HLS 15RS-976 ORIGINAL

2015 Regular Session

HOUSE BILL NO. 182

1

BY REPRESENTATIVE COX

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

EMPLOYMENT/DISCRIMINATN: Provides for pay equality regardless of gender

AN ACT

| 2  | To amend and reenact R.S. 23:332(H)(3) and Chapter 6-A of Title 23 of the Louisiana      |
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| 3  | Revised Statutes of 1950, to be comprised of R.S. 23:661 through 669, relative to        |
| 4  | pay equality; to provide with respect for public policy; to provide for definitions; to  |
| 5  | further prohibit pay discrimination; to provide a complaint procedure, penalties, and    |
| 6  | damages; and to provide for related matters.   |
| 7  | Be it enacted by the Legislature of Louisiana:   |
| 8  | Section 1. R.S. 23:332(H)(3) and Chapter 6-A of Title 23 of the Louisiana Revised        |
| 9  | Statutes of 1950, comprised of R.S. 23:661 through 669, are hereby amended and reenacted |
| 10 | to read as follows:  |
| 11 | §332. Intentional discrimination in employment   |
| 12 | * * *  |
| 13 | H. Notwithstanding any other provision of this Section, it shall not be                  |
| 14 | unlawful discrimination in employment for:   |
| 15 | * * *  |
| 16 | (3) An employer to apply different standards of compensation or different                |
| 17 | terms, conditions, or privileges of employment pursuant to a bona fide seniority or      |
| 18 | merit system, or a system which measures earnings by quantity or quality of              |
| 19 | production, or any other differential based on any bona fide factor other than sex that  |

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

| 1  | is consistent with a business necessity, or to employees who work in different           |
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| 2  | locations, provided that such differences are not the result of an intention to          |
| 3  | discriminate because of race, color, religion, sex, or national origin.                  |
| 4  | * * *  |
| 5  | CHAPTER 6-A. LOUISIANA EQUAL PAY FOR WOMEN ACT   |
| 6  | §661. Short title; citation  |
| 7  | This Chapter shall be known and may be cited as the "Louisiana Equal Pay                 |
| 8  | for Women Act".  |
| 9  | §662. Declaration of public policy   |
| 10 | The public policy of this state is that a woman who performs public service              |
| 11 | for the state is entitled to be paid the same compensation for her service as is paid to |
| 12 | a man who performs same kind, grade and quality of service, and a all employees be       |
| 13 | compensated equally for the same kind of work or for work that is comparable in          |
| 14 | kind and quality. No distinction in compensation may not be made because of sex.         |
| 15 | §663. Definitions  |
| 16 | As used in this Chapter, the following terms shall have the definitions                  |
| 17 | ascribed in this Section unless the context indicates otherwise:                         |
| 18 | (1) "Commission" means the Louisiana Commission on Human Rights.                         |
| 19 | (2) "Employee" means any female individual who is employed to work forty                 |
| 20 | or more hours a week and who is employed by works for the employer in return for         |
| 21 | compensation.  |
| 22 | (3) "Employer" means any department, office, division, agency, commission,               |
| 23 | board, committee or other organizational unit of the state or any unit of local          |
| 24 | government or political subdivision, any individual, partnership, corporation,           |
| 25 | association, business, trust, person, contractor, labor organization, or entity for whom |
| 26 | twenty or more employees are gainfully employed within the state.                        |
| 27 | (4) "Unpaid wages" means the difference between the compensation actually                |
| 28 | paid to an employee and the amount owed to the employee.                                 |

§664. Prohibited acts

A. No employer may discriminate against an employee on the basis of sex by paying wages to an employee at a rate less than that paid within the same agency to another employee of a different sex for the same or substantially similar work on jobs in which the employee's performance requires that require equal or comparable skill, effort, education, and responsibility and that are performed under similar involve the same or comparable working conditions including time worked in the position.

- B. Nothing in Subsection A of this Section shall prohibit the payment of different wage rates to employees when such payment is made pursuant to any of the following:
  - (1) A seniority system.
  - (2) A merit system.
  - (3) A system that measures earnings by quantity or quality of production.
- (4) A differential based on a bona fide factor other than sex <u>and consistent</u> with a business necessity, including but not limited to education, training, or experience, provided that both:
- (a) The employer demonstrates that such factor is related to the job position in question.
- (b) No alternative employment practice would serve the same legitimate business purpose without producing such a differential.
- C. An employer who is paying wages in violation of this Chapter may not, in order to comply with this Chapter, reduce the wages of any other employee.
- D. It shall be unlawful for an employer to interfere with, restrain, or deny the exercise of, or attempt to exercise, any right provided under pursuant to this Chapter. It shall be unlawful for any employer to discriminate, retaliate, or take any adverse employment action, including but not limited to termination or in any other manner discriminate against any employee for inquiring about, disclosing, comparing, or otherwise discussing the employee's his wages or the wages of any other employee,

| 1  | or aiding or encouraging any other employee to exercise his or her rights under                 |
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| 2  | pursuant to this Chapter.   |
| 3  | E. It shall be unlawful for an employer subject to this Chapter to                              |
| 4  | discriminate, retaliate, or take any adverse employment action, including but not               |
| 5  | limited to termination against an employee because, in exercising or attempting to              |
| 6  | exercise the employee's rights under pursuant to this Chapter, such the employee:               |
| 7  | (1) Has filed any complaint or has instituted or caused to be instituted any                    |
| 8  | proceeding to enforce the employee's his rights under pursuant to this Chapter.                 |
| 9  | (2) Has provided or will provide any information in connection with any                         |
| 10 | inquiry or proceeding relating to any right afforded to an employee pursuant to this            |
| 11 | Chapter.  |
| 12 | (3) Has testified or will testify in any inquiry or proceeding relating to any                  |
| 13 | right afforded to an employee pursuant to this Chapter.   |
| 14 | F. An employee's agreement to work at a rate of compensation that is less                       |
| 15 | than the rate to which the employee is entitled is not a defense that may be used by            |
| 16 | the employer in any action against him brought pursuant to this Chapter.                        |
| 17 | G. The provisions of this Chapter shall be construed to prohibit                                |
| 18 | discrimination in pay regardless of whether the differential in pay is intentional or           |
| 19 | unintentional.  |
| 20 | §665. Complaint procedure   |
| 21 | A. An Any employee who in good faith believes that her his employer is in                       |
| 22 | violation of this Chapter shall submit written notice of the alleged violation to the his       |
| 23 | employer. An employer who receives such written notice from an employee shall                   |
| 24 | have sixty days from receipt of the notice to investigate the matter and remedy any             |
| 25 | violation of this Chapter discriminatory differential in pay. If an the employer                |
| 26 | remedies the violation to the satisfaction of the employee in a manner that complies            |
| 27 | with the statute and does so within the time provided herein, the employee may not              |
| 28 | bring any action against the employer <del>pursuant to this Chapter except as provided in</del> |

Subsections B and C of this Section. regarding the satisfactorily remedied complaint.

| 1  | B. If an the employer fails to resolve the dispute to the satisfaction of such           |
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| 2  | the employee within the time provided herein allotted sixty days, the employee may       |
| 3  | file a complaint with the commission requesting an investigation of the complaint        |
| 4  | pursuant to Chapter 3-A of this Title or R.S. 51:2257.                                   |
| 5  | C. If the commission finds evidence of discriminatory, retaliatory or other              |
| 6  | adverse employment action on the part of the employer in violation of this Chapter       |
| 7  | but is unable to resolve or mediate the dispute, or fails to render a decision as to     |
| 8  | regarding the dispute within one hundred eighty days from the filing of the              |
| 9  | complaint, or issues a finding of no discrimination on the part of the employer, the     |
| 10 | employee may institute a civil suit in the Nineteenth Judicial District Court a district |
| 11 | court of competent jurisdiction.   |
| 12 | §666. Damages  |
| 13 | A. An Any employer who violates the provisions of this Chapter shall be                  |
| 14 | liable to the affected employees in the amount of the employee's employee for            |
| 15 | unpaid wages and reasonable attorney fees, interest, and costs. The court may award      |
| 16 | the employee additional damages up to the amount of any unpaid wages, order              |
| 17 | reinstatement of employment, promotion, or compensation for lost benefits.               |
| 18 | B. The Any award of monetary relief shall be limited to those violations                 |
| 19 | which have that occurred within a thirty-six-month period prior to the employee's        |
| 20 | written notice to the employer, as required in R.S. 23:665(A).                           |
| 21 | C. In cases where suit is filed in the district court, no monetary relief may            |
| 22 | be awarded the employee for losses incurred between the date that the district court     |
| 23 | rendered its final judgment and the date upon which all appeals of that judgment         |
| 24 | have been exhausted.   |
| 25 | D. Interim earnings by the employee discriminated against shall operate to               |
| 26 | reduce the monetary relief otherwise allowable under pursuant to this Chapter.           |
| 27 | E. D. Nothing in this Chapter prevents the voluntary settlement of a claim               |
| 28 | by agreement of between the employer and the employee for a lesser amount than           |
| 29 | the employee alleges the employee he is due.   |

| 1  | F. E. An employee found by a the court to have brought a frivolous claim                |
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| 2  | under pursuant to this Chapter shall be held liable to the employer or any agent of the |
| 3  | employer who was named a defendant in the suit, or both, for reasonable damages,        |
| 4  | reasonable attorney fees, and court costs incurred as a result of the claim.            |
| 5  | §667. Limitation of actions   |
| 6  | A. Any action filed in the Nineteenth Judicial District Court district court to         |
| 7  | recover unpaid wages or any other form of relief for a violation of this Chapter shall  |
| 8  | be commenced within one year of the date that an employee is becomes aware or           |
| 9  | should have been aware that the employee's his employer is in violation of this         |
| 10 | Chapter.  |
| 11 | B. This The one-year prescriptive period shall be suspended during the                  |
| 12 | sixty-day period allowed to the employer by this Chapter to respond to the              |
| 13 | employee's written notice, during the pendency of any administrative review or          |
| 14 | investigation of the employee's claim by the Louisiana Commission on Human              |
| 15 | Rights commission or the United States Equal Employment Opportunity                     |
| 16 | Commission, or both.  |
| 17 | §668. Records to be kept by employers   |
| 18 | An Every employer subject to this Chapter shall create and preserve records             |
| 19 | reflecting the name, sex, address, and position of each employee, and all wages paid    |
| 20 | to each employee. These records shall be preserved for a period of not less than at     |
| 21 | <u>least</u> three years from the employee's last date of employment with the employer. |
| 22 | §669. Supplemental application  |
| 23 | This Chapter is supplemental to and is not intended to supercede any                    |
| 24 | provision provided for in of Chapter 3-A of this Title, the "Louisiana Employment       |
| 25 | Discrimination Act", which prohibits discrimination based upon sex regardless of        |

whether the employer is a state entity, a private business, or other employer.

## **DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 182 Original

2015 Regular Session

Cox

**Abstract:** Extends pay equality to all persons employed in the state of La.

<u>Present law</u> provides that women working as public employees shall be entitled to the same compensation as men employed as public employees.

<u>Proposed law</u> extends <u>present law</u> to provide that pay equality shall apply to all persons employed in the state.

<u>Present law</u> defines "employee" as a woman who works more than 40 hours a week. <u>Proposed law</u> changes the definition of "employee" to mean any person in the state of La. who performs a job for compensation.

<u>Present law</u> defines "employer" as an organizational unit of state government. <u>Proposed law</u> extends the definition of "employer" <u>from</u> an organizational unit of the state <u>to</u> all employers within the state of La. that employ 20 or more persons.

<u>Present law</u> prohibits an employer from paying wages to an employee at a rate less than the rate at which the employer pays wages to another employee of the opposite sex for the same or substantially similar work within the same agency. <u>Proposed law</u> removes the specific reference to "within the same agency" and further provides that the work performed that is eligible for equal pay may be the same or comparable to the work done by another employee.

<u>Present law</u> allows exceptions for pay differentials in instances in which pay is made under a seniority system, a merit system, a system that measures earnings by quantity or quality of production, or a differential based on a factor other than sex as long as the system is job related or furthers a legitimate business purpose. <u>Proposed law</u> retains <u>present law</u> and further allows for an exception in differentials in pay if the differential is based on a factor other than sex and is consistent with a business necessity.

<u>Proposed law</u> disallows discrimination based on sex regardless of whether the discrimination is intentional or unintentional.

<u>Present law</u> prohibits an employer from interfering with, restraining, or denying the exercise of, or attempted exercise of an employee's right to equal pay and his right to object and bring action to remedy the discrimination.

<u>Present law</u> prohibits employers from taking retaliatory measures against an employee who brings a complaint or who discusses his wages with another employee to discern if there exists a discriminatory differential in wages. <u>Proposed law</u> retains <u>present law</u>.

<u>Present law</u> further prohibits an employer from retaliating against an employee for encouraging a fellow employee to pursue his rights under the law. <u>Proposed law</u> retains <u>present law</u>.

<u>Present law</u> sets forth a complaint procedure for suspected violations of <u>present law</u>. Any employee who believes that his employer is discriminating in compensation may provide written notice to the employer of the violation. Upon receiving the notice, the employer is

allowed 60 days to remedy the violation. <u>Proposed law</u> retains <u>present law</u> but requires that the remedy be to the employee's satisfaction.

<u>Present law</u> provides that if the employer does not remedy the pay differential within the allotted 60 days, the employee may bring an action against the employer with the Human Rights Commission pursuant to <u>present law</u> (R.S. 51:2257). <u>Proposed law</u> retains <u>present law</u> and in addition to the complaint procedure set forth in <u>present law</u> (Title 51), also allows for the use of the complaint procedure set forth in <u>present law</u> (Chapter 3-A of Title 23) regarding discrimination in employment.

<u>Present law</u> provides that if the commission finds evidence of discriminatory action on the part of the employer but fails to resolve the dispute, or fails to render a decision on the dispute, the employee may institute a civil suit in district court. <u>Proposed law</u> retains <u>present law</u> and limits the time period the commission is allowed to decide on the dispute to 180 days from the filing of the complaint.

<u>Present law</u> requires that suits be brought in the 19<sup>th</sup> JDC, which <u>proposed law</u> changes to a district court of competent jurisdiction.

<u>Present law</u> requires the court to award damages in the amount of unpaid wages, attorney fees, and costs if a discriminatory differential in pay is found. <u>Proposed law</u> retains <u>present law</u> and further mandates that interest be paid and allows the court to award additional damages, reinstate employment, grant a promotion, or compensate the employee for lost benefits.

<u>Present law</u> limits monetary relief for a violation of the law to a 36-month period prior to the employee's written notice. <u>Proposed law</u> retains present law.

<u>Present law</u> specifies that monetary relief cannot be awarded for losses incurred between the time of the district court's final decision and the final determination of an appellate court. Proposed law deletes present law.

<u>Present law</u> allows interim earnings by the employee to operate to reduce the deficit owed. Proposed law retains present law.

<u>Present law</u> allows an employee and his employer to come to an agreement to settle the claim for an amount less than what the employee believes he is owed.

Proposed law retains present law but requires that the agreement be voluntary.

<u>Present law</u> provides that if the court finds that the employee's claim is frivolous, then the employee will be liable to his employer for damages, attorney fees, and court costs accrued as a result of the claim. Proposed law retains present law.

<u>Present law</u> provides for a one-year prescriptive period to bring claims, but provides for an interruption of prescription during the period allotted to the employer when the employee has given notice of a violation and during an administrative investigation of the violation. Proposed law retains present law.

<u>Present law</u> requires employers to make and preserve records that document names, addresses, positions, and wages of employees and requires that the records be preserved for at least three years from the last date of employment. <u>Proposed law</u> retains <u>present law</u> and further requires the sex of each employee be recorded and retained.

<u>Present law</u> provides that <u>present law</u> shall not supercede workplace discrimination law located in other statutes. <u>Proposed law</u> retains <u>present law</u>.

(Amends R.S. 23:332(H)(3) and 661-669)

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.