

PA 15-196

HB6850

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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2015**

**VOL.58
PART 15
4903 – 5253**

[pause]

DEPUTY SPEAKER RYAN:

Have all the members voted? Have all members voted? Will the members please check the board to see if their vote is properly cast. If all members have voted, the machine'll be locked and the Clerk'll take a tally.

The Clerk will announce the tally.

CLERK:

House Bill 6820

Total Number Voting 145

Necessary for Passage 73

Those voting Yea 145

Those voting Nay 0

Absent and not voting 6

DEPUTY SPEAKER RYAN:

The bill passes. [gavel] Will the Clerk please call Calendar No. 228.

CLERK:

On Page 56, Calendar 228, Favorable Report of the Joint Standing Committee of Judiciary, House Bill 6850, AN ACT CONCERNING PAY EQUITY AND

FAIRNESS.

DEPUTY SPEAKER RYAN:

Representative Tercyak. You have the floor,
sir.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. I move for
acceptance of the Joint Committee's Favorable
Report and passage of the bill.

DEPUTY SPEAKER RYAN:

Question is acceptance of the Joint
Committees' Favorable Report and passage of the
bill. Representative Tercyak, please continue.

REP. TERCYAK (26th):

Thank you very much. This is a simple bill
that prohibits an employer from disclosing, asking
about, or discussing the amount of - it prohibits
an employer from telling the employees they can't
talk about how much they earn among each other.

This is a problem. We heard testimony that
this is part of what leads to the wage gap between
different employees. We see in states where they
have larger sections of public employees where
salaries are not secret. We do not see the same gap
between men's and women's wages.

Mr. Speaker, the Clerk has an amendment LCO No. 7941. I would ask the Clerk to please call the amendment and that I have leave of the Chamber to summarize.

DEPUTY SPEAKER RYAN:

Will the Clerk please call LCO 7941 which will be designated House Amendment Schedule "A."

CLERK:

House "A" LCO 7941 as introduced by Representative Tercyak.

DEPUTY SPEAKER RYAN:

The Representative seeks leave of the Chamber to summarize the amendment. Is there objection to summarization? Is there objection to summarization? If not. Representative Tercyak, you may proceed with summarization.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. This amendment addresses concerns raised in the Judiciary Committee, specifically, that the bill didn't prevent someone such as a payroll vendor or HR staff from discussing the wages of other employees which they know only because they have special access to that information.

The language makes it clear that the bill only applies when an employee has voluntarily shared their own salary with another employee, through you, Mr. Speaker. Thank you.

DEPUTY SPEAKER RYAN:

Will you remark further on the amendment? Will you remark further on the amendment? Representative Rutigliano of the 123rd, sir.

REP. RUTIGLIANO (123rd):

Thank you, Mr. Speaker. We are supportive of the amendment, and I will reserve my comments for the bill after its passage. Thank you.

DEPUTY SPEAKER RYAN:

Thank you, sir. Representative Candelora of the 74th, sir. Would you comment on the amendment?

REP. CANDELORA (86th):

I'll reserve my comments till after the amendment.

DEPUTY SPEAKER RYAN:

Will you remark further on the amendment before us? Will you remark further on the amendment before us? If not, I will try your minds. Oh, Representative Noujaim.

REP. NOUJAIM (74th):

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[pause] Thank you, Mr. Speaker. Good evening,
sir. Good evening, sir, I said.

DEPUTY SPEAKER RYAN:

Good evening, Representative.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. [laughs]

[laughter]

REP. NOUJAIM (74th):

[pause] Through you, Mr. Speaker, I do have a
question to Representative Tercyak.

DEPUTY SPEAKER RYAN:

Please proceed, sir.

REP. NOUJAIM (74th):

Thank you, [laughs] Mr. Speaker. To the good
Representative. I been in the industry for many,
many years, and to my assessment, noo many people
want to hide the salaries they make. This bill is
simply sayin' we want you to hide the money that
you make. Am I correct in that? Because it says do
not disclose what you make as a salary. So
basically, we are telling people to do what they
really want to do. Am I correct? Through you, Mr.

Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

The answer is no, Mr. Speaker. He is not correct, through you.

DEPUTY SPEAKER RYAN:

Representative Noujaim, on the amendment.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. So I would like to be enlightened then as to if this my assumption is not correct. What is then correct? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. Through you, this does not prevent employees from discussing their salaries among themselves and with each other. What this prevents is employers from telling the employees that they are not allowed to discuss their salary with each other.

Among private sector employees 62 percent of women and 60 percent of men have reported that they

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have received instructions or have official policies at work saying wage information is secret. You cannot even divulge your own wage to the person sitting next to you.

So this is about employers having a chilling effect on discussion of wages and it's specially to make it clear that employees are allowed as the good Speaker mentioned correctly that employees are want to do - are allowed to discuss their wages, through you, Mr. Speaker, please.

DEPUTY SPEAKER RYAN:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. Through you, Mr. Speaker, to Representative Tercyak, and I'm not a member of the Labor Committee so I really do not know during the public hearing who testified in support of this piece of this legislation? Or who support or who testified in opposition? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Who testified in opposition was easy. CBIA is

the first that jumps out on that. Let's see. The Commissioner of the Department of Labor, Sharon Palmer, spoke in favor of the bill. Kevin Lembo, the Comptroller for the State, spoke about this being an important step towards bringing parity to Connecticut women because it's one of the factors that contributes to wage disparities between men and women, and that this transparency is one way to dissolve pay inequalities.

Carolyn Treiss from the Permanent Commission on the Status of Women said it's very hard to know what you're being paid, whether or not you're being paid as much as a colleague if you and your colleague are not permitted to discuss it or fear that if you do there will be retaliation. Let's see NOW was in favor of it. Lori Pelletier from the Connecticut AFL-CIO mentioned that it's long overdue. We had policy interns from different organizations AFSCME, and the entire nature and source of the opposition was CBIA. Thank you very much, sir, through you.

DEPUTY SPEAKER RYAN:

Thank you, sir. Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. This is very informative and quite honestly, Mr. Speaker, I been in industry for 35 years and I have never ever seen people sayin' I want to go to you and divulge how much money I am makin'. I don't know. We make laws in here just because somebody came in and testified whether it is a union or non-union or whoever testifies in support of it.

We just go ahead and make a law for something that I don't think in my opinion is really needed. I mean, people normally don't want to say how much money they're makin'. I don't think in my 35 years of experience in industry and in manufacturing somebody came up to me and said how do you make or do you want to tell me how much you make or do you make more than the man next door working in the next office or woman working in the next office? I think sometimes we just create things just for the sake of creating things and I do not intend to support this amendment nor this bill. Thank you, sir.

DEPUTY SPEAKER RYAN:

Thank you, sir. Will you remark further on the amendment? Will you remark further on the

amendment? Representative Carpino.

REP. CARPINO (32nd):

Thank you, Mr. Speaker, just a question,
through you, for legislative intent?

DEPUTY SPEAKER RYAN:

Please proceed, ma'am.

REP. CARPINO (32nd):

Could you - could the good Chairman just
explain to me how a corporation that has employees
both inside and outside of Connecticut how this
will apply to both those sets of employees? Through
you.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

I believe like the 10 other states that have
passed this law it applies to the Connecticut
workers, and that we are not passing laws for other
states or their workers, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Carpino.

REP. CARPINO (32nd):

Thank you, and I thank you for the answer but
I think that's very clear for legislative intent.

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As we have these corporations here that are looking to grown here, but sometimes have employees outside of state. We need to let them know what the law is so they can follow it when they leave here. So if the good Chairman is indicating that this will not imply to employees of Connecticut corporations that reside in other states I will take him at his word. Thank you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Thank you, Representative. Representative Shaban of the 135th, sir.

REP. SHABAN (135th):

Thank you, Mr. Speaker, similar line of question, through you, about the amendment to the proponent please.

DEPUTY SPEAKER RYAN:

Please proceed, sir.

REP. SHABAN (135th):

Thank you, Mr. Speaker. In the context of executives, I know that often times companies hire executives, as employees, and have executive contracts that in fact prohibit them from doing exactly what you're saying they cannot do. So, through you, Mr. Speaker, is it the intent of this

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bill then to vitiate that contractual term in that private contract? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. Through you, I don't understand the question.

DEPUTY SPEAKER RYAN:

Representative Shaban, could you clarify your question please?

REP. SHABAN (135th):

Alright, I'll take another crack at it. Thank you, Mr. Speaker. If there's a private employment contract between an employer company and employee executive that says you cannot disclose your salary, which is a very common term in executive compensation contracts, is it the intent of this bill to vitiate, i.e. nullify, that contractual provision in that private employment contract? Through you.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker, through you,

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I appreciate the definition of vitiate. We don't use it much in nursing. And the answer, should we be talking about just straight up salary information, yes this would be nullifying that.

Should we on the other hand be discussing information where a person's salary for instance would be not just be dependent on sales, but that their salary information if separated out from the sales information would give competition an unfair advantage. Then those kinds of agreements which would be more along the lines of a non-compete type of agreement those would be allowed to continue because it's about the basic pricing of the company's business.

But in terms of what one person is being paid or another people would be allowed, should they wish, but not forced to say what they're earning, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Shaban.

REP. SHABAN (135th):

Thank you, Mr. Speaker. Is the description that you just had regarding about the exception to the nullification of the private contractual term

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in the employment contract, i.e. when it could potentially implicates or disclosure of confidential sales information, is that contained in the amendment or the underlying part of the bill that this amendment will be attached to? Through you.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. I want to be clear. We weren't just talking about sales information in terms of how many of this or that are sold as much as pricing information where that remains constant. And the amendment doesn't spell that out which is why there was an agreement to have some discussion establishing legislative intent about this. And that's what - where this is coming from, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Shaban.

REP. SHABAN (135th):

Thank you, Mr. Speaker. I appreciate the gentleman's response. I may have a couple of follow-ups if and when this amendment gets passed.

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Thank you, Mr. Speaker. Thank you, sir.

DEPUTY SPEAKER RYAN:

Thank you, sir. Will you remark further on the amendment before us? Will you remark further on the amendment before us? If not, let me try your minds. All those in favor signify by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER RYAN:

Opposed, nay.

REPRESENTATIVES:

Nay.

DEPUTY SPEAKER RYAN:

The ayes have it. The amendment is adopted.

[gavel] Will you remark further on the bill as amended? Representative Rutigliano of the 123rd.

REP. RUTIGLIANO (123rd):

Thank you, Mr. Speaker. Mr. Speaker now that the bill is amended the bill essentially prevents an employer, not from asking his employees not to discuss their wagers, but enacting a policy that penalizes them for discussing their wages amongst themselves. There are some that believe that the lack of disclosure amongst employees about their

wages leads to pay inequity.

The amendment we just passed addresses a particular issue that we had; meaning that we feel fundamentally that it's okay for an employee to talk about his own wages. The amendment prevented that employee from disclosing somebody else's wages. So with that we are now supportive of the bill. After I speak the Representative from the 86th District is gonna ask some questions about legislative intent, and from there we will proceed with the bill. Thank you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Thank you, Representative. The Legislator from the 86th District, Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. If I may, a couple of questions to the proponent?

DEPUTY SPEAKER RYAN:

Please proceed, sir.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. As the ranking member of the Labor Committee has pointed out, I think the underlying intent of this bill is to not penalize an employee to discuss their wages. One of the

concerns that we had talked about is the effect that this would have on non-disclosure agreements as it pertains to an employee whose wages might be based on commission. For instance, where they're selling a commodity of the company and a percentage of their wages might be based on the cost of that product or what it is sold for.

And so in those situations where companies have proprietary information that's obtained and that is worked on through the price of the product where the sales rep would have the pricing information, and that's also based on their commission. Would the employer still be able to enter into a non-disclosure agreement as it pertains to protecting the company's pricing and other proprietary corporate interest as it pertains to third parties? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. Thank you very much for the question because commission is - earning commission is an important part of this bill. And I understand from the question that we're

not talking about now how much somebody earns on a commission for standard things where your employer says I'll give you this.

We are talking about when the pay is part of how things are priced and to give up - and the employer says to give up the pay information would leave the other information being more valuable than it would otherwise be because it would be too specific. So the good Representative when he is characterizing it in those terms about careful about company secrets, and I appreciate also the comment about other outside companies and the competition.

This a bill, hopefully narrowly crafted, that it will allow people to talk among themselves. This isn't about broadcasting to the whole world. This isn't about giving your competition a leg or about when leave a company going and giving away company secrets to the next place you go and work.

So with that, yes, those positions, those agreements would still be protected under the narrow and specific way you have described them as important in terms of the company's overall sales procedures and not just about do you make three

percent or four percent, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker, and just finally because I guess under this bill in Line 16 - 19 is where there is some discussion about requiring - prohibiting an employer from requiring an employee to sign a waiver or other document that would deny the person's right to disclose their wages. But that disclosure only pertains to employees within that company, as I read it, and actually I should refer to the amendment because the underlying bill was amended.

It would be Line 16 of the amendment. So that the employer's prohibition would be limited from them not being able to prohibit an employee from discussing something with another employee, but they certainly could still contract to require a non-disclosure to third parties? Through you.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Under the circumstances that the good

Representative has described, yes, that's correct.

DEPUTY SPEAKER RYAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. I appreciate the answers to my question. I think this is sort of a difficult bill. You know, we understand the underlying intent of the bill. We're always concerned about the unintended consequences, and I think - I appreciate the amendment and the work that's been done to narrowly craft this.

I still get concerned the unintended consequences because we certainly don't want to affect the corporations in Connecticut that may need to enter into agreements to keep things confidential because it's necessary to their business. But I appreciate those answers to try to make this clear what the underlying intent of this bill is. Thank you.

DEPUTY SPEAKER RYAN:

Thank you, Representative. Representative Staneski of the 119th. Ma'am, you have the floor.

REP. STANESKI (119th):

Thank you, Mr. Speaker. If I may, through you,

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a few questions to the proponent of the bill?

DEPUTY SPEAKER RYAN:

Please proceed.

REP. STANESKI (119th):

As amended - Earlier when you were summarizing you made a point to say that 62 percent of employees reported that they had to sign or were asked to sign something that said that they could not discuss salary or wages. Could you tell me whether - where you got that 62 percent? Thank you, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. I'm told that came from the Institute for Women's Policy Research part of the Rockefeller Foundations study, through you.

DEPUTY SPEAKER RYAN:

Representative Staneski.

REP. STANESKI (119th):

Thank you and, through you, Mr. Speaker, was that a national survey?

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

I'm sorry if I wasn't clear. Yes, sir, Mr. Speaker, it was a national survey, through you, sir.

DEPUTY SPEAKER RYAN:

Representative Staneski.

REP. STANESKI (119th):

Thank you, and also I guess I'm a little concerned about the language of the bill. Does this bill protect human resources or benefit managers who handle payroll/benefits? If they were asked to disclose wages, would it prohibit an employee from inquiring about wages of another employee of such employer? Would those people in those positions be protected from giving up those wages? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. The language in the amendment is specifically to make it clear that a clerk or other human resource worker or the like does not have to give up information on

employees' wages when asked. This is about allowing an employee to tell other people they work with what they make. That's it.

It's not about requiring the company to tell other people what they pay people. It's about letting - giving people the ability to talk about their own wages, and to ask other workers what their wages are if they'd like to participate in the conversation. It doesn't make anybody have to give up the information about their own salary or wages either. Thank you very much, Mr. Speaker, through you.

DEPUTY SPEAKER RYAN:

Representative Staneski.

REP. STANESKI (119th):

Thank you. Through you, Mr. Speaker, segueing off of that, could you then please explain to me Line 15 of the amendment that says denies the employee his or her right to inquire about the wages of another employee of such employer? Because - help me understand. I'm a little confused.

I know it says that no employee shall require an employer to sign a waiver or other document that denies the employee his or her right to inquire

about the wages of another employee or such employer. And if you could, Mr. Speaker, through you, help me to understand what the word right to inquire about the wages of another employee of such employer means?

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

It means free speech, sir.

DEPUTY SPEAKER RYAN:

Representative Staneski.

REP. STANESKI (119th):

I don't know what to say to that. If you could go to Line 20, where it says that they employer of such employee that they have been disclosed voluntarily or by such other employee, could you explain to me by such other employee the - so I guess I'm asking and here what I'm reading, and I'd love for you to help me understand. If somebody discloses the wages a co-worker, is that covered under this proposed bill? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. Through you, that the words disclosed voluntarily by such other employee means that yes, two employees can discuss the wages of another employee should that other employee, his or herself, disclose their wages. Nobody else can be the one to initiate disclosure of their wages.

But once you let the cat out of the bag, the cat is out of the bag. Unless one were to say no the cat's not out of the bag; I'm whispering this secret to you. Once people are allowed - once people say I'm talking about my wages, and start talking about them it's okay. It's now in the realm of what's often called public knowledge or it can be learned.

But the protection against human resources disclosures and things like that do not apply from one employee and another discussing information that yet a third employee has voluntarily disclosed, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Staneski.

REP. STANESKI (119th):

And thank you, through you, Mr. Speaker. That

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would - I just want to make sure I'm understanding
- that would include if an employee voluntarily
disclosed a coworker's salary? Through you, Mr.
Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. Only an
employee can disclose their own salary. Period.
Only the worker can say what they're working.
That's the disclosure. Once the disclosure is made
other people may discuss it, through you, Mr.
Speaker.

DEPUTY SPEAKER RYAN:

Representative Staneski.

REP. STANESKI (119th):

Thank you, Mr. Speaker. I'm apologized that I
still am not understanding. When I go back to Line
14 - 15 where it says no employer shall require an
employee to sign a waiver or other document that
denies the employee his or her right to inquire
about the wages of another employee of such
employer. I'm a little confused. When I read this
it says to me that you can inquire about your

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coworker's wages. Through you, Mr. Speaker, is that correct?

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Through you, Mr. Speaker, in America with free speech you have the right to inquire about the wages of anybody. You have the right to inquire about what's being spent. The boss is not required to answer that, and as a matter of fact nothing in this bill suggests that the employer or human resources should be answering that question. But the person has the right to ask the question, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Staneski.

REP. STANESKI (119th):

Thank you, and through you, Mr. Speaker, does that include if as was previously asked, there is a disclosure contract signed? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

What this does is prevent just the non-disclosure contracts for the sake of non-disclosure. What a previous Representative from I think the 86th was discussing was specific about when disclosure of how much of the price of something was going to employees would be giving away confidential information and confidential information on how prices are set.

But the idea that this would prevent in general a non-disclosure policy is 100 percent correct except with those narrow exceptions we were discussing earlier. This would prevent and make illegal a policy of demanding non-disclosure where people cannot discuss their own salaries, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Staneski.

REP. STANESKI (119th):

And I thank you, Mr. Speaker, and I thank the good gentleman for his answers. I will not be supporting this bill as amended. I still have a big issue with the right to inquire about the wages of another employee of such employer. I do believe in free speech, but I also believe in confidentiality.

I believe that an employer has a right to allow those disclosure documents to be signed, and with that I will not be supporting this. Thank you.

DEPUTY SPEAKER RYAN:

Thank you, Representative. Representative Shaban of the 135th. Sir, you have the floor.

REP. SHABAN (135th):

Hello - there it is. Thank you, Mr. Speaker. A couple of quick follow-ups if I may, through you?

DEPUTY SPEAKER RYAN:

Please proceed, sir.

REP. SHABAN (135th):

Thank you, Mr. Speaker. Really, I guess the only remaining question I have is under the definition of employer on Lines 5. We talk about all these different entities within the state. Through you, Mr. Speaker, if when we say within the state is it the company's - is it the principle place of business or is it the situs of the corporation or the state of the corporation? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

This means that if the employer is any kind of corporation, partnerships, association or individual employer, you know, including the State and any political subdivisions of the State, and any public corporation within the State then those are the employers that we are referring to when their employees are here in Connecticut.

It doesn't much matter whether the corporation is incorporated its headquarters in Connecticut or outside of Connecticut. In Connecticut we are going to join the 10 other states that recognize the employees' right to discuss his or her own pay, and to have that discussion with their co-workers should they want to, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Shaban.

REP. SHABAN (135th):

Thank you, Mr. Speaker, and I thank the gentleman. I think that's an important thing to tease out for legislative intent. So what the gentleman is saying it's the situs of the employee that counts not necessarily where the company is or where the company is incorporated, etc. It's where the employee is.

Last question, if I may, through you, if the executive at - again I go back to my earlier hypothetical. Typically in a large corporation, all the executives have employment contracts. A very common term is do not discuss your salary in order to - frankly, in order to promote some confidentiality and potentially competition between the divisions and or competitors.

But if the employees' contract is based on New York law which is again common - folks down in Stamford, folks in New Haven, folks anywhere, but the company is in New York, but the employee works in the State of Connecticut. But the contract is based one of the states that don't have this rule, through you, Mr. Speaker, are we - is it the opinion of the gentleman that the employer would be still subject to this bill? Through you.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. Through you, I want to make sure I've got it correct. This'll be an employee who is working within the state - within the confines of the State of Connecticut's

boarders? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Shaban.

REP. SHABAN (135th):

I believe so, and it's a good question because frankly the definition of employee doesn't talk about within the state, but the gentleman is for legislative intent has said yes. My hypothetical assumes employee working predominately in the state, more than 160 some odd days a year, or whatever the six months - more than the six months a year. But the employer is out of state, and the contract's based on a foreign state's law. Is the employer still subject to this bill? Through you.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you, Mr. Speaker. The answer is yes.

REP. SHABAN (135th):

Thank you, Mr. Speaker -

DEPUTY SPEAKER RYAN:

Representative Shaban.

REP. SHABAN (135th):

I'm sorry. Thank you, Mr. Speaker, and I thank

the gentleman. I'm gonna be a no on this for many of the reasons you've already heard. The bill doesn't describe the exceptions that we've put into the record. The bill is vague on what an employer is. The bill is vague on what an employee is. The bill vitiates, cancels, nullifies private contractual provisions.

The bill is based on information that I believe - data that I believe is probably decades old 'cause I could tell you as an attorney involved in corporate law that many of the folks who are signing these contracts at least half of them are women. I understand the impetus behind it. I appreciate the intent behind it, but I can't support this bill. Thank you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Thank you, Representative. Representative Sampson of the 80th. Sir, you have the floor.

REP. SAMPSON (80th):

Thank you, Mr. Speaker. Much of what I would say about this bill has already been said much more eloquently, but I cannot help myself but standing up and getting on the record. Simply put, Mr. Speaker, this is a very, very bad bill.

And it's another in a long line of bad bills that chooses a position that states that we in this Body have the right to interject ourselves between an employee and an employer. And I have news for everyone here; we do not. Our role is not to dictate the terms of an employee/employer relationship.

If an employer and employee make an agreement about the confidentiality of their salary then so be it. Much like they might make an agreement about the confidentiality of anything having to do with the business. I'm looking forward to the day when we're in here telling Kentucky Fried Chicken that they have to give up the recipe to the secret crispy fried chicken. It's simply a brazen over-reach for this body to tell people, free people, who are engaged in their own business arrangement how they must conduct it.

The proponent of the bill said that this is a result of the confidentiality having a chilling effect on wages. I think the only thing it's going to have a chilling effect on is the business climate in Connecticut which is already sub-par as we know.

If I was looking to start a business somewhere in this country and I had all 50 states to choose from, this is just another reason why Connecticut would be farther down on my list. Thank you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Thank you, sir. Representative Dubitsky of the 47th. Sir, you have the floor.

REP. DUBITSKY (47th):

Thank you, Mr. Speaker. A few questions for the proponent, if I may?

DEPUTY SPEAKER RYAN:

Please proceed, sir.

REP. DUBITSKY (47th):

Thank you, Mr. Speaker. Just a couple quick things; there was a - I just wanna make sure that for legislative intent that this is clear. I believe that the proponent indicated that if an executive - that an executive could enter into an agreement - an executive employee could enter into an agreement with an employer to prohibit the employee from disclosing his or her compensation to a competitor, is that correct? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Tercyak we - Mr. Speaker. I'll be Mr. Tercyak still. We were discussing not just the compensation but compensation that if known would give away confidential secrets on pricing policies and company policies on setting prices for a manufacturer of either hard good or possibly intellectual knowledge too.

It is not about outlawing an executive or anybody else, barring those needs for to maintain confidential production secrets that include salary information. Barring that, it would not bar an executive or anybody else from telling that third party another employer what they had been earning, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Dubitsky.

REP. DUBITSKY (47th):

Okay, I'm not sure I got the answer to the question that I asked. So let me put it in another way. If this bill were to become law, would it be

illegal for an employer and an employee to enter into a contract under which the employee, who happened to be an executive of the company, agreed not to disclose his or her compensation to a competitor? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. Through you, the bill does not allow an employer to ask or deny an employee the right to disclose their salary whether they are an executive or not an executive, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Dubitsky.

REP. DUBITSKY (47th):

Okay, I thank the proponent for that. On Line 9 of the amendment, it says that an employee - an employer shall not require an employee to sign a waiver or other document that denies the employee his or her right to disclose, etc. Shall not require, does that mean that an employee and an employer cannot voluntarily enter into such an agreement? Perhaps, even for additional

compensation to the employee? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

No employee is required to disclose what their salary is to anybody else. The employer is not allowed to make rules about whether that shall or shall not be disclosed to other people, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Dubitsky.

REP. DUBITSKY (47th):

Thank you, Mr. Speaker. Again I'm not sure that really answered the question that I asked. My question is would it be illegal under this bill for two consenting adults to enter into a voluntary agreement under which they both agree, and perhaps even the employee gets additional compensation for agreeing without any compulsion, that the employee would not disclose his or her compensation to a competitor? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

That would be an employer prohibiting an employee from disclosing or discussing the amount of his or her wages. The fact that they chose to pay for prohibiting it would not make it okay. They are not allowed to prohibit it. Paying for somebody to keep the secret does not make it okay to keep the secret. They cannot say it's a secret, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Dubitsky.

REP. DUBITSKY (47th):

Okay, thank you, Mr. Speaker. I think that got a lot closer to the answer to the question. Now another question, this bill is - says that the - is effective as of July 1, 2015. That's in Line 1. My question to the proponent is if there are contractual agreements that are already in place as of July 1, 2015, that were voluntarily entered into before that date, as of that date do those contractual agreements become null and void? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker, and as I learned earlier tonight, I believe the answer to that is they would be vitiated as of that date.

[laughter]

REP. TERCYAK (26th):

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Dubitsky.

REP. DUBITSKY (47th):

Thank you, Mr. Speaker. So we are considering passing a bill that would vitiate existing employment agreements that were voluntarily entered. That certainly gives me pause.

One last question, if I may, to the proponent, if a company that is based in another state and has all of its employees that are based in another state, a state that does not have such a bill. And occasionally their employees travel through Connecticut, for example, to make sales calls or something like that. But they are all based in another state, does the fact that they enter into

Connecticut make them subject to this bill should it become law? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you, Mr. Speaker. Should an employee while incidentally - working in Connecticut want to talk about what they are being paid for the work they are doing in Connecticut you will be allowed to do that once this is law, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Dubitsky.

REP. DUBITSKY (47th):

Okay, so if I understand that correctly then an employee, a New York employee, or let's say - I don't know if New York has this provision but I assume a state like Utah does not. So if a Utah corporation with all its employees in Utah and it has an agreement with its employees that they will not disclose their compensation to competitors. And one of their employees happens to enter into Connecticut under this bill they are now entitled to go against the provisions in their contract

based on this bill? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. The answer is yes, and in the same way should somebody be employed in another state with a contract that says they are being paid \$7.75 an hour which is over the minimum wage and which in that state be over their minimum wage when they came and worked in Connecticut they could not be paid \$7.75 because that's what they normally make in another state.

The rules of Connecticut apply to the people who work in Connecticut. If this person is working in Connecticut they will be working under the rules of the State of Connecticut that will include minimum wage and it will after the passage of this bill include privacy, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Dubitsky.

REP. DUBITSKY (47th):

Okay, thank you, Mr. Speaker. I'm more concerned with executives in that type of capacity that are being paid under an employment contract of

some sort in another state that comes into Connecticut for perhaps a business meeting or something; is not being paid by a Connecticut employer; is not being paid certainly not minimum wage, and I'm just concerned that this bill would entitle that person to now disclose their compensation which may well be a trade secret in some way to the competition. And my question is, is it the proponent's understanding that that is what this bill would do? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. We already had discussion earlier about trade secrets, and when an employee's compensation could be part of a trade secret and when it could not. The rules would remain the same, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Dubitsky.

REP. DUBITSKY (47th):

I'm sorry, Mr. Speaker, the rules will remain the same. I'm not sure what that means, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. I meant that the conclusions we had reached earlier on when it would be okay when something would honestly be a trade secret that giving away the salary information could make a difference in not just how much somebody is earning but in how prices are being set on some other things in competition. I thought it was pretty narrow question that was asked before for legislative intent, and I'm content with those definitions, through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Dubitsky.

REP. DUBITSKY (47th):

Thank you, Mr. Speaker. Yes, I heard the answer to that other question, but this is not that question. This is a question just about compensation that if an executive's compensation in and of itself is proprietary information to the company in another state would the fact that the executive enters into Connecticut make it okay

under this bill to disclose that information to a competitor? Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. Through you, when the question was just asked just before this there was talk of proprietary or secret information. In this example, my understanding is that we're not talking about secret information that would allow somebody to get a competitive advantage by being able to know how much somebody was making on commission vs. how much they were making on other things. Non-disclosure clauses in existing contracts will be illegal in the State of Connecticut, Mr. Speaker, through you.

DEPUTY SPEAKER RYAN:

Representative Dubitsky.

REP. DUBITSKY (47th):

Thank you, Mr. Speaker. I will be voting against this bill, and encourage everybody - my colleagues to do the same. Thank you.

SPEAKER SHARKEY:

Thank you, sir. Would you care to remark?

Would care to remark further on the bill as amended? Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. Mr. Speaker, if I may, one question to the proponent?

SPEAKER SHARKEY:

Please proceed, madam.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. To the good Chairman, what was the original intent of this bill? Through you.

SPEAKER SHARKEY:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. The original intent of this bill was to allow people to be able to discuss what they and their co-workers are making should their co-workers want to discuss how much they're making. It was to prevent people from being told they could not disclose their salaries to each other and have a discussion, through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker, and through you, what is the reason why people would feel uncomfortable discussing their wages with another co-worker? Through you.

SPEAKER SHARKEY:

Representative Tercyak.

REP. TERCYAK (26th):

Thank you very much, Mr. Speaker. In this bill the reason somebody would be uncomfortable would be if they were being told that they were not allowed to discuss their wages. If there were other reasons people would be uncomfortable separate from their boss telling them not to do it, I wouldn't be able to guess why they would be uncomfortable, sir, through you.

SPEAKER SHARKEY:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. I thank the gentleman for his answers. I think that when we've been discussing this bill throughout the session we have been discussing a lot of gender issues that've come up in regards to equal pay, in regards to people

being treated equally.

And I just wanted to mention in a few closing comments that although I certainly, and I don't know anybody in here that wouldn't support equal pay, regardless of gender. When we talk about men and women getting paid differently some of those statistics aren't as clear as we like them to be.

And when I say that I mean when you talk about women in the workforce you're dealing with women who may be married and staying home with children and need more flexibility, and those types of things. And when you look at women and the numbers of women who are single, without children, the numbers there say women make 98 percent of what men do.

So I would just caution going forward when we have these conversations that I am adamantly and absolutely in support of equal pay for the same job. I think sometimes it's apples and oranges in the conversations we have. We want to make sure we're comparing the same jobs to the same amount of hours put in and to same amount of flexibility.

I applaud the Chairman and the ranking member for all the work that was done in regard to this. I

know things have moved along during session. I would've wished that a lot of the ideas that were presented were put into this bill because I think it would have made it a much better bill. And a lot of the people that had concerns about it today that have mentioned them and feel strongly about them, those may have been changed; those opinions may have been changed, and I think it would've been a better bill at the end of the day.

But I just wanna say that it's a very serious issue we have. Whether you're a Republican or Democrat, man or woman, whatever part of the state you come from this is a serious issue. We want to make sure all people are treated equally, but I really wanna make sure going forward when we have kind of matter that comes up we really compare exactly what needs to be compared and not try and talk about different things. That the numbers have to be coming from the same places and they have to be things that we can figure out at the end of the day what's wrong and how do we fix it. Thank you, Mr. Speaker.

SPEAKER SHARKEY:

Thank you, madam. Further on the bill as

amended? If not, staff and guests to the Well of the House. Members take your seats. The machine will be open.

[bell ringing]

CLERK:

The House of Representatives is voting by roll. [bell ringing] The House of Representatives is voting by roll. Will members please report to the Chamber immediately?

[pause]

SPEAKER SHARKEY:

Have all members voted? Have all members voted? Have all members voted? Will the staff - I'm sorry. Will members please look at - check the board to see if their vote is properly cast. If all members've voted, the machine will be locked and the Clerk will take the tally.

Clerk will please announce the tally.

CLERK:

House Bill 6850 as amended by House "A"

Total Number Voting 144

Necessary for Passage 73

Those voting Yea	104
Those voting Nay	40
Absent and not voting	7

SPEAKER SHARKEY:

The bill, as amended, is passed. [gavel] Are there any announcements or introductions? If not. Will the Clerk please call the Calendar No. 267.

CLERK:

On Page 12, House Calendar 267, Favorable Report of the Joint Standing Committee on Insurance and Real Estate, Substitute House Bill 6736, AN ACT EXTENDING OPTOMETRISTS THE PROHIBITION ON THE SETTling OF PAYMENTS BY HEALTH INSURERS AND OTHER ENTITIES FOR NON-COVERED BENEFITS.

DEPUTY SPEAKER RYAN:

Representative Megna of the 97th. Sir, you have the floor.

REP. MEGNA (97th):

Thank you, Mr. Speaker. Mr. Speaker, I move acceptance of the Joint Committees' Favorable Report and passage of the bill.

DEPUTY SPEAKER RYAN:

Question is on acceptance of the Joint Committees' Favorable Report and passage of the

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CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
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Chamber will come back to order. Senator Duff, apologies, sir.

SENATOR DUFF:

Thank you, Madam President. Madam President, would the Clerk please call Calendar Page 17, Calendar 602, House Bill 6850.

THE CHAIR:

Mr. Clerk.

CLERK:

On Page 17, Calendar 602, House Bill No. 695 - sorry 6850, AN ACT CONCERNING PAY EQUITY AND FAIRNESS, it's amended by House Amendment Schedule "A," a Favorable Report of the Committee on Labor and Public Employment.

THE CHAIR:

Senator Osten, you have the floor, madam.

SENATOR OSTEN:

Good afternoon, Madam President. I move acceptance of the Joint Committee's Favorable Report and passage of the bill in concurrence with the House of Representatives.

THE CHAIR:

Motion is acceptance and passage in concurrence with the House. Will you remark, madam?

SENATOR OSTEN:

Madam President, the main purpose of this legislation is to allow employees to discuss their salaries with one another without fear of retribution. This also is something that many of the advocates for women have said that without the ability to discuss one's salary, it leads to an inequity in the pay of women. Michigan and California in the 1980s and Colorado, Illinois,

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Louisiana, Maine, Minnesota, New Jersey, Vermont, and New Hampshire all passed legislation such as this.

Massachusetts is currently considering the legislation. The wage gap still persists even though, you know, even though we have done many things. We think this is one more tool in the toolbox to allow women to get fair pay. And I urge passage of this legislation.

THE CHAIR:

Thank you, madam. Will you remark? Senator Hwang.

SENATOR HWANG:

Thank you, Madam President. Just through you, couple questions if I may?

THE CHAIR:

Please frame your questions, sir.

SENATOR HWANG:

Yes. I think that the statute affords the opportunity for litigation. Is there a time span to this and what would be some of the initial cause for it? Through you, Madam President.

THE CHAIR:

Thank you, sir. To you, Senator Osten.

SENATOR OSTEN:

Through you, Madam President. If you could point me to the exact line that you are referring to, I would appreciate it.

THE CHAIR:

Senator Hwang, you have the floor.

SENATOR HWANG:

Through you, Madam President. I don't have the bill

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in front of me, it came as a surprise as well being called. But it was initiated in the - in the summary of the report of the OLR summary. But could the good Chair just simply give me an explanation from some of the potential cause of it? Through you, Madam President.

THE CHAIR:

Thank you, Senator Hwang. And to you, Senator Osten.

SENATOR OSTEN:

Thank you very much, Madam President. Madam President, in any case where there is the ability to litigate the cost for an employer is the coverage of the attorney having been someone who has been involved in litigation both on the employer and the employee side, the cost could be minimal. Or if it was a long, deliberative piece of judicial action, it could be something in the \$5,000 range. But I have no idea that I could tell you the exact cost of the litigation. Through you, Madam President.

THE CHAIR:

Thank you, Senator Osten. You have the floor, Senator Hwang.

SENATOR HWANG:

Thank you, Madam President. And I'll close by saying I know it's the end of the day, everybody's a little tired, and I do believe in the merits of this bill. And I think pay equity and issues related to that and eliminating the gender gap is absolutely critical. But I think some of the commentary, some of the testimony was provided requires that as we move forward on this - and I encourage that we do in passage of this bill - that we do account for some of the initial concerns and being sure that issues are fairly applied and that we recognize the dual role of employers in some aspects to have some input. So with that said, for legislative intent, I'd like to address that issue moving forward. But I urge support of this bill. Thank you, ma'am.

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THE CHAIR:

Thank you, sir. Will you remark further? Will you remark further? Senator Osten.

SENATOR OSTEN:

Without objection, I'd move this item to the Consent Calendar.

THE CHAIR:

Seeing no objection, so ordered, madam.

SENATOR OSTEN:

Wait. Could I have a roll call vote, Madam President?

THE CHAIR:

The Senator has asked for a roll call vote. Will the Clerk please announce a pendency of roll call.

CLERK:

Immediate roll call has been ordered in the Senate.
Immediate roll call has been ordered in the Senate.

[pause]

THE CHAIR:

Have all the members voted? Please check the roll call machine to make sure your vote is properly recorded. If so, the machine will be locked. Clerk will please announce the tally.

CLERK:

House Bill 6850

Total Number Voting	36
Necessary for Passage	19
Those voting Yea	29
Those voting Nay	7
Absent/not voting	0

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SENATE

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THE CHAIR:

The bill, as amended, is passed. [gavel] I would ask all the members to kindly stay close to the Chamber since things will start to be moving along. Senator Duff.

SENATOR DUFF:

Thank you, Madam President. Madam President, if the Clerk can call the next three items, please. Calendar Page 19.

THE CHAIR:

Mr. Clerk.

SENATOR DUFF:

Making sure he has a pen. Calendar Page 19, Calendar 622, House Bill 6186. Calendar Page 28, Calendar 436, House Bill 5983, followed by Calendar Page 10, Calendar 512, 6792.

THE CHAIR:

Thank you, Senator Duff. Mr. Clerk, Page 19. Thank you.

CLERK:

On Page 19, Calendar 622, substitute for House Bill No. 6186, AN ACT PROTECTING SCHOOL CHILDREN, it's amended by House Amendment Schedule "A," a Favorable Report of the Committee on Judiciary.

THE CHAIR:

Senator Coleman, you have the floor, sir.

SENATOR COLEMAN:

Thank you very much, Madam President. Madam President, I move acceptance of the Joint Committee's Favorable Report and passage of the bill in concurrence with the House.

**JOINT
STANDING
COMMITTEE
HEARINGS**

**LABOR AND
PUBLIC
EMPLOYEES
PART 4
1274 – 1713**

2015

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lrz/mcr/gbr LABOR AND PUBLIC
EMPLOYEES COMMITTEE

March 3, 2015
12:00 P.M.

REP. TERCYAK: Well, there is.

REP. MCGEE: Okay. Brandon McGee, Hartford, Windsor, 5th Assembly District. Welcome back, Senator.

REP. TERCYAK: Thank you very much. You've met our legal staff, our aides, and with that thank you for the indulgence of the public for letting us do our announcements and our welcome back. Let's get to our agenda.

We were reviewing bills today. They're Committee bills, and we'll be going in -- we'll start with government officials. First up is Commissioner Palmer of the Labor Department, please. Welcome, Commissioner.

Hit the button so the world can hear you.

COMMISSIONER SHARON PALMER: Let me also offer my welcome to Senator Gomes. Thank you for coming back. I think we will be having some good conversations. Appreciate you being here, and Representative Tercyak, members of the Committee.

I'm Sharon Palmer, Commissioner of Labor. There are eight bills that I want to weigh in. I'm going to go as quickly as possible so I don't take up too much of your time and hope that you might ask some questions.

SB 985 SB 988

SB 1034 SB 1038

SB 1039 HB 6850

HB 6871

The first one is the Governor's Bill 953, Labor Peace. I'm here to support this important Governor's Bill. The bill requires certain contracts for hotel and concession area operation or management services into which the Capital Region Development Authority enters and which the CRDA has made an initial investment

Without reading the rest of the testimony, essentially the practice amongst some contractors is that they take no responsibility for the subcontractors and in fact turn a blind eye to -- to subcontractors, who they hire, if they don't -- and they don't have proper wage scales, they don't pay their insurances, and there are other problems.

We want to make those contractors responsible for the people they hire. They should screen them. They should make sure that they have what they need to be responsible contractors.

6850, PAY EQUITY AND FAIRNESS. Absolutely support this bill. I served on a task force with Commissioner Catherine Smith of DECD to talk about pay equity and fairness and this concept is an outgrowth of that task force, and for those of you who don't know there is a practice among private industry where employees cannot talk to each other about what -- how much money they make -- and in fact in some companies you can be fired if you reveal what your pay is.

So we think that that makes it very difficult for anyone to determine if they have pay equity in their job. So we would like people to be able to have those conversations with one another so they can determine whether or not they have achieved pay equity, so just to that one.

And lastly 6871, MINOR AND CLARIFYING CHANGES TO THE STEP UP PROGRAM and last year there was a -- a bill passed regarding Step Up and the term new apprentice was used in the bill. There really is no such term. You're either apprentice or you're pre-apprentice, so we'd

folks earning 30 to 40,000 a year and an increase in their contribution's going to -- going to impact them perhaps significantly. We also have employees making 80 to 100,000 a year and -- and more, so is it a one solution fits all model? Not necessarily sure, but really would encourage you to take a -- a good hard look at -- at MERS. As municipal employers we're ready, willing and able to help you with -- with any such review.

So happy to take any additional questions you may have at this point.

REP. TERCYAK: Thank you very much. Any questions? Thank you very much for coming forward with us. Maybe I have a question.

You say you'd be happy to work with us. Would you be interested in possibly working with the other partners in MERS, the employees and the unions and --

MATT HART: Certainly.

REP. TERCYAK: -- just having the discussion?

MATT HART: Yes, yes.

REP. TERCYAK: Thank you very much. Appreciate it, thanks for coming.

MATT HART: Thank you.

REP. TERCYAK: Carolyn Treiss from PCSW, followed by Representative Candelora, and that should do it for our officials and welcome.

CAROLYN TREISS: Thank you. Good afternoon. Senators Gomes and Hwang, Representative Tercyak and distinguished members of the Labor

HB6850

and Public Employees Committee. My name is Carolyn Treiss and I am the Executive Director of the Permanent Commission on the Status of Women.

I thank you for this opportunity to provide testimony today in favor of Governor's Bill 6850, AN ACT CONCERNING PAY EQUITY AND FAIRNESS, because the PCSW believes that pay secrecy is fatal to -- to wage equity.

This bill would prohibit the employer practice of not permitting employees to disclose, discuss or inquire about their wages or the wages of others. It further prohibits employers from requiring employees to sign waivers denying them of this right and prohibits retaliation or discrimination against any employee who discusses her wages or the wages of other employees. The bill does not require that employers disclose wages paid to any employee.

Last year, the PCSW teamed up with the Institute for Women's Policy Research on a comprehensive study called The Status of Women in Connecticut's Workforce. The study revealed that women in our state have made great strides in many areas but pay equity is not one of them. On average, women in Connecticut make \$0.78 for every male dollar, slightly worse than the national average of 78.6 percent.

We support any effort that takes steps to lessen or eventually close the gender based wage gap and we see this bill as one step because pay secrecy is one reason for the wage gap. It's very hard to know that you're not being paid as much as a colleague if you're not permitted to discuss it or if you fear that if you do, you'll be retaliated against or

punished in your job.

If -- if you think of Lilly Ledbetter, it took her -- she was a supervisor at Goodyear in Alabama -- and it took her the better part of a decade to discover that she was being paid less than her male colleagues. Discussion of wages was prohibited at the Goodyear plant that she worked at and she only learned that her pay was less than her male counterparts through an anonymous note.

Her story is just one of many, and so on behalf of women throughout our state, we support this important step toward greater transparency in wages.

As we know that in public service, there's a lot of transparency in our wages because we work for the taxpayers and so everyone in the state can find out pretty easily how much we make, and the result of that is that among civil servants women's wages tend to be much closer to men's wages than they do in the private sector.

According to a survey conducted by IWPR and the Rockefeller Foundation, it's very different for a private sector employee. In their survey about half, 51 percent of women and 47 percent of men, reported that discussing salaries was contractually prohibited or actively discouraged and that doing so could lead to either explicit or covert punishment or retribution.

Bill 6850 seeks to level this playing field. According to the IWPR Rockefeller study, private sector employees are more likely to -- employers -- are more likely to control access to salary information and we know that women

are often paid less than their male colleagues even given the same education and experience, and let's remember that the wage gap exists across career fields and pay grades.

So, contrary to popular belief and those that like to blame women because -- for the wage gap -- because we choose to enter low paying fields, women's earnings are lower than men's across occupational categories and in fact some of the largest gaps exist in high paying fields.

In the study that we did in November with IWPR, we found that in Connecticut female financial managers are paid on average just 56.5 percent of their male colleagues' earnings.

So, when employees aren't free to discuss those shocking disparities, there's very little incentive on the part of employers to correct their practices and discrimination can go on without any accountability.

So one might ask why the bill is needed since the National Labor Relations Act protects private sector employees from retaliation, unfortunately the NLRA's protections are limited and the Act has not prevented employers from requiring non-disclosure contracts. We know that they exist.

The NLRA does not apply to supervisors and that term has been broadly interpreted by the courts as has the NLRA's business justification exception to its protections.

Just so you all know, you're not going out on a limb on this. There are ten states that have enacted pay secrecy laws. Michigan and California did it in the 1980s and between 2000

and 2014 Colorado, Illinois, Louisiana, Maine, Minnesota, New Jersey, Vermont and New Hampshire have all passed pay secrecy laws.

We believe very strongly that it's government's role to protect citizen's rights and surely pay equity is one of those. It's often overlooked and abused, whether willingly or through ingrained corporate practice. It's our strong belief that if companies are committed to paying employees fairly based on their experience, education and work ethic, and not on gender, they should have no objection to complying with this call for wage transparency.

Thank you very much for the opportunity to provide comments today, and I welcome any questions you may have.

REP. TERCYAK: Thank you very much. Are there any questions? Yes, sir, Senator, please.

SENATOR HWANG: Thank you, Mr. Chair. Carolyn, thank you for being here and -- and all the good work your Commission does.

CAROLYN TREISS: Thank you.

SENATOR HWANG: Would this statute apply to privately held companies as well versus publicly?

CAROLYN TREISS: Well --

SENATOR HWANG: State companies?

CAROLYN TREISS: -- the employer, I can read you the definition of employer. It means any individual corporation, limited liability company, firm, partnership, voluntary association, joint stock association, the state

or any political subdivision thereof, and any public corporation within the state using the services of one or more employees for pay. So it's -- it's pretty broad.

SENATOR HWANG: Okay. Thank you very much.

CAROLYN TREISS: Yeah.

REP. TERCYAK: Thank you. Any other questions?
Thank you very much.

CAROLYN TREISS: Thank you.

REP. TERCYAK: We appreciate it. Next up was supposed to be Representative -- Representative Candelora but he's held up at the Capital. Whenever he can tear himself over for a little bit we'll squeeze him in next. So that moves up to the public part of the hearing. First up is Jeremy Zeedyk from Rocky Hill, followed Steve McDuell, Christy Delvey, and Eric Gjede from CVIA. Welcome.

JEREMY ZEEDYK: Thank you. Senator Gomes, Representative Tercyak, and esteemed members of the Labor Committee. SMART Local 40 would like to -- which is the Sheet Metal, Air, Rail and Transportation International Union Local 40 -- would like to submit testimony in support of S.B. 1039 which is AN ACT CONCERNING GENERAL CONTRACTOR LIABILITY FOR WAGES FROM WORKERS' COMPENSATION.

My colleagues and I in the Building Trades have appeared before this Committee and others to discuss the very issue that this bill addresses and for that reason SMART Local 40 and the Building Trades thank you -- thank this Committee for raising such an important bill.

Welcome. Much earlier today than usual.

ERIC GJEDE: I know. First of all, I want to start by apologizing to the Committee. I addressed all my testimony to -- to Senator Winfield and I didn't realize Senator Gomes had been appointed to the Committee, but I would ask that none of you tell him that I no longer draft legislation for the Committee, so if you could just let that go.

HB 6880

Anyway, I'm here on a few bills today. Bill 1036, this is dealing with unemployment compensation. I don't want to be presumptuous in -- in saying that it looks like a placeholder bill right now but as I indicated at the hearing in Middletown the other day, I would hope that any unemployment compensation bill this Committee reports favorably would contain the reforms found in bill 5851.

Moving on to 6850 on pay equity. We certainly 100 percent support the goal of -- of this -- of this bill and I think it goes without saying that wages should not be based on one person's gender. But I think it is legitimate to pay different wages based on a person's skills and experience, and -- and while I don't know that this -- this bill really gets at that, there's a couple of possible morale issue -- well, first of all it would create morale issues in the workplace if this bill is enacted as is right now, and there's a few problems in that. It -- it ignores the consequences of an employee who improperly accesses other people's wage information and -- and then spreads it throughout the -- throughout the business. It doesn't allow an employer to address that in any way.

It also it creates a court action which we're a -- a little concerned about. I mean I think it we're really trying to get at eliminating a discriminatory behavior CHRO is the right venue for dealing with that, and it also doesn't allow an employer to address situations where there's potential harassment going on for wage information. So if you have someone who's coming to you every single day and saying, you know, what you making, what are you making, what are you making, an employer can't stop that or at least it doesn't purport to allow the -- the -- the business to stop that.

So we -- we would hope that the Committee would entertain some possible changes to that bill if it is going to go forward.

And then finally I did just want to touch quickly on bill 6880. This is dealing with the large employers and the executive compensation. As I mentioned at the last public hearing, you know, we have -- we have three states around us who are aggressively trying to attract Connecticut business to just hop across the border, and they're giving them a lot of financial incentives with very few strings attached. No state has a measure they proposed in this bill where they would be ineligible for financial assistance. It would -- or it would discourage job creators from coming to the state which undercuts possible philanthropic contributions or investments in the community done by these large employers and it sends a wrong message about Connecticut as a place to do business. And I'm sorry I went over a little bit. Happy to take any questions on any of those bills.

REP. TERCYAK: Thank you very much. Do we have any questions? Okay. I have one, 6880, the last

the Committee that as you consider this -- this bill, please know that our SERC board would like to provide assistance to ensure that we have a clear understanding of the impact of the bill for our agency and our staff.

I want to, at this time, thank you for the opportunity to speak before you and for your service.

REP. TERCYAK: Thank you very much. First question.

INGRID CANADY: Sure.

REP. TERCYAK: What about unionizing agricultural workers? Do you have a stand on that?

INGRID CANADY: No, I don't.

REP. TERCYAK: That's very good of you. They had no opinion on whether or not SERC employees should be unionized too, so it's only fair. Any other questions? No? Thank you very much.

INGRID CANADY: Okay.

REP. TERCYAK: We appreciate your input.

INGRID CANADY: Thank you.

REP. TERCYAK: Is there anybody else who hasn't testified and would like to? Matthew Brokman from AFSCME. I guess.

MATTHEW BROKMAN: I guess as well. Good afternoon members of the Labor Committee. My name is Matthew Brokman. I'm a representative of Council for AFSCME, a Union of 32,000 public service employees in the state of Connecticut.

Because this is like the fastest Labor hearing

SB 986
HB 6934
HB 6850
HB 6879
SB 953

in history, none of our members who were on their way up after work weren't able to get here so I just wanted to mention a couple of bills that they were planning on testifying on.

One -- ooh, that was quick -- one in particular, Senate Bill 986, AN ACT REQUIRING EMPLOYERS TO ENTER INTO PROPRIETARY INTEREST PROTECTION AGREEMENTS PRIOR TO RECEIVING FINANCIAL ASSISTANCE FROM THE STATE.

REP. TERCYAK: Excuse me for interrupting.

MATTHEW BROKMAN: Yes.

REP. TERCYAK: I'm glad you're talking about that. You're the only one and we'd like an explanation of what the heck we're talking about here.

MATTHEW BROKMAN: Sure. So what this bill says is that when the state takes some sort of role by investing in a for-profit or non-profit entity that -- of a certain size -- to provide services to residents of the state of Connecticut, that what we're doing is making sure that those services are going to be able to be provided by making sure that the workforce who works for that entity has the ability and the freedom to talk to management, the freedom to advocate for their clients, the freedom to have rights on the job.

And so what this bill requires is that when the state's making such an investment that that employer come up with either have a collective bargaining agreement or be willing to have some sort of agreement in place to make sure that those employees can have those rights on the job so that we can make sure services that provides -- we could reduce turnover in those

those workers are paid the standard wage, the going rate of wages, so Connecticut is not driving down wages for its own residents and taxpayers and workers, and so we feel that that should be extended down to our cities and towns so that we do not have a race to the bottom and that taxpayers aren't funding a race to the bottom, but that instead we are making sure there's a level playing field between workers and management so that they have that opportunity. So that's why we think this bill is important. Sure, if you're going to ask.

REP. TERCYAK: Well, between you and my questions your workers may make it. We'll see.

MATTHEW BROKMAN: Just a couple of other bills. House Bill 6850, AN ACT CONCERNING PAY EQUITY AND FAIRNESS. Obviously as the Permanent Commissioner on the Status of Women testified earlier, this bill is really important in that all it's saying is that workers should be able to talk to each other about how much they're paid, about sharing the paycheck.

It's about giving workers the tools they need to make sure, and particularly women workers, who we know are paid less than men for doing the same job, as the U.S. Census found \$0.77 on the dollar. Being able to give them the tools that they need so don't they don't have a Lilly Ledbetter type case where years and years later after retirement they're finding out they've been chronically underpaid for doing the same work, so that they can have those issues rectified earlier.

House Bill 6879, AN ACT CONCERNING HAZARDOUS DUTY AND CERTAIN DEPARTMENT OF CORRECTIONS STAFF. Obviously there's a similar bill on this earlier this session.

**LABOR and PUBLIC EMPLOYEES COMMITTEE HEARING
MARCH, 3 2015**

Senator Gomes, Representative Tercyak and members of the committee, my name is Cameron Champlin and I Represent Plumbers and Pipe Fitters Local Union 777. I am here today to go on record in strong support of SB-986.

This accountability is long over due for some oversight of what is done with our money and hopefully getting positive results for our investment.

The procedure for monitoring the recipients of the Economic Development Funds is not sufficient for the gift that they receive from the State of Connecticut. Remember it is most certainly a gift because they never have to repay the state. No matter what incentives are given to a company, whether it is DECD Money or Tax Relief or any other benefit, we should hold that company to standards which will benefit the state and any employee of these recipients. We don't need companies that pay minimal wages and benefits so that their employees have to rely on Public Assistance of any type.

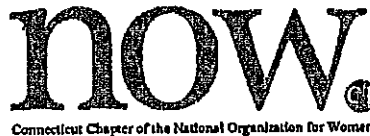
This bill is a start in the right direction but I believe it should be strengthened in the future. For these reasons we respectfully ask that you vote to move this bill forward. Thank you for the opportunity to testify today on this matter.

We also would like to go on record in support of SB-953 and 1036, HB-6850, 6873, 6879, 6880, 6934 and 6936.

Thank you for the opportunity to testify today on these very important issues. If any more information is required please contact me at came@att.net or cell (860) 287-0020

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Good morning Senator Gomes, Representative Tercynk and the esteemed members of the Committee on Labor and Public Employees. The Connecticut chapter of the National Organization for Women (CT NOW) thanks you for the opportunity to present testimony in favor of Governor Malloy's bill, HB 6850, An Act Concerning Pay Equity and Fairness.

Wage discrimination remains a serious problem in the workplace. While the discussion often focuses on women, it is experienced by many groups across American society. HB 6850 makes a significant step toward lowering wage discrimination by prohibiting employers from forbidding employees from discussing or inquiring about their own wages or the wages of their coworkers.

Any employee experiencing wage discrimination deserves both the tools to become aware of such discrimination and the opportunity to remedy it. Currently, however, some employers prohibit employees from discussing their wages with coworkers, either through the culture of the workplace or through contracts signed upon beginning a job. Countless people would benefit from the transparency encouraged by this legislation.

CT NOW applauds Governor Malloy for putting forth HB 6850. HB 6850 brings Connecticut a step closer to closing the wage gap, and we respectfully urge the Labor Committee to vote favorably on this bill.



Catherine H. Smith
Commissioner

Department of Economic and
Community Development

Connecticut
still revolutionary

TESTIMONY BEFORE THE COMMITTEE ON LABOR AND PUBLIC EMPLOYEES
3/3/16

RE: HB 6850: AN ACT CONCERNING PAY EQUITY AND FAIRNESS

Senator Holder-Winfield, Representative Tercyak, Senator Hwang, Representative Rutigliano, and members of the Labor and Public Employees Committee. I appreciate the opportunity to testify in support of HB 6850: An Act Concerning Pay Equity and Fairness.

As you may be aware, in 2013 the Gender Wage Gap Taskforce, comprised of public officials and private sector professionals, studied the issue of the gender wage gap and pay equity in Connecticut. The Gender Wage Gap Taskforce published its findings in a report in November of 2013. One of the findings was that the practice of prohibiting discussion among employees about salary information is a contributing factor in perpetuating the gender wage gap.

Governor's Bill HB 6850 would permit employees to discuss wages and salary information freely, potentially eliminating a factor in the persisting gender wage gap. Providing employees the opportunity to discuss salary information without fear of retribution will allow women in the workplace to more accurately gauge their earning potential and will hopefully help Connecticut workers to reach compensation parity.

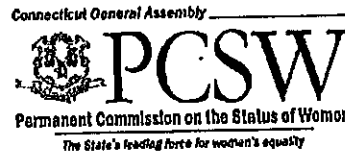
This Bill strikes an important balance by encouraging open dialogue in the workplace without setting unnecessary rules or reporting requirements on employers. Frankly, it is a win-win for both employers and employees, since the Gender Wage Gap Taskforce also discovered that many companies are unaware of the size of the gender gap in the private sector – and often unaware of any issues with their own employees. Awareness often yields concern and action on the part of employers – the long term goal we should have as a matter of policy.

We at DECD are interested in ensuring that women are compensated justly for their work, and we believe that HB 6850 is a step in achieving this crucial economic driver.

Thanks in advance for your time and consideration of this important measure.

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Testimony of
 The Permanent Commission on the Status of Women
 Submitted to the
 Labor and Public Employees Committee
 March 3, 2015

Re: Governor's Bill No. 6850, An Act Concerning Pay Equity and Fairness

Senators Gomes and Hwang, Representatives Tercyak and Rutigliano, and distinguished members of the Labor and Public Employees Committee: My name is Carolyn Treiss, and I am the Executive Director of the Permanent Commission on the Status of Women (PCSW). Thank you for this opportunity to provide testimony today in favor of the Governor's Bill No. 6850, An Act Concerning Pay Equity and Fairness, because the PCSW believes pay secrecy is fatal to wage equity.

This bill would prohibit the employer practice of not permitting employees to disclose, discuss or inquire about their wages or the wages of others. It further prohibits employers from requiring employees to sign waivers denying them this right, and prohibits retaliation or discrimination against any employee who discusses her wages or the wages of other employees. The bill does not require that employers disclose wages paid to any employee.

Late last year, the PCSW teamed up with the Institute for Women's Policy Research (IWPR) on a comprehensive study called *The Status of Women in Connecticut's Workforce*. The study revealed that women in our state have made great strides in many areas, but pay equity is not one of them. On average, women in Connecticut make 78 cents for every male dollar, slightly worse than the national average of 78.6%.¹ We support any effort that takes steps to lessen — or eventually close — the gender-based wage gap.

One reason for this gap is pay secrecy: it's very hard to know you're not being paid as much as a colleague, if you are not permitted to discuss it or you fear that if you do, you will be retaliated against or punished. After all, it took Lilly Ledbetter, a supervisor at Goodyear, the better part of a decade to discover she was being paid less than her male colleagues; discussion of wages was prohibited at Goodyear and she only learned that her pay was less than her male counterparts through an anonymous note. Her story is just one of many, and so on behalf of women throughout our state, we support this important first step toward greater transparency.

In public service, we can be proud of the fact that there is much transparency in our own wages: we work for the taxpayers, and so the taxpayers can find out, with very little effort, how much we make. One result of this is

that among civil servants, women's wages tend to come much closer to men's wages than they do in the private sector.

But, according to a survey conducted by IWPR and the Rockefeller Foundation, the situation is very different for private sector employees, about half of whom (51 percent of women and 47 percent of men) reported that discussing salaries is contractually prohibited or actively discouraged, and that doing so can lead to either explicit or covert punishment or retribution.ⁱ

Bill 6850 seeks to level this playing field. According to the IWPR/Rockefeller study, private sector employers are more likely to try to control access to salary information. We know that women are often paid less than their male colleagues, even given the same education and experience. And let's remember the wage gap exists across career fields and pay grades. Contrary to popular belief, women are not to blame for the wage gap by choosing to enter low-paying fields; women's earnings are lower than men's across occupational categories, and in fact, some of the largest gaps occur in the highest-paying fields. Our study with IWPR revealed, for example, that in Connecticut, female financial managers are paid, on average, just 56.5% of their male colleagues' earnings.ⁱⁱ But when employees are not free to discuss such shocking disparities, there is very little incentive on the part of the company to correct their practices.

One might ask why this bill is needed, since the National Labor Relations Act (NLRA) protects private-sector employees from retaliation if they discuss their wages with others in a mutual effort to improve their situation. Unfortunately, the NLRA's protections are limited and the Act has not prevented employers from requiring non-disclosure contracts or other punitive policies. The NLRA does not apply to supervisors, a term which has been broadly interpreted by the courts, as has the NLRA's "business justification" exception to its protections.ⁱⁱⁱ

There are now ten states that have enacted "pay secrecy" laws: Michigan and California in the 1980s, and between 2000 and 2014, Colorado, Illinois, Louisiana, Maine, Minnesota, New Jersey, Vermont and New Hampshire.^{iv}

It is government's role to protect citizens' rights, and surely pay equity is one of those rights too often overlooked and abused – whether willingly or through ingrained corporate practice. It is our strong belief that if companies are committed to paying employees fairly – based on their experience, education and work ethic, and *not* on gender – they should have no objection to complying with this call for wage transparency.

Thank you for the opportunity to provide comments today and I welcome any questions you may have.

ⁱ The Status of Women in Connecticut's Workforce, Permanent Commission on the Status of Women/Institute for Women's Policy Research, November 2014.

ⁱⁱ Pay Secrecy and Wage Discrimination, Institute for Women's Policy Research/Rockefeller Foundation, June 2011.

ⁱⁱⁱ PCSW/IWPR, November 2014.

^{iv} Combatting Punitive Pay Secrecy Policies, National Women's Law Center, 2012.

^v United States Department of Labor, Women's Bureau. Fact Sheet: Pay Secrecy. August 2014.



Testimony of Eric W. Gjede
Assistant Counsel, CBIA
Before the Committee on Labor and Public Employees
Hartford, CT
March 3, 2015

Testifying in opposition to HB 6850 An Act Concerning Pay Equity And Fairness

Good afternoon Senator Winfield, Representative Tercyak, Senator Hwang, Representative Rutigliano and members of the Labor and Public Employees Committee. My name is Eric Gjede and I am assistant counsel at the Connecticut Business and Industry Association (CBIA), which represents more than 10,000 large and small companies throughout the state of Connecticut.

CBIA supports the intent of HB 6850, but believes the proposal put forward here will create more issues than it resolves.

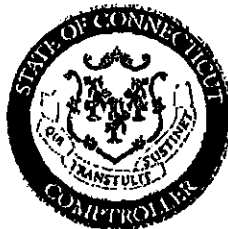
We can all agree that gender should not be a factor in determining one's wages. However, it is legitimate for a business to pay different wages to an employee based on their skills and experience. Simply because one employee has the same title as another is not an indication that they provide the same work product for the employer or bring the same value. Allowing employees free reign to compare their wages can lead to morale issues within the workplace. For example:

1. It allows for an employee to inquire about another employee's salary, but can lead to conflict because it makes no change in the law prohibiting an employer from sharing information through the personnel files law.
2. It ignores the possibility that an employee may improperly access another's wage and salary information, and creates problems for an employer who attempts to stop that employee from disclosing their findings.
3. The remedy for a violation of this section is court action, which could result in litigation threats and fishing expeditions by an employee's attorney. If this is attempting to address discriminatory behaviors, then remedy should be an action to the CHRO.
4. It prevents an employer from disciplining an employee who repeatedly asks another about their salary in an unwelcomed, harassing manner.

As a result of the high likelihood of problems arising as a result of this bill, we urge the committee to take no further action on HB 6850.

KEVIN LEMBO
STATE COMPTROLLER

MARTHA CARLSON
DEPUTY COMPTROLLER



STATE OF CONNECTICUT
OFFICE of the STATE COMPTROLLER
55 Elm Street
Hartford, CT 06106

WRITTEN TESTIMONY
Kevin Lembo
State Comptroller

Concerning
H.B. 6850 An Act Concerning Pay Equity and Fairness

March 3, 2015

Senator Gomes, Representative Tercyak, Senator Hwang, Representative Rutigliano and Members of the Committee:

Thank you for raising this legislation and for the opportunity to show my support for efforts to make equal pay for equal work a reality. I would also like to thank the Governor for his leadership on this issue.

According to the Institute for Women's Policy Research, the 2013 median annual earnings for women were \$39,157, while \$50,033 for men. When compared to the earnings of 2012, there was no significant improvement for either. Should the pace of change for the annual earnings ratio continue at the same rate it has since 1960, men and women will not reach pay equality until 2058.

While there are a number of factors that contribute to wage disparities between men and women, this bill is a good step to help bring parity quicker to Connecticut women. It would prohibit employers from forcing their employees to keep their salaries a secret and allow employees to have conversations about their salaries without penalty. Allowing for basic transparency is one way to erode pay inequities in the workplace. As it is commonly said, sunlight is the best disinfectant.

I urge your support.

Thank you for your consideration.



CONNECTICUT AFL-CIO

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Testimony of the Connecticut AFL-CIO before the Labor and Public Employees Committee

March 3rd, 2015

Senator Winfield, Representative Tercyak and members of the Labor and Public Employees Committee, I am Lori Pelletier and I serve as the Executive Secretary- Treasurer of the Connecticut AFL-CIO. I am here to testify on behalf of the 900 affiliated local unions who represent 200,000 working men and women from every city and town in our great state in support of:

H.B. No. 6850 AN ACT CONCERNING PAY EQUITY AND FAIRNESS

We applaud Governor Malloy for proposing this legislation on workplace fairness it is long overdue.

The Connecticut AFL-CIO supports workers' rights and this bill, if passed, would address the inherent rights we believe all workers deserve.

Union employees, through the collective bargaining process, have transparency in which employees pay scale (this is also inclusive of the prevailing wage), wage classification rates, wage steps for incremental wage increases and benefits are defined in a legal document called a contract.

All workers give a fair days work and only ask for a fair days pay in return. But how do they know if they are being paid a fair wage? Can you imagine going to a grocery store and not knowing the price when putting product into your cart?

Is it fair for a worker be forced to sign a document relinquishing their rights? Or for an employee to be fired for inquiring about the value of their labor?

If you answered no these questions, we urge you to consider a yes vote to this legislation.

We appreciate the committee holding this public hearing.

Respectfully Submitted,

Lori Pelletier

Executive Secretary Treasurer, Connecticut AFL-CIO

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Committee on Labor and Public Employees
Public Testimony of the Connecticut Women's Education and Legal Fund
Governor's Bill No. 6850: An Act Concerning Pay Equity and Fairness
Submitted by Madeline Granato, Public Policy Intern and
Catherine Bailey, Legal and Public Policy Director
March 3, 2015

CWEALF is a statewide non-profit organization dedicated to empowering women, girls and their families to achieve equal opportunities in their personal and professional lives. For years, CWEALF has been a leader in advocating for policies that address discrimination and workplace policies, including Connecticut's gender wage gap.

As an organization that continuously seeks to promote rights and opportunities for women and their families throughout the state, CWEALF supports Governor's Bill No. 6850: An Act Concerning Pay Equity and Fairness as a progressive step forward in minimizing the gender wage gap that continues to plague Connecticut's workforce. By prohibiting employers from discouraging workers to disclose, inquire or discuss the amount of his or her wages or the wages of another employee, Connecticut will make strides in reducing pay secrecy practices that have halted conversations about the state's gender wage gap.

As a member of the Gender Wage Gap Task Force in 2013, CWEALF along with several other advocates, identified pay secrecy practices as a major factor in the slower compensation growth of women workers. In workplace environments that withhold information or discourage conversations to negotiate salary options, women are unlikely to know whether they are being paid fairly.

Lilly Ledbetter, perhaps the most well-known victim of pay inequity said, "I thought I was earning good pay. I thought they were treating me fairly."ⁱ But because her company had a pay secrecy policy, she did not find out until 20 years later than she was earning far less than her male coworkers.

Although the Taskforce found no direct link between pay secrecy and the gender wage gap, it should be noted that in the federal government, where pay information is public, the total gender wage gap is only 11%, half of Connecticut's overall rate of 22%.ⁱⁱ The gender wage gap is also much smaller among union members, where pay secrecy practices are less common.

Policies that promote pay transparency therefore supply women with valuable information to prepare for conversations to negotiate starting salaries and pay raises. Although Connecticut and the rest of the nation have a long journey ahead in achieving pay equity, policies

that eliminate the pay secrecy practices perpetuating the gender wage gap are progressive strides in reducing workforce discrimination and ensuring equal pay for equal work.

The current gender wage gap is more than a “women’s issue” – it is an economic concern that will continue to hinder Connecticut’s economic growth unless the state begins to take the necessary steps in eliminating pay discrepancies. In today’s workforce, women play an increasingly important role in securing the financial stability of their families; however, an estimated 24% of households in Connecticut headed by women with children fall below the federal poverty level.ⁱⁱ Taking steps to eliminate the gender wage gap will provide critical income to these families.

In order to take the first strong step to end pay inequity, CWEALF supports Governor’s Bill No. 6850: *An Act Concerning Pay Equity and Fairness* as a way to encourage workers to discuss salary and pay discrepancies. By reducing employer practices that dissuade workers from discussing wages, Connecticut will bring the issue of pay equity to the forefront of workplace conversations.

ⁱ Bar-Lev, Abigail, “*I Thought They Were Treating Me Fairly, or, Honoring Lilly Ledbetter by Eliminating Pay Secrecy Policies*,” National Women’s Law Center, January 29, 2015, www.nwlc.org/our-blog/.

ⁱⁱ The Gender Wage Gap Task Force. (2013). *The Gender Wage Gap in Connecticut: Findings and Recommendations*. Retrieved from:

http://www.governor.ct.gov/malloy/lib/malloy/2013.11.19_gender_wage_gap_in_ct.pdf.

ⁱⁱⁱ *Id.*



**Testimony of
Sharon M. Palmer, Commissioner
Department of Labor
Labor and Public Employees Committee
March 3, 2015**

Good Day Senator Gomes, Representative Tercyak, Senator Hwang and Representative Rutigliano and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with testimony regarding House Bill No. 6850 AAC Pay Equity and Fairness. My name is Sharon Palmer and I am the Commissioner of the Department of Labor.

I am here to speak in favor of this bill, proposed by Governor Malloy. This bill would bar an employer from prohibiting an employee from disclosing, inquiring about or discussing the amount of his or her wages or the wages of another employee and discharging, disciplining, or discriminating against any employee who discloses, inquires about or discusses the amount of his or her wages. This is a fair and necessary bill that is a priority of Governor Malloy and the Department of Labor.

Thank you for the opportunity to provide this testimony.



Testimony of Thursa Isaac
President of AFSCME Local 562
Labor and Public Employees Committee
HB 6850: AAC Pay Equity and Fairness
March 3, 2015

Good afternoon, Senator Gomes, Representative Tercyak, and members of the Labor and Public Employees Committee. My name is Thursa Isaac. I am the President of AFSCME Local 562, and serve on the Council 4 AFSCME Executive Board. I am also the Chair of the Women's Committee.

Council 4 supports HB 6850: An Act Concerning Pay Equity and Fairness. This bill prohibits employers from disallowing employees from talking to each other about what they are paid. It prohibits an employer from punishing or firing employees for talking about their wages.

We thank Governor Malloy for putting in this bill. This bill helps empower employees to correct a wrong that happens to women every day where they are paid less than men doing the same exact work.

What happened to Lily Ledbetter is exactly why employees need to be able to share this information with each other. Ms. Ledbetter was an employee who for years was paid less than her male counterparts. She did not know this because her employer prohibited her from discussing her wages with other employees. In other words, her employer was able to sexually discriminate against her on a wage basis, and was able to cover it up by disallowing speech that might lead to the discovery of such discrimination. Even though Ledbetter's employer was found to have discriminated against her in court, she was unable to collect on the back wages owed her because of a statute of limitations.

Being a loyal employee Ledbetter followed her employer's instructions and never discussed her pay with any of her 14 all male colleagues. At retirement she found out that she was being made about 25% lower than any of her colleagues including those who had been hired well after her.

The U.S. Census showed that women make 77 cents for every dollar that a man makes on average.

Council 4 would be happy to provide the committee with any additional information. Thank you for your consideration.