

# **EQUAL PAY AND BOARD DIVERSITY**

# Public and Private Sectors Initiatives

## **EQUAL PAY PROTECTIONS**

#### New York State

Governor Andrew Cuomo's 10 Point Women's Equality Act which addresses women's economic and physical security was introduced in 2013. All but the reproductive health plank were passed by both houses of the NYS Legislature in June 2015 and sign into law October 21, 2015.

The Equal Pay Bill (S. 1 Savino/A.6075 Titus) prohibits differential pay because of sex and becomes a law on January 19, 2016. Provisions of this law:

- + Closes a loophole in New York's equal pay law that allows employers to justify paying female employees less. The legislation amends the state's Labor Law to revise the "any other factor other than sex" affirmative defense that employers use when justifying pay differentials to "a bona fide factor other than sex" that is not based on or derived from a sex-based wage differential and is job-related and consistent with "business necessity."
- + Provides that employees who work for the same employer but at different workplaces must be paid equal wages, provided those workplaces are in the same geographical region (no bigger than a county). Currently only employees at the same physical location have to be paid the same wage.
- + Outlaws workplace wage secrecy policies. Provides that employers may not "prohibit an employee from inquiring about, discussing, or disclosing the wages" of an employee, but allows employers to establish reasonable workplace and workday limitations on inquiries, discussion, or disclosure and including prohibiting employees from discussing or disclosing the wages of another employee without that employee's permission.
- + Increases damages available to a prevailing litigant to 300% of unpaid wages. Provides for liquidated damages up to 300% of unpaid wages in administrative actions and up to 300% of unpaid wages in court actions for willful violations of equal pay laws.

#### Federal

On April 8, 2015 a Presidential Executive Order was issued "prohibiting federal contractors from retaliating against employees who choose to discuss their compensation. The Executive Order does not compel workers to discuss pay, nor does it require employers to publish or otherwise disseminate pay data – but it does provide a critical tool to encourage pay transparency, so workers have a potential way of discovering violations of equal pay laws and are able to seek appropriate remedies.

# PRIVATE SECTOR EQUAL PAY

#### Federal

On April 8, 2015 a Presidential Memorandum was announced "instructing the Secretary of Labor to establish new regulations requiring federal contractors to submit to the Department of Labor summary data on compensation paid to their employees, including data by sex and race. The Department of Labor will use the data to encourage compliance with equal pay laws and to target enforcement more effectively by focusing efforts where there are discrepancies and reducing burdens on other employers."

#### New Mexico

In 2009, Governor Bill Richardson established the Governor's Task Force on Fair and Equal Pay ("Task Force"). Based on the recommendations of the Task Force, Governor Richardson subsequently issued an Executive Order that required companies that wanted to contract with the State to provide basic pay equity reports. The pay reports use the same nine occupational categories used by the federal Equal Employment Opportunity Commission's (EEOC) EEO-1 forms. The reporting requirement applies to all state agencies that let contracts and all categories of purchasing.

About 3,200 firms are covered by the requirements, ranging in size from New Mexico's largest employer, Intel (with more than 3,000 employees) to firms with only 10 employees. This reporting has become a regular part of the contracting process and New Mexico employers have not reported difficulties complying with the law

Albuquerque: The City of Albuquerque (pop. +555,000), under a Republican mayor, has instituted pay equity reporting for city contractors based on the state model.

## Erie County, New York

Erie County Executive Mark C. Poloncarz signed an Executive Order requiring contractors with Erie County to submit an Erie County Equal Pay Certification indicating their compliance with federal and state Equal Pay Laws prior to entering into a contract with Erie County and subjecting said contractors to future monitoring and audits of contractor records to confirm compliance with Equal Pay Laws. The Executive Order went into effect on January 1, 2015.

#### Minnesota

The Economic Security Act includes Equal Pay Certificates for Contractors requiring businesses with 40 or more employees seeking state contracts of over \$500,000 to certify they are paying employees equal wages, regardless of gender. Contractors will also have to certify there are no pay gaps between men and women by job class.

## Proposed Legislation: New York State

S. 6059 Hoylman/ A. 8487 Glick, is a proposed bill requiring any company with over 100 employees seeking a contract or doing business with the state is required to publicly report their wage gap based on gender, race and ethnicity.

A second proposed bill, A.8385/Rosenthal requires issuing certificates of compliance to employers who achieves a gender pay gap of 10 percent or less.

## Proposed Legislation: New York City

In New York City Int. 752, sponsored by Public Advocate Letitia James, CM H. Rosenthal, M. Chin, Mendez, Miller, would require the City's chief procurement officer to publish an annual report that provides employment details regarding vendors that contract with the City. Report must include the following information, disaggregated by contract and job category:

- + the number of individuals employed to provide services under the contract; the number of hours worked by such individuals;
- + the total compensation for such individuals.
- + the number of women and minorities employed to provide services

## **BOARD DIVERSITY**

#### California

In August 2014, California passed SCR 62, a resolution urging all publicly held corporations over the next three years to add women to their boards of directors. California is the first state in the US to take a stand on gender diversity in the boardroom and the first state to define boardroom diversity as three women directors with a timeline of three years. SCR 62 is not a law but it demonstrates the state's commitment to diversifying the boards of California public companies. It urges companies to have a minimum of 3 women directors on every corporate board of 9 members or more by the end of 2016. Boards with 5 to 8 seats should have a minimum of two women, and boards with 4 or fewer seats should have at least one woman. According to research conducted by UC Davis almost half of the 400 largest publicly held corporations in California have NO women on their boards.

Following the lead of California's success in passing SCR 62, Illinois, Massachusetts and Philadelphia passed resolutions. In 2014 NYS Assembly passed K01413 (Glick) modeled after CSR 62 (no Senate sponsor).

## Proposed Legislation: New York State

S.5709 Savino/A. 2028A Rosenthal, is an act to amend the state finance law, in relation to requiring that bidders and all others seeking state contracts disclose their percentage and number of female executives and board members.

## Proposed Legislation: New York City

Int. 704/705, is sponsored by Council Members Elizabeth S. Crowley, Darlene Mealy and over 24 cosponsors. These bills would make clear that Small Buusiness Services should collect data on race and gender diversity of the boards of directors, officers, and other executive level employees of companies that contract with the City. In addition, this bill would require Small Buusiness Services to release an annual report on the employment policies, practices and statistics of city contractors, including the diversity of their directors, officers, and other executive level employees.



# **POWHER NEW YORK IS AN INCLUSIVE STATEWIDE NETWORK TO** ACCELERATE ECONOMIC EQUALITYFOR WOMEN IN NEW YORK STATE.

Some of us are long-time advocates and others are new to the conversation, but we find common cause as a community, generating POWHER. Our strategic actions create a new reality for 10 million New York women and their families.

Through our collaboration we will attain:

Poverty Solutions

Opportunity and Access

Workplace Fairness

Healthy Lives

Equal Pay

Representation at all Tables

Join us to: • Amplify the amazing efforts already in full swing around New York State • Shake things up with new ideas + approaches • Advocate through our signature program, PowHer NY Equal Pay Campaign • Learn about the topics at powherny.org • Share our POWHER message through social media channels

## For more information on joining our network contact info@powherny.org.

## OUR NFTWORK \*Denotes member of the Equal Pay Campaign

50/50 in 2020 Coalition\*

9-5 National Association of Working Wom-

A Better Balance\* AAUW-NYS\*

Asian Women in Business\*

Catalyst\*

Center for the Women of New York\* Centro Civico Cultural Dominicano\*

Collaboration for Construction Women\*

York City\*

Family Values @ Work

Elderly, Inc.\*

International Code Council \*

Jewish Women's Foundation of New York\* Junior League of the City of New York\* League of Professional Theatre Women\*

League of Women's Voters- NYC\*

Legal Momentum\*

Lean In\*

Nation to Nation Networking\*

National Association of Female Executives\*

National Council of Jewish Women\*

National Organization of Italian Women\*

National Women's Law Center\*

York\*

York Lakeville\*

New York Civil Liberties Union\*

New York Coalition of 100 Black Women\*

New York State Paid Leave Coalition\* New York State Pay Equity Coalition\*

New York Women in Film and Television\*

New York Women's Agenda\*

New York Women's Bar Association\*

New York Women's Chamber of Commerce\*

New York Women's Foundation\*

NOW Brooklyn-Queens\*

NOW-NYC\*

NOW-NYS\*

NOW-Westchester\*

NYS Women, Inc.\*

Partnership for Women and Families\*

Re: Gender\*

The Transition Network\*

UN Women Metro NYC Chapter\*

Women, Chefs and Restauranteurs\*

Women in Arts & Media Coalition, Inc.\*

Women in Communications\*

Women in Development- NYC\*

Women in Health Management\*

Advancement\*

Women's Media Center\*

Women's City Club of New York\*

Women's Fund of Long Island\*

YWCA of New York\*

Zonta International Club of New York\*

Zonta of Greater Queens\*