

Phone: 517/373-6466

EQUAL COMPENSATION FOR COMPARABLE WORK

House Bills 4648 and 4649 Sponsor: Rep. Nancy Quarles Committee: Employment Relations, Training and Safety

Complete to 9-10-01

A SUMMARY OF HOUSE BILLS 4648 AND 4649 AS INTRODUCED 4-24-01

The bills generally would make unequal compensation for comparable work a violation of a person's civil rights, based on recommendations of a Commission on Pay Equity in the Department of Civil Rights that would be appointed by the governor to provide a definition of comparable wages, as well as other definitions, guidelines, and models of pay equity. The bills are tie-barred to each other, so neither would become law unless both were enacted.

House Bill 4648 would amend the Person's With Disabilities Civil Rights Act (MCL 37.1201 and 37.1202) to prohibit unequal pay because of a disability that was unrelated to the individual's ability to perform the duties of a particular job or position. More specifically, the bill would prohibit employers from failing or refusing to provide compensation equally for work of comparable value in terms of the composite skill, responsibility, effort, hours worked, experience, seniority, education or training, and working conditions.

House Bill 4649 would amend the Elliott-Larson Civil Rights Act (MCL 37.2102, 37.2103, and 37.2202) to prohibit unequal pay for comparable work because of religion, race, color, national origin, age, sex, height, weight, or marital status. In addition to prohibiting unequal compensation for comparable work, House Bill 4649 would establish a Commission on Pay Equity appointed by the governor, which is described in more detail below.

Commission on Pay Equity. House Bill 4649 would create a nine-member "Commission on Pay Equity" in the Department of Civil Rights, which would be responsible for developing a definition of comparable wages using criteria established in the act. The members of the commission would include the directors of the Department of Civil Rights and of the Michigan Jobs Commission (or their designees), and representatives of the Michigan Women's Commission, the Michigan Chamber of Commerce, the Michigan AFL-CIO, the United Auto Workers, the Michigan Small Business Association, the National Organization for Women, and the Michigan Women's Studies Association. The director of the Department of Civil Rights (or his or her designee) would chair the commission and have responsibility for convening the commission meetings, setting meeting agendas, and preparing all minutes and reports of the commission's work. All commission meetings would be subject to the Open Meetings Act and the Freedom of Information Act.

The bill would require the commission to hold meetings and hearings as necessary to develop definitions, models, and guidelines for employers and employees on pay equity. The commission

would be required to present its findings and recommendations to the legislature, governor, and the public not later than one year after the governor had appointed its members.

Other provisions. Currently, the Elliott-Larsen Civil Rights Act recognizes and declares to be a civil right "the opportunity to obtain employment, housing and other real estate, and the full and equal utilization of public accommodations, public service, and educational facilities without discrimination because of religion, race, color, national origin, age, sex, height, weight, familial status, or marital status as prohibited by [the] act." The act was amended in 1980 to specify that this provision could not be construed to prevent an individual from bringing or continuing an action arising out of sex discrimination before July 18, 1980, which was based on conduct similar to or identical to harassment. The act was again amended in 1992 to specify further that this provision also could not be construed to prevent an individual from bringing or continuing an action arising out of discrimination based on familial status before the effective date of the amendment (July 29, 1992) based on conduct similar to or identical to discrimination because of the age of persons residing with the individual bringing or continuing the action.

House Bill 4649 would add a new subsection specifying that this provision would not prevent an individual from bringing or continuing an action arising out of discrimination because of religion, race, color, national origin, age, sex, height, weight, or marital status before the bill's effective date if the action were based on conduct similar or identical to conduct that the bill would prohibit (i.e. unequal compensation for comparable work).

<u>Definition</u>. Finally, House Bills 4648 and 4648 would each add a definition to the acts being amended to define "compensation" to mean all of an employee's earnings, including wages and benefits, whether determined on the basis of time, task, piece, commission, or other method of calculation for labor, service, or work performed.

Analyst: J. Hunault

This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.