MAR 5 2003 COMMERCE, REGULATION & LABOR

HOUSE FILE 451
BY PETERSEN

Passed	House,	Date	Passed	Senate,	Date	
Vote:	Ayes	Nays	Vote:	Ayes	Nays	
Approved						

A BILL FOR

- 1 An Act relating to wage discrimination in employment by providing
 2 for the determination of wage discrimination.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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- 1 Section 1. NEW SECTION. 91F.1 DEFINITIONS.
- 2 As used in this chapter, unless the context otherwise 3 provides:
- 4 1. "Employ" means to engage or permit to work for wages.
- 5 2. "Employee" means a person employed by an employer and
- 6 includes all of an employer's year-round employees, whether
- 7 working full-time or part-time, and any temporary employee
- 8 employed by an employer for a period of at least three months.
- 9 "Employee" shall not include an individual employed by the
- 10 individual's parent, spouse, or child.
- 3. "Employer" means a person who employs three or more
- 12 persons and includes the state and all political subdivisions
- 13 of the state.
- 14 4. "Equivalent jobs" means jobs or occupations that are
- 15 equal within the meaning of the federal Equal Pay Act of 1963,
- 16 29 U.S.C. § 206(d), or jobs or occupations that are dissimilar
- 17 but whose requirements are equivalent, when viewed as a
- 18 composite of skills, effort, responsibility, and working
- 19 conditions.
- 20 5. "Labor organization" means an organization that exists
- 21 for the purpose, in whole or in part, of collective bargaining
- 22 or of dealing with employers concerning grievances, terms or
- 23 conditions of employment, or of other mutual aid or protection
- 24 in connection with employment.
- 25 6. "Market rates" means the rates that employers within a
- 26 prescribed geographic area actually pay, or are reported to
- 27 pay, for specific jobs, as determined by formal or informal
- 28 surveys, wage studies, or other means.
- 7. "Wages" and "wage rates" include all compensation in
- 30 any form that an employer provides to employees in payment for
- 31 work done or services rendered, including but not limited to
- 32 base pay, bonuses, commissions, awards, tips, or various forms
- 33 of nonmonetary compensation if provided in lieu of or in
- 34 addition to monetary compensation and that have economic value
- 35 to an employee.

- 1 Sec. 2. <u>NEW SECTION</u>. 91F.2 WAGE DISCRIMINATION 2 PROHIBITION.
- 3 l. An employer shall not discriminate between employees on 4 the basis of sex, race, or national origin by doing any of the 5 following:
- a. Paying wages to employees of one sex, race, or national origin at a rate less than the rate paid to employees of the sopposite sex or of a different race or national origin for work in equivalent jobs.
- 10 b. Paying wages to employees in a job that is dominated by 11 employees of a particular sex, race, or national origin at a 12 rate less than the rate at which such employer pays to 13 employees in another job that is dominated by employees of the 14 opposite sex or of a different race or national origin, if the 15 work on the jobs is equivalent.
- 16 2. However, it shall not be an unlawful employment
 17 practice under this section for an employer to pay different
 18 wage rates to employees, if such payments are made pursuant to
 19 any of the following:
- 20 a. A bona fide seniority or merit system.
- 21 b. A system that measures earnings by quantity or quality 22 of production.
- c. A bona fide factor other than sex, race, or national origin. However, wage differentials based on varying market rates for equivalent jobs or based on the differing economic benefits to the employer of equivalent jobs shall not be considered to be based on a bona fide factor other than sex, race, or national origin.
- 29 3. An employer who is paying wages in violation of this 30 section shall not, in order to comply with the provisions of 31 this section, reduce the wage of any employee.
- 32 4. A labor organization or its agents representing 33 employees of an employer having employees subject to any 34 provision of this chapter shall not cause or attempt to cause 35 such an employer to discriminate against an employee in

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1 violation of subsection 1. The labor commissioner shall adopt rules specifying the 3 criteria for determining whether a job is dominated by 4 employees of a particular sex, race, or national origin. 5 Criteria shall include, but not be limited to, factors such as 6 whether the job has ever been formally classified as or 7 traditionally considered to be a male or female or white or 8 minority job; whether a history of discrimination exists 9 against women or people of color with regard to wages, 10 assignment, or access to jobs, or other terms and conditions 11 of employment; and the demographic composition of the 12 workforce in equivalent jobs. The rules shall not include a 13 list of jobs. 14 **EXPLANATION** 15 This bill creates a new Code chapter governing wage 16 discrimination. The bill provides that an employer shall not pay wages that 17 18 discriminate between employees based on sex, race, or national 19 origin unless the differences are due to a valid factor 20 unrelated to sex, race, or national origin. 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35