MISSISSIPPI LEGISLATURE

By: Senator(s) Witherspoon

REGULAR SESSION 2017

To: Accountability, Efficiency, Transparency; Judiciary, Division A

## SENATE BILL NO. 2894

1 AN ACT TO ESTABLISH THE "MISSISSIPPI PAY EQUITY ACT" TO 2 PROVIDE THAT NO EMPLOYER SHALL PAY AN EMPLOYEE A WAGE AT A RATE 3 LESS THAN THE RATE AT WHICH AN EMPLOYEE OF A DIFFERENT GENDER IS 4 PAID FOR EQUAL WORK; TO PROVIDE THAT AN EMPLOYEE MAY FILE A 5 PETITION IN THE PROPER CIRCUIT COURT; TO PROHIBIT RETALIATORY 6 DISCHARGE; AND FOR RELATED PURPOSES BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 7 8 SECTION 1. This act shall be known and may be cited as the "Mississippi Pay Equity Act." 9

10 <u>SECTION 2.</u> The following words and phrases shall have the 11 following meanings, unless the context clearly requires otherwise:

12 (a) "Employer" means any person or entity employing one13 or more employees.

(b) "Employee" means an individual who renders personal service wholly or partly in this state to an employer who pays or agrees to pay such individual an agreed-upon rate for services rendered in which payments are ordinarily made or to be made in this state.

19 (c) "Wages" means all forms of remuneration and 20 compensation for services rendered by an employee for an employer S. B. No. 2894 COFFICIAL ~ G1/2 17/SS26/R1144 PAGE 1 (lr\rc) 21 whether paid directly by the employer or another person, including 22 the cash value of all compensation paid in any form other than 23 cash.

(d) "Rate," with reference to wages, means the basis of
compensation for services by an employee for an employer and
includes compensation based on the time spent in the performance
of such services, or on a quantity of production or number of
tasks or operations completed.

(e) "Unpaid wages" means the difference between the
wages actually paid to an employee and the wages required under
Section 3(1) of this act.

(f) "Comparable work" means work that is substantially similar in that it requires substantially similar skill, effort and responsibility and is performed under similar working conditions; provided, however, that a job title or job description alone shall not determine work comparability.

(g) "Working conditions" shall include the environmental and other similar circumstances customarily taken into consideration in setting salary or wages, and the physical surroundings and hazards encountered by employees performing a job.

42 <u>SECTION 3.</u> (1) No employer shall discriminate in any way on 43 the basis of gender in the payment of wages, or pay any person in 44 its employ a salary or wage rate less than the rates paid to its 45 employees of a different gender for comparable work; provided,

S. B. No. 2894 **~ OFFICIAL ~** 17/SS26/R1144 PAGE 2 (lr\rc) 46 however, that variations in salaries or wages shall not be 47 prohibited if based upon:

(a) A system of pay that rewards seniority with the
employer in the form of pay increases and/or promotions; provided,
however, that time spent on leave due to a pregnancy-related
condition and protected parental, family and medical leave shall
not reduce the seniority-level of an employee;

53 A merit system; provided, however, that such a (b) 54 merit system was well-established prior to the alleging of a 55 violation of this section on the part of an employee or employees; 56 and, provided that such a merit system is equally accessible to 57 employees of all genders; and, provided that such a merit system 58 is not stratified by gender in which certain jobs or occupations 59 offered by the same employer providing more opportunities for 60 meritorious achievements are disproportionately occupied by one 61 (1) gender, provided that the education, training and experience 62 of employees is not the reason for stratification of jobs by 63 gender;

64 (c) A system which measures earnings by quantity or65 quality of production, sales or revenue;

66 (d) The geographic location in which a job is67 performed;

(e) Education, training or experience to the extent
such factors are reasonably related to the particular job in
question;

S. B. No. 2894 **~ OFFICIAL ~** 17/SS26/R1144 PAGE 3 (lr\rc) (f) Travel, if the travel is a regular and necessarycondition of the particular job.

73 (2) An employer who is paying a wage differential in 74 violation of this section shall not reduce the wages of any 75 employee solely in order to comply with this section. No employer 76 shall discriminate against any employee in regard to hire or 77 tenure of employment or any term or condition of employment because the employee has filed a complaint in a proceeding under 78 79 subsection (1) of this section, or has testified, or is about to 80 testify, in any investigation or proceedings pursuant to subsection (1) of this section or in a criminal action pursuant to 81 82 subsection (1) of this section.

83 (3) Subsection (1) of this section creates an actionable right in Mississippi for any person who is an employee and who 84 believes that such person's employer has violated the provisions 85 86 of subsection (1) of this section. Any such employee who is 87 aggrieved under subsection (1) of this section may file a petition in the proper circuit court in Mississippi. If an employer is 88 89 found to have violated the provisions of subsection (1) of this 90 section, the employee shall be awarded reasonable remedies, which 91 may include attorney's fees, prejudgment interest, back pay, 92 liquidated damages and one hundred percent (100%) of the difference of unpaid wages. If the employer is found to have 93 94 willfully violated the provisions of subsection (1) of this section, the employee shall be awarded three hundred percent 95

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96 (300%) of reasonable remedies, which may include attorney's fees, 97 prejudgment interest, back pay, liquidated damages and the difference of unpaid wages. Action to recover such liability may 98 99 be maintained by any one or more employees for and on their own 100 behalf, or on behalf of other employees similarly situated. Anv 101 agreement between the employer and any employee to work for less 102 than the wage to which the employee is entitled under subsection (1) of this section shall not be a defense to action. An 103 104 employee's previous wage or salary history shall not be a defense 105 to action.

106 Any petition alleging violations under subsection (1) of this 107 section shall be filed in the proper circuit court within three 108 (3) years after the date of the alleged violation. A violation 109 occurs when an employer is found to have made a compensation 110 decision or engaged in a compensation practice resulting in a 111 discriminatory pay differential between genders on the basis of 112 gender alone, including when such a practice is adopted by the employer, when an employee becomes subject to such a decision or 113 114 practice, or when an employee is affected by the employer's 115 application of such a decision or practice, including each time 116 wages are paid, resulting in whole or in part from such a decision 117 or practice.

118 <u>SECTION 4.</u> (1) It shall be an unlawful practice for an 119 employer to:

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S. B. No. 2894 17/SS26/R1144 PAGE 5 (lr\rc) 120 Prohibit, as a condition of employment, employees (a) 121 from openly discussing or disclosing information about their own 122 salary or wages with their colleagues, co-workers or supervisors 123 if they choose to do so, or to prohibit employees from inquiring 124 about, disclosing or discussing any information about any other 125 employee' wages; provided, however, that no employer shall be 126 obligated to disclose an employee's wages to another employee or a 127 third party under this section.

128 Seek the wage or salary history of a prospective (b) 129 employee from the prospective employee or a current or former 130 employer or to require that a prospective employee's prior wage or 131 salary history meet certain criteria; provided, however, that if a 132 prospective employee has voluntarily disclosed such information, a 133 prospective employer may confirm prior wages or salary or permit a prospective employee to confirm prior wages or salary and a 134 135 prospective employer may seek or confirm a prospective employee's 136 wage or salary history after an offer of employment with compensation has been negotiated and made to the prospective 137 138 employee.

(c) Terminate employment of, reduce hours, reduce pay,
deny promotion or in any other manner retaliate against any
employee because the employee:

142 (i) Opposed any act or practice made unlawful by143 this section;

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144 (ii) Made or indicated an intent to make a 145 complaint under this section;

(iii) Testified or is about to testify, assist or participate in any manner in an investigation or proceeding under this section; or

149 (iv) Disclosed the employee's wages or has150 inquired about or discussed the wages of any other employee.

151 Restructure employment arrangements by entering (d) 152 into a contract with an employee for the sole purpose of avoiding 153 compliance with this subsection or by any other means exempt itself from this subsection; provided, however, that an employer 154 155 may prohibit a human resources employee, a supervisor or any other 156 employee whose job responsibilities require or allow access to 157 other employees' compensation information from disclosing such 158 information without prior written consent from the employee whose 159 information is sought or requested unless the compensation 160 information is a public record.

161 This section shall be enforced in the same manner as Section 162 3(3) of this act.

163 **SECTION 5.** This act shall take effect and be in force from 164 and after July 1, 2017.

S. B. No. 2894 17/SS26/R1144 PAGE 7 (lr\rc) **~ OFFICIAL ~** ST: Mississippi Pay Equity Act; prohibit wage discrimination based on gender.