



April 5, 2023

SUMMARY OF BILL: Establishes that is a cause of action against an employer to:

- Ask for or require a prospective employee to provide the prospective employee's compensation history;
- Consider or rely on a prospective employee's compensation history in determining the compensation for the prospective employee;
- Retaliate or discriminate against an employee for failing to disclose the prospective employee's compensation history;
- Discharge, or otherwise discriminate or retaliate against, an employee for asserting a right provided by this section;
- Discharge, discipline, discriminate against, coerce, intimidate, threaten, or interfere with an employee because the employee inquired about, disclosed, compared, or otherwise discussed the employee's wage rate;
- Prohibit, as a condition of employment, an employee from disclosing the employee's wage rate; or
- Require an employee to sign a waiver or other document that:
 - Prohibits the employee from disclosing the employee's compensation history or wage rate; or
 - Purports to deny the employee the right to disclose the employee's compensation history or wage rate.

Establishes that an employer does not violate any of the preceding prohibitions if the prospective employee voluntarily and without prompting provides information about the prospective employee's compensation history.

Establishes that any individual or employee affected by any of the aforementioned violations may bring such cause of action within two years after the alleged violation occurs.

Establishes the following remedies for an employee upon who the court determines such violations have occurred:

- Equitable relief, including reinstatement of employment, promotion, pay increase, or payment of back-pay for a duration not to exceed three years; and
- The employee or individual's court costs, including reasonable attorneys' fees.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- It is assumed that the various human resource offices of state and local government, as well other public institutions will generally follow the provisions of this legislation in order to prevent risk of being sued by job applicants.
- It is assumed that the majority of private human resource professionals will adhere to the provisions of this legislation in order to prevent risk of being sued by job applicants.
- The Department of Labor and Workforce Development’s Labor Standards Unit receives wage complaints electronically via submitted form.
- Any increase in wage complaints to the Department of Labor and Workforce Development’s Labor Standards Unit is estimated to be not significant.
- A small increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenue from fees, taxes and costs collected. These expenditures and revenue are estimated to be not significant.

IMPACT TO COMMERCE:

Other Fiscal Impact - Any increase in verdicts and damages paid by businesses cannot be determined with reasonable certainty.

Assumptions:

- There may be an increase in civil lawsuits by job applicants who are subject to violations committed against the provisions of this legislation.
- Any increase in verdicts and damages paid by businesses cannot be determined with reasonable certainty.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

/jb