112TH CONGRESS 1ST SESSION

H. R. 1519

To amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

April 13, 2011

Ms. Delauro (for herself, Ms. Pelosi, Mr. George Miller of California, Ms. Castor of Florida, Mr. Olver, Ms. Norton, Mrs. Christensen, Mr. Towns, Ms. Moore, Mrs. Lowey, Ms. Degette, Mr. Ryan of Ohio, Ms. Brown of Florida, Mr. Murphy of Connecticut, Mr. Acker-MAN, Mr. Wu, Mr. Jackson of Illinois, Mr. Langevin, Mr. Heinrich, Ms. Berkley, Ms. Hanabusa, Mr. Rangel, Mrs. Capps, Ms. Richard-SON, Mr. VAN HOLLEN, Ms. TSONGAS, Mr. RUSH, Mr. GRIJALVA, Mr. LEVIN, Mr. MORAN, Mr. VISCLOSKY, Ms. SUTTON, Mr. YARMUTH, Ms. BALDWIN, Mr. HIGGINS, Mr. HASTINGS of Florida, Mr. LUJÁN, Ms. SPEIER, Ms. WATERS, Ms. WOOLSEY, Mr. SERRANO, Mr. HOLT, Mr. SARBANES, Mr. CONYERS, Mr. ISRAEL, Mr. NADLER, Mr. SCHIFF, Mr. McDermott, Mr. Sires, Mr. Loebsack, Mr. Lewis of Georgia, Mrs. Davis of California, Mr. Cooper, Mr. Scott of Virginia, Ms. Chu, Mr. DINGELL, Mr. GONZALEZ, Mr. BRALEY of Iowa, Mr. McGovern, Mr. Peters, Mr. Lynch, Mr. Connolly of Virginia, Ms. Clarke of New York, Mr. Johnson of Georgia, Mr. Pallone, Ms. Roybal-Allard, Mr. HINOJOSA, Mr. ROTHMAN of New Jersey, Mr. Brady of Pennsylvania, Ms. McCollum, Mr. Doggett, Mr. Cardoza, Mr. Gene Green of Texas, Mr. Cicilline, Mr. Sherman, Mr. Filner, Ms. Matsui, Mr. LARSON of Connecticut, Mr. Al Green of Texas, Mr. Gutierrez, Ms. Bass of California, Ms. Schakowsky, Mr. Doyle, Ms. Hirono, Mr. DEFAZIO, Mr. BOSWELL, Mr. CARSON of Indiana, Mr. Polis, Mr. Farr, Mr. Reyes, Ms. Kaptur, Mrs. Napolitano, Mr. Tierney, Mr. ELLISON, Ms. Wasserman Schultz, Mr. Butterfield, Mr. Baca, Mr. Clarke of Michigan, Ms. Sewell, Mr. Michaud, Ms. Schwartz, Mr. STARK, Mr. KIND, Mr. KILDEE, Mr. THOMPSON of Mississippi, Mr. Crowley, Mr. Thompson of California, Ms. Zoe Lofgren of California, Mr. Berman, Mr. Frank of Massachusetts, Ms. Bordallo, Mr. COURTNEY, Mr. HIMES, Mr. HOYER, Mrs. MALONEY, Mr. FATTAH, Ms. LORETTA SANCHEZ of California, Mr. Walz of Minnesota, Mr. Faleomavaega, Ms. Lee of California, Ms. Linda T. Sánchez of California, Mr. Costello, Mr. Bishop of New York, Mr. Carnahan, Mr. Waxman, Mr. Kucinich, Mr. Davis of Illinois, Mr. Price of North Carolina, Mr. Blumenauer, Mr. Pascrell, Mr. McNerney, Mr. Hinchey, Mr. Becerra, Mrs. McCarthy of New York, Mr. Richmond, Ms. Jackson Lee of Texas, Mr. Cummings, Mr. Engel, Mr. Welch, Mr. Markey, Ms. Eshoo, Mr. Clyburn, Mr. Tonko, Mr. Perlmutter, Ms. Fudge, Mr. Cohen, Mr. Neal, Mr. David Scott of Georgia, Ms. Slaughter, Mr. Capuano, Mr. Boren, Ms. Wilson of Florida, Mr. Lipinski, Mr. Watt, Ms. Velázquez, Mr. Rahall, Mr. Pastor of Arizona, Mr. Payne, Mr. Andrews, Mr. Weiner, Ms. Eddie Bernice Johnson of Texas, Mr. Clay, Mr. Cleaver, Mr. Altmire, Mr. Keating, Ms. Pingree of Maine, Mr. Garamendi, and Ms. Edwards) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Paycheck Fairness
- 5 Act".
- 6 SEC. 2. FINDINGS.
- 7 Congress finds the following:
- 8 (1) Women have entered the workforce in
- 9 record numbers over the past 50 years.
- 10 (2) Despite the enactment of the Equal Pay Act
- in 1963, many women continue to earn significantly
- lower pay than men for equal work. These pay dis-

1	parities exist in both the private and governmental
2	sectors. In many instances, the pay disparities can
3	only be due to continued intentional discrimination
4	or the lingering effects of past discrimination.
5	(3) The existence of such pay disparities—
6	(A) depresses the wages of working fami-
7	lies who rely on the wages of all members of the
8	family to make ends meet;
9	(B) undermines women's retirement secu-
10	rity, which is often based on earnings while in
11	the workforce;
12	(C) prevents the optimum utilization of
13	available labor resources;
14	(D) has been spread and perpetuated,
15	through commerce and the channels and instru-
16	mentalities of commerce, among the workers of
17	the several States;
18	(E) burdens commerce and the free flow of
19	goods in commerce;
20	(F) constitutes an unfair method of com-
21	petition in commerce;
22	(G) leads to labor disputes burdening and
23	obstructing commerce and the free flow of
24	goods in commerce;

1	(H) interferes with the orderly and fair
2	marketing of goods in commerce; and
3	(I) in many instances, may deprive workers
4	of equal protection on the basis of sex in viola-
5	tion of the 5th and 14th Amendments.
6	(4)(A) Artificial barriers to the elimination of
7	discrimination in the payment of wages on the basis
8	of sex continue to exist decades after the enactment
9	of the Fair Labor Standards Act of 1938 (29 U.S.C.
10	201 et seq.) and the Civil Rights Act of 1964 (42
11	U.S.C. 2000a et seq.).
12	(B) These barriers have resulted, in significant
13	part, because the Equal Pay Act has not worked as
14	Congress originally intended. Improvements and
15	modifications to the law are necessary to ensure that
16	the Act provides effective protection to those subject
17	to pay discrimination on the basis of their sex.
18	(C) Elimination of such barriers would have
19	positive effects, including—
20	(i) providing a solution to problems in the
21	economy created by unfair pay disparities;
22	(ii) substantially reducing the number of
23	working women earning unfairly low wages,
24	thereby reducing the dependence on public as-
25	sistance;

1	(iii) promoting stable families by enabling
2	all family members to earn a fair rate of pay;
3	(iv) remedying the effects of past discrimi-
4	nation on the basis of sex and ensuring that in
5	the future workers are afforded equal protection
6	on the basis of sex; and
7	(v) ensuring equal protection pursuant to
8	Congress' power to enforce the 5th and 14th
9	Amendments.
10	(5) The Department of Labor and the Equal
11	Employment Opportunity Commission have impor-
12	tant and unique responsibilities to help ensure that
13	women receive equal pay for equal work.
14	(6) The Department of Labor is responsible
15	for—
16	(A) collecting and making publicly avail-
17	able information about women's pay;
18	(B) ensuring that companies receiving
19	Federal contracts comply with anti-discrimina-
20	tion affirmative action requirements of Execu-
21	tive Order 11246 (relating to equal employment
22	opportunity);
23	(C) disseminating information about wom-
24	en's rights in the workplace;

- 1 (D) helping women who have been victims 2 of pay discrimination obtain a remedy; and
 - (E) being proactive in investigating and prosecuting equal pay violations, especially systemic violations, and in enforcing all of its mandates.
 - (7) The Equal Employment Opportunity Commission is the primary enforcement agency for claims made under the Equal Pay Act, and issues regulations and guidance on appropriate interpretations of the law.
 - (8) With a stronger commitment by the Department of Labor and the Equal Employment Opportunity Commission to their responsibilities, increased information as a result of the amendments made by this Act to the Equal Pay Act of 1963, wage data, and more effective remedies, women will be better able to recognize and enforce their rights.
 - (9) Certain employers have already made great strides in eradicating unfair pay disparities in the workplace and their achievements should be recognized.

1	SEC. 3. ENHANCED ENFORCEMENT OF EQUAL PAY RE-
2	QUIREMENTS.
3	(a) Bona-Fide Factor Defense and Modifica-
4	TION OF SAME ESTABLISHMENT REQUIREMENT.—Section
5	6(d)(1) of the Fair Labor Standards Act of 1938 (29
6	U.S.C. 206(d)(1)) is amended—
7	(1) by striking "No employer having" and in-
8	serting "(A) No employer having";
9	(2) by striking "any other factor other than
10	sex" and inserting "a bona fide factor other than
11	sex, such as education, training, or experience"; and
12	(3) by inserting at the end the following:
13	"(B) The bona fide factor defense described in sub-
14	paragraph (A)(iv) shall apply only if the employer dem-
15	onstrates that such factor (i) is not based upon or derived
16	from a sex-based differential in compensation; (ii) is job-
17	related with respect to the position in question; and (iii)
18	is consistent with business necessity. Such defense shall
19	not apply where the employee demonstrates that an alter-
20	native employment practice exists that would serve the
21	same business purpose without producing such differential
22	and that the employer has refused to adopt such alter-
23	native practice.
24	"(C) For purposes of subparagraph (A), employees
25	shall be deemed to work in the same establishment if the
26	employees work for the same employer at workplaces lo-

1	cated in the same county or similar political subdivision
2	of a State. The preceding sentence shall not be construed
3	as limiting broader applications of the term 'establish-
4	ment' consistent with rules prescribed or guidance issued
5	by the Equal Opportunity Employment Commission.".
6	(b) Nonretaliation Provision.—Section 15 of the
7	Fair Labor Standards Act of 1938 (29 U.S.C. 215(a)(3))
8	is amended—
9	(1) in subsection (a)(3), by striking "employee
10	has filed" and all that follows and inserting "em-
11	ployee—
12	"(A) has made a charge or filed any com-
13	plaint or instituted or caused to be instituted
14	any investigation, proceeding, hearing, or action
15	under or related to this Act, including an inves-
16	tigation conducted by the employer, or has tes-
17	tified or is planning to testify or has assisted or
18	participated in any manner in any such inves-
19	tigation, proceeding, hearing or action, or has
20	served or is planning to serve on an industry
21	Committee; or
22	"(B) has inquired about, discussed, or dis-
23	closed the wages of the employee or another
24	employee."; and
25	(2) by adding at the end the following:

- 1 "(c) Subsection (a)(3)(B) shall not apply to instances
- 2 in which an employee who has access to the wage informa-
- 3 tion of other employees as a part of such employee's essen-
- 4 tial job functions discloses the wages of such other employ-
- 5 ees to individuals who do not otherwise have access to such
- 6 information, unless such disclosure is in response to a
- 7 complaint or charge or in furtherance of an investigation,
- 8 proceeding, hearing, or action under section 6(d), includ-
- 9 ing an investigation conducted by the employer. Nothing
- 10 in this subsection shall be construed to limit the rights
- 11 of an employee provided under any other provision of
- 12 law.".
- 13 (c) Enhanced Penalties.—Section 16(b) of the
- 14 Fair Labor Standards Act of 1938 (29 U.S.C. 216(b)) is
- 15 amended—
- 16 (1) by inserting after the first sentence the fol-
- lowing: "Any employer who violates section 6(d)
- shall additionally be liable for such compensatory
- damages, or, where the employee demonstrates that
- the employer acted with malice or reckless indiffer-
- ence, punitive damages as may be appropriate, ex-
- cept that the United States shall not be liable for
- punitive damages.";
- 24 (2) in the sentence beginning "An action to",
- by striking "either of the preceding sentences" and

1	inserting "any of the preceding sentences of this
2	subsection";
3	(3) in the sentence beginning "No employees
4	shall", by striking "No employees" and inserting
5	"Except with respect to class actions brought to en-
6	force section 6(d), no employee";
7	(4) by inserting after the sentence referred to
8	in paragraph (3), the following: "Notwithstanding
9	any other provision of Federal law, any action
10	brought to enforce section 6(d) may be maintained
11	as a class action as provided by the Federal Rules
12	of Civil Procedure."; and
13	(5) in the sentence beginning "The court in"—
14	(A) by striking "in such action" and in-
15	serting "in any action brought to recover the li-
16	ability prescribed in any of the preceding sen-
17	tences of this subsection"; and
18	(B) by inserting before the period the fol-
19	lowing: ", including expert fees".
20	(d) ACTION BY SECRETARY.—Section 16(c) of the
21	Fair Labor Standards Act of 1938 (29 U.S.C. 216(c)) is
22	amended—
23	(1) in the first sentence—
24	(A) by inserting "or, in the case of a viola-
25	tion of section 6(d), additional compensatory or

1	punitive damages, as described in subsection
2	(b)," before "and the agreement"; and
3	(B) by inserting before the period the fol-
4	lowing: ", or such compensatory or punitive
5	damages, as appropriate";
6	(2) in the second sentence, by inserting before
7	the period the following: "and, in the case of a viola-
8	tion of section 6(d), additional compensatory or pu-
9	nitive damages, as described in subsection (b)";
10	(3) in the third sentence, by striking "the first
11	sentence" and inserting "the first or second sen-
12	tence"; and
13	(4) in the last sentence—
14	(A) by striking "commenced in the case"
15	and inserting "commenced—
16	"(1) in the case";
17	(B) by striking the period and inserting ";
18	or''; and
19	(C) by adding at the end the following:
20	"(2) in the case of a class action brought to en-
21	force section 6(d), on the date on which the indi-
22	vidual becomes a party plaintiff to the class action.".
23	SEC. 4. TRAINING.
24	The Equal Employment Opportunity Commission
25	and the Office of Federal Contract Compliance Programs.

subject to the availability of funds appropriated under sec tion 10, shall provide training to Commission employees
 and affected individuals and entities on matters involving
 discrimination in the payment of wages.

5 SEC. 5. NEGOTIATION SKILLS TRAINING FOR GIRLS AND

(a) Program Authorized.—

WOMEN.

- (1) IN GENERAL.—The Secretary of Labor, after consultation with the Secretary of Education, is authorized to establish and carry out a grant program.
- (2) Grants.—In carrying out the program, the Secretary of Labor may make grants on a competitive basis to eligible entities, to carry out negotiation skills training programs for girls and women.
- (3) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this subsection, an entity shall be a public agency, such as a State, a local government in a metropolitan statistical area (as defined by the Office of Management and Budget), a State educational agency, or a local educational agency, a private nonprofit organization, or a community-based organization.
- (4) APPLICATION.—To be eligible to receive a grant under this subsection, an entity shall submit

- an application to the Secretary of Labor at such time, in such manner, and containing such information as the Secretary of Labor may require.
- 4 (5) Use of funds.—An entity that receives a 5 grant under this subsection shall use the funds made 6 available through the grant to carry out an effective 7 negotiation skills training program that empowers 8 girls and women. The training provided through the 9 program shall help girls and women strengthen their 10 negotiation skills to allow the girls and women to ob-11 tain higher salaries and rates of compensation that 12 are equal to those paid to similarly situated male 13 employees.
- 14 (b) Incorporating Training Into Existing Pro-15 Grams.—The Secretary of Labor and the Secretary of 16 Education shall issue regulations or policy guidance that 17 provides for integrating the negotiation skills training, to 18 the extent practicable, into programs authorized under—
- (1) in the case of the Secretary of Education,
 the Elementary and Secondary Education Act of
 1965 (20 U.S.C. 6301 et seq.), the Carl D. Perkins
 Vocational and Technical Education Act of 1998 (20
 U.S.C. 2301 et seq.), the Higher Education Act of
 1965 (20 U.S.C. 1001 et seq.), and other programs
 carried out by the Department of Education that the

1 Secretary of Education determines to be appro-2 priate; and 3 (2) in the case of the Secretary of Labor, the Workforce Investment Act of 1998 (29 U.S.C. 2801) 5 et seq.), and other programs carried out by the De-6 partment of Labor that the Secretary of Labor de-7 termines to be appropriate. 8 (c) Report.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Sec-10 retary of Labor and the Secretary of Education shall prepare and submit to Congress a report describing the ac-12 tivities conducted under this section and evaluating the effectiveness of such activities in achieving the purposes of 14 this Act. SEC. 6. RESEARCH, EDUCATION, AND OUTREACH. 16 The Secretary of Labor shall conduct studies and provide information to employers, labor organizations, and the general public concerning the means available to elimi-18 19 nate pay disparities between men and women, including— 20 (1) conducting and promoting research to de-21 velop the means to correct expeditiously the condi-22 tions leading to the pay disparities; 23 (2) publishing and otherwise making available 24 to employers, labor organizations, professional asso-

ciations, educational institutions, the media, and the

- general public the findings resulting from studies and other materials, relating to eliminating the pay disparities;
 - (3) sponsoring and assisting State and community informational and educational programs;
 - (4) providing information to employers, labor organizations, professional associations, and other interested persons on the means of eliminating the pay disparities;
 - (5) recognizing and promoting the achievements of employers, labor organizations, and professional associations that have worked to eliminate the pay disparities; and
- 14 (6) convening a national summit to discuss, and 15 consider approaches for rectifying, the pay dispari-16 ties.

17 SEC. 7. ESTABLISHMENT OF THE NATIONAL AWARD FOR

- 18 PAY EQUITY IN THE WORKPLACE.
- 19 (a) In General.—There is established the Secretary
- 20 of Labor's National Award for Pay Equity in the Work-
- 21 place, which shall be awarded, as appropriate, to encour-
- 22 age proactive efforts to comply with section 6(d) of the
- 23 Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)).
- 24 (b) Criteria for Qualification.—The Secretary
- 25 of Labor shall set criteria for receipt of the award, includ-

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ing a requirement that an employer has made substantial effort to eliminate pay disparities between men and 3 women, and deserves special recognition as a consequence 4 of such effort. The Secretary shall establish procedures for 5 the application and presentation of the award. 6 (c) Business.—In this section, the term "employer" includes— 7 8 (1)(A) a corporation, including a nonprofit cor-9 poration; 10 (B) a partnership; 11 (C) a professional association; 12 (D) a labor organization; and 13 (E) a business entity similar to an entity de-14 scribed in any of subparagraphs (A) through (D); 15 (2) an entity carrying out an education referral 16 program, a training program, such as an apprentice-17 ship or management training program, or a similar 18 program; and 19 (3) an entity carrying out a joint program, 20 formed by a combination of any entities described in

paragraph (1) or (2).

1	SEC. 8. COLLECTION OF PAY INFORMATION BY THE EQUAL
2	EMPLOYMENT OPPORTUNITY COMMISSION.
3	Section 709 of the Civil Rights Act of 1964 (42
4	U.S.C. 2000e-8) is amended by adding at the end the fol-
5	lowing:
6	"(f)(1) Not later than 18 months after the date of
7	enactment of this subsection, the Commission shall—
8	"(A) complete a survey of the data that is cur-
9	rently available to the Federal Government relating
10	to employee pay information for use in the enforce-
11	ment of Federal laws prohibiting pay discrimination
12	and, in consultation with other relevant Federal
13	agencies, identify additional data collections that will
14	enhance the enforcement of such laws; and
15	"(B) based on the results of the survey and
16	consultations under subparagraph (A), issue regula-
17	tions to provide for the collection of pay information
18	data from employers as described by the sex, race,
19	and national origin of employees.
20	"(2) In implementing paragraph (1), the Commission
21	shall have as its primary consideration the most effective
22	and efficient means for enhancing the enforcement of Fed-
23	eral laws prohibiting pay discrimination. For this purpose,
24	the Commission shall consider factors including the impo-
25	sition of burdens on employers, the frequency of required
26	reports (including which employers should be required to

1	prepare reports), appropriate protections for maintaining
2	data confidentiality, and the most effective format for the
3	data collection reports.".
4	SEC. 9. REINSTATEMENT OF PAY EQUITY PROGRAMS AND
5	PAY EQUITY DATA COLLECTION.
6	(a) Bureau of Labor Statistics Data Collec-
7	TION.—The Commissioner of Labor Statistics shall con-
8	tinue to collect data on women workers in the Current
9	Employment Statistics survey.
10	(b) Office of Federal Contract Compliance
11	PROGRAMS INITIATIVES.—The Director of the Office of
12	Federal Contract Compliance Programs shall ensure that
13	employees of the Office—
14	(1)(A) shall use the full range of investigatory
15	tools at the Office's disposal, including pay grade
16	methodology;
17	(B) in considering evidence of possible com-
18	pensation discrimination—
19	(i) shall not limit its consideration to a
20	small number of types of evidence; and
21	(ii) shall not limit its evaluation of the evi-
22	dence to a small number of methods of evalu-
23	ating the evidence; and

- 1 (C) shall not require a multiple regression anal-2 ysis or anecdotal evidence for a compensation dis-3 crimination case;
 - (2) for purposes of its investigative, compliance, and enforcement activities, shall define "similarly situated employees" in a way that is consistent with and not more stringent than the definition provided in item 1 of subsection A of section 10–III of the Equal Employment Opportunity Commission Compliance Manual (2000), and shall consider only factors that the Office's investigation reveals were used in making compensation decisions; and
 - (3) shall reinstate the Equal Opportunity Survey, as required by section 60–2.18 of title 41, Code of Federal Regulations (as in effect on September 7, 2006), designating not less than half of all non-construction contractor establishments each year to prepare and file such survey, and shall review and utilize the responses to such survey to identify contractor establishments for further evaluation and for other enforcement purposes as appropriate.
- 22 (c) Department of Labor Distribution of 23 Wage Discrimination Information.—The Secretary of 24 Labor shall make readily available (in print, on the De-25 partment of Labor website, and through any other forum

- 1 that the Department may use to distribute compensation
- 2 discrimination information), accurate information on com-
- 3 pensation discrimination, including statistics, explanations
- 4 of employee rights, historical analyses of such discrimina-
- 5 tion, instructions for employers on compliance, and any
- 6 other information that will assist the public in under-
- 7 standing and addressing such discrimination.

8 SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

- 9 (a) AUTHORIZATION OF APPROPRIATIONS.—There
- 10 are authorized to be appropriated \$15,000,000 to carry
- 11 out this Act.
- 12 (b) Prohibition on Earmarks.—None of the funds
- 13 appropriated pursuant to subsection (a) for purposes of
- 14 the grant program in section 5 of this Act may be used
- 15 for a congressional earmark as defined in clause 9(d) of
- 16 rule XXI of the Rules of the House of Representatives.

17 SEC. 11. SMALL BUSINESS ASSISTANCE.

- 18 (a) Effective Date.—This Act and the amend-
- 19 ments made by this Act shall take effect on the date that
- 20 is 6 months after the date of enactment of this Act.
- 21 (b) Technical Assistance Materials.—The Sec-
- 22 retary of Labor and the Commissioner of the Equal Em-
- 23 ployment Opportunity Commission shall jointly develop
- 24 technical assistance material to assist small businesses in

- 1 complying with the requirements of this Act and the
- 2 amendments made by this Act.
- 3 (c) SMALL BUSINESSES.—A small business shall be
- 4 exempt from the provisions of this Act to the same extent
- 5 that such business is exempt from the requirements of the
- 6 Fair Labor Standards Act pursuant to section 3(s)(1)(A)
- 7 (i) and (ii) of such Act.
- 8 SEC. 12. RULE OF CONSTRUCTION.
- 9 Nothing in this Act, or in any amendments made by
- 10 this Act, shall affect the obligation of employers and em-
- 11 ployees to fully comply with all applicable immigration
- 12 laws, including any penalties, fines, or other sanctions.

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