## BILL AS PASSED BY THE HOUSE AND SENATE 2018

1	H.707
2	Introduced by Representatives Copeland-Hanzas of Bradford, Turner of
3	Milton, Chesnut-Tangerman of Middletown Springs, Krowinski
4	of Burlington, Sibilia of Dover, Baser of Bristol, Beck of
5	St. Johnsbury, Briglin of Thetford, Buckholz of Hartford,
6	Burditt of West Rutland, Burke of Brattleboro, Canfield of
7	Fair Haven, Christie of Hartford, Cina of Burlington, Colburn
8	of Burlington, Conlon of Cornwall, Connor of Fairfield,
9	Conquest of Newbury, Deen of Westminster, Donovan of
10	Burlington, Grad of Moretown, Haas of Rochester, Harrison of
11	Chittenden, Hill of Wolcott, Hooper of Randolph, Jickling of
12	Randolph, Lanpher of Vergennes, Lippert of Hinesburg, Lucke
13	of Hartford, McCormack of Burlington, McFaun of Barre
14	Town, Miller of Shaftsbury, Morris of Bennington, Mrowicki of
15	Putney, Noyes of Wolcott, Ode of Burlington, Partridge of
16	Windham, Poirier of Barre City, Pugh of South Burlington,
17	Scheu of Middlebury, Sheldon of Middlebury, Stevens of
18	Waterbury, Stuart of Brattleboro, Sullivan of Dorset, Sullivan
19	of Burlington, Till of Jericho, Toll of Danville, Townsend of
20	South Burlington, Troiano of Stannard, Webb of Shelburne,
21	Weed of Enosburgh, Willhoit of St. Johnsbury, Wood of

## BILL AS PASSED BY THE HOUSE AND SENATEH.7072018Page 2 of 40

1	Waterbury, Wright of Burlington, Yantachka of Charlotte, and
2	Young of Glover
3	Referred to Committee on
4	Date:
5	Subject: Labor; employment practices; sexual harassment
6	Statement of purpose of bill as introduced: This bill proposes to prohibit
7	employment agreements from preventing an employee from disclosing sexual
8	harassment; to prohibit employment agreements from containing provisions
9	that waive an employee's rights or remedies with respect to a claim of sexual
10	harassment; to prohibit agreements to settle a sexual harassment claim from
11	prohibiting the employee from working for the employer or an affiliate of the
12	employer; to require agreements to settle a sexual harassment claim to state
13	that the employee may report sexual harassment or cooperate with an
14	investigation of sexual harassment; to require that the parties to an agreement
15	to settle a sexual harassment claim provide notice of the settlement to the
16	Attorney General; to grant the Attorney General and the Human Rights
17	Commission authority to audit workplaces for compliance with the
18	requirements of Vermont's laws related to sexual harassment; to prohibit
19	persons that have contracted for services or labor with an independent
20	contractor from engaging in sexual or other forms of harassment towards the
21	independent contractor; to require the Attorney General and the Human Rights

VT LEG #328765 v.3

## BILL AS PASSED BY THE HOUSE AND SENATE 2018

1	Commission to enhance the mechanisms for reporting instances of
2	discrimination or sexual harassment; to require the Vermont Commission on
3	Women to create an outreach and education program related to reporting
4	sexual harassment; to provide the Attorney General and the Human Rights
5	Commission with notice of and a right to intervene in any action related to
6	sexual harassment that is filed in Superior Court; and to require the
7	Commissioner of Labor to update the model policy and poster related to sexual
8	harassment.
9	An act relating to the prevention of sexual harassment

- 10 It is hereby enacted by the General Assembly of the State of Vermont:
- 11 Sec. 1. 21 VSA 8 495h is amended to read:
- 12 § 495h. SEXUAL HARASSMENT

(c) Employers shall provide individual copies of their written policies to
 current employees no later than November 1, 1993, and to new employees

\* \* \*

- 16 upon their being hired. Employers who have provided individual written
- 17 notice to all employees within the 12 months prior to October 1, 1993, shall
- 18 be exempt from having to provide an additional notice during the 1993
- 19 <del>calendar year.</del>

13

1	* * *
2	0(1) Employers and labor organizations are encouraged to conduct an
3	education and training program within one year after September 30, 1993 for
4	all current employees and members, and for all new employees and members
5	thereafter within one year of commencement of employment, that includes at a
6	minimum all the information outlined in this section within one year after
7	commencement of employment.
8	(2) Employers and labor organizations are encouraged to conduct an
9	annual education and training program for all employees and members that
10	includes at a minimum all the information outlined in this section.
11	(3) Employers are encouraged to conduct additional training for current
12	supervisory and managerial employees and members within one year of
13	September 30, 1993, and for new supervisory and managerial employees and
14	members within one year of commencement of employment or membership,
15	which should include at a minimum the information outlined in subsection (b)
16	of this section and, the specific responsibilities of supervisory and managerial
17	employees, and the methods actions that these employees must take to ensure
18	immediate and appropriate corrective action in addressing sexual harassment
19	complaints.
20	(4) Employers, labor organizations, and appropriate State agencies are
21	encouraged to cooperate in making this training available.

1	(g)(1) An employer shall not require any employee or prospective
2	employee, as a condition of employment, to sign an agreement or waiver that
3	does either of the following:
4	(A) prohibits, prevents, or otherwise restricts the employee or
5	prospective employee from opposing, disclosing, reporting, or participating in
6	an investigation of vexual harassment; or
7	(B) except as otherwise permitted by State or federal law, purports to
8	waive a substantive or procedural right or remedy available to the employee
9	with respect to a claim of sexual harassment.
10	(2) Any provision of an agreement that violates subdivision (1) of this
11	subsection shall be void and unenforceable.
12	(h)(1) An agreement to settle a claim of sexual harassment shall not
13	prohibit, prevent, or otherwise restrict the employee from working for the
14	employer or any parent company, subsidiary, division, or affiliate of the
15	employer.
16	(2) An agreement to settle a sexual harassment claim shall expressly
17	state that it does not prohibit, prevent, or otherwise restrict the employee from
18	doing either of the following:
19	(A) lodging a complaint of sexual harassment committed by any
20	person with the Attorney General, a State's Attorney, the Human Rights
21	Commission, the Equal Employment Opportunity Commission, or any other

1	State or federal agency: or
2	(B) testifying, assisting, or participating in any manner with an
3	investigation related to a claim of sexual harassment conducted by the
4	Attorney General, a State's Attorney, the Human Rights Commission, the
5	Equal Employment Opportunity Commission, or any other State or federal
6	agency.
7	(3) Any provision of an agreement to settle a sexual harassment claim
8	that violates subdivision (1) or (2) of this subsection shall be void and
9	unenforceable.
10	(i)(1) The parties to an agreement to settle a sexual harassment claim shall
11	provide notice of the settlement to the Attorney General within 15 calendar
12	days after entering into the agreement. The notice shall include the date of the
13	settlement, the name of the employer, and the names of all parties to the
14	settlement. The notice shall not be required to include any information
15	relating to the specific details of the claim or to the terms of the settlement.
16	(2) All notices of settlement agreements submitted persuant to this
17	section and any related records kept by the Attorney General shall be exempt
18	from public inspection and copying under the Public Records Act and shall be
19	kept confidential.
20	(j)(1)(A) For the purpose of assessing compliance with the provisions of
21	this section, the Attorney General or his or her designee, or, if the employer is

1	the State, the Human Rights Commission or its designee, may, upon presenting
2	appropriate credentials, at reasonable times and without unduly disrupting
3	business operations enter and inspect any place of business or employment,
4	question any person who is authorized by the employer to receive or
5	investigate complaints of sexual harassment, and examine an employer's
6	records, policies, procedures, and training materials related to the prevention
7	of sexual harassment and the requirements of this section. As used in this
8	subsection, the term "records" includes de-identified data regarding the
9	number of complaints of sexual harassment received and the resolution of each
10	<u>complaint.</u>
11	(B) The employer shall at reasonable times and without unduly
12	disrupting business operations make any persons who are authorized by the
13	employer to receive or investigate complaints of sexual harassment and any
14	records, policies, procedures, and training materials related to the prevention
15	of sexual harassment and the requirements of this section available to the
16	Attorney General or his or her designee or, if the employer is the State, the
17	Human Rights Commission or its designee.
18	(2) Following an inspection and examination pursuant to subdivision (1)
19	of this subsection, the Attorney General or the Human Rights Commission
20	shall notify the employer of the results of the inspection and examination,
21	including any issues or deficiencies identified, provide resources regarding

1	practices and procedures for the prevention of sevual harassment that the
2	employer may wish to adopt or utilize, and identify any technical assistance
3	that the Attorney General or the Human Rights Commission may be able to
4	provide to help the employer address any identified issues or deficiencies. If
5	the Attorney General or the Human Rights Commission determines that it is
6	necessary to ensure the employer's workplace is free from sexual harassment,
7	the employer may be required, for a period of up to three years, to provide an
8	annual education and training program that satisfies the provisions of
9	subsection (f) of this section to all employees or to conduct an annual,
10	anonymous working climate survey or both.
11	(k) The Attorney General shall adopt rules as necessary to implement the
12	provisions of this section.
13	Sec. 2. 21 V.S.A. chapter 5, subchapter 1A is added to read:
14	Subchapter 1A. Working Conditions for Independent Contractors
15	§ 321. SEXUAL HARASSMENT; INDEPENDENT CONTRACTORS
16	(a) As used in this section:
17	(1)(A) "Client" means a person for whom services or labor is performed
18	by an independent contractor.
19	(B) For the purposes of this section, if a client is a private
20	homeowner, an independent contractor hired by the client to perform services
21	or labor in relation to his or her private dwelling shall not be considered an

# BILL AS PASSED BY THE HOUSE AND SENATEH.7072018Page 9 of 40

1	agent of the client with respect to any other independent contractor that the
2	client hires to perform services or labor in relation to his or her private
3	dwelling.
4	(2) "independent contractor" means an individual who:
5	(A) performs services or labor for a client pursuant to a contract with
6	the client or an agent of the client; and
7	(B) is not an employee as defined in section 495d of this title.
8	(3) "Individual" means:
9	(A) a natural person;
10	(B) a single-member L.L.C. that does not have any employees other
11	than the member; or
12	(C) a corporation with a single shareholder that does not have any
13	employees other than the shareholder.
14	(b) A client, or an agent of a client, shall not:
15	(1) engage in unwelcome sexual advances, requests for sexual favors, or
16	other verbal or physical conduct of a sexual nature with an independent
17	contractor when:
18	(A) submission to the conduct is either implicitly or explainly a term
19	or condition of the independent contractor's performance of services or labor;
20	(B) submission to or rejection of the conduct by the independent
21	contractor is used as the basis for decisions relating to.

1	(i) whether to enter into a contract with the independent
2	contractor; or
3	(ii) an existing contract with the independent contractor; or
4	(C) the conduct has the purpose or effect of unreasonably interfering
5	with the independent contractor's performance of services or labor by creating
6	an intimidating, howile, or offensive work environment.
7	(2) subject an independent contractor to any form of harassment based
8	on sex, sexual orientation, or gender identity when the harassment has the
9	purpose or effect of unreasonably interfering with the independent contractor's
10	provision of services by creating an intimidating, hostile, or offensive work
11	environment.
12	(c) The provisions against retaliation by employers in subdivision
13	495(a)(8) of this title shall apply to clients with respect to independent
14	contractors and the penalty and enforcement provisions of section 495b of this
15	title shall apply to this section.
16	Sec. 3. ATTORNEY GENERAL; HUMAN RIGHTS COMMISSION;
17	ENHANCED REPORTING OF DISCRIMINATION AND SEXUAL
18	HARASSMENT
19	(a) On or before December 15, 2018, the Attorney General and the Human
20	Rights Commission shall develop and implement enhanced mechanisms for
21	employees, independent contractors, and members of the public to submit

1	complaints of discrimination and sexual harassment in employment or in the
2	course of an independent contractor relationship.
3	(b) The methods shall include, at a minimum, an easy-to-use portal on the
4	Attorney General's or Human Rights Commission's website and a telephone
5	hotline. Each method shall provide a clear statement that information
6	submitted may be referred to the Office of the Attorney General, a State's
7	Attorney, the Vermont Human Rights Commission, the Equal Employment
8	Opportunity Commission, or another State or federal agency that has
9	jurisdiction over the complaint.
10	(c) Unless the complainant requests otherwise, if the Attorney General, the
11	Human Rights Commission, or the relevant State agency determines that the
12	allegations in the complaint state a prima farie claim of unlawful
13	discrimination or sexual harassment, it shall, within 30 business days after
14	receiving the complaint, provide notice to the complainant's employer or client
15	of the complaint and the laws prohibiting retaliation in relation to a complaint
16	of discrimination or sexual harassment. The notice shall identify the alleged
17	perpetrator of the discrimination or sexual harassment and shall require the
18	employer or client to provide the alleged perpetrator with notice of the
19	complaint and the laws prohibiting retaliation in relation to a complaint of
20	discrimination or sexual harassment.
21	

21 Sc. 4. OUTREACH REDARDING ENHANCED REFORTING

1	MECHANISMS
2	In or before December 15, 2018, the Vermont Commission on Women, in
3	consultation with the Attorney General and the Human Rights Commission,
4	shall develop and implement an outreach and education program designed to
5	make Vermont upployees, employers, independent contractors, and clients
6	aware of:
7	(1) the methods for reporting employment and independent contractor
8	discrimination and sexual hyrassment; and
9	(2) where to find information regarding:
10	(A) the laws related to employment and independent contractor
11	discrimination and sexual harassment; and
12	(B) best practices for preventing employment and independent
13	contractor discrimination and sexual harassmen
14	Sec. 5. REPORT REGARDING ENHANCED REPORTING MECHANISMS
15	On or before January 15, 2020, the Attorney General in consultation with
16	the Human Rights Commission and the Vermont Commission on Women, shall
17	submit to the House Committee on General, Housing, and Milnury Affairs and
18	the Senate Committee on Economic Development, Housing and General
19	Affairs a report regarding the implementation of the enhanced reporting
20	mechanisms for instances of employment and independent contractor
21	discrimination and sexual narassment. The report shall include.

1	(1) a detailed description of how any existing reporting mechanisms
2	were enhanced and any new reporting mechanisms that were implemented;
3	(2) a summary of changes, if any, in the annual number of complaints of
4	employment and independent contractor discrimination and sexual harassment
5	received and the number of complaints resulting in an investigation,
6	settlement, or State court action during calendar years 2018 and 2019 in
7	comparison to calendar years 2016 and 2017;
8	(3) the number of employees and independent contractors that reported
9	the employment discrimination or sexual harassment to their employer,
10	supervisor, or client prior to making a complaint in comparison to the number
11	that did not, and the reasons that employees and independent contractors gave
12	for not reporting the discrimination or sexual harassment to their employer,
13	supervisor, or client prior to making a complaint; and
14	(4) any suggestion for legislative action to enhance further the reporting
15	mechanisms or to reduce the amount of employment and independent
16	contractor discrimination and sexual harassment.
17	Sec. 5. 21 V.S.A. § 495m is added to read:
18	§ 495m. SEXUAL HARASSMENT COMPLAINTS FILED IN SUPERIOR
19	COURT; NOTICE TO ATTORNEY GENERAL AND HUMAN
20	RIGHTS COMMISSION
21	(a) A person that files a claim of sexual harassment pursuant to section

1	495h of this subchapter in which neither the Attorney General nor the Human
2	Rights Commission is a party shall provide notice of the action to the Attorney
3	General and the Human Rights Commission within 14 days after filing the
4	complaint. The notice may be submitted electronically and shall include a
5	copy of the filed complaint.
6	(b)(1) Upon receiving notice of a complaint in which the State is a party,
7	the Human Rights Commission may elect to:
8	(A) intervene in the action to seek remedies pursuant to section 495b
9	of this chapter; or
10	(B) without becoming a party to the action, file a statement with the
11	court addressing questions of law related to the provisions of this subchapter.
12	(2) Upon receiving notice of a companint in which the State is not a
13	party, the Attorney General may elect to:
14	(A) intervene in the action to seek remedies pursuant to section 495b
15	of this chapter; or
16	(B) without becoming a party to the action, file a statement with the
17	court addressing questions of law related to the provisions of this subchapter.
18	Sec. 6. COMMISSIONER OF LABOR; POSTER
19	On or before September 15, 2018, the Commissioner of Labor shall update
20	the model policy and model poster created pursuant to 21 V.S.A. § 495h(d) to
21	reflect the provisions of this act.

### 1 Sec. 7 EFFECTIVE DATE

2

This act shall take effect on July 1, 2016.

Sec. 1. 21 VS A & A05h is amended to read-

§ 45h. SEXUAL HARASSMENT

(a) (1) All employers, employment agencies, and labor organizations have an obligation to ensure a workplace free of sexual harassment.

(2) All persons who engage a person to perform work or services have an obligation to ensure a working relationship with that person that is free from sexual harassment.

(c)(1) Employers shall provide individual copies of their written policies to current employees no later than November 1, 1993, and to new employees upon their being hired. Employers who have provided individual written notice to all employees within the 12 months prior to October 1, 1993, shall be exempt from having to provide an additional notice during the 1993 calendar year.

(2) If an employer makes changes to its policy, against sexual harassment, it shall provide to all employees a written copy of the updated policy.

<sup>0/(1)</sup> Employers and labor organizations are encouraged to conduct an

education and training program within one year after September 30–1003 for all surrent employees and members, and for all new employees and members thereafter within one year of commencement of employment, that includes at a minimum all the information outlined in this section within one year after commencement of employment.

(2) Employers and labor organizations are encouraged to conduct an annual education and training program for all employees and members that includes at a minimum all the information outlined in this section.

(3) Employers are encouraged to conduct additional training for current supervisory and managerial employees and members within one year of September 30, 1993, and for new supervisory and managerial employees and members within one year of <u>after</u> commencement of employment or membership, which should include at a minimum the information outlined in subsection (b) of this section and, the specific responsibilities of supervisory and managerial employees, and the methods <u>actions</u> that these employees must take to ensure immediate and appropriate corrective action in addressing sexual harassment complaints.

(4) Employers, labor organizations, and appropriate State agencies are encouraged to cooperate in making this training available.

(g)(1) An employer shall not require any employee or prospective employee, as a condition of employment, to sign an agreement or watver that of the following

(A) prohibits, prevents, or otherwise restricts the employee or prospective employee from opposing, disclosing, reporting, or participating in an investigation of sexual harassment; or

(B) except as otherwise permitted by State or federal law, purports to waive a substantive or procedural right or remedy available to the employee with respect to a claim of sexual harassment.

(2) Any provision of an agreement that violates subdivision (1) of this subsection shall be void and unenforceable.

(h)(1) An agreement to settle a claim of sexual harassment shall not prohibit, prevent, or otherwise restrict the employee from working for the employer or any parent company, subsidiary, division, or affiliate of the *employer*.

(2) An agreement to settle a sexual harassment claim shall expressly *state that:* 

(A) it does not prohibit, prevent, or otherwise restrict the employee from doing either of the following:

(i) lodging a complaint of sexual harassment committed by any person with the Attorney General, a State's Attorney, the Human Rights Commission, the Equal Employment Opportunity Commission, or any d her Sidle of Jederal agency, or

stigation related to a claim of sexual harassment conducted by the inv Attorney General, a State's Attorney, the Human Rights Commission, the Equal Employment Opportunity Commission, or any other State or federal agency; and

(B) it does not waive any rights or claims that may arise after the date the settlement agreement is executed.

(3) Any provision of an agreement to settle a sexual harassment claim that violates subdivision (1) vr (2) of this subsection shall be void and unenforceable.

(4) Nothing in subdivision (2) of this subsection shall be construed to prevent an agreement to settle a sexual arassment claim from waiving or releasing the claimant's right to seek or obtain any remedies relating to sexual harassment of the claimant by another party to the agreement that occurred before the date on which the agreement is executed.

(i)(1)(A) For the purpose of assessing compliance with the provisions of this section, the Attorney General or designee, or, if the employer is the State, the Human Rights Commission or designee, may, with 48 hours notice, at reasonable times and without unduly disrupting business operations enter and inspect any place of business or employment, question any person whe is uumonized by the employer to receive or investigate complaints of sexual

harassment and examine an employer's records policies procedures and training materials related to the prevention of sexual harassment and the requirements of this section. As used in this subsection, the term "records" includes accidentified data regarding the number of complaints of sexual harassment received and the resolution of each complaint.

(B) The employer shall at reasonable times and without unduly disrupting business operations make any persons who are authorized by the employer to receive or investigate complaints of sexual harassment and any records, policies, procedures, and training materials related to the prevention of sexual harassment and the requirements of this section available to the Attorney General or designee or, if the employer is the State, the Human Rights Commission or designee.

(2) Following an inspection and examination pursuant to subdivision (1) of this subsection, the Attorney General or the Human Rights Commission shall notify the employer of the results of the inspection and examination, including any issues or deficiencies identified, provide resources regarding practices and procedures for the prevention of sexual harassment that the employer may wish to adopt or utilize, and identify any technical assistance that the Attorney General or the Human Rights Commission may be able to provide to help the employer address any identified issues or deficiencies. If the Attorney General or the Human Rights Commission determines that it is pecessary to ensure the employer's workplace is free from sexual harassment theremployer may be required, for a period of up to three years, to provide an annual education and training program that satisfies the provisions of subsection (f) of this section to all employees or to conduct an annual, anonymous working-climate survey, or both.

(j) The Attorney General shall adopt rules as necessary to implement the provisions of this section.

Sec. 2. 21 V.S.A. § 495b is unended to read:

§ 495b. PENALTIES AND ENSORCEMENT

(a)(1) The Attorney Generation a State's Attorney may enforce the provisions of this subchapter by restraining prohibited acts, seeking civil penalties, obtaining assurances of discontinuance, and conducting civil investigations in accordance with the procedures established in 9 V.S.A.  $\S$  2458-2461 as though an unlawful employment practice were an unfair act in commerce. Any employer, employment agency, or labor organization complained against shall have the same rights and remedies as specified therein. The Superior Courts are authorized to impose the same civil penalties and investigation costs and to order other relief to the State of Vermont or an aggrieved employee for violations of this subchapter as they are authorized to impose or order under the provisions of 9 V.S.A.  $\S$  2458 and 2461 in an unfair

act in commerce. In addition, the superior Courts may order restitution of

wages or other benefits on behalt of an employee and may order reinstatement and other appropriate relief on behalf of an employee.
(1) Any charge or formal complaint filed by the Attorney General or a State's Atterney against a person for unlawful discrimination or sexual harassment in violation of the provisions of this chapter shall include a statement setting forth the prohibition against retaliation pursuant to subdivision 495(a)(8) of this title.

Sec. 3. 9 V.S.A. § 4552 is amended to read: § 4552. DUTIES; JURISDICTION

(b)(1) The Commission shall have jurisdiction to investigate and enforce complaints of unlawful discrimination in violation of chapter 139 of this title, discrimination in public accommodations and rental and sale of real estate. The Commission shall also have jurisdiction when the party complained against is a State agency in matters for which the Attorney General would otherwise have jurisdiction under subsection (c) of this section.

(2) In any case relating to unlawful discrimination or sexual harassment in violation of 21 V.S.A. § 495 et seq. that the Commission has juriediction over pursuant to this subsection, it shall include a statement setting forth the prohibition against relation pursuant to 21 V.S.A. § 495(a)(6) with any formal complaint that is sent to a respondent

(c) All complaints of unlawful discrimination in violation of 21 V.S.A. §§ 495 st seq. and 710, the Fair Employment Practices Act and the provisions for workers' compensation discrimination, respectively, and of 21 V.S.A. § 471 et seq. shall be referred to the Attorney General's office<sub>7</sub> for investigation and enforcement.

Sec. 4. ATTORNEY GENERAL; HUMAN RIGHTS COMMISSION; ENHANCED REPORTING OF DISCRIMINATION AND SEXUAL HARASSMENT

(a) On or before December 15, 2018, the Attorney General and the Human Rights Commission shall develop and implement enhanced mechanisms for employees and members of the public to submit complaints of discrimination and sexual harassment in employment or in the course of a working relationship.

(b) The methods shall include, at a minimum, an easy-to-use portal on the Attorney General's or Human Rights Commission's website and a telephone hotline. Each method shall provide a clear statement that information submitted may be referred to the Office of the Attorney General a State's Attorney, the Vermont Human Rights Commission, the Equal Employment Opportunity Commission, or another State or federal agency that has

jurisaiction over the comptaint.

Sec. 5. OUTREACH REGARDING ENHANCED REPORTING MECHANISMS On or before December 15, 2018, the Vermont Commission on Women, in consultation with the Attorney General and the Human Rights Commission, shall develop and implement an outreach and education program designed to make Vermont employees, employers, businesses, and members of the public aware of: (1) the methods for reporting employment and work-related

discrimination and sexual harassment; and

(2) where to find information regarding:

(A) the laws related to employment and work-related discrimination

and sexual harassment; and

(B) best practices for preventing employment and work-related discrimination and sexual harassment.

Sec. 6. REPORT REGARDING ENHANCED REPORTING MECHANISMS

On or before January 15, 2020, the Attorney General, a consultation with the Human Rights Commission and the Vermont Commission on Women, shall submit to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs a report regarding the implementation of the enhanced reporting mechanisms for instances of employment and work-related discrimination and a wanout chall inch

(1) a detailed description of how any existing reporting mechanisms
 were enhanced and any new reporting mechanisms that were implemented;
 (2) asummary of changes, if any, in the annual number of complaints of
 employment and work-related discrimination and sexual harassment received
 and the number of complaints resulting in an investigation, settlement, or State
 court action during caundar years 2018 and 2019 in comparison to calendar
 years 2016 and 2017;

(3) the number of employees and other persons that reported employment or work-related discrimination or sexual harassment to their employer, supervisor, or the person for whom they were working prior to making a complaint in comparison to the number that did not, and the reasons that employees and other persons gave for not reporting the discrimination or sexual harassment to their employer, supervisor, on the person for whom they were working prior to making a complaint; and

(4) any suggestion for legislative action to enhance further the reporting mechanisms or to reduce the amount of employment and work-related discrimination and sexual harassment. Sec. 7. 21 V.S.A. § 495n is added to read:

§ 495n. SEXUAL HARASSMENT COMPLAINTS FILED IN SUPERIOR

COURT, NOTICE TO ATTORNET OF NERAL AND HOWAN

PIGHTS COMMISSION A person that files a claim of sexual harassment pursuant to section 495b of this subchapter in which neither the Attorney General nor the Human Rights Commission is a party shall provide notice of the action to the Attorney General and the Human Rights Commission within 14 days after filing the complaint. The netice may be submitted electronically and shall include a copy of the filed complaint. (b)(1) Upon receiving votice of a complaint in which the State is a party, the Human Rights Commission nay elect to: (A) intervene in the action to seek remedies pursuant to section 495b of this subchapter; or (B) without becoming a party to be action, file a statement with the court addressing questions of law related to the provisions of this subchapter. (2) Upon receiving notice of a complaint which the State is not a party, the Attorney General may elect to: (A) intervene in the action to seek remedies pursuant to section 495b of this subchapter; or

(B) without becoming a party to the action, file a statement with the court addressing questions of law related to the provisions of this subchapter. Sec. 8. COMMISSIONER OF LABOR; POSTER

On or before september 13, 2010, the Commissioner of Labor shall update



Sec. 1. 21 V.S.A. § 495h is amended to read:

§ 495h. SEXUAL HARASSMENT

(a)(1) All employers, employment agencies, and labor organizations have an obligation to ensure a workplace free of sexual harassment.

(2) All persons who engage a person to perform work or services have an obligation to ensure a working relationship with that person that is free from sexual harassment.

### \* \* \*

(c)(<u>1</u>) Employers shall provide individual copies of their written policies to current employees no later than November 1, 1993, and to new employees upon their being hired. Employers who have provided individual written notice to all employees within the 12 months prior to October 1, 1993, shall be exempt from having to provide an additional notice during the 1993 calendar year.

(2) If an employer makes changes to its policy against sexual harassment, it shall provide to all employees a written copy of the updated policy.

\* \* \*

(f)(1) Employers and labor organizations are encouraged to conduct an education and training program within one year after September 30, 1993 for all current employees and members, and for all new employees and members thereafter within one year of commencement of employment, that includes at a minimum all the information outlined in this section within one year after commencement of employment.

(2) Employers and labor organizations are encouraged to conduct an annual education and training program for all employees and members that includes at a minimum all the information outlined in this section.

(3) Employers are encouraged to conduct additional training for current supervisory and managerial employees and members within one year of September 30, 1993, and for new supervisory and managerial employees and members within one year of after commencement of employment or membership, which should include at a minimum the information outlined in subsection (b) of this section and, the specific responsibilities of supervisory and managerial employees, and the methods actions that these employees must take to ensure immediate and appropriate corrective action in addressing sexual harassment complaints.

(4) Employers, labor organizations, and appropriate State agencies are encouraged to cooperate in making this training available.

(g)(1) An employer shall not require any employee or prospective employee, as a condition of employment, to sign an agreement or waiver that does either of the following:

(A) prohibits, prevents, or otherwise restricts the employee or prospective employee from opposing, disclosing, reporting, or participating in an investigation of sexual harassment; or

(B) except as otherwise permitted by State or federal law, purports to waive a substantive or procedural right or remedy available to the employee with respect to a claim of sexual harassment.

(2) Any provision of an agreement that violates subdivision (1) of this subsection shall be void and unenforceable.

(h)(1) An agreement to settle a claim of sexual harassment shall not prohibit, prevent, or otherwise restrict the employee from working for the employer or any parent company, subsidiary, division, or affiliate of the employer.

(2) An agreement to settle a sexual harassment claim shall expressly state that:

(A) it does not prohibit, prevent, or otherwise restrict the individual who made the claim from doing any of the following:

(i) lodging a complaint of sexual harassment committed by any person with the Attorney General, a State's Attorney, the Human Rights Commission, the Equal Employment Opportunity Commission, or any other State or federal agency;

(ii) testifying, assisting, or participating in any manner with an investigation related to a claim of sexual harassment conducted by the Attorney General, a State's Attorney, the Human Rights Commission, the Equal Employment Opportunity Commission, or any other State or federal agency;

(iii) complying with a valid request for discovery in relation to civil litigation or testifying in a hearing or trial related to a claim of sexual harassment that is conducted by a court, pursuant to an arbitration agreement, or before another appropriate tribunal; or

(iv) exercising any right the individual may have pursuant to State or federal labor relations laws to engage in concerted activities with other employees for the purposes of collective bargaining or mutual aid and protection; and

(B) it does not waive any rights or claims that may arise after the date the settlement agreement is executed.

(3) Any provision of an agreement to settle a sexual harassment claim that violates subdivision (1) or (2) of this subsection shall be void and unenforceable with respect to the individual who made the claim.

(4) Nothing in subdivision (2) of this subsection shall be construed to

prevent an agreement to settle a sexual harassment claim from waiving or releasing the claimant's right to seek or obtain any remedies relating to sexual harassment of the claimant by another party to the agreement that occurred before the date on which the agreement is executed.

(i)(1)(A)(i) For the purpose of assessing compliance with the provisions of this section, the Attorney General or designee, or, if the employer is the State, the Human Rights Commission or designee, may, with 48 hours' notice, at reasonable times and without unduly disrupting business operations enter and inspect any place of business or employment, question any person who is authorized by the employer to receive or investigate complaints of sexual harassment, and examine an employer's records, policies, procedures, and training materials related to the prevention of sexual harassment and the requirements of this section.

(ii) An employer may agree to waive or shorten the 48-hour notice period.

(iii) As used in this subsection (i), the term "records" includes deidentified data regarding the number of complaints of sexual harassment received and the resolution of each complaint.

(B) The employer shall at reasonable times and without unduly disrupting business operations make any persons who are authorized by the employer to receive or investigate complaints of sexual harassment and any records, policies, procedures, and training materials related to the prevention of sexual harassment and the requirements of this section available to the Attorney General or designee or, if the employer is the State, the Human Rights Commission or designee.

(2) Following an inspection and examination pursuant to subdivision (1) of this subsection (i), the Attorney General or the Human Rights Commission shall notify the employer of the results of the inspection and examination, including any issues or deficiencies identified, provide resources regarding practices and procedures for the prevention of sexual harassment that the employer may wish to adopt or utilize, and identify any technical assistance that the Attorney General or the Human Rights Commission may be able to provide to help the employer address any identified issues or deficiencies. If the Attorney General or the Human Rights Commission determines that it is necessary to ensure the employer's workplace is free from sexual harassment, the employer may be required, for a period of up to three years, to provide an annual education and training program that satisfies the provisions of subdivision (4) of this subsection to all employees or to conduct an annual, anonymous working-climate survey, or both.

(3)(A) The Attorney General shall keep records, materials, and information related to or obtained through an inspection carried out pursuant to this subsection (i) confidential as provided pursuant to 9 V.S.A. § 2460(a)(4).

(B) The Human Rights Commission shall keep records, materials, and information related to or obtained through an inspection carried out pursuant to this subsection (i) confidential as provided pursuant to 9 V.S.A. § 4555.

(4) If required by the Attorney General or Human Rights Commission pursuant to subdivision (2) of this subsection, an employer shall conduct:

(A) an annual education and training program for all employees that includes at a minimum all the information outlined in this section; and

(B) an annual education and training program for supervisory and managerial employees that includes at a minimum all the information outlined in this section, the specific responsibilities of supervisory and managerial employees, and the actions that these employees must take to ensure immediate and appropriate corrective action in addressing sexual harassment complaints.

(j) The Attorney General shall adopt rules as necessary to implement the provisions of this section.

Sec. 2. 21 V.S.A. § 495b is amended to read:

§ 495b. PENALTIES AND ENFORCEMENT

(a)(1) The Attorney General or a State's Attorney may enforce the provisions of this subchapter by restraining prohibited acts, seeking civil penalties, obtaining assurances of discontinuance, and conducting civil

investigations in accordance with the procedures established in 9 V.S.A. §§ 2458-2461 as though an unlawful employment practice were an unfair act in commerce. Any employer, employment agency, or labor organization complained against shall have the same rights and remedies as specified therein. The Superior Courts are authorized to impose the same civil penalties and investigation costs and to order other relief to the State of Vermont or an aggrieved employee for violations of this subchapter as they are authorized to impose or order under the provisions of 9 V.S.A. §§ 2458 and 2461 in an unfair act in commerce. In addition, the Superior Courts may order restitution of wages or other benefits on behalf of an employee and may order reinstatement and other appropriate relief on behalf of an employee.

(2) Any charge or formal complaint filed by the Attorney General or a State's Attorney against a person for unlawful discrimination or sexual harassment in violation of the provisions of this chapter shall include a statement setting forth the prohibition against retaliation pursuant to subdivision 495(a)(8) of this title.

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Sec. 3. 9 V.S.A. § 4552 is amended to read: § 4552. DUTIES; JURISDICTION

\* \* \*

(b)(1) The Commission shall have jurisdiction to investigate and enforce

complaints of unlawful discrimination in violation of chapter 139 of this title, discrimination in public accommodations and rental and sale of real estate. The Commission shall also have jurisdiction when the party complained against is a State agency in matters for which the Attorney General would otherwise have jurisdiction under subsection (c) of this section.

(2) In any case relating to unlawful discrimination or sexual harassment in violation of 21 V.S.A. § 495 et seq. that the Commission has jurisdiction over pursuant to this subsection, it shall include a statement setting forth the prohibition against retaliation pursuant to 21 V.S.A. § 495(a)(8) with any formal complaint that is sent to a respondent.

(c) All complaints of unlawful discrimination in violation of 21 V.S.A. §§ 495 et seq. and 710, the Fair Employment Practices Act and the provisions for workers' compensation discrimination, respectively, and of 21 V.S.A. § 471 et seq. shall be referred to the Attorney General's office<sub>7</sub> for investigation and enforcement.

Sec. 4. ATTORNEY GENERAL; HUMAN RIGHTS COMMISSION;

ENHANCED REPORTING OF DISCRIMINATION AND SEXUAL HARASSMENT

(a) On or before December 15, 2018, the Attorney General and the Human <u>Rights Commission shall develop and implement enhanced mechanisms for</u> employees and members of the public to submit complaints of discrimination and sexual harassment in employment or in the course of a working relationship.

(b) The methods shall include, at a minimum, an easy-to-use portal on the Attorney General's or Human Rights Commission's website and a telephone hotline. Each method shall provide a clear statement that information submitted may be referred to the Office of the Attorney General, a State's Attorney, the Vermont Human Rights Commission, the Equal Employment Opportunity Commission, or another State or federal agency that has jurisdiction over the complaint.

Sec. 5. PUBLIC EDUCATION AND OUTREACH; VERMONT

COMMISSION ON WOMEN

(a) On or before December 15, 2018, the Vermont Commission on Women, in consultation with the Attorney General and the Human Rights Commission, shall develop a public education and outreach program that is designed to make Vermont employees, employers, businesses, and members of the public aware of:

(1) methods for reporting employment and work-related discrimination and sexual harassment;

(2) where to find information regarding:

(A) the laws related to employment and work-related discrimination and sexual harassment; and (B) best practices for preventing employment and work-related discrimination and sexual harassment; and

(3) methods for preventing and addressing sexual harassment in the workplace.

(b) The sum of \$125,000.00 is appropriated to the Vermont Commission on Women from the General Fund in fiscal year 2018 to carry forward to fiscal year 2019 for the purpose of creating and implementing the public education and outreach program.

(c) The program may include:

(1) public service announcements;

(2) print and electronic advertisements;

(3) web-based and electronic training materials;

(4) printed informational and training materials;

(5) model educational programs and curricula; and

(6) in-person seminars and workshops.

Sec. 6. REPORT REGARDING ENHANCED REPORTING MECHANISMS

On or before January 15, 2020, the Attorney General, in consultation with the Human Rights Commission and the Vermont Commission on Women, shall submit to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs a report regarding the implementation of the enhanced reporting mechanisms for instances of employment and work-related discrimination and sexual harassment. The report shall include:

(1) a detailed description of how any existing reporting mechanisms were enhanced and any new reporting mechanisms that were implemented;

(2) a summary of changes, if any, in the annual number of complaints of employment and work-related discrimination and sexual harassment received and the number of complaints resulting in an investigation, settlement, or State court action during calendar years 2018 and 2019 in comparison to calendar years 2016 and 2017;

(3) the number of employees and other persons that reported employment or work-related discrimination or sexual harassment to their employer, supervisor, or the person for whom they were working prior to making a complaint in comparison to the number that did not, and the reasons that employees and other persons gave for not reporting the discrimination or sexual harassment to their employer, supervisor, or the person for whom they were working prior to making a complaint; and

(4) any suggestion for legislative action to enhance further the reporting mechanisms or to reduce the amount of employment and work-related discrimination and sexual harassment.

Sec. 7. 21 V.S.A. § 495n is added to read:

§ 495n. SEXUAL HARASSMENT COMPLAINTS; NOTICE TO

### ATTORNEY GENERAL AND HUMAN RIGHTS COMMISSION

(a) A person that files a claim of sexual harassment pursuant to section 495b of this subchapter in which neither the Attorney General nor the Human Rights Commission is a party shall provide notice of the action to the Attorney General and the Human Rights Commission within 14 days after filing the complaint. The notice may be submitted electronically and shall include a copy of the filed complaint.

(b)(1) Upon receiving notice of a complaint in which the State is a party, the Human Rights Commission may elect to:

(A) intervene in the action to seek remedies pursuant to section 495b

of this subchapter; or

(B) without becoming a party to the action, file a statement with the court addressing questions of law related to the provisions of this subchapter.

(2) Upon receiving notice of a complaint in which the State is not a party, the Attorney General may elect to:

(A) intervene in the action to seek remedies pursuant to section 495b of this subchapter; or

(B) without becoming a party to the action, file a statement with the court addressing questions of law related to the provisions of this subchapter.

Sec. 8. COMMISSIONER OF LABOR; POSTER

On or before September 15, 2018, the Commissioner of Labor shall update

the model policy and model poster created pursuant to 21 V.S.A. § 495h(d) to reflect the provisions of this act.

Sec. 9. [Deleted.]

Sec. 10. PRIOR HARASSMENT CLAIMS; IDENTIFICATION; RELEASE FROM NONDISCLOSURE AGREEMENT: REPORT

(a) On or before January 15, 2019, the Office of Legislative Council shall submit a written report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General, Housing, and Military Affairs that examines mechanisms to:

(1) provide the Attorney General and the Human Rights Commission with notice of agreements to settle sexual harassment claims that contain a provision that prohibits or restricts the individual who made the claim from disclosing information related to the claim of sexual harassment; and

(2) render provisions of agreements to settle sexual harassment claims that prohibit or restrict the individual who made the claim from disclosing information related to the claim of sexual harassment void and unenforceable if, in relation to a separate claim, the alleged harasser is later adjudicated by a court or tribunal of competent jurisdiction to have engaged in sexual harassment or retaliation in relation to a claim of sexual harassment.

(b) In particular, the report shall:

(1) identify potential mechanism to accomplish the potential changes

described in subdivisions (a)(1) and (2) of this section;

(2) review and examine laws and pending legislation in other states that are related to subdivisions (a)(1) and (2) of this section;

(3) identify and examine potential legal issues, advantages, disadvantages, and obstacles to the mechanisms identified; and

(4) identify and examine any alternative mechanisms that would accomplish substantially similar policy outcomes to the potential changes described in subdivisions (a)(1) and (2) of this section.

(c) The Office of Legislative Council shall consult with the Attorney General's Office and the Human Rights Commission when preparing this report.

(d) As used in this section, "information related to the claim of sexual harassment" does not include the specific terms of the related settlement agreement or the amount of any monetary settlement.

Sec. 11. EFFECTIVE DATES

(a) This section and, in Sec. 5, subsection (b) shall take effect on passage. The remaining provisions of Sec. 5 shall take effect on July 1, 2018.

(b) The remaining sections of this act shall take effect on July 1, 2018.