



House of Representatives

File No. 644

General Assembly

February Session, 2018

(Reprint of File No. 196)

Substitute House Bill No. 5386
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
April 23, 2018

AN ACT CONCERNING PAY EQUITY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 31-40z of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective January 1, 2019*):

3 (a) As used in this section:

4 (1) "Employer" means any individual, corporation, limited liability
5 company, firm, partnership, voluntary association, joint stock
6 association, the state and any political subdivision thereof and any
7 public corporation within the state using the services of one or more
8 employees for pay;

9 (2) "Employee" means any individual employed or permitted to
10 work by an employer; and

11 (3) "Wages" means compensation for labor or services rendered by
12 an employee, whether the amount is determined on a time, task, piece,
13 commission or other basis of calculation.

14 (b) No employer shall:

15 (1) Prohibit an employee from disclosing or discussing the amount
16 of his or her wages or the wages of another employee of such
17 employer that have been disclosed voluntarily by such other
18 employee;

19 (2) Prohibit an employee from inquiring about the wages of another
20 employee of such employer;

21 (3) Require an employee to sign a waiver or other document that
22 denies the employee his or her right to disclose or discuss the amount
23 of his or her wages or the wages of another employee of such
24 employer that have been disclosed voluntarily by such other
25 employee;

26 (4) Require an employee to sign a waiver or other document that
27 denies the employee his or her right to inquire about the wages of
28 another employee of such employer;

29 (5) Inquire or direct a third party to inquire about a prospective
30 employee's wage and salary history unless a prospective employee has
31 voluntarily disclosed such information, except that this subdivision
32 shall not apply to any actions taken by an employer, employment
33 agency or employee or agent thereof pursuant to any federal or state
34 law that specifically authorizes the disclosure or verification of salary
35 history for employment purposes. Nothing in this section shall
36 prohibit an employer from inquiring about other elements of a
37 prospective employee's compensation structure, as long as such
38 employer does not inquire about the value of the elements of such
39 compensation structure;

40 [(5)] (6) Discharge, discipline, discriminate against, retaliate against
41 or otherwise penalize any employee who discloses or discusses the
42 amount of his or her wages or the wages of another employee of such
43 employer that have been disclosed voluntarily by such other
44 employee; or

45 [(6)] (7) Discharge, discipline, discriminate against, retaliate against
46 or otherwise penalize any employee who inquires about the wages of
47 another employee of such employer.

48 (c) Nothing in this section shall be construed to require any
49 employer or employee to disclose the amount of wages paid to any
50 employee.

51 (d) An action to redress a violation of subsection (b) of this section
52 may be maintained in any court of competent jurisdiction by any one
53 or more employees or prospective employees. An employer who
54 violates subsection (b) of this section may be found liable for
55 compensatory damages, attorney's fees and costs, punitive damages
56 and such legal and equitable relief as the court deems just and proper.

57 (e) No action shall be brought for any violation of subsection (b) of
58 this section except within two years after such violation.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2019	31-40z

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill prohibits employers from asking about a prospective employee's wage and salary history under certain circumstances. This does not result in any fiscal impact to the state or municipalities.

House "A" alters the original bill by adjusting the exceptions to the prohibition on requesting wage and salary history, and by eliminating: 1) the provisions allowing an employer to limit its damages from alleged violations, and 2) the provision pertaining to seniority systems in certain gender wage discrimination lawsuits.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 5386 (as amended by House "A")******AN ACT CONCERNING VARIOUS PAY EQUITY AND FAIRNESS MATTERS.*****SUMMARY**

This bill generally prohibits employers, including the state and its political subdivisions, from asking, or directing a third-party to ask, about a prospective employee's wage and salary history. The prohibition does not apply (1) if the prospective employee voluntarily discloses his or her wage and salary history or (2) to any actions taken by an employer, employment agency, or its employees or agents under a federal or state law that specifically authorizes the disclosure or verification of salary history for employment purposes. The bill also allows an employer to ask about the other elements of a prospective employee's compensation structure (e.g., stock options), but the employer may not ask about their value.

The bill allows prospective employees to bring a lawsuit within two years after an alleged violation of the bill's prohibition on asking about salary histories. Employers can be found liable for compensatory damages, attorney's fees and costs, punitive damages, and any legal and equitable relief the court deems just and proper.

*House Amendment "A" delays the effective date from October 1, 2018 to January 1, 2019 and eliminates provisions that generally would have (1) allowed employers to ask about the value of a prospective employee's stocks or equity, (2) allowed employers to seek a court order to disallow compensatory or punitive damages, and (3) required certain employers to count an employee's time spent on protected family and medical leave towards the employee's seniority.

EFFECTIVE DATE: January 1, 2019

BACKGROUND

Related Bill

sSB 15, reported favorably by the Labor and Public Employees Committee, also generally prohibits employers from asking about a prospective employee's wage and salary history.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 13 Nay 0 (03/20/2018)