

## **Equal Pay Remedies and Enforcement Act**

*Summary: The Equal Pay Remedies and Enforcement Act strengthens penalties against wage discrimination and forms a commission to study how to achieve pay equity.*

### **SECTION 1. SHORT TITLE**

This Act shall be called the “Equal Pay Remedies and Enforcement Act.”

### **SECTION 2. FINDINGS AND PURPOSE**

**(A) FINDINGS**—The legislature finds that:

1. Despite federal and state laws that ban discrimination in employment and pay in both the private and public sectors, wage differentials persist between women and men and between minorities and non-minorities in the same jobs, and in jobs that require equivalent composites of skill, effort, responsibility and working conditions.
2. Wage discrimination not only harms individual women and people of color, it also depresses living standards, contributes to higher poverty rates among female-headed and minority households, prevents the maximum utilization of available labor resources, causes labor disputes that burden commerce, and violates the state’s expressed policy against discrimination.
3. Many occupations are dominated by individuals of the same sex, race or national origin, and discrimination in hiring, job assignment, and promotion has played a role in establishing and maintaining segregated workforces.
4. Current remedies imposed on employers who practice discrimination in pay between men and women, and between minorities and non-minorities, have proven to be only partially effective in eliminating such wage disparities.
5. Understanding the full extent and causes of wage disparities between men and women and between minorities and non-minorities in the private and public sectors would enable the state to take more effective measures to reduce disparities and to eliminate discrimination in wage-setting.

**(B) PURPOSE**—This law is enacted to protect the health and welfare of individual residents and improve the overall labor environment by correcting and deterring discriminatory wage practices based on sex, race, and national origin, developing reliable data about the extent of such wage discrimination, and providing greater understanding about its causes.

### **SECTION 3. ENHANCED PENALTIES**

After section XXX [citation to remedial section of the state equal pay law], the following new paragraphs shall be inserted:

- (A) Any employer who violates section(s) [citation to section(s) prohibiting wage discrimination] shall additionally be liable for such compensatory and punitive damages as may be appropriate.
- (B) Any employer found liable by virtue of a final judgment under this Act for any monetary damages provided thereunder shall pay to the state a civil penalty equal to ten percent of the amount of damages owed. Such civil penalty shall be used by the state solely for the purpose of

carrying out its responsibilities for the administration and enforcement of this section, the administration of the Equal Pay Commission, and the enforcement of [insert name(s) of other state employment discrimination laws].

#### **SECTION 4. EQUAL PAY COMMISSION**

(A) Within 90 days of the effective date of this Act, the [Secretary of Labor] shall appoint a Commission of nine members, to be known as the “Equal Pay Commission.”

(B) Membership of the Commission shall be as follows:

1. Two representatives of businesses in the state, who are appointed from among individuals nominated by state business organizations and business trade associations.
2. Two representatives of labor organizations, who have been nominated by a state labor federation chartered by a federation of national or international unions, that admits local unions as members, and exists primarily to carry on educational, legislative and coordinating activities.
3. Two representatives of organizations whose objectives include the elimination of pay disparities between men and women and between minorities and non-minorities, and who have undertaken advocacy, educational or legislative initiatives in pursuit of that objective.
4. Three individuals, drawn from higher education or research institutions, who have experience and expertise in the collection and analysis of data concerning such pay disparities and whose research has already been used in efforts to promote the elimination of those disparities.

(C) The Commission shall make a full and complete study of:

1. The extent of wage disparities, in both the public and private sectors, between men and women, and between minorities and non-minorities.
2. Those factors that cause, or that tend to cause, such disparities, including segregation of women and men, and of minorities and non-minorities across and within occupations; payment of lower wages for occupations traditionally dominated by women and minorities; child-rearing responsibilities; and education and training.
3. The consequences of such disparities on the economy and on affected families.
4. Actions, including proposed legislation, that are likely to lead to the elimination and prevention of such disparities.

(D) The Commission shall, no later than 12 months after its members are appointed, make its report to the [Secretary of Labor], who shall in turn transmit it to the Governor.

(E) The Commission’s report shall include the results of its study as well as recommendations, legislative and otherwise, for the elimination and prevention of disparities in wages between men and women, and between minorities and non-minorities.

#### **SECTION 5. EFFECTIVE DATE**

This Act shall take effect on July 1, 20XX.

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