

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3640-01
Bill No.: SB 700
Subject: Employees-Employers; Labor and Industrial Relations Dept.; Labor and Management; Liability; Merit System; Salaries
Type: Original
Date: January 3, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator**, the **Office of Administration**, **Division of Personnel**, the **Department of Labor and Industrial Relations**, **Lincoln University**, **Missouri State University**, the **City of Kansas City**, **Metropolitan Community College**, **Moberly Area Community College**, **St. Charles Community College**, **St. Louis Community College**, **Cass County**, **Greene County**, **Jasper County**, **Nodaway County**, **Columbia School District**, and **Jefferson County** assume this proposal would have no fiscal impact on their organizations.

Officials from **Truman State University** and the **University of Missouri** stated they are unable to estimate the impact of this proposal on their organizations.

Officials from the **City of West Plains** assume this proposal would add cost to the city to comply but stated they were unable to estimate those costs.

Officials from **Jasper County** assume that a wage study would be needed to protect the county from lawsuits; they provided an estimated cost of \$50,000.

ASSUMPTION (continued)

Oversight assumes that any costs resulting from implementation of this proposal would be minimal and subject to normal budget procedures for the organizations involved. Oversight has not included any such contingent costs in this fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would require equal pay for comparable work regardless of gender. The proposal would govern all compensation in any form that an employer provides to employees in payment for work done or services rendered, including but not limited to base pay, overtime, bonuses, stock options, awards or tips, or various forms of nonmonetary compensation if provided in lieu of or in addition to monetary compensation.

- Wage differentials based on varying market rates for equal jobs would not be considered differentials based on bona fide factors other than gender.
- An employer who is paying wages in violation of this section could not, in order to comply with this section, reduce the wage of any employee.
- No employer could discharge or take any adverse action or otherwise discriminate against any individual because such individual has opposed any act or practice made unlawful by this section; or testified, assisted, or participated in any manner in an investigation, hearing, or other proceeding to enforce this section.

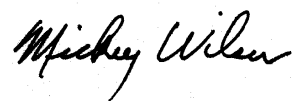
ASSUMPTION (continued)

- No employer could discharge or take any adverse action or otherwise discriminate against, coerce, intimidate, threaten, or interfere with any employee because such employee inquired about, compared, or otherwise discussed the employee's wages or the wages of another employee; or exercised, enjoyed, aided, or encouraged any other person to exercise or enjoy any right granted or protected by this section.
- Any employer who violates these provisions would be liable to the employee affected in the amount of the wages of which the employee is deprived by reason of the violation, and an additional amount in compensatory damages, not to exceed twice the wages awarded.
- Any employer who retaliates against an employee in violation of these provisions would be liable to any individual affected in the amount of all wages and benefits lost as a result of the retaliation and, if awarded, an additional amount of compensatory damages in an amount to be determined by a judge or jury trial.
- In the event of a finding that an employer has violated these provisions, a court could enjoin such employer from future violations, and could order the employer to take such additional steps as are necessary, including reclassification of affected workers to ensure the cessation of the employer's gender-based pay practices or, if the employer has engaged in unlawful retaliation prohibited herein, the court could order such relief as to make the employee whole, including reinstatement.
- Any employee prevailing in a civil action brought under these provisions could recover court costs and reasonable attorney's fees, notwithstanding any agreement to work for a lesser wage. Any action must be commenced within two years after the alleged violation occurs or the date of the reasonable discovery of such violation.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Courts Administrator
Office of Administration
 Division of Personnel
Department of Labor and Industrial Relations
Lincoln University
Missouri State University
Truman State University
University of Missouri
City of Kansas City
Metropolitan Community College
Moberly Area Community College
St. Charles Community College
St. Louis Community College
Cass County
Greene County
Jasper County
Nodaway County
Columbia School District
Jefferson County
City of West Plains



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Director
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