By: Fleming

To: Labor

HOUSE BILL NO. 1478

AN ACT TO CREATE THE "FAIR PAY ACT OF 2000" FOR THE PURPOSE 1 2 OF ELIMINATING DISCRIMINATORY WAGE PRACTICES BASED ON SEX, RACE OR 3 NATIONAL ORIGIN; TO PROVIDE DEFINITIONS; TO PROVIDE UNLAWFUL 4 EMPLOYMENT PRACTICES; TO REQUIRE CERTAIN WAGE DISCLOSURES TO 5 EMPLOYEES BY EMPLOYERS; TO PROVIDE REMEDIES FOR VIOLATIONS OF THIS 6 ACT; AND FOR RELATED PURPOSES. 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: SECTION 1. This act shall be known and may be cited as the 8 "Fair Pay Act of 2000." 9 SECTION 2. The Legislature finds the following: 10 11 (a) Despite federal and state laws banning discrimination in employment and pay, in both the private and 12 public sector, wage differentials persist between women and men 13 14 and between minorities and nonminorities in the same jobs and in jobs that are dissimilar but that require equivalent composites of 15 16 skill, effort, responsibility and working conditions. The existence of such wage differentials: 17 (b) 18 (i) Depresses wages and living standards for employees necessary for their health and efficiency; 19 20 (ii) Reduces family incomes and contributes to the 21 higher poverty rates among female-headed and minority households; 22 (iii) Prevents the maximum utilization of the available labor resources; 23 (iv) Tends to cause labor disputes, thereby 24 25 burdening, affecting and obstructing commerce; 26 (v) Constitutes an unfair method of competition; 27 and 28 (vi) Violates the state's public policy against

29 discrimination.

30 (C) Discrimination in wage-setting practices has played a role in depressing wages for women and minorities generally. 31 Many individuals work in occupations that are 32 (d) 33 dominated by individuals of their same sex, race or national origin, and discrimination in hiring, job assignment and promotion 34 35 has played a role in establishing and maintaining segregated work 36 forces. 37 (e) Eliminating discrimination in compensation based on sex, race and national origin would have positive effects, 38 39 including: 40 (i) Providing a solution to problems in the 41 economy created by discriminatory wage differentials; (ii) Reducing the number of working women and 42 people of color earning low wages, thereby lowering their 43 44 incidence of poverty during normal working years and in 45 retirement; and (iii) Promoting stable families by raising family 46 47 incomes. <u>SECTION 3.</u> It is the purpose of this act to correct and as 48 49 rapidly as practicable to eliminate discriminatory wage practices based on sex, race or national origin. 50 51 <u>SECTION 4</u>. The following terms shall have the meanings 52 ascribed herein unless the context clearly indicates otherwise: (a) The term "employ" means to suffer or permit to 53 54 work. 55 (b) The term "employee" means any person employed by an 56 employer and includes all of an employer's permanent employees, whether working full time or part time, and any temporary employee 57 58 employed by an employer for a period of at least three (3) months. 59 "Employee" shall not include any individual employed by his parents, spouse or child. 60 61 (c) The term "employer" means any person who employs

62 three (3) or more persons and includes the state and all political 63 subdivisions thereof.

(d) The term "equivalent jobs" means jobs or
occupations that are equal within the meaning of the Equal Pay Act
of 1963, 29 USCS 206(d), or jobs or occupations that are
dissimilar but whose requirements are equivalent, when viewed as a
composite of skills, effort, responsibility and working
conditions.

(e) The term "person" means one or more individuals, partnerships, associations, corporations, limited liability companies, legal representatives, trustees, trustees in bankruptcy, receivers and the state and all political subdivisions and agencies thereof.

(f) The term "labor organization" means any organization means any organization that exists for the purpose, in whole or in part, of collective bargaining or of dealing with employers concerning grievances, terms of conditions of employment or of other mutual aid or protection in connection with employment.

81 (g) The term "market rates" means the rates that 82 employers within a prescribed geographic area actually pay, or are 83 reported to pay, for specific jobs, as determined by formal or 84 informal surveys, wage studies or other means.

(h) The term "wages" and wage "rates" includes all compensation in any form that an employer provides to employees in payment for work done or services rendered, including, but not limited to, base pay, bonuses, commissions, awards, tips or various forms of nonmonetary compensation if provided in lieu of or in addition to monetary compensation and that have economic value to an employee.

92 <u>SECTION 5.</u> (1) It shall be an unlawful employment practice 93 in violation of this chapter for an employer to discriminate 94 between employees on the basis of sex, race or national origin by:

95 (a) Paying wages to employees at a rate less than the
96 rate paid to employees of the opposite sex or of a different race
97 or national origin for work in equivalent jobs; or

98 (b) Paying wages to employees in a job that is 99 dominated by employees of a particular sex, race or national 100 origin at a rate less than the rate at which such employer pays to 101 employees in another job that is dominated by employees of the 102 opposite sex or of a different race or national origin for work on 103 equivalent jobs.

104 (2) Notwithstanding subsection (1) of this section, it shall 105 not be an unlawful employment practice for an employer to pay 106 different wage rates to employees where such payments are made 107 under:

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(a) A bona fide seniority or merit system;

109 (b) A system that measures earnings by quantity or110 quality of production; or

(c) Any bona fide factor other than sex, race or national origin; however, wage differentials based on varying market rates for equivalent jobs or the differing economic benefits to the employer of equivalent jobs shall not be considered differentials based on bona fide factors other than sex, race or national origin.

117 (3) An employer who is paying wages in violation of this 118 section shall not, in order to comply with the provisions of this 119 section, reduce the wage of any employee.

120 (4) No labor organization or its agents representing 121 employees of an employer having employees subject to any 122 provisions of this act shall cause or attempt to cause such an 123 employer to discriminate against an employee in violation of this 124 section.

(5) The Employment Security Commission shall promulgate
guidelines specifying the criteria for determining whether a job
is dominated by employees of a particular sex, race or national

128 origin. Criteria shall include, but not be limited to, factors such as whether the job has ever been formally classified as or 129 130 traditionally considered to be a "male" or "female" or "white" or "minority" job; whether there is a history of discrimination 131 132 against women or people of color with regard to wages, assignment or access to jobs or other terms and conditions of employment; and 133 the demographic composition of the work force in equivalent jobs. 134 135 The guidelines shall not include a list of jobs.

136 <u>SECTION 6.</u> It shall be an unlawful employment practice in 137 violation of this act for an employer:

(a) To take adverse actions or otherwise discriminate
against any individual because such individual has opposed any act
or practice made unlawful by this act, has sought to enforce
rights protected under this act or has testified, assisted or
participated in any manner in an investigation, hearing or other
proceeding to enforce this act; or

(b) To discharge or in any other manner discriminate
against, coerce, intimidate, threaten or interfere with any
employee or any other person because the employee inquired about,
disclosed, compared or otherwise discussed the employee's wages or
the wages of any other employee, or because the employee
exercised, enjoyed, aided or encouraged any other person to
exercise or enjoy any right granted or protected by this act.

151 <u>SECTION 7.</u> (1) Upon the beginning of an individual's employment and at least annually thereafter, every employer 152 153 subject to this act shall provide to each employee a written 154 statement sufficient to inform the employee of his or her job 155 title, wage rate and how the wage is calculated. This notice 156 shall be supplemented whenever an employee is promoted or 157 reassigned to a different position with the employer; however, the 158 employer is not required to issue supplemental notifications for 159 temporary reassignments that are no greater than three (3) months 160 in duration.

161 (2) Every employer subject to this act shall make and preserve records that document the wages paid to employees and 162 163 that document and support the method, system, calculations and 164 other basis used to establish, adjust and determine the wage rates 165 paid to the employer's employees. Every employer subject to this 166 act shall preserve such records for such periods of time and shall 167 make such reports from the records as shall be prescribed by 168 regulation or order by the Employment Security Commission.

169 (3) The regulations promulgated under this act, relating to 170 the form of reports required by subsection (2) of this section, shall provide for protection of the confidentiality of employees 171 172 and shall expressly require that reports shall not include the names or other identifying information from which readers could 173 174 discern the identities of employees. The regulations may also 175 identify circumstances that warrant a prohibition on disclosure of 176 reports of information identifying the employer.

177 (4) The Employment Security Commission may use the 178 information and data it collects under subsection (2) of this 179 section, for statistical and research purposes and may compile and 180 publish such studies, analyses, reports and surveys based on the 181 information and data as it may consider appropriate.

182 SECTION 8. (1) In any action in which a court or jury finds 183 that an employer has engaged in acts that violate Sections 5, 6 or 184 7 of this act, the court or jury shall award to any affected employee or employees monetary relief including back pay in an 185 186 amount equal to the difference between the employees' actual 187 earnings and what the employee would have earned but for the 188 employer's unlawful practices and an additional amount in 189 compensatory and punitive damages, as appropriate.

190 (2) In any action in which a court or jury finds that an 191 employer has engaged in acts that violate Sections 5, 6 or 7 of 192 this act, the court shall enjoin the employer from continuing to 193 discriminate against affected employees and shall direct the

employer to comply with the provisions of this act and may order the employer to take such additional affirmative steps as are necessary, including reinstatement or reclassification of affected workers, to ensure an end to unlawful discrimination.

(3) In any action in which an affected employee or employees prevail in their claims against employers, the court shall, in addition to any judgment awarded to the plaintiffs, allow a reasonable attorney's fee, reasonable expert witness fees and other costs of the action to be paid by the employer.

203 (4) An action to recover the damages or equitable relief 204 prescribed in this section may be maintained against any employer 205 in any court of competent jurisdiction by any one or more 206 employees or their representative for or on behalf of:

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(a) The employees; or

208 (b) The employees and other employees similarly209 situated.

(5) An action may be brought under this section not later than two (2) years after the date of the last event constituting the alleged violation for which the action is brought.

213 SECTION 9. This act shall take effect and be in force from 214 and after July 1, 2000.