

Labor and Public Employees Committee

JOINT FAVORABLE REPORT

Bill No.: HB-5386

Title: AN ACT CONCERNING VARIOUS PAY EQUITY AND FAIRNESS MATTERS.

Vote Date: 3/20/2018

Vote Action: Joint Favorable Substitute

PH Date: 3/8/2018

File No.: 196

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SPONSORS OF BILL:

Labor and Public Employees Committee

REASONS FOR BILL:

Men and women are being paid different rates for the same job.

****Substitute Language (LCO #2938):** makes technical and confirming changes.

RESPONSE FROM ADMINISTRATION/AGENCY:

Dannel P. Malloy, Governor, State of Connecticut: The proposed bill would prevent unintended pay discrimination during the hiring process by prohibiting employers from inquiring about a prospective candidate's previous salary until they have made an offer of employment

Kevin Lembo, Comptroller, State of Connecticut: While there are a number of factors that contribute to wage disparities between men and women, this bill takes the necessary next step in helping to bring parity more quickly to Connecticut.

Scott Jackson, Commissioner, CT Department of Labor: The bill deserves support, however, he pointed out that in Section 2 of this bill is unnecessary and should be deleted because current law already protects the seniority of a women out on pregnancy leave. The Department of Labor stands ready to work with the legislature and the Governor's office on this very important piece of legislation.

Martin M. Looney, State Senator, 11th District: The bill is a critically important measure to help close the wage gap here in Connecticut. Connecticut women are still earning 83 cents to every dollar that their male counterparts are.

Marilyn Moore, State Senator, 22nd District: While her testimony was more focused on another bill, she also offered support of this bill.

James M. Albis, State Representative, 99th District: I strongly urge the passage of this long overdue legislation to help us set an example we can be proud of for our grandmothers, mothers and sisters and daughters. Let us never once again have to answer the question of why a women's work is not valued as much as a man's for our future generations.

Themis Klarides, State Representative, 114th District: This bill continues work started three years ago. It solves the main cause of pay inequity, which is being saddled with one's wage history forever. It strikes a better balance between the needs and interests of both employees and employers. This is a work in progress and will likely evolve as it makes its way through the legislature. She is anxious to work with everyone to craft a solution that is truly equitable and fair.

Kim Rose, State Representative, 118th : Women who are recent college graduates in our state are earning an unexplained 7% less than their male counterparts. The problem largely stems from employers asking potential employees about salary history. Without meaning to an employer perpetuate gender discrimination if they base a current salary on a previous salary that was reflective of gender discrimination by a previous employer.

Derek Slap, State Representative, 19th District: Reformers are focused on a simple yet powerful change in the hiring process. The idea is to prohibit employers from asking job candidates about their salary history. The premise is that if employers price the position instead of the person, inequities from the past will erode. (Hiring managers could still inquire about a job candidate's salary requirements in order to determine compatibility.)

Cheryl Sharp, Deputy Director, CHRO: It is a well-known and well-documented that women face widespread pay disparities in workplaces nationwide. It is for that reason salary history should not be a permissible inquiry or basis for determining compensation.

Tanya Hughes, Executive Director, Commission on Human Rights and Opportunities: It is a well-known and well-documented fact that women face widespread pay disparities in workplaces nationwide. This bill would prohibit prospective employers from inquiring about the wage and salary history from an applicant before any offer with wage information has been made or accepted. This is a critical step in reducing the pay gap.

NATURE AND SOURCES OF SUPPORT:

AARP Connecticut: The bill seeks to ensure equal pay for equal work. This is achieved through a prohibition on requiring a potential employee to disclose previous salary information. By 2022, 35% of the total workforce will be 50 or older, up from 28% in 2007. As the percentage of younger workers continues to decline, attracting and retaining older

employees may become increasingly important for employers seeking to fill critical skill shortages and retain their competitive edge.

Candace Augustus, Member, 32 BJ: I'm a full-time cook with the Bridgeport school system, a part time janitor at Sikorsky Aircraft, and a member of 32BJ SEIU. The bill will address the continuing problem of pay inequality. At both my jobs, women and men are paid the same, and our contract guarantees our pay increases. But I also have worked for eight years at Walmart, which has no union and an "open door" policy. I know what it's like going into a job interview without knowing what they will offer you.

Connecticut Statewide Home Healthcare Justice Campaign: The members urge you to amend the bill to include the following provisions: (1) Reduce the requirement for standing before the Commission on Human Rights and Opportunities (CHRO) from 3 people to 1 person; (2) avoid weakening, and then strengthen, Connecticut's overtime laws as they apply to home healthcare workers; (3) clarify language to indicate that all domestic workers will receive the minimum wage.

Lara Da Costa, Brazilian Worker Center, Inc. – Bridgeport: We support the bill, but urge you to consider reducing the number of protected workers present from three to one, so all workers can enjoy the protection they deserve.

Dodge Dallas, Vice President and Counsel, Insurance Association of Connecticut: The IAC respectfully suggests that for the narrow purpose of the bill, the definition of "salary" should be amended to exclude any objective measure of the applicant's productivity such as revenue, sales, or production reports.

Brenna Doyle, Deputy Director, NARAL Pro-Choice Connecticut: The issue of inequity in pay is well-documented and well-supported by data. This is a national problem but the effects are felt acutely by women and families right here in our state. Equal pay is not only an important factor in ensuring economic stability for women, it is also crucial to achieving reproductive freedom. The cost associated with reproductive healthcare, including abortion care, can be costly, and the costs for raising a child are even higher.

Nora Duncan, AARP CT State Director: The bill is particularly important to older job seekers in a competitive market where their previous salary can work against them and potentially favor younger workers with less well established work and salary histories, even when the expectation of a salary in-line with previous salaries may not exist.

Liza Andrews, CT Coalition of Against Domestic Violence: The safety of domestic violence survivors is directly linked to their ability to achieve economic security. The majority of victims of intimate partner violence are women who only stand to benefit from policies that increase a woman's economic security.

Martha Duque, Member, 32BJ SEIU: The bill would address the issue of pay equity and would help to stop the injustice by prohibiting inquiries that could leave a woman stuck making less money.

Susan Eastwood, Board Member, Permanent Commission on the Status of Women: As a trainer for the WAGE Project, I have taught workshops for college age women in how to

negotiate for equal pay in their first jobs and seen their faces when they realize that they stand to lose up to two million dollars in pay during their lifetime due to the inequitable wages paid to women.

Michele Evermore, SEIU 1199 New England: I have worked for many years on pay equity and before we address gender equity, we have to center our conversation on the workers who are most hurt by pay disparities; While women earn 79 cents on the dollar in CT, racial disparity is far greater than gender disparity. The combination of racial and gender inequality means that women of color are dramatically more harmed by the pay gap. The pay gap for black women in the US is 71%, and for Latinas it is 65%. The lifetime wage gap average for all women is \$418,800 but for Latinas it is \$1,043,800 and for black women it is \$840,040. Women in the US lose \$840 billion every year to the wage gap.

Joel Fishman, CT Community Party, USA: In Connecticut, more than half of mothers and 81% of Black mothers are key family bread winners. These mothers, their families and communities are deeply impacted by the pay gap, minimum wage, and responsibilities for family and medical care. The Connecticut legislature has the opportunity and obligation to pick up the mantle in this session and enact pay equity, increased minimum wage and paid family and medical leave.

Jillian Gilchrest, Co-organizer, Women's March Connecticut: Fair wages, a harassment-free workplace, any pay equity are all essential policies that help women. And, women's earnings are critical to economic growth.

Madeline Granato, Policy Manager, CWEALF: On average, women working full-time in our state lose a combined total of \$5.5 billion due to the wage gap. Lost wages mean women and their families have less money to spend on basic goods and household items; expenses that help drive the larger economy and spur economic growth.

Lauren Gray, Bridgeport: Almost every single employer I have had has asked me about previous salary. It makes me nervous to state what I had been previously paid because I am not sure if the salary they are about to propose is a fair salary or if I will be paid equally to my male and female coworkers. Every woman should receive equal pay for every dollar paid to male coworkers. Equal pay for equal work matters. Our economy loses when females, as most decision makers when buying items locally, are not paid equally.

Eric Gjede, Counsel, CBIA: The intent of this bill is to bolster protections related to gender equality by prohibiting employers from inquiring about prospective employee wage histories, but sometimes such questions have a defensible reason. They may be trying to determine if the salary they are able to offer is competitive in the marketplace or they may be trying to get a sense of the full compensation package an applicant is currently receiving in order to lure them from another company. In these cases, the information is not being used against the applicant.

Donna Grossman, Windsor: My husband and I started working at the same Connecticut company in 1977 right out of college, I started at \$16,800 with my Master's Degree in Mechanical Engineering; he started at \$16,500. When he left the company after three years, he was making \$10,000 a year more than me. You may be thinking that maybe he was better at his job than I was at mine. But, while he was a really sharp man, that turns out not

to be the truth. In 1979, I had an unplanned pregnancy and was given 8 weeks of sick time/disability pay, followed by an unpaid leave of absence. I wanted to take longer but my boss said they needed me to come back because the company was really busy. I was the first woman in my department to return back to work after a maternity leave. A while later when annual raises were given out, I received a 0% raise because I “had taken a maternity leave”. I complained to the Human Resources Department and threatened to take my review to the ACLU. Within 6 months I received 3 raises, for a total of a 25% pay increase. After giving birth to twins a few years later I was permitted to work part-time from which I did for a year. During this time of maternity leave, my boss came to my home at raise time and I received a 10% raise, which I said to my boss “I must have scared you guys”, and he replied “yes”. Upon my retirement after 40 years at the same company, there were still men in my group making the same, or more money than I was, even though I had a minimum of 5 years more experience than anyone else in my group.

Valerie Horsley, Ph.D, Action Together Connecticut: Professor Horsley submitted testimony as a citizen. She is the co-founder of Action Together Connecticut and a Yale professor. She stated that unlike government and public university employees, private companies and universities do not necessarily publish salary information on their employees, and does not know if she gets paid less than her male colleagues. Recently, studies at the medical school at Yale showed that women were making less than their male counterparts. To combat this problem, each employee now receives information annually about where their salary sits in the range of salaries in their department for a similar job. In 2016, salary adjustments were made 4% of male and 11% of female clinical faculty. These examples speak to the continued problem of pay inequality and the need for paid family leave in CT.

Beth Kerrigan, Deputy Mayor, West Hartford: She told several stories of her own experiences of pay discrimination based on gender, including a conciliation agreement for a suit she filed against Islip Speedway for not letting her race motocross because she was female. It was a simple slam dunk case: simple discrimination. One set of rules for males and another for females. When hired as a future General Manager, she discovered that a male hired at the same time with the same degree from the same college and the same job, had a different salary. Discrimination still exists. When she was in grade school and told she couldn't deliver the local newspaper because “it was a boy's job” it was not ok....but it was accepted as ok. It is unconstitutional discrimination. We should not always rely on the courts to bring justice and equality for all.

Paula Kavathas, Professor of Laboratory Medicine, Yale School of Medicine: When I started as an Assistant Professor at Yale School of Medicine, I had no idea what were the salaries of others in my category. Over time I began to realize that was being underpaid. As a member of the NIH study section, I review applications of faculty from across the country and was able to see what the salaries at other institutions were. It would have been helpful to have greater transparency from the beginning of my employment at Yale.

Bernard G. Kokinchak, Southbury, Resident: Mr. Kokinchak submitted written testimony suggesting substitute language regarding practices of employers that are not mentioned in the bill. Included in his assessment are issues regarding individuals with disabilities, unequal assessments in personnel reviews by supervisors and reasons for gaps in employment history.

Julie Kushner, Director WAW Region 9A: Paying two people different amounts for the same work is unjustifiable. Using a worker's past salary information is just an excuse to pay less. This was wrong when she was a secretary 40 years ago and still wrong today. This bill, a meaningful step towards treating women workers fairly, is long overdue. It is just basic common sense.

Alli McKeen, Wallingford Resident: In many cases, women are offered less pay than their male counterparts. Refusing to answer questions about pay history often results in not getting the job. The only reason a potential employer would need to know is in order to make an offer on what they perceive the employee will accept, not what her skills are worth on the market. Outlawing the question will enable women to negotiate a salary based on current skill marketability and not be held down by her history.

Ned Lamont, Business owner: Equal pay for equal work would contribute to ending Connecticut's fiscal woes. Women employed full time lose a combined total of \$15 billion due to the wage gap. Paying all employees fairly is important to the culture of a company. When someone is treated unfairly, it impacts the morale across the workplace and reduces productivity.

Zak Leavy, Legislative Advocate, AFSCME, Council 4: The wage gap widens when information is disaggregated. Greater economic activity and increased spending power for all is achieved by addressing this gap.

Kaley Lentini, Legislative Counsel, American Civil Liberties Union of Connecticut: Although they support this bill, they feel the language in house bill 5386 is preferable and stronger. They oppose discrimination and barriers to women in male-dominated fields as well as the systemic undervaluing of work in fields dominated by women. Discrimination on the basis of race, ethnicity, national origin and religion are unfair employment practices that disproportionately harm women. The pay gap increases with age and exists across workers of all educational levels. Connecticut must take meaningful steps to eradicate this workplace discrimination against women.

Rick Melita, Director, Service Employees Internation Union CT State Council: Women are almost half of the workforce and often are the sole or co-breadwinner in half of American families with children. Then receive more college and graduate degrees than men, yet on average, they continue to earn considerably less.

Carolos Moreno, CT State Director, Working Families Organization: Women and workers of color are hit especially hard by gaps in policies and the unfair practices of some employers. We must be a state that allows everyone to thrive.

Lori J. Pelletier, President, AFL-CIO: Gender-based pay inequity is not a relic of previous generations. Recent surveys found the problem is worse than believed and Connecticut's wage gap for women is even greater at 69 cents than the national average of 71 cents for every dollar earned by a man. The disparity is even greater for women of color. It exists for highly educated women and those who have attended some college by didn't complete a degree. Some earn less money than men who never attended college at all. Women with graduate degrees earn less than men with only a bachelor's degree and even in the same

occupations; women are paid less, especially within high-salary management positions and finance occupations.

Permanent Commission on the Status of Women: Their testimony explained the impact of the wage gap in CT. If women earned the same as men, the poverty rate would be cut by more than half. Women's earnings in CT would increase by \$6.9 billion per year. This is the money of consumers, savers and owners of assets. Pay equality legislation should require employers to provide equal pay for 'comparable work, defined by substantially similar skill, effort and responsibility and performance under similar working conditions as opposed to 'equal work' as in our current law. This provision is not included in the bill. Pay inequity becomes a self-perpetuating problem when a woman's initial wage at a new job is based on previous wages. Massachusetts offers a good example of how to fix these problems.

Analís Quintman: As an engineer, I have worked in a male dominated work force for a long time. Every day I have to prove that I can do a man's job, every day there are people who think I should get paid less because I'm married. There are people who feel justified to pay me less because the men I work with support families. There are plenty of women who are the sole bread earners in their families.

Gretchen Raffa, Director, Public Policy, Advocacy and Strategic Engagement, Planned Parenthood of Southern New England: We know firsthand, through patients we see in our health centers, the juggling act people have to play each month to pay their bills and meet their basic needs. Equal pay would cut poverty among working women and their families by more than half and add \$513 billion to the national economy. Providing equal pay to women would have a dramatic impact on their families.

Sherise Truman, Graduate Student: I am a first-generation graduate, an immigrant, and a young Black woman. Soon I will be graduating with my Master's degree in Social Work. As a black woman, statistics dictate on average, I will earn 58 cents to every dollar of white non-Hispanic men. This ranks Connecticut #10 for worst states for black women's wage equality. This statistic is especially concerning for women that have accumulated large amount of debt in pursuit of their education. In fact, women in general take on more student debt than men but are paid less after college.

Richard Yanowitz, Hamden: I am retired, but all my life I've believed in equal pay and overall treatment for women and men. I have a vested interest not only in my own male well-being but also that of all my women family and friends, including my 13-year-old granddaughter—and no less do I have a vested social interest in the flourishing of all women in our society. Pay is an important way—maybe even too important—that are culture has of measuring of self-worth. Women should never be treated as 2nd class citizens

Rebecca Yungk, Graduate Student, New Britain: Women are more likely to experience interruptions in employment to provide the caretaking of their parents and also young children. Paid Family Leave and Pay Equity protections will boost the chances of women returning to the workforce and will receive equitable pay. Guaranteeing a living wage and equal pay are critical. Both of these policies will create a more attractive work environment to current and potential employees.

UCONN – AAUP – (American Association of University Professors, Inc): The issue of gender pay equity for women and underrepresented minority groups persists in every sector of the work force. Public higher education is not shielded from this phenomenon. The UConn- AAUP commissioned a study in 2012 to look at pay gaps in salary and merit awards for women and underrepresented minority groups at UConn.

NATURE AND SOURCES OF OPPOSITION:

Bill Ethier, CEO, Home Builders and Remodelers Association of Connecticut:
Please do not place any more cost burdens on CT's businesses. We add our voices in support of CBIA's position on this bill.

Reported by: Virginia L. Monteiro

Date: April 5, 2018