#### SECOND REGULAR SESSION

# **SENATE BILL NO. 742**

#### 94TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS BRAY AND DAYS.

Pre-filed December 1, 2007, and ordered printed.

TERRY L. SPIELER, Secretary.

### 3179S.01I

## AN ACT

To repeal sections 290.400, 290.410, 290.440, and 290.450, RSMo, and to enact in lieu thereof five new sections relating to equal employment practices.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 290.400, 290.410, 290.440, and 290.450, RSMo, are repealed and five new sections enacted in lieu thereof, to be known as sections 3 290.160, 290.175, 290.400, 290.410, and 290.440, to read as follows:

290.160. 1. Upon commencement of an individual's employment, and at least annually thereafter, every employer shall provide to each employee a written statement sufficient to inform the employee of his or her job title, wage rate, and how the wage is calculated. This notice shall be supplemented whenever an employee is promoted or reassigned to a different position with the employer, provided that the employer is not required to issue supplemental notifications for temporary reassignments that are of no more than three months in duration.

2. Every employer shall make and preserve records that document the wages paid to employees, and that document and support the method, system, calculations, and other bases used to establish, adjust, and determine the wage rates paid to said employer's employees. Every employer subject to this section shall preserve records and make reports from the records as shall be prescribed by the department of labor and industrial relations.

173. The regulations promulgated under this section relating to the18form of reports required shall provide for protection of the

confidentiality of employees, and shall expressly require that reports 1920shall not include the names or other identifying information from 21which readers could discern the identities of employees. The 22regulations may also identify circumstances that warrant a prohibition 23on disclosure of reports or information identifying the employer.

244. The department of labor and industrial relations may use the information and data it collects pursuant to this section for statistical 25and research purposes, and may compile and publish such studies, 2627analyses, reports, and surveys based on the information and data, as it considers appropriate. 28

5. Any rule or portion of a rule, as that term is defined in section 29536.010, RSMo, that is created under the authority delegated in this 30section shall become effective only if it complies with and is subject to 31all of the provisions of chapter 536, RSMo, and, if applicable, section 32536.028, RSMo. This section and chapter 536, RSMo, are nonseverable 33 and if any of the powers vested with the general assembly pursuant to 34chapter 536, RSMo, to review, to delay the effective date, or to 3536disapprove and annul a rule are subsequently held unconstitutional, 37then the grant of rulemaking authority and any rule proposed or 38adopted after August 28, 2008, shall be invalid and void.

290.175. 1. Within ninety days of the effective date of this act, the director of the department of labor and industrial relations shall  $\mathbf{2}$ 3 appoint a commission of nine members, to be known as the "Equal Pay 4 Commission".

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2. Membership of the commission shall be as follows:

6 (1) Two representatives of businesses in the state who are 7appointed from among individuals nominated by state business 8 organizations and business trade associations;

(2) Two representatives of labor organizations who have been 9 nominated by a state labor federation chartered by a federation of 10national or international unions, that admits local unions as members, 11 and exists primarily to carry on educational, legislative, and 12coordinating activities; 13

14(3) Two representatives of organizations whose objectives include the elimination of pay disparities between men and women and 15between minorities and non-minorities, and who have undertaken 16 advocacy, educational, or legislative initiatives in pursuit of that 17

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18 objective;

(4) Three individuals drawn from higher education or research
institutions who have experience and expertise in the collection and
analysis of data concerning such pay disparities and whose research
has already been used in efforts to promote the elimination of those
disparities.

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3. The commission shall make a full and complete study of:

(1) The extent of wage disparities, in both the public and private
sectors, between men and women, and between minorities and nonminorities;

(2) Those factors that cause, or that tend to cause, such disparities, including segregation of women and men, and of minorities and non-minorities across and within occupations; payment of lower wages for occupations traditionally dominated by women and minorities; child-rearing responsibilities; and education and training;

33 (3) The consequences of such disparities on the economy and on
 34 affected families;

(4) Actions, including proposed legislation, that are likely to lead
to the elimination and prevention of such disparities.

4. The commission shall, no later than twelve months after its members are appointed, make its report to the director of the department of labor and industrial relations, who shall in turn transmit to the governor.

5. The commission's report shall include the results of its study, 42 as well as recommendations, legislative and otherwise, for the 43 elimination and prevention of disparities in wages between men and 44 women, and between minorities and non-minorities.

290.400. As used in sections 290.400 to [290.450] **290.440** the following words have the meanings indicated unless the context clearly requires otherwise:

3 (1) "Commission", the labor and industrial relations commission of4 Missouri;

5 (2) "Employee", every woman or man in receipt of or entitled to 6 compensation for labor performed for any employer;

7 (3) "Employer", every person, firm, corporation, agent, manager, 8 representative, contractor, subcontractor, principal or other person having control 9 or direction of any woman or man employed at any labor, or responsible directly 10 or indirectly for the wages of another; 11 (4) ["Female", a woman of eighteen years or over;

(5)] "Wage rates" or "wages", [any compensation for labor measured by time, piece, or otherwise] all compensation in any form that an employer provides to employees in payment for work done or services rendered, including but not limited to base pay, overtime bonuses, stock options, awards or tips, or various forms of nonmonetary compensation if provided in lieu of or in addition to monetary compensation, provided that such compensation has economic value to an employee.

290.410. 1. Notwithstanding any other provisions of the law, no employer 2shall pay any [female in his employ at] employee wage rates less than the wage 3 rates paid to [male] employees [in the same establishment for the same quantity and quality of the same classification of work, provided that nothing herein shall 4 prohibit a variation of rates of pay for male and female employees engaged in the 5same classification of work based upon a difference in seniority, length of service, 6 ability, skill, difference in duties or services performed, difference in the shift or 7 time of day worked, hours of work, or restrictions or prohibitions on lifting or 8 9 moving objects in excess of specified weight, or other reasonable differentiation, or factors other than sex, when exercised in good faith] of the opposite gender, 10for equal work, the performance of which requires equal skill, effort, 11 and responsibility, and which is performed under similar working 12conditions. 13

Notwithstanding the provisions of subsection 1 of this section,
 it shall not be unlawful for an employer to pay different wage rates to
 employees if such payments are made pursuant to:

17 (1) A bona fide seniority or merit system;

18 (2) A system that measures earnings by quantity or quality of19 production;

(3) Any bona fide factor other than gender, provided that wage
differentials based on varying market rates for equal jobs shall not be
considered differentials based on bona fide factors other than gender;
or

24 (4) Bona fide regional economic differentials.

3. An employer who is paying wages in violation of this section
shall not, in order to comply with this section, reduce the wage of any
employee.

28 4. No employer may discharge or take any adverse action or

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otherwise discriminate against any individual because such individualhas:

31 (1) Opposed any act or practice made unlawful by this section;
 32 or

33 (2) Testified, assisted, or participated in any manner in an
 34 investigation, hearing, or other proceeding to enforce this section.

5. No employer may discharge or take any adverse action or otherwise discriminate against, coerce, intimidate, threaten, or interfere with any employee because such employee either inquired about, compared, or otherwise discussed the employee's wages or the wages of another employee; or exercised, enjoyed, aided, or encouraged any other person to exercise or enjoy any right granted or protected by this section.

290.440. 1. Any employer who violates section 290.410 is liable to the [female] employee affected in the amount of the wages of which the [female] employee is deprived by reason of the violation and an additional amount in compensatory damages, such additional amount not to exceed twice the wages awarded.

6 2. [Any female employee receiving less than the wage to which she is entitled under sections 290.400 to 290.450 may recover in a civil action the 7balance of the wages, together with the costs of suit, notwithstanding any 8 agreement to work for a lesser wage.] Any employer who violates subsection 9 10 4 or 5 of section 290.410 is liable to any individual affected in the 11 amount of all wages and benefits lost as a result of the retaliation and, if awarded, an additional amount of compensatory damages in an 12amount to be determined by a judge or jury trial. 13

3. [The burden of proof shall be upon the person bringing the claim to 14establish that the differentiation in rate of pay is based upon the factor of sex and 15not upon other differences or factors.] In the event of a finding that an 1617 employer has violated section 290.410, a court may enjoin such 18 employer from future violations of section 290.410, and may order the 19employer to take such additional steps as are necessary, including 20reclassification of affected workers to ensure the cessation of the employer's gender-based pay practices or, if the employer has engaged 2122in unlawful retaliation prohibited herein, the court may order such relief as to make the employee whole, including reinstatement. 23

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4. Any employee prevailing in a civil action brought pursuant to

#### SB 742

sections 290.400 to 290.440, in addition to the remedies set forth in this section, may also recover court costs and reasonable attorney's fees, notwithstanding any agreement to work for a lesser wage. Any action brought pursuant to sections 290.400 to 290.440 shall be commenced within two years after the alleged violation occurs or the date of the reasonable discovery of such violation.

[290.450. Any action based upon or arising under sections 2 290.400 to 290.450 shall be instituted in the circuit court within six 3 months after the date of the alleged violation, but in no event shall 4 any employer be liable for any pay due under sections 290.400 to 5 290.450 for more than thirty days prior to receipt by the employer 6 of written notice of claim thereof from the female employee.]

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