

TO: The Honorable Members of the PA House State Government Committee
FROM: Alex Halper, VP, Government Affairs
DATE: June 28, 2023
RE: Oppose H.B. 503 – PHRA Expansion

I write on behalf of the PA Chamber to raise concerns with H.B. 503, which would expand the PA Human Relations Act (PHRA) and is scheduled to be considered by the committee today.

H.B. 503 proposes to add "familial status, marital status, and family caregiver status" as new classes covered by the PHRA, under which individuals can file claims of discrimination against employers. This legislation, though well-intended, is likely to trigger unintended consequences that will increase employers' exposure to unfounded claims of discrimination.

It is important to note that PHRA claims are often brought against employers based on allegations of adverse impact – i.e. an individual alleges they were indirectly impacted by an otherwise lawful, neutral workplace decision or policy based on the individual's membership in a protected class, as opposed to an allegation of direct discrimination.

Under H.B. 503, employers may be particularly vulnerable to adverse impact claims. Perhaps an employee is unhappy their employer is transitioning back to in-person work and files a claim based on the notion that remote work is more family-friendly. Or a job applicant who is ineligible because their spouse works for the company files a claim based on marital status, yet the employer is simply following a policy against nepotism.

Pennsylvania's legal climate is already viewed as among the most hostile to business in the country. Lawmakers should be skeptical of any proposal to create a new cause of action against employers; and, at a minimum, give thoughtful scrutiny, solicit feedback from stakeholders, and attempt to mitigate the potential for unintended consequences. Unless the committee engages in these fundamental steps in the policymaking process, we urge you to oppose this bill.

Thank you for considering our views on this important matter. Please contact Alex Halper at <u>ahalper@pachamber.org</u> or 717-645-8730 with questions or to discuss.