



Legislation Summary:

An Act relative to transparency in the workplace

Initial bill number(s): H.1940/S.1181

Sponsors: Representatives David Rogers and Senator Paul Feeney

What the bill does, why LWVMA supports or opposes it, and the League position relative to this bill.

H.1940/S.1181 requires entities that employ 100+ full-time workers to evaluate wage data by gender identity, race and employment category annually (EEO-1) or biannually (EEO-4). Businesses would submit this data to the Secretary of State who would share it with the Executive Office of Labor and Workforce Development. The aggregated data would then be made available to the public. Many businesses have not studied their pay practices for possible discriminatory patterns. Companies that have conducted internal audits of pay practices most often find discrepancies in pay by gender and race. It is expected that public disclosure of aggregate pay data will lead to greater awareness and social pressure for corrective action. The bill also stipulates penalties for noncompliance.

The gender wage gap is a serious economic issue that affects women and families in our state. It exists because women on average are paid less than white male workers for doing the same job. The data shows that women in Massachusetts earn just 81 cents on the dollar compared to male coworkers. This ratio is even worse for most women of color. Asian and Pacific Islander women earn 66 cents, Native women earn 59 cents, African American women earn 57 cents, and Latina women earn 51 cents on the dollar. Women make \$13,000 less annually on average (<https://www.mass.gov/equalpayma-closing-the-wage-gap-in-massachusetts>). The research is clear that the wage gap has not been improving significantly over that last 20 years despite our good state laws. *An Act relative to transparency in the workplace*, along with its companion bill, *An Act relative to pay range disclosure* (H.1849/S.1191) promises to break this negative trend (<https://www.forbes.com/sites/forbeseq/2023/02/01/four-predictions-for-pay-transparency-laws-in-2023/?sh=13d6de087b72>).

The League supports equal rights for all under state and federal law regardless of race, color, gender, religion, national origin, age, sexual orientation, or disability. *Impact on Issues: Equality of Opportunity*, p.122.