

## **Department of Planning and Budget**

### **2018 Fiscal Impact Statement**

**1. Bill Number:** HB626

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Ayala

**3. Committee:** Commerce and Labor

**4. Title:** Limiting employees' sharing of wage information prohibited; civil penalty.

**5. Summary:** Prohibits an employer from requiring, as a condition of employment, that an employee refrain from inquiring about, discussing, or disclosing information about the employee's own wages or about any other employee's wages. The measure also prohibits an employer from taking retaliatory action against an employee for sharing such information. Violations are subject to a civil penalty of \$100.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary. See Item 8.

**8. Fiscal Implications:** This bill requires the Department of Labor and Industry (DOLI) to enforce this provision. Currently, there is no statute in the Code of Virginia on the sharing of information about wages. The only law on this topic is a National Labor Relations Board (NLRB) decision that the banning of such discussions is prohibited. As this topic is not a category that DOLI tracks, DOLI used anecdotal information from its compliance officers. Each of the compliance officers recalled getting calls on a consistent basis on wage discussions. Based on this information, DOLI anticipates that the agency may need to respond to 75 to 100 calls on this topic, the workload of its inspectors to increase, and a part-time inspector may be needed.

Any revenue impact that may result from this bill is indeterminate. The bill establishes a civil penalty of \$100 per violation. Civil penalties imposed and collected pursuant to this bill would be deposited to the general fund. Any revenue would depend on the number of employers who fail to contest the violation by requesting an informal conference within 21 days following receipt of the notice of the alleged violation.

**9. Specific Agency or Political Subdivisions Affected:** Department of Labor and Industry; courts.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.