

Employment Practices Liability

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Connecticut Pay Equity Law Effective January 1

By Robin Kallor, Partner, Rose Kallor, LLP

Effective January 1, 2019, Connecticut law provides job applicants the following new protections: (1) employers may not ask prospective employees about past wages and compensation histories at any point during the hiring process, although prospective employees may choose to volunteer such information; and (2) employers may ask prospective employees generally whether their previous employer had stock options or other equity incentives, but may not ask the specific value of such benefits. Additionally, employers are prohibited from using a third party to inquire about an applicant's wage or salary history.

Under the law, an "employer" is any entity with even a single employee, and includes individuals, corporations, LLCs, firms, partnerships, voluntary associations, joint stock associations, the state and any political subdivision thereof or any public corporation within the state using the services of one or more employees for pay.

The pay equity law provides for a private right of action to employees and now prospective employees, even those who are not hired, to sue within two years after any alleged violation of prohibitions about salary information and salary history. Employers found liable for violations may be required to pay compensatory damages, attorney's fees and costs and punitive damages, and may also be subject to other legal and equitable relief that the court deems to be just and proper.

Nothing in the law prohibits an employer from verifying salary information that a prospective employee voluntarily provides, and the law does not apply where a federal or state law specifically authorizes disclosure or verification of salary history. However, employers should ensure that they do not make any statements or ask any questions that could reasonably elicit such information to ensure that such volunteered information is truly voluntary.

Employers should examine their current hiring practices to ensure compliance with the new law, including reviewing application materials and removing any questions or requests for candidates' salary history, and updating training for HR personnel and anyone who conducts interviews to clarify the prohibition on such inquiries.

Robin Kallor is a partner at Rose Kallor, LLP. Rose Kallor, LLP regularly represents and advises private and public sector employers on matters pertaining to the employer-employee relationship, including the selection process, discrimination and harassment related issues and frequently conducts neutral workplace investigations. If you have questions about this legal update, please contact us at 860-361-7999. If you wish to receive future updates on labor and employment related topics, please contact Carolyn Field, CIRMA Communications Supervisor at cfield@ccm-ct.org.

For more information about CIRMA's Employment Practices Liability Helpline Program, please contact your CIRMA Risk Management Consultant.



Have a question or concern about Employment Practices?

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