The Nelson A. Rockefeller Center at Dartmouth College
The Center for Public Policy and the Social Sciences

The Class of 1964 Policy Research Shop

—Celebrating 10 Years of Service to New Hampshire and Vermont—

NEW HAMPSHIRE PAYCHECK FAIRNESS ACT

Awareness, Compliance, and Implementation Methods

Presented to the NH Women's Foundation,
Research and Policy Committee

PRS Policy Brief 1415-09
June 1, 2015

Prepared By:

Sarah Han
Meghana Mishra
Kevin Zhang

This report was written by undergraduate students at Dartmouth College under the direction of professors in the Rockefeller Center. Policy Research Shop (PRS) students produce non-partisan policy analyses and present their findings in a non-advocacy manner. The PRS is fully endowed by the Dartmouth Class of 1964 through a class gift in celebration of its 50th Anniversary given to the Center. This endowment ensures that the Policy Research Shop will continue to produce high-quality, non-partisan policy research for policymakers in New Hampshire and Vermont. The PRS was previously funded by major grants from the U.S. Department of Education, Fund for the Improvement of Post-Secondary Education (FIPSE) and from the Ford Foundation and by initial seed grants from the Surdna Foundation and the Lintilhac Foundation. Since its inception in 2005, PRS students have invested more than 50,000 hours to produce more than 130 policy briefs for policymakers in New Hampshire and Vermont.

Contact:
Nelson A. Rockefeller Center, 6082 Rockefeller Hall, Dartmouth College, Hanover, NH 03755
http://rockefeller.dartmouth.edu/shop/ • Email: Ronald.G.Shaiko@Dartmouth.edu

The Nelson A. Rockefeller Center at Dartmouth College
The Center for Public Policy and the Social Sciences

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Nationally and in New Hampshire, women earn 78 percent of what men earn.[1] The Paycheck Fairness Act in New Hampshire (SB 207), which went into effect on January 1, 2015, looks to close the gender wage gap by allowing employees to discuss their salaries and identify employer discrimination without the threat of legal retribution. This report addresses three research questions: What actions does the New Hampshire Paycheck Fairness Act authorize to close the gender wage gap? How have similar states tried to ensure paycheck fairness? And what are some of the best practices in monitoring and enforcing pay equity for New Hampshire to consider? To answer these questions, this study will analyze the effect of the law within New Hampshire and employ case studies on policies across the nation. Thus, the goal is to present a comprehensive picture of New Hampshire's role in eliminating the wage gap, and potential policy and implementation conclusions for the future. The report concludes by presenting some policy options for New Hampshire to consider, based on comparative case studies.

1. INTRODUCTION

1.1 The Wage Gap in New Hampshire

In New Hampshire, median annual earnings for full-time, year-round workers are $54,136 for men and $41,774 for women.[2] On aggregate, full-time New Hampshire women workers lose a total of $2,494,738,134 every year due to the wage gap.[3] These numbers are significant because 50,984 family households in New Hampshire are headed by women, and 24 percent of these families (12,083 family households) have incomes that fall below the poverty level.[4] Moreover, the gender pay gap is not explained by personal choices; rather, it persists regardless of industry, occupation, age, or education level.[5] Furthermore, discrepancies in pay are often prevented from being discussed in the workplace. A survey by the Institute for Women's Policy Research (IWPR) found that half of employees worked in settings where they were prevented or discouraged from disclosing their salaries.[6]

1.2 Combatting the Wage Gap on a Federal Level

In 2009, President Obama signed the Lilly Ledbetter Fair Pay Act.[7] The act allows victims of pay discrimination to file complaints against their employer within 180 days of their *last* paycheck. This act extended the time to file a complaint; victims in the past were only allowed to file complaints within 180 days of their *first* unfair paycheck. The act is named in honor of activist Lilly Ledbetter, who only recognized the pay discrimination she faced after an anonymous note was left on her windshield. At the time, companies were free to retaliate against workers who discussed their pay.[8] While the passage of the Lilly Ledbetter Fair Pay Act gives employees greater opportunity to file pay discrimination complaints, the federal Paycheck Fairness Act was blocked in the Senate in 2014.[9] That act would have banned employers from retaliating against employees who disclose their salaries. States that currently wish to protect employees who disclose their salaries from retaliation may pass their own legislation to do so.

2. RESEARCH METHODS

This paper addresses three questions. First, what actions does the New Hampshire Paycheck Fairness Act authorize to close the gender wage gap and protect employees who file pay discrimination complaints? Second, how have other states tried to ensure paycheck fairness? Third, what are some of the best practices in monitoring and enforcing pay equity for New Hampshire to consider? Each of these three questions will be addressed in turn in each of the following three sections.

To answer the first question, this study briefly reviews legislative bills SB 207 and HB 1188, with a focus on explaining what these bills have enacted. To answer the second question, this study presents four case studies which explain how states similar to New Hampshire have enforced their own wage gap legislation. Finally, to answer the third question, this study describes innovative programs to address the gender wage gap from other states and cities, irrespective of their similarity to New Hampshire. Key differences that may affect the applicability of these programs to New Hampshire are considered in the policy options section.

3. PROVISIONS OF THE NEW HAMPSHIRE PAYCHECK FAIRNESS ACT

Legislative bills SB 207 and HB 1188 detail the resources available to employers and employees as well as the changes that New Hampshire faces in the proper implementation of these bills. Furthermore, the original law, New Hampshire State Code, Title XXIII Labor (Chapter 275:37) Discrimination in the Workforce, Equal Pay is examined and compared to the changes that were made to the existing legislation. Moreover, the importance of SB 207 is highlighted, specifically how the passage of HB 1188 was contingent upon the passage of SB 207.

3.1 SB 207

In May 2014, the New Hampshire Paycheck Fairness Act (SB 207) was signed into law to combat the state's gender wage gap. SB 207 amends the New Hampshire State Code, Title XXIII Labor (Chapter 275:37) Discrimination in the Workforce, Equal Pay. The purpose of the original equal pay law still stands in that employers cannot discriminate the distribution of pay to their employees based on sex. However, this new legislation was rewritten so that more women in New Hampshire may achieve equal pay. SB 207 went into effect on January 1, 2015.

The New Hampshire Commissioner of Labor is responsible for the enforcement of SB 207. The Act includes a new non-retaliation provision (275:38-a) which protects employees who file complaints about pay discrimination and those who participate in investigations regarding pay discrimination. Employers who violate the law now face stricter penalties, including a fine of up to $2,500. Regarding procedures, employers must file hearings and appeals with the Commissioner of Labor within 30 days of receiving notice of violations of the law. The language in SB 207 has also been altered to emphasize a "timely appeal" over a "reasonable appeal."[10] Similarly, action to recover wages in violation of the new provisions must be commenced within three years of discovery of the violation, rather than a prior limit of one year.

Employees also now have the power to disclose their own pay information. The commissioner must make pay equity information available on the Department of Labor website so that employees may compare their pay differentials. Furthermore, employers must post the following notice to their employees as well as contact information for the labor commissioner:

> It is illegal in New Hampshire under both state and federal law to pay employees different wages for the same work based solely on sex. If you think that your employer has violated this provision, please contact the New Hampshire Department of Labor.[11]

3.2 HB 1188

The passage of HB 1188 was contingent upon the successful passage of SB 207, and also went into effect on January 1, 2015. It explicitly lays out the changes regarding equal pay intended to be made (with SB 207) to the New Hampshire State Code. The following statement from HB 1188 most effectively summarizes these changes:

> No employer shall discharge, formally discipline, or otherwise discriminate against an employee because he or she discloses the amount of his or her wages, salary, or paid benefits.[12]

In short, HB 1188 further articulates the additional protection measures for employees that disclose their wages in accordance with SB 207.

4. STATE-BASED CASE STUDIES

To determine how similar states have approached wage gap issues, this project uses a comparative case study approach to focus on how states with similar demographic and economic characteristics have addressed the wage gap. This report highlights major differences and similarities between New Hampshire's approach vis-à-vis similar states. Within the policy context, the report illustrates potential problems or unexpected issues that other states have faced.

The criteria for judging similar states fall into two categories: demographic and economic factors. Vermont, Maine, Rhode Island, and Delaware were selected as sufficiently similar.

4.1 Demographic Considerations

The demographic definition of similarity used for the study revolves around six variables. Population and percent female are crucial in establishing appropriate comparison states. The comparison between New Hampshire to California, even if the wage gap is similar, would ignore the huge policy and economic differences between governing a state of just over one million and a state of just under 40 million. Age and race also play a crucial factor in the wage gap. Older populations face different policy challenges due to higher healthcare costs, lower tax revenue, and lower productivity which all affect wages and, therefore, the wage gap. Race is also relevant because non-Asian minority women suffer far larger wage gaps than their White counterparts. Finally, female-owned businesses and female-headed families are noted, since these two statistics paint a more complete picture of women's roles in each of these states.

Table 1: State Demographic Comparisons

Demographics	New Hampshire	Vermont	Maine	Rhode Island	Delaware
Population[13]	1,323,459	626,630	1,328,302	1,051,511	925,749
Percent Female[14]	50.6%	50.7%	51%	51.6%	51.6%
Percent over 65[15]	15.4%	16.4%	17.7%	15.5%	15.9%
Percent White[16]	92%	93.8%	94%	75.3%	64.1%
Female-Owned Businesses[17]	25.8%	26%	25.6%	27.3%	26.1%
Female-Headed Families[18]	50,984	24,231	53,928	55,274	46,661

4.2 Economic Considerations

On top of demographic factors, economic factors must be included in the definition of similarity as the wage gap is also an economic issue. State GDP is relevant because comparing two states with vastly different GDPs misses the nuances of making policies for economies of various sizes. All the states chosen have similar economic sizes. GDP per capita illustrates the wealth of individuals in each state and measures general economic health. Wage gaps are important to note in each state since they often vary regionally. Finally, the economic landscape is considered by looking at the top three employers in each state. This metric is relevant since wage gaps differ by industry and profession. Overall, the combination of these economic and demographic factors distinguishes states similar to New Hampshire for policy comparisons.

Table 2: State Economic Comparisons

Economics	New Hampshire	Vermont	Maine	Rhode Island	Delaware
GDP (billions)[19]	$67.85	$27.72	$51.16	$49.96	$58.03
GDP Per Capita[20]	$51,266	$44,241	$38,518	$47,514	$62,682
Wage Gap[21]	.22	.15	.17	.19	.19
Three Largest Employers in State[22]	1)Education and Health Services 2)Trade Transportation and Utilities 3)Government	1)Education and Health Services 2)Trade Transportation and Utilities 3)Government	1)Education and Health Services 2)Trade Transportation and Utilities 3)Government	1)Education and Health Services 2)Trade Transportation and Utilities 3)Professional and Business Services	1)Education and Health Services 2)Trade Transportation and Utilities 3)Government

4.3 Criterion for Similar States

The first state chosen was Vermont, for more than its geographic similarities to New Hampshire. Demographically, Vermont strongly resembles a half-sized twin of the state. Both share similar racial breakdowns as well as percentages of female-run businesses and households. Not surprisingly, Vermont is also facing the same demographic pressures New Hampshire is facing with low birth rates, low in-migration, and an aging workforce.[23] Economically, Vermont is almost identical to New Hampshire except for a much slimmer wage gap and a slightly lower GDP per capita.

Another New England state, Maine was chosen due to its demographic and economic similarities to New Hampshire. Maine has close population, racial makeup, and female-owned businesses statistics to New Hampshire. Maine does differ from New Hampshire in economic vibrancy, with a lower GDP per capita and also a lower wage gap. Nevertheless, Maine offers an opportunity to learn from a demographically-identical state with a smaller wage gap.

Moving south, the study also examines Rhode Island and Delaware to increase the scope of the comparisons while still remaining relevant to New Hampshire. Rhode Island and Delaware are both less populated than New Hampshire. Yet the greatest demographic difference lies in the higher percentage of minorities in both states. With regard to economic differences, Rhode Island is also the only state that has “Professional and Business Services” among the top three employers instead of “Government,” and Delaware has a higher GDP per capita than New Hampshire. In spite of higher minority populations and economic differences, Rhode Island and Delaware both have a smaller wage gap than New Hampshire. Lessons learned from these two states, then, can offer insight to ways New Hampshire should structure its own implementation.

Within each of these states, the study examines both policy and implementation of equal pay laws. Many states, on top of the federal Equal Pay Act, have passed their own equal pay legislation. The wording of that legislation with respect to accountability, enforcement, and consequences for violators is especially relevant. In addition, the resources provided and the departments responsible for implementation are crucial. Attention is paid to enforcement mechanisms and implementation strategies in all these states in order to compare to New Hampshire's. Differences and similarities, as well discernable benefits from alternative approaches, are all noted.

4.4 Analysis of Similar States' laws and implementation

4.4.1 Vermont

Beginning with Vermont, one sees a combination of federal and state laws directed at wage equality. In 2013, the Vermont State Legislature passed Act 31 which strengthens the Equal Pay Act. More specifically, it states that employers can only pay differential wages based on a "bona fide standard other than sex" instead of simply "any factor other than sex," the language used in the original Equal Pay Act. This slight change in wording ensures that differential pay cannot be justified through excuses such as negotiation skills, personality traits, or lifestyle differences; rather, any employer must prove that pay differentials are completely unrelated to gender identity.[24] The law itself provides no details about the implementation of this clause.

The law also updates enforcement mechanisms from the original Equal Pay Act. First, all state contractors in Vermont must certify that they are in compliance with the law. Second, flexible work schedules should be treated by a "right to ask, duty to consider" basis. This provision is meant to allow women who struggle with a work-life balance continue in the workforce. Finally, the law updates many provisions regarding "protection from retaliation" sections of the previous laws, ensuring that whistleblowers are protected.[25]

In addition to this legislation, Vermont has taken an active role in combating the gender wage gap through resources and committees. Act 31 also creates a "Paid Family Leave" committee to study the possibility of a paid family leave system funded by payroll reductions – a system used in New Jersey and California.[26] Vermont also established a Commission on Women, which provides a plethora of resources from briefings of employment rights, equal pay self-audits for businesses, and handouts on reporting non-compliance to the law.[27] Finally, the Vermont Attorney General is also the office responsible for enforcement of the law, in contrast to the Labor Commissioner in New Hampshire.[28] All told, Vermont's approach to ending the gender wage gap is holistic, active, and rigorous.

4.4.2 Maine

Maine's approach to addressing the gender wage gap is comprehensive. Maine, similarly to Vermont, has also passed its own equal pay law on top of the federal law. Within Title 26, Chapter 7, Subchapter 2, Maine establishes standards and punishments with regards to equal pay. Maine's standards are the same as those set by the Equal Pay Act, however it does stipulate for an annual report to be delivered to the legislature.[29] The enforcement of the law has the same mechanism of self-reporting as Vermont does, however the agency in charge of enforcement is the Department of Labor, which is similar to New Hampshire's Labor Commissioner.[30]

4.4.3 Rhode Island

Rhode Island, with a wage gap of 19 cents, has provisions stating that "Wage differentials based on sex [are] prohibited."[31] However, Rhode Island, like Maine, uses the tighter definition of discrimination that only includes direct discrimination related to sex, not Vermont's definition with includes issues connected to sex and gender.[32] The enforcement of these provisions is given to the Director of Labor and Training, which is housed under the Secretary of State. In addition, Rhode Island has established a "Special Legislative Commission on Equal Pay and Comparable Worth in Public and Private Employment." This 25-person committee is unique in its composition, which includes legislators, union leaders, business representatives, municipal leaders, and human resources experts.[33]

4.4.4 Delaware

Delaware, with a wage gap of 19 cents, has the same basic Equal Pay Act provision stating gender discrimination based only on sex are illegal. Delaware also contains a section that mandates that employers must "keep records for each worker, including pay rates, hours worked, and amounts paid" for three years.[34] On top of this, Delaware specifically states that no labor organization can pressure employers into creating a pay differential based on gender.[35] Finally, enforcement of these laws is given to the Delaware Department of Labor.

4.4.5 Common Practices

One lesson for New Hampshire stems from what these states all do similarly. In each of these states, the implementation of pay equity laws remains extremely similar. All states rely on a self-reporting process to prevent wage discrimination with a focus on ensuring that reporting resources are available and retribution for reporting is illegal. However, this approach misses those women who are either ignorant of their pay discrimination or simply unwilling to report for other reasons.

5. BEST PRACTICES IN PAY EQUITY

How can employers more effectively create gender pay equity? Though the New Hampshire Paycheck Fairness Act mandates that employers cannot discriminate the distribution of pay to their employers based on sex, the law does not delineate methods that employers can utilize to close the wage gap. Employers will be able to implement this law more effectively if specific programs are put in place to aid them in creating pay equity. Other states and cities around the nation, despite being distinctly different than New Hampshire, have created innovative programs to address the gender wage gap. These best practices from other states and cities offer concrete solutions specifically tailored towards employers and could increase the likelihood of New Hampshire's success in reducing wage disparity between men and women if they are implemented.

Three comparative case studies of noteworthy programs in three different parts of the country inform this analysis. The three areas of interest are Minnesota, New Mexico, and San Francisco, each of which has enacted unique strategies for addressing the wage gap. Programs in Minnesota and New Mexico programs address government workers while the program in San Francisco engages the private sector. To achieve pay equity in New Hampshire, both public and private employers will need to eliminate the wage gap. This means that a combination of approaches will likely be necessary. Consequently, examining all of these strategies will inform employers in the Granite State. Minnesota's policy is the oldest and has the clearest track record of success. Accordingly more attention is paid to their approach. However, key insights can also be gleaned from the newer policies.

5.1 Minnesota State and Local Government Pay Equity Acts

Minnesota's pay equity program is based on the principle that fields traditionally dominated by women, such as teaching, are undervalued compared to fields traditionally dominated by men, such as construction. Even though jobs may require similar skills sets, knowledge, and responsibility, jobs traditionally held by women tend to pay less than jobs traditionally held by men.[36] Thus, the policy in Minnesota concerns equal pay between different jobs requiring similar skills rather than simply equal pay between genders within a certain job. This issue rose to prominence when the Minnesota Council on the Economic Status of Women published *Pay Equity & Public Employment* in 1982, revealing that female-dominated jobs were consistently paid approximately 20 percent less than male-dominated jobs with equivalent scores in the Hay Guide Chart - Profile Method™ of job evaluation, a metric used to evaluate jobs in terms of skill, effort, responsibility, and working conditions.[37] Some of their findings are shown below.

Table 3: Salaries of Three Sets of Equal Value Jobs by Gender[38]

Sex	Job Title	Monthly Salary	Monthly Gap
Male	Delivery Van Driver	$1,382	
Female	Clerk Typist	$1,115	-$267
Male	Automotive Parts Tech	$1,505	
Female	Dining Hall Coordinator	$1,202	-$303
Male	Corrections Agent Senior	$1,961	
Female	Registered Nurse	$1,723	-$238

To address this issue, Minnesota passed the State Government Pay Equity Act of 1982 and the Local Government Pay Equity Act of 1984 which established gender pay equity between equal value jobs (as evaluated through the Hay system) for state government and local government employees, respectively.[39] As a result, Minnesota was the first state to implement comparable worth (pay equity) legislation for both state and local employees. This comparable worth policy is concerned with the differences in compensation scales between male-dominated and female-dominated fields. As of 1992, compensation has been defined as including “salary, longevity pay, performance pay, and health insurance contributions.”[40] Additionally, the compensation scale structure for government employees in Minnesota is time-phased. Thus, all employees will eventually reach the top of the scale.

State government and local government employees who have jobs with equivalent scores on the Hay Guide Chart - Profile Method™ of job evaluation must be able to achieve the same salary, regardless of whether the field they work in is traditionally dominated by men or by women. Therefore, in order to achieve pay equity, the compensation scale values for jobs traditionally held by women must be equal to the compensation scale values for jobs traditionally held by men.[41] When the policy was first implemented in 1983, significant salary adjustments were needed to equalize the compensation scales followed by periodic evaluations and smaller adjustments to maintain equity. The steps of these processes are outlined below.

For state employees, pay equity was funded by two legislative appropriations which allocated and 1.25 percent of payroll in 1983 and 1984 and 1.2 percent of payroll in 1985 and 1986 for a total of approximately $33.4 million. This amount was spent over the four-year phase-in period with most of the funds going to clerical and health care workers.[42] Approximately 8,500 employees in female-dominated jobs, 10 percent of whom were male, received pay increases averaging $2,200.[43] Pay equity did not result in wages being cut for any employees nor were any employees laid off.[44] In addition, the policy has not affected job growth in traditionally female- and male-dominated fields but has had the added benefits of improving employer-employee relations and increasing the number of women in higher-rated, higher-pay managerial and technical positions.[45]

The success at the state level lead to the expansion of the policy to cover local government employees with the Local Government Pay Equity Act which “required local governments to conduct job evaluation studies, to examine those studies for discrepancies in the pay of similarly-evaluated male- and female-dominated job classes, to estimate the cost of remedying the discrepancies, and to propose a plan for implementation.”[46] Consequently, the local governments, not state governments, were responsible for funding pay equity for local government employees. The state government provided guidance to the local governments throughout the initial implementation process during which planning reports from 1985 to 1988 identified approximately 30,000 employees eligible for an average pay increase of $200 per month. As of January 1986, this amount represented 2.6 percent of payroll for local governments. After the pay increases were put in place for the eligible positions, pay equity was achieved for all state and local government employees.

The Local Government Pay Equity Act program is currently administered by Minnesota Management & Budget which oversees 1,500 different local governments consisting of about 220,000 employees.[47] Local governments report on pay equity on a three year cycle while the state government reports every two years. Proof of Minnesota's success is shown by the fact that, as of the end of 2013, 99 percent of local government jurisdictions were compliant with the law.[48] Any jurisdictions not initially in compliance are given two notices and, if they are still found out of compliance, a penalty of the greatest of a five percent reduction in state aid or $100 per day is assessed.[49] Thus, public employees have had pay equity since the policy was implemented, though regular, minor adjustments are needed to maintain equity such as when new jobs are added or job descriptions change. However, these adjustments are not a significant burden to the local or state governments.[50]

Overall, because of Minnesota's achievement, supporters for pay equity look to Minnesota for the "substance and process of initiating the policy in their jurisdictions."[51] The pay equity policy in Minnesota is an example of utilizing legislation instead of executive order or voluntary agreement to successfully eliminate the wage gap. Thus, New Hampshire could potentially look to Minnesota as a guide for future equal pay legislation.

5.2 New Mexico Executive Orders on Equal Pay

In January 2009, Governor Bill Richardson issued executive order 2009-004—The Fair and Equal Pay for All New Mexicans Initiative—which established a taskforce charged with developing a system to address pay equity in the state's workforce and companies contracting with the New Mexican government.[52] In September 2009, the taskforce presented their report containing recommendations for the public and private sector workforces. Their report led to a second executive order, effective January 1, 2010. This executive order requires all companies with 10 or more employees wishing to contract with the state of New Mexico to provide pay equity reports as "part of the response to solicitations or the request for proposal process."[53] These pay equity reports must contain aggregate data on employee compensation, hours worked and gender by job category. Resources for compliance are provided by the State Purchasing Division of the New Mexico General Services Department which administers the policy.

Overall, approximately 3,200 firms fall under the requirements specified by the executive order, "ranging in size from New Mexico's largest employer, Intel (with more than 3,000 employees) to firms with only 10 employees."[54] New Mexico's experience with the policy is interesting because of its lack of resistance from contractors or complaints of difficulty in complying. Thus, New Mexico has illustrated that pay equity reporting can be established without legislation; New Mexico's policy can serve as a model for other states wishing to implement pay equity using executive orders, a strategy that may be relevant to New Hampshire.

In order to evaluate this type of policy, additional information is needed to address its applicability to New Hampshire as well as any costs and benefits to contractors and their employees in New Mexico. To better understand the effects of the policy, key information to be assessed includes: the burden faced by contractors, any changes in the wage gap since the implementation of the executive order, whether contractors with smaller wage gaps are favored over those with larger gaps, the total number of employees affected, any changes in the rate of job growth, the number of people laid off as a result of the policy, whether there exist incentives for compliance, and the potential for the policy to expand to include all public workers or coordinate with the private sector. Unfortunately, repeated interview requests to employees in the State Purchasing Division of the New Mexico General Services Department were not returned and the information listed above was not publically available.

5.3 San Francisco Gender Equality Principles Initiative

The City of San Francisco Department on the Status of Women, Calvert Group, Ltd., and Verité established the Gender Equality Principles (GEP) Initiative in October of 2008 with the goal of not only closing the gender wage gap, but also improving overall gender equality in corporate environments. The program is guided by the expertise and direction of the Gender Equality Council whose members include Dept. on the Status of Women staff, founding partners of the initiative, and local business leaders. Seven gender equality principles form the basis of the GEP Initiative and they include standards for companies in areas involving employment and compensation; work-life balance and career development; health, safety, and freedom from violence; management and governance; business, supply chain, and marketing practices; civic and community engagement; and leadership, transparency, and accountability.[55]

Companies which sign up to participate in the GEP Initiative can utilize the GEP Assessment Tool to establish a baseline of equality, prioritize areas for improvement, create an action plan, track progress, and communicate progress and best practices to stakeholders.[56] To aid companies in these tasks, the GEP Initiative provides a list of resources which includes policy suggestions, academic articles, and examples of corporate best practices.[57] In addition to the assessment tool, the GEP Initiative launched the Gender Equality Challenge in April 2013 which highlights model practices submitted by companies in the Bay Area. Thus far, the GEP Initiative has a long list of participating companies, including large, well known corporations such as Twitter, eBay, and AT&T, three companies which have all made submissions to the Gender Equality Challenge.

Although the GEP Initiative has a clear track record of success in recruiting major companies to participate in its program, most of the information that is publically available focuses on describing the program without mentioning any concrete data or results, despite the fact that the program has been running for six years. Because the GEP Assessment Tool is meant for a company's internal review only, it is unclear whether the program has significantly raised gender equality in participating workplaces.

Ultimately, to determine the applicability of such program to New Hampshire, additional information to be evaluated includes: the costs of the GEP Initiative for the city of San Francisco and the source of funds used, the costs for participating companies, the number of employers and employees affected, the ease of use of the GEP assessment tool for companies, the extent to which companies are implementing changes, the nature of different interventions implemented, and any changes in the wage gap within the participating companies. Further information to consider also includes the rate at which companies are signing up, details on any efforts to recruit more companies, the potential for adaptation of the GEP Initiative to the public sector, and any qualitative improvements seen in the work environment for women in participating companies. Unfortunately, multiple interview requests with members of the Gender Equality Council and Dr. Emily Murase, the Executive Director of the San Francisco Department on the Status of Women, in order to obtain this information were not returned. Nevertheless, even without this additional information, providing an assessment tool like the one developed San Francisco' Gender Equality Council (which can be found at http://sfgov.org/dosw/gep-assessment-tool) could potentially provide local employers with a means to consider the ways in which they could better comply with both New Hampshire and Federal paycheck fairness laws.

6. POLICY OPTIONS

6.1 Preventing Implicit Gender Discrimination

Implicit gender wage discrimination is more subtle and occurs when traits tied to gender are used justify a wage difference. These traits include lifestyle, personality, and negotiating capability. Vermont's stricter definition of gender-based wage discrimination would greatly benefit women in New Hampshire by ensuring that employers must prove that these factors are, in fact, not tied to one's gender.

New Hampshire could also consider adopting Vermont's approach to flexible work schedules, with "right to ask, duty to consider" clauses for employees and employers respectively. Vermont law defines a flexible work arrangement as "intermediate or long-term changes in the employee's regular working arrangements" and also ensures that those who seek arrangements are protected from retaliation or discrimination. The law then stipulates that employers have a duty to consider "in good faith whether the requested arrangement could be granted in a manner that is not inconsistent with its business operations." Finally, the law states that employers must notify their employees of their decision.[58] These measures aim to prevent implicit gender discrimination and can be implemented directly by the legislature.

6.2 Increase Information Available to Working Women

Delaware's three-year record-keeping mandate of wages, hours worked, and total amount paid for employers could help New Hampshire employees become better informed and more likely to report if an employee is discriminating based on gender alone. The specific law states "It shall be the duty of every employer of over three employees to make, keep and preserve for a period not less than three years the records specified in the chapter, including wage and hour records."[59] This report is useful to workers looking to prove wage discrimination and also aids the Delaware Department of Labor in their investigations in allegations of wage discrimination.

6.3 Create Innovative Pay Equity Policies

All three programs from Minnesota, New Mexico, and San Francisco that are examined in this report are examples of innovative pay equity policies that could potentially be adopted in New Hampshire. Minnesota's program was established through legislation, affects all government workers, and concerns equalizing pay scales between traditionally female-dominated and male-dominated fields that require similar skill sets. This policy is based on the principle of equal pay for equal work and the fact that, for jobs requiring similar skills sets, the jobs traditionally held by women will be undervalued and thus underpaid as compared to the jobs traditionally held by men. On the other hand, New Mexico's policy was established through executive orders, affects contractors, and requires contractors to report on pay equity as part of the process of submitting proposals for contracts. A joint policy concerning both government workers and state contractors could be effective. San Francisco's program targets overall gender equality in the private sector workplace through voluntary participation in the Gender Equality Principles Initiative. This represents another approach to consider when implementing the Paycheck Fairness Act. Any one of these policies or a combination of the policies will help combat the wage gap in New Hampshire.

Because these three locations are all distinctly different from New Hampshire, an important element to consider is any potential barriers to implementation that New Hampshire may face, especially when implementing a multi-faceted approach to closing the wage gap. The most relevant barriers are cost and sources of funding. New Hampshire's tax revenue structure, with no income or sales tax, is very different from the tax structure in these three locations. Funding sources used in these three places may not be viable in New Hampshire so alternate sources may need to be found. While some of these programs may prove to be extremely relevant to New Hampshire, the total cost may be prohibitive. Here it is worth noting that, because some of San Francisco's practices are designed exclusively for a participating company's internal review, the major costs would be borne by those companies that chose to participate.

6.4 Target Government Workers

In terms of policy options, Minnesota's program concerning pay equity for all state and local government workers has proven to be extremely successful. Though adopting a policy of this sort would affect all government employees, it has the potential to create pay equity for these employees in a short time frame. On the other hand, this option is likely to be the most costly as well as require significantly more government resources than the other two policies. Because cost is an important barrier and Minnesota's program concerning government workers had well-defined cost information readily available, more focus was placed on examining the costs incurred to Minnesota's government and the what costs New Hampshire may face if a similar policy was implemented.

As discussed in section 5.1 of the report, Minnesota's program for pay equity at the state level cost a total of $33.4 million over the four-year phase-in period of the policy. In order for New Hampshire to implement a similar policy, the state will need to evaluate all of the jobs in the state government using an evaluation system, determine which jobs, if any, are underpaid, and calculate the total cost of the necessary salary increases. It is difficult to forecast the potential costs of such a program, both because of the differences in the size of the governments between Minnesota and New Hampshire and the fact that New Hampshire's policy will go into effect over three decades later. However, the costs will likely be significant and New Hampshire will need to find a funding source for the policy.

A potential funding source may stem from fines for non-compliance with the law, however any revenue obtained in that fashion will be limited. Minnesota currently fines jurisdictions that are not in compliance with a penalty of the greatest of a five percent reduction in state aid or $100 per day.[60] New Hampshire could institute a similar penalty but should not expect this to be a large funding source because, as of the end of 2013, 99 percent of local government jurisdictions in Minnesota were compliant with the law.[61] Thus, if New Hampshire jurisdictions are similarly compliant, very few jurisdictions will pay the penalty. As a result, little revenue would be obtained from fines.

Overall, Minnesota's policy has the clearest record of success and affects a well-defined population, making the policy easier to enact and evaluate though it is likely the costliest policy option.

6.5 Target Contractors and the Private Sector

The programs in New Mexico and San Francisco are both valuable because they target groups other than state and local government employees. These groups are important to target in New Hampshire in order to create pay equity. However there is much less evidence on the effectiveness of these policies. San Francisco's Gender Equality Principles Initiative tackles several factors surrounding gender equality in the workplace. Thus, if New Hampshire enacts a similar policy, it would likely be much less costly than a policy based on the program in Minnesota but would not focus solely on gender pay equity. Along the same lines, New Mexico's policy targeting contractors is another option that is likely to be significantly less costly than Minnesota's program.

San Francisco's and New Mexico's programs did not have any cost information available. These two programs operate on a much smaller scale in terms of government costs because San Francisco's program is focused on private companies and New Mexico's program requires pay equity reporting for contractors. As a result, the private companies and contractors bear more of the costs in these programs. Consequently, these programs will likely be much less costly for New Hampshire's government though exact costs are difficult to estimate. In sum, New Mexico's and San Francisco's programs are relevant because the two groups they target are not covered by Minnesota's policy and they seem to be less costly policy options. However, the effects of these programs are not fully documented.

7. CONCLUSION

The gender wage gap is a multidimensional, socio-economic issue. Any attempt to combat it, therefore, requires both public and private cooperation on an economic as well as societal level. Thus, the goal of this report is to offer both breadth and depth: breadth in the comparisons and connections from outside New Hampshire and depth in the analysis of the law's effects in the state. By combining a deep knowledge of New Hampshire's fight against the gender wage gap with a consideration of other states and strategies, this report offers options for meaningful policy conversations and for moving the Granite State forward.

REFERENCES

[1] Hill, Catherine. "The Simple Truth about the Gender Pay Gap." American Association of University Women. September 18, 2014. Accessed October 30, 2014. http://www.aauw.org/files/2014/09/The-Simple-Truth_Fall.pdf.
[2] "New Hampshire Women & the Wage Gap." National Partnership for Women and Families. April, 2014. Accessed October 29, 2014. http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/2014-nh-wage-gap.pdf.
[3] Ibid.
[4] Ibid.
[5] Ibid.
[6] Hill, Catherine. "The Simple Truth about the Gender Pay Gap." American Association of University Women. September 18, 2014. Accessed October 31, 2014. http://www.aauw.org/files/2014/09/The-Simple-Truth_Fall.pdf.
[7] Brunner, Borgna, and Beth Rowen. "The Equal Pay Act." Infoplease. 2007. Accessed October 27, 2014. http://www.infoplease.com/spot/equalpayact1.html.
[8] Ludden, Jennifer. "Despite New Law, Gender Salary Gap Persists." NPR: National Public Radio. April 19, 2010. Accessed October 29, 2014. http://www.npr.org/templates/story/story.php?storyId=125998232.
[9] Brunner, Borgna, and Beth Rowen. "The Equal Pay Act." Infoplease. January 1, 2007. Accessed October 27, 2014. http://www.infoplease.com/spot/equalpayact1.html.
[10] "SB 0207." SB 0207. June 4, 2014. Accessed October 31, 2014. http://www.gencourt.state.nh.us/legislation/2014/SB0207.html.
[11] Ibid.
[12] "HB 1188." HB 1188. Accessed October 31, 2014. http://www.gencourt.state.nh.us/legislation/2014/hb1188.html.
[13] "State and County Quick Facts". Government. *US Census Bureau.* http://quickfacts.census.gov/qfd/index.html.
[14] Ibid.
[15] Ibid.
[16] Ibid.
[17] Ibid.
[18] "America's Women and the Wage Gap." 2014. National Partnership for Women and Families.http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/americas-women-and-the-wage-gap.pdf.
[19] "Bureau of Economic Analysis News Release." 2014. US Department of Commerce. http://www.bea.gov/newsreleases/regional/gdp_state/2014/pdf/gsp0614.pdf.
[20] Ibid.

[21] "America's Women and the Wage Gap." 2014. National Partnership for Women and Families.http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/americas-women-and-the-wage-gap.pdf.
[22] Bureau of Labor Statistics. "Economy at a Glance". Government Website.*US Department of Labor*. http://www.bls.gov/eag/home.htm.
[23] World Population Review. 2014. "Vermont Population 2014". Reference. *World Population Review*.http://worldpopulationreview.com/states/vermont-population/.
[24] "Act 31, An Act Relating to Equal Pay." Vermont Commission on Women. Vermont State Government. 2013. Accessed April 10, 2015. http://women.vermont.gov/sites/women/files/pdf/Act%2031%20Fact%20Sheet%20%286-13-13%29.pdf.
[25] Ibid.
[26] Ibid.
[27]"The Legal Rights of Women in Vermont Employment Rights." Vermont Commission on Women. Vermont State Government. 2013. 2. http://women.vermont.gov/sites/women/files/pdf/Chapter%205%20Employment%20Rights.pdf, "Employer Pay Equity Self-Audit." Vermont Commission on Women, Business and Professional Women's Foundation. Vermont State Government. 2013. Accessed April 10, 2015. http://women.vermont.gov/sites/women/files/pdf/EqualPayAudit.pdf, "Equal Pay: Your Rights and Obligations as a Vermont Employee Employer" Vermont Commission on Women, Business and Professional Women's Foundation. Vermont State Government. 2013. 2. Accessed April 10, 2015. http://women.vermont.gov/sites/women/files/pdf/Equal_Pay_Brochure.pdf.
[28] "Equal Pay." Equal Pay. May 27, 2014. Accessed April 10, 2015. http://ago.vermont.gov/divisions/civil-rights/employment-law/equal-pay.php.
[29] "Maine Revised Statutes." Title 26, §628: Equal Pay. Accessed April 10, 2015. http://www.mainelegislature.org/legis/statutes/26/title26sec628.html.
[30] "Maine Department of Labor Issue Brief: Women's Wage in 2014." Maine Department of Labor. http://www.maine.gov/labor/labor_laws/publications/payequityreport.pdf Accessed April 10th, 2015
[31] "Title 28 Labor and Labor Relations." 28-6-18. Accessed April 10, 2015. http://webserver.rilin.state.ri.us/Statutes/title28/28-6/28-6-18.HTM.
[32] Ibid.
[33] "Title 42 State Affairs and Government." 42-124-1. Accessed April 10, 2015. http://webserver.rilin.state.ri.us/Statutes/title42/42-124/42-124-1.HTM.
[34] "Delaware Equal Pay Acts: What You Need to Know." Delaware Equal Pay Acts Laws and Compensation Compliance Analysis. Accessed April 10, 2015. http://www.blr.com/Compensation/Discrimination/Equal-Pay-Acts-in-Delaware.
[35] "Title 19 Labor, General Provisions, Chapter 11 Wage Payment and Collection." State of Delaware. Accessed April 10, 2015. http://delcode.delaware.gov/title19/c011/index.shtml.

[36] Ludden, Jennifer. "Despite New Law, Gender Salary Gap Persists." NPR. April 19, 2010. Accessed October 30, 2014. http://www.npr.org/templates/story/story.php?storyId=125998232.
[37] "Minnesota's Pay Equity Achievement." Star Tribune. April 10, 2013. Accessed November 2, 2014. http://www.startribune.com/opinion/editorials/202027901.html. "Two Progressive Models on Pay Equity: Minnesota and Ontario." National Committee on Pay Equity. Accessed November 2, 2014.
[39] "Minnesota's Pay Equity Achievement." Star Tribune. April 10, 2013. Accessed November 2, 2014. http://www.startribune.com/opinion/editorials/202027901.html.
[40] Watkins, Bonnie. "Pay Equity: The Minnesota Experience." Office on the Economic Status of Women. April 1, 1994. Accessed April 11, 2015. http://www.commissions.leg.state.mn.us/oesw/payequity/payequity.pdf.
[41] Gmach, Cyndee. "Interview with Current Pay Equity Coordinator in Minnesota." Telephone interview by author. February 19, 2015.
[42] Watkins, Bonnie. "Pay Equity: The Minnesota Experience." Office on the Economic Status of Women. April 1, 1994. Accessed April 11, 2015. http://www.commissions.leg.state.mn.us/oesw/payequity/payequity.pdf.
[43] Ibid.
[44] Ibid.
[45] Gmach, Cyndee. "Interview with Current Pay Equity Coordinator in Minnesota." Telephone interview by author. February 19, 2015.
[46] Evans, Sara, and Barbara Nelson. "Initiating a Comparable Worth Wage Policy in Minnesota: Notes from the Field." Wiley Online Library. May 1, 1986. Accessed November 2, 2014. http://onlinelibrary.wiley.com/doi/10.1111/j.1541-1338.1986.tb00532.x/pdf.
[47] "Minnesota Local Government Pay Equity Compliance Report." Minnesota.gov. January, 2014. Accessed November 2, 2014. http://mn.gov/mmb/images/payequityreport.pdf.
[48] "Minnesota Local Government Pay Equity Compliance Report." Minnesota.gov. January, 2014. Accessed November 2, 2014. http://mn.gov/mmb/images/payequityreport.pdf.
[49] "Minnesota Local Government Pay Equity Compliance Report." Minnesota.gov. January, 2014. Accessed November 2, 2014. http://mn.gov/mmb/images/payequityreport.pdf.
[50] "Minnesota's Pay Equity Achievement." Star Tribune. April 10, 2013. Accessed November 2, 2014. http://www.startribune.com/opinion/editorials/202027901.html.
[51] Evans, Sara, and Barbara Nelson. "Initiating a Comparable Worth Wage Policy in Minnesota: Notes from the Field." Wiley Online Library. May 1, 1986. Accessed November 2, 2014. http://onlinelibrary.wiley.com/doi/10.1111/j.1541-1338.1986.tb00532.x/pdf.
[52] "New Mexico Pay Equity Initiative." New Mexico General Services Department. Accessed November 2, 2014. http://www.generalservices.state.nm.us/statepurchasing/Pay_Equity.aspx.

[53] Burk, Martha. "The New Mexico Pay Equity Initiative in State Contracting." Institute for Women's Policy Research. May, 2011. Accessed November 2, 2014.
[54] Ibid.
[55] "Gender Equality Principles." Gender Equality Principles. Accessed November 2, 2014. http://www.genderprinciples.org/principles.php.
[56] “Next Steps.” Gender Equality Principles. Accessed November 2, 2014. http://www.genderprinciples.org/index.php?p=37.
[57] “Resources.” Gender Equality Principles. Accessed November 2, 2014. http://www.genderprinciples.org/resources.php.
[58] "Important Workplace Laws That Vermont Workers Should Know." Flexible Working Arrangements. Accessed May 18, 2015.
[59] "Title 19 Labor, General Provisions, Chapter 11 Wage Payment and Collection." State of Delaware. Accessed April 10, 2015.
[60] "Minnesota Local Government Pay Equity Compliance Report." Minnesota.gov. January, 2014. Accessed November 2, 2014. http://mn.gov/mmb/images/payequityreport.pdf.
[61] "Minnesota Local Government Pay Equity Compliance Report." Minnesota.gov. January, 2014. Accessed November 2, 2014. http://mn.gov/mmb/images/payequityreport.pdf.