
A BILL FOR AN ACT

RELATING TO EQUAL PAY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that pay disparity
2 persists between men and women. The Institute for Women's
3 Policy Research reports that if the pace of change continues at
4 the same rate as it has since 1960, women and men will not reach
5 pay parity until 2059.

6 The legislature finds that in 2014, the gender wage gap in
7 Hawaii stood at 14.2 cents on the dollar. A woman working full-
8 time and year-round earned an average of 85.8 cents to every
9 dollar a man earned. This wage gap extends across almost all
10 occupations reporting in Hawaii. The gap is far worse for women
11 of color: African American women in Hawaii make only 73.4 cents
12 for every dollar a white male makes; Latina women make only 61.3
13 cents for every dollar a white male makes; and Asian American
14 women make only 73.3 cents for every dollar a white male makes.

15 The legislature also finds that pay secrecy undermines
16 efforts to close the pay gap. A 2010 Institute for Women's
17 Policy Research/Rockefeller Survey of Economic Security reported



1 that 23.1 per cent of private sector workers reported that
2 discussion of wages and salaries was formally prohibited, and an
3 additional 38.1 per cent reported that such discussion was
4 discouraged by managers. Pay secrecy inhibits workers from
5 pursuing claims of pay discrimination because women cannot
6 challenge wage discrimination that they do not know exists. The
7 federal government and many states have taken action to end wage
8 secrecy by prohibiting retaliation against employees who discuss
9 wages. Hawaii can also take this step by banning wage secrecy
10 and banning retaliation or discrimination against employees who
11 disclose or discuss their wages.

12 The purpose of this Act is to encourage equal pay between
13 men and women by prohibiting enforced wage secrecy and
14 prohibiting retaliation or discrimination against employees who
15 disclose, discuss, or inquire about their own or co-workers'
16 wages for the purpose of exercising rights under the law.

17 SECTION 2. Section 378-2.3, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "[+]§378-2.3[+] **Equal pay; sex discrimination.** (a) No
20 employer shall discriminate between employees because of sex, by
21 paying wages to employees in an establishment at a rate less



1 than the rate at which the employer pays wages to employees of
2 the opposite sex in the establishment for equal work on jobs the
3 performance of which requires equal skill, effort, and
4 responsibility, and that are performed under similar working
5 conditions. Payment differentials resulting from:

- 6 (1) A seniority system;
- 7 (2) A merit system;
- 8 (3) A system that measures earnings by quantity or quality
9 of production;
- 10 (4) A bona fide occupational qualification; or
- 11 (5) A differential based on any other permissible factor
12 other than sex

13 do not violate this section.

14 (b) An employer shall not retaliate or discriminate
15 against an employee for, nor prohibit an employee from
16 disclosing the employee's wages, discussing and inquiring about
17 the wages of other employees, or aiding or encouraging any other
18 employee to exercise rights under this section."

19 SECTION 3. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.



1 SECTION 4. This Act shall take effect on July 1, 2017.

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S.B. NO. 509

Report Title:

Pay Equity; Gender Discrimination

Description:

Prohibits enforced wage secrecy and retaliation or discrimination against employees who disclose, discuss, or inquire about their own or co-workers' wages.

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