

Top Human Resources Issues Solo/Small Firms Need to Know

By ROBIN KALLOR

You opened your own firm for a variety of reasons. Perhaps you want to “run your own show” and have certain flexibility over your work and your work/life balance. Possibly, you opened your own firm because you do not want to share in the overhead of others. Maybe you want to wear jeans or even sweatpants to the office when you do not need to go to court or meet with a client. These are valid justifications for doing so and presumably, there are many others. But I would venture a guess that you did not open your own firm because you wanted to deal with the nuances of human resources issues. In fact, I reckon you have had at least one moment while running your solo/small firm when you regretted your decision due to a human resources headache in one way, shape, or form. Understandably, you want to focus on meeting deadlines, helping clients, and feeling challenged and fulfilled and did not realize how much time, effort, and knowledge is involved in managing human resources issues—even for only one or two employees.

Is picking out your own coffee flavor and wearing comfy clothes to the office worth this additional full-time job managing these issues? I’m here to say YES and to give you some highlights to make the task less daunting. Please don’t rely on this as an exhaustive list. It’s a list of major issues that we see routinely surfacing with small employers.

1. “At Will”: Yes, Connecticut is an “at-will” state, but “at-will” simply means that employees can be terminated for any reason *not prohibited by law*. But there are so many legal prohibitions making it inadvisable to terminate employees without evaluating potential risk.

2. Offer Letter: State law requires employers to inform employees at the time of hire the rate of remuneration, hours of employment, and wage payment schedules. Make sure to include an at-will disclaimer in an offer letter to avoid breach of contract claims. Employers

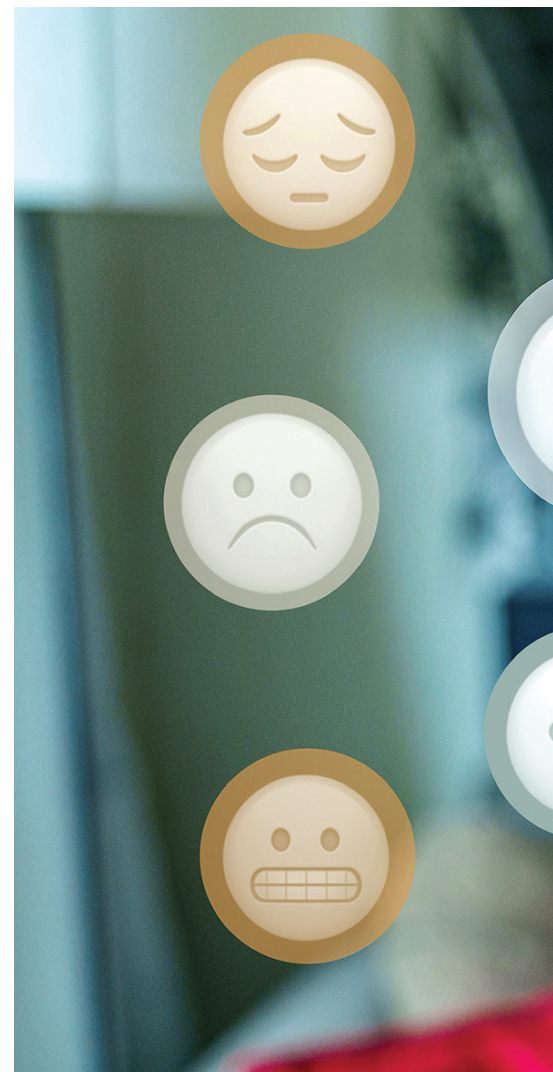
must provide a wage range for the position either upon request or in the offer letter (whichever is earlier).

3. Ban the Box: State law prohibits employers from asking applicants about criminal convictions in the initial application form or at the initial step in the application process. Any sort of background check should be done after a conditional offer. The Fair Credit Reporting Act governs disclosures before a third party performs the background investigation and before a decision is made to take action based upon the report.

4. Salary History: Employers cannot ask an applicant about salary at prior employment and cannot prohibit employees from discussing their own compensation with each other.

5. Discrimination/Harassment/Retaliation: State law prohibits employers from discriminating against employees (or

harassing them) on the basis of a protected class. Here are examples of the most common protected classes: race (including ethnic traits historically associated with race, such as hair texture and protective hairstyles); color; reli-



gion; national origin; sex; sexual orientation; gender identity or expression; pregnancy and pregnancy related medical conditions (including childbirth, lactation, and disabilities relating to pregnancy, childbirth, and reproduction); age; physical, mental, or intellectual disability or handicap; citizenship status; marital status; service member/veteran status; genetic information; victim of domestic violence status; filing workers' compensation claim; prior complaint of harassment or discrimination. Employers cannot refuse to hire or take adverse action against individuals because of their membership in the protected class. Moreover, employers cannot ask questions during pre-employment process that would elicit information about protected class.

6. First Amendment Retaliation: State law (Conn. Gen. Stat. § 31-51q) makes it

unlawful to discipline or discharge (or threaten to discipline or discharge) an employer for exercising rights guaranteed by the first amendment.

7. Minimum Wage: The minimum wage in Connecticut is \$16.35 per hour. Employees are entitled to overtime at the rate of 1.5 times the employee's regular rate of pay after working 40 hours in the workweek. There are a few exemptions to overtime. The most common are employees who are paid on a salaried basis (at least \$684) per week and who are employed in an executive, administrative, or professional capacity. We can spend the entire article on this one issue. You may want to get legal advice to ensure that an exemption applies before paying an employee a salary and not paying overtime. The court or the Department of Labor will look at the actual duties of the position. If you hire

an "office manager" but the individual does not supervise employees or spend the majority of the workday developing policies for the management of the practice, the individual will not be exempt. If an employee is not exempt, the fact that you have not kept accurate time records for the individual you treated as salaried will be problematic and can result in significant exposure. Wage and hour laws have anti-retaliation provisions. Notably, paralegals are generally not exempt employees.

8. Deductions from Paychecks: Employers may not make deductions from paychecks, except under very specific circumstances (i.e. tax withholding, garnishments as required by an order, employee benefit plans, or where approved in advance by the Connecticut Department of Labor). Sometimes businesses think that they can make deduc-





tions from final paychecks for things like unreturned fob cards or other company property. State law does not allow for such deductions.

9. Final Paychecks: Employees who are terminated must be paid their final paycheck within the next business day after the termination. Employers who resign can be paid on the next regularly scheduled payday. Employers may not withhold a paycheck for any reason, such as returning company property.

10. Non-Discretionary Bonuses: Non-discretionary bonuses are considered “wages” under Connecticut law. Moreover, such bonuses and other guaranteed payments must be factored into regular rate for overtime purposes.

11. Workplace Posters: There are many workplace posters that employers must post in a conspicuous area or send to

employees through intranet or email.

12. Frequency of Payroll: Employers must pay weekly unless they request permission from the Connecticut Department of Labor (DOL). There is a pre-printed form on the DOL website.

13. Sexual Harassment Training: All employees and management must attend sexual harassment training that meets the requirements of the Connecticut Fair Employment Practices Act. The Connecticut Commission on Human Rights and Opportunities offers a free training on its website that meets these requirements.

14. Reasonable Accommodations: An employer must provide reasonable workplace accommodations to enable disabled employees to perform the essential functions of their jobs unless doing so would result in an undue hard-

ship. Employers must also reasonably accommodate religious practices, pregnancy related issues, and domestic violence victims. A “disability” is a very easy standard to meet. The term “undue hardship” is a very difficult standard to meet. Thus, before employers deny an accommodation, they should seek legal advice.

15. Connecticut Family and Medical Leave Act (CTFMLA): State law applies to employers with one employee. (Federal law applies to employers with 50 or more employees within a 75 mile radius.) The CTFMLA provides eligible employees (employed for three months) up to 12 weeks of unpaid job protected leave during a 12-month period for qualifying family or medical leave reasons. Employees are also entitled to return to their same or, if not available, an equivalent job at the end of their leave. Employees may take up to two

Learn More from Robin Kallor at HR Law Basics for Solo and Small Firms (Part of the Solo/Small Firm CLE Series)

April 23, 2025 | Hawthorne Inn, Berlin | Register at ctbar.org/SoloSmallSeries

additional weeks of leave during the 12-month period for a serious health condition resulting in incapacitation that occurs during a pregnancy. It also allows eligible employees to take up to 26 weeks of leave in a single 12-month period to care for a covered service member with a serious injury or illness. Generally, CTFMLA leave is unpaid. However, an employee's accrued, paid leave time with the employer, such as vacation, sick leave, personal leave, or paid time off, may be applied to the leave if required by the employer or requested by the employee. An employee may choose to preserve up to two weeks of their accrued, paid leave time. Additionally, wage replacement benefits under Connecticut's Paid Leave program may apply and it may run concurrently with other leaves (workers' compensation). The reasons for leave: (a) The birth of a child, placement for adoption, or foster care; (b) To care for a family member (a spouse, sibling, son or daughter, grandparent, grandchild, or parent, or an individual related to the employee by blood or affinity whose close association the employee shows to be the equivalent of those family relationships (significant personal bond) with a serious health condition; (c) the employee's serious health condition; (d) To serve as an organ or bone marrow donor; (e) To address qualifying exigencies arising from a spouse, son, daughter, or parent's active duty service in the armed forces; or (g) To care for a spouse, son, daughter, parent, or next of kin with a serious injury or illness incurred on active duty. There are specific forms that must be given to employees and specific notice requirements.

16. CT Paid Leave Program: Employees and employers must contribute as a wage deduction to wage replacement for Connecticut Paid Leave, which is administered through the Connecticut Paid Leave Authority.

17. CT Family Violence Leave Act: This law requires employers to provide up to 12 days of unpaid leave to employees for the specified safe leave reasons.

18. Sick Leave: Certain employers must provide paid sick leave to their employees. The law initially only applied to service workers employed by employers with 50 or more employees. However, the paid sick leave act was recently amended to be phased in to cover all employees employed by any size employer. As of January 1, 2025, the law will apply to employers with 25 or more employees. Beginning January 1, 2026, the law will apply to employers with 11 employees and beginning January 1, 2027, employers with at least one employee will need to comply. This law entitles employees (non-seasonal/temporary who work more than 120 days per year) to accrue one hour of sick leave for every 30 hours worked (capped at 40 hours of leave) and can start taking leave after 120 days. Leave can be taken for illness of employee or family member, a mental health day, or where an employee or a family member's place of business or school is

closed due to public health emergency. Leave does not need to be paid upon termination unless your policy requires it.

19. MyCT Savings: Employers with five or more employees who do not offer a qualified retirement plan must register through the state and offer this retirement plan to employees.

The goal of this list is not to make you all human resources "experts" but to give you some tools so when the situation presents itself, you will know to delve deeper (or maybe call on a colleague for help). ■

As one of the founding members of Rose Kallor LLP, Robin Kallor regularly advises and represents employers on a broad range of labor and employment matters involving discrimination, retaliation, wage and hour issues, breach of contract, hiring processes, employee discipline, and any other matter that pertains to the employer-employee relationship in both the unionized and non-union settings.

ALAN BUDKOFSKY

BUDKOFSKY APPRAISAL CO.

Certified General Real Estate Appraiser

RESIDENTIAL • COMMERCIAL • EXPERT WITNESS

ONE REGENCY DRIVE, SUITE 109, BLOOMFIELD, CT 06002

E-Mail Budappraisal@hotmail.com

Phone 860-243-0007

www.BudkofskyAppraisal.com