Study Committee shall  
5        submit a written report to the House Committees on Commerce and Economic  
6        Development and on Government Operations and Military Affairs and the  
7        Senate Committees on Government Operations and on Education with its  
8        findings and any recommendations for legislative action.

9        (f) Meetings.

10        (1) The committee member representing the Department of Human  
11        Resources shall call the first meeting of the Study Committee to occur on or  
12        before September 1, 2027.

13        (2) The members of the Study Committee shall select a chair from  
14        among its legislative members at the first meeting.

15        (3) A majority of the membership shall constitute a quorum.

16        (4) The Study Committee shall cease to exist upon submission of its  
17        report or on January 15, 2029, whichever occurs first.

18        (g) Compensation and reimbursement.

19        (1) For attendance at meetings during adjournment of the General  
20        Assembly, a legislative member of the Study Committee shall be entitled to per  
21        diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23

1 for not more than six meetings. These payments shall be made from monies  
2 appropriated to the General Assembly.

3 (2) Except for those members otherwise regularly employed by the  
4 State, other members of the Study Committee shall be entitled to per diem  
5 compensation and reimbursement of expenses as permitted under 32 V.S.A.  
6 § 1010 for not more than six meetings. These payments shall be made from  
7 monies appropriated to the Department of Human Resources.

8 Sec. 3. EFFECTIVE DATE

9 This act shall take effect on July 1, 2026.