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Charter School Boards & Staff In-Service

Minnesota Employment Law

MN Statute 181

Module No. 5

Equal Pay for Equal Work

Preventing Discrimination through Wages

MN Statute 181 Sections 66 & 67



Minnesota charter schools are subject to MN Statute 181 - Employment Law. This law is the general employment law in the State of Minnesota that applies to all employers and employees.

One of the fiduciary duties of board members is to know the laws that apply to the school, and the charter school has a legal responsibility to notify employees of the terms and conditions of employment in the public charter school - especially since those terms and conditions are different than employment in traditional public schools.

These In-service Modules provide “bite size” lessons on Minnesota’s Employment Law for use as monthly in-services with public charter school boards and staffs. We hope that charter school boards and administrators will find these in-service modules a helpful tool.

EQUAL PAY FOR EQUAL WORK: PREVENTING DISCRIMINATION THROUGH WAGES

Minnesota’s Charter School Law – MN Statute 124.D 10, the legislature lists MN Statute 181 as a law with which a charter school and a charter school board must comply. Within this law, Equal Pay for Equal Work guidelines are outlined in sections 181.66-181.68.

181.66 – Definitions

Employer

"Employer" means any person employing one or more employees, but does not include the state or any municipal corporation or political subdivision of the state having in force a civil service system based on merit, or the federal government.

Employee

"Employee" means an individual who, otherwise than as copartner of the employer or as an independent contractor, renders personal service wholly or partly in this state to an employer who pays or agrees to pay such individual at a fixed rate. However, where services are rendered only partly in this state, an individual is not an employee unless a contract of employment has been entered into, or payments thereunder are ordinarily made or to be made within this state.

Wages

"Wages" means all compensation for performance of services by an employee for an employer whether paid by the employer or another person including cash value of all compensation paid in any medium other than cash.

Rate

"Rate" with reference to wages means the basis of compensation for services by an employee for an employer and includes compensation based on the time spent in the performance of such services, or on the number of operations accomplished, or on the quantity produced or handled.

Unpaid wages

"Unpaid wages" means the difference between the wages actually paid to an employee and the wages required under section 181.67 to be paid to such employee.

181.67 - Wage Discrimination Based on Sex; Protection of Employees Involved in Proceedings

General prohibition

No employer shall discriminate between employees on the basis of sex by paying wages to employees at a rate less than the rate the employer pays to employees of the opposite sex for equal work on jobs the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working conditions, except where such payment is made pursuant to a seniority system, a merit system, a system which measures earnings by quantity or quality of production, or a differential based on any other factor other than sex. Provided, that an employer who is paying a wage rate differential in violation of sections 181.66 to 181.71 shall not, in order to comply with the provisions of sections 181.66 to 181.71, reduce the wage rate of any employee.

Employees involved in proceeding

No employer shall discriminate against any employee in regard to hire or tenure of employment or any term or condition of employment because the employee has filed a complaint in a proceeding under sections 181.66 to 181.71, or has testified, or is about to testify, in any investigation or proceedings pursuant to sections 181.66 to 181.71 or in a criminal action pursuant to sections 181.66 to 181.71.

QUESTIONS FOR DISCUSSION WITH BOARDS AND SCHOOL STAFF

1. What are three payment systems that legally allow for employees to be paid at different scales for the same amount of work done?
2. What should an employer **not** do if they are in violation of Equal Pay for Equal Work laws in an attempt to comply?
3. When an employee has filed a complaint, testified, or is involved in an investigation regarding Equal Pay for Equal Work laws, what practices by an employer are deemed illegal?
4. What does 'Right of Action' mean?
5. How does an employee's agreement to lower compensation effect Equal Pay for Equal Work laws?

ACTIONS

- ✓ Board has reviewed the Equal Pay for Equal Work provisions of MN Employment Law.
- ✓ Personnel Handbook of the school has information on the Equal Pay for Equal Work law.
- ✓ Board has developed procedures to ensure compliance with the Equal Pay for Equal Work guidelines.

OTHER PROVISIONS OF THE LAW RELATED TO EQUAL PAY FOR EQUAL WORK

181.68 - Actions, Limitations, Damages, Attorney Fees, Parties, Compromises

Right of action

Any employee whose compensation is at a rate that is in violation of section 181.67 has a right of action against an employer for the recovery of the amount of the unpaid wages to which the employee is entitled for the one year period preceding the commencement of the action, and an amount up to the amount of these unpaid wages may be levied at the discretion of the court as exemplary damages.

Attorney fees

In addition to any judgment awarded to the plaintiff, the court shall allow reasonable attorney fees to be taxed as costs.

Parties to action

The action for the unpaid wages and liquidated damages may be maintained by one or more employees on behalf of themselves or other employees similarly situated.

Agreements for lesser compensation

An agreement for compensation at a rate less than the rate to which an employee is entitled under sections 181.66 to 181.71 is not a defense to any such action. A violation of Equal Pay for Equal Work is a misdemeanor.