The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court (2015-2016)

SENATE, Thursday, January 21, 2016

The committee on Ways and Means, to whom was referred the Senate Bill to establish pay equity (Senate, No. 983),-- reports, recommending that the same ought to pass with an amendment substituting a new draft with the same title (Senate, No. 2107). [Fiscal Note: \$5,000,000]

For the committee, Karen E. Spilka **SENATE No. 2107**

The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court (2015-2016)

An Act to establish pay equity.

5

6

7

8

9

10

11

12

13

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- SECTION 1. Section 1 of chapter 149 of the General Laws, as appearing in the 2014
 Official Edition, is hereby amended by striking out the definition of "Woman".
- 3 SECTION 2. Said chapter 149 is hereby amended by striking out section 105A, as so 4 appearing, and inserting in place thereof the following section:-
 - Section 105A. (a) As used in this section "comparable work", shall solely mean work that is substantially similar in content and 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 comparability.
 - (b) No employer shall discriminate in any way on the basis of gender in the payment of wages or other compensation, including benefits and other compensation, or pay any person a salary or wage rates less than the rates paid to employees of a different gender for comparable work; provided, however, that variations in wages shall not be prohibited if based upon: (i) a bona fide system that rewards seniority with the employer; provided, however, that time spent on

leave due to a pregnancy-related condition and protected parental, family and medical leave, shall not reduce seniority; (ii) a bona fide merit system; (iii) a bona fide system which measures earnings by quantity or quality of production or sales; (iv) the geographic location in which a job is performed if 1 geographic location has a lower cost of living based on the federal bureau of labor statistics consumer price index; or (v) education, training or experience to the extent such factors are reasonably related to the particular job in question and consistent with business necessity.

An employer who is paying a wage differential in violation of this section shall not reduce the pay of any employee in order to comply with this section.

An employer who violates this section shall be liable to the employee affected in the amount of the employee's unpaid wages and in an additional equal amount of liquidated damages. Action to recover such liability may be maintained in any court of competent jurisdiction by any 1 or more employees for and on their own behalf or on behalf of other employees similarly situated. Any agreement between the employer and any such employee to work for less than the wage to which such employee is entitled under this section shall not be a defense to such action. An employee's previous wage or salary history shall not be a defense to such action. The court in such action shall, in addition to any monetary or declarative judgment awarded to the plaintiff, award reasonable attorneys' fees to be paid by the defendant and the costs of the action.

The attorney general may also bring an action to collect unpaid wages on behalf of 1 or more employees, as well as an additional equal amount of liquidated damages, together with the costs of the action and reasonable attorneys' fees. Such costs and attorneys' fees shall be paid to

the commonwealth. The attorney general shall not be required to pay any filing fee or other cost in connection with such action.

If an employee recovers unpaid wages, benefits or other compensation under this section and also files a complaint or brings an action under 29 U.S.C. § 206(d) which results in an additional recovery under federal law for the same violation, the employee shall return to the employer the amounts recovered under this section, or the amounts recovered under federal law, whichever is less.

Any action based upon or arising under sections 105A to 105C, inclusive, shall be instituted within 3 years after the date of the alleged violation. For the purposes of this section, a violation occurs when a discriminatory compensation decision or other practice is adopted, when an employee becomes subject to a discriminatory compensation decision or other practice or when an employee is affected by application of a discriminatory compensation decision or practice, including each time wages, benefits or other compensation are paid, resulting in whole or in part from such a decision or practice.

Notwithstanding the requirements of section 5 of chapter 151B, a plaintiff shall not be required to file a charge of discrimination with the Massachusetts Commission Against Discrimination as a prerequisite to bringing an action under this section.

(c) It shall be an unlawful practice for an employer to:

(1) require, as a condition of employment, that an employee refrain from inquiring about, discussing or disclosing information about either the employee's own wages or about any other employee's wages;

(2) screen job applicants based on their wage or salary histories, including by requiring that an applicant's prior wages or salary history satisfy minimum or maximum criteria or by requesting or requiring as a condition of being interviewed or as a condition of continuing to be considered for an offer of employment that an applicant disclose prior wages or salary history;

(3) seek the salary history of any prospective employee from any current or former employer; provided, however, a prospective employee may provide written authorization to a prospective employer to confirm prior wages or salary history only after an offer of employment has been made to the prospective employee;

(4) discharge or in any other manner retaliate against any employee because the employee: (i) opposed any act or practice made unlawful by this section; (ii) made or is about to make a complaint or has caused or is about to cause to be instituted any proceeding 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 (iv) disclosed such employee's wages, benefits or other compensation or has inquired about or discussed the wages of any other employee.

No employer shall contract with an employee or by any other means exempt itself from this subsection, provided, however, that an employer may prohibit a human resources employee, or any other employee whose job responsibilities require access to other employees' compensation information, from disclosing such information without prior written consent from the employee whose information is sought or requested.

This subsection shall be enforced in the same manner as subsection (b); provided, however, that an action based on a violation of clause (2) or (4) of this subsection may be

brought by or on behalf of 1 or more applicants for employment; and provided, further, that in any action brought under this subsection, the plaintiff may also recover any damages incurred.

(d) An employer against whom an action is brought alleging a violation of subsection (b) and who, within the previous 3 years and prior to the commencement of such action, has both completed a self-evaluation of its pay practices in good faith and can demonstrate that reasonable progress has been made towards eliminating compensation differentials based on gender for comparable work in accordance with that evaluation, shall have an affirmative defense to liability under subsection (b) and to any pay discrimination claim under section 4 of chapter 151B. For purposes of this subsection, an employer's self-evaluation may be of the employer's own design so long as it is reasonable in detail and scope in light of the size of the employer or may conform to standard templates, forms or other guidance issued by the attorney general.

Evidence of a self-evaluation or remedial steps undertaken in accordance with this subsection shall not be admissible in any proceeding as evidence of a violation of this section or section 4 of chapter 151B that occurred prior to the date the self-evaluation was completed or within 6 months thereafter.

An employer who has not completed a self-evaluation shall not be subject to any negative or adverse inference as a result of not having completed a self-evaluation.

(e) The attorney general may issue regulations interpreting and applying this section.

SECTION 3. Section 105B of said chapter 149, as so appearing, is hereby amended by striking out, in line 9, the words "one hundred dollars" and inserting in place thereof the following figure:- \$1,000.

SECTION 4. Section 16 of chapter 151 of the General Laws, as so appearing, is hereby
amended by inserting after the word "employed.", in line 4, the following 2 sentences:
All such employers shall also post a notice in their workplaces notifying employees of
their rights under section 105A of chapter 149. The notice shall be posted in a conspicuous place
in at least 1 location where employees congregate.

SECTION 5. Said section 16 of said chapter 151, as so appearing, is hereby further
amended by inserting after the word "orders", in line 5, the following words:- or notices.

SECTION 6. This act shall take effect on January 1, 2018.

107