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FILED

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JOHN D. O'DWYER, J.S.C.

By: Farng-Yi D. Foo (019002010) Deputy Attorney General (973) 648-4802

CRAIG SASHIHARA, Director of the New Jersey Division on Civil Rights,

Plaintiff,

٧,

ROCKAWAY HOTEL, LLC d/b/a HOMEWOOD SUITES BY HILTON,

Defendant.

SUPERIOR COURT OF NEW JERSEY LAW DIVISION – BERGEN COUNTY DOCKET NO. BER-L-1035-17

FINAL CONSENT JUDGMENT

WHEREAS, the parties to this Action are Plaintiff, Craig Sashihara, Director of the New Jersey Division on Civil Rights ("DCR"), and Defendant Rockaway Hotel, LLC d/b/a Homewood Suites by Hilton, initially pled as Rockaway Hotel, LLC d/b/a Hilton Homewood Suites by Hilton ("Defendant"); and

WHEREAS, this matter stems from an administrative complaint filed with DCR by Rosa E. Lopez ("Lopez"), alleging that Defendant unlawfully discriminated against her in violation of the New Jersey Law Against Discrimination when it paid her differently than the male employees who performed the same duties and terminated her employment after she complained about this differential treatment; and

WHEREAS, DCR conducted an investigation into the allegations in Lopez's complaint and, following completion of that investigation, determined that probable cause existed to credit the allegations of the complaint; and

WHEREAS, DCR then commenced the instant action alleging that Defendant unlawfully discriminated against Lopez on the basis of gender in violation of the New Jersey Law Against Discrimination; and

WHEREAS, Defendant denies liability and wrongdoing with respect to the action; and WHEREAS, Plaintiff DCR and Defendant have agreed to a resolution of Plaintiff DCR's claims against Defendant in this action, and consent to the entry of this Final Consent Judgment and its provisions setting forth the terms of the resolution, without trial or adjudication of any issue of fact or law, and without admission of liability or wrongdoing of any kind;

WHEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

#### **DEFINITIONS**

- 1. Unless otherwise specified, the following definitions shall apply:
  - a. "And" and "or" shall be construed conjunctively or disjunctively as necessary to make the meaning inclusive rather than exclusive.
  - b. "Order" means this Consent Judgment.
  - c. "Effective Date" means the date this Order is entered by the Court.
  - d. "Including" means without limitation.
  - e. The use of the singular form of any word includes the plural and vice versa.
  - f. "Defendant" means Rockaway Hotel, LLC d/b/a Homewood Suites by Hilton, improperly pled as Rockaway Hotel, LLC d/b/a Hilton Homewood Suites by Hilton.

- g. "LAD" means the New Jersey Law Against Discrimination, N.J.S.A. 10:5-1 et seq.
- h. "Complainant" shall refer to Rosa E. Lopez.
- i. "DCR" means the New Jersey Division on Civil Rights.
- j. "Hotel" means the facilities located at 10 The Promenade in Edgewater, New Jersey.
- k. "Parties" mean the Director of the New Jersey Division on Civil Rights and Rockaway Hotel, LLC d/b/a Homewood Suites by Hilton.

# EQUAL EMPLOYMENT OPPORTUNITY PRACTICES

- 2. Defendant agrees that it will not discriminate against any employee or job applicant because of gender, or take any job action or establish any employment policy or practice that has the effect of discriminating on the basis of gender.
- 3. Defendant shall not engage in any retaliatory conduct against Lopez or any member of Lopez's family, or against any person who in any way participated in the investigation or litigation of this matter.
- 4. Defendant shall comply with, all posting and notice requirements for employers pursuant to N.J.S.A. 10:5-12(j); N.J.A.C. 13:8-1.2 and N.J.A.C. 13:8-2.2.

### PAY AUDIT PROCEDURES

5. Within forty-five (45) days of the Effective Date of this Order, Defendant will identify an individual with specific knowledge and expertise in conducting pay audits (hereinafter "Pay Auditor") to conduct a pay audit as described in paragraph 6, infra, and notify DCR of its selection. Defendant will not select an employee to serve as Pay Auditor who was directly involved in setting the salaries at its Hotel since July 1, 2015, although the Pay Auditor may be affiliated with other hotel locations in which there may be common ownership with Defendant's owners. DCR will

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have ten (10) days from the date of Defendant's notice to object to Defendant's selection of the Pay Auditor.

- 6. Within sixty (60) days of retention, the Pay Auditor shall conduct a pay audit of employee salaries at Defendant's Hotel from July 1, 2015. The Pay Auditor shall review payroll records starting from July 1, 2015 through the effective date of the Order, and will determine whether female employees have been affected by a discrepancy in the initial setting of her rate of pay and/or paid differently than male employees performing substantially similar duties. If there has been a determination that there is a discrepancy, the Pay Auditor will provide a recommendation for Defendant to reconcile and resolve the pay discrepancy, including paying any amount of back pay due to an affected female employee. No later than (90) days of selection, the Pay Auditor shall summarize the methodology, findings, and recommendations in a report and such report shall be provided to DCR.
- 7. Within sixty (60) days of receiving the results of the pay audit described in paragraph 6, supra, Defendant shall notify DCR of any and all recommendations adopted as a result of the pay audit as well as any payments made to employees as a result of the pay audit. If Defendant elects to reject any recommendation of the Pay Auditor or not remedy any discrepancy identified by the Pay Auditor, it shall notify DCR of the reason for doing so.

# EQUAL EMPLOYMENT PROCEDURES FOR COMPENSATION

8. Within ninety (90) days of the Effective Date of this Order, Defendant will review and revise as necessary its policies and procedures for setting an employee's salary. Such review shall, at a minimum, include: reviewing job descriptions, establishing minimum job-related qualifications for the position, and establishing a pay rate/range for each position at its Hotel. Defendant shall consider implementing procedural safeguards to ensure that female applicants are

not funneled into certain lower-paying positions, such as, informing job applicants of all available positions and allowing the applicant to select the position to be applied for in the job application.

9. Defendant shall also review and revise as necessary its strategies for providing all employees with equal opportunity for advancement. Defendant shall establish a policy of how it disseminates notice of higher-paying opportunities to its current employees.

## REVISE COMPLAINT POLICY AND PROCEDURE

- 10. Within ninety (90) days of the Effective Date of this Order, Defendant shall review and revise as necessary its policy and procedure for receiving and investigating complaints regarding pay inequity. Defendant, at a minimum, shall ensure that the person receiving or investigating the complaint is not the person who set or is directly responsible for setting that employee's rate of pay.
- 11. Within ninety (90) days of the Effective Date of this Order, employees who establish an employee's salaries or rate of pay shall receive training on preventing wage-discrimination based on gender. This training shall be conducted by a person with knowledge of state and federal anti-discrimination laws.

## NOTICE TO CURRENT EMPLOYEES

12. Within ninety (90) days of the Effective Date, Defendant will create a notice advising its current employees about protections against wage disparity under the New Jersey Law Against Discrimination and the Equal Pay Act. Such a notice will be displayed in the customary location where employee notices are posted. Defendant will send a copy of the notice to DCR.

### DCR MONITORING

13. For a period of two (2) years from the Effective Date, Defendant shall report to DCR every six (6) months any new employees hired along with their rate of pay, as well as any written

complaints concerning discrimination in pay based on gender received from employees or job applicants in its Hotel. The report shall include:

- a. a list of new employees with their date of hire, gender, position, the pay range for that position, and his or her rate of pay; and
- b. total number of complaints concerning discrimination in pay based on gender received from employees or job applicants and a summary of actions taken in response to any complaint.
- c. The report required pursuant to this paragraph shall reference this Order and be forwarded to J. Manuel Castillo, DCR Newark Manager, Division on Civil Rights, 31 Clinton Street, Newark, New Jersey 07101, <u>J.Manuel.Castillo@nicivilrights.gov</u>.
- 14. During the two-year monitoring period, Defendant shall make available to DCR upon request any non-privileged records concerning complaints, investigative materials and results of any internal investigations.

#### RELIEF TO COMPLAINANT

- 15. Defendant will pay, in settlement of all allegations related to the instant complaint, and within thirty (30) days of the Effective Date, the total sum of Thirty-Five Thousand Dollars (\$35,000) to Complainant Rosa E. Lopez. The payment shall be made via check payable to "Rosa E. Lopez," and delivered to Deputy Attorney General Farng-Yi D. Foo at 124 Halsey Street, 5th Floor, P.O. Box 45029, Newark, New Jersey 07101. Defendant shall report the payment and issue to Complainant a Form 1099 in connection with the payment.
- 16. Defendant shall provide a neutral reference for Rosa E. Lopez. If an inquiry is made as to her employment, Defendant shall confirm her date of hire, length of service, date of separation, and last title held.

#### DCR PENALTY

- 17. Defendant agrees to pay DCR the total sum of ten thousand (\$10,000) dollars as a civil penalty pursuant to N.J.S.A. 10:5-14.1a. For a period of two years from the date of this Order, this civil penalty shall be suspended and automatically vacated at the end of that period, provided:
- a. Defendant complies in all material respects with the equitable relief set forth in Paragraphs 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14;
  - b. Defendant timely complies with the monetary relief set forth in Paragraph 15; and
  - c. Defendant is not adjudicated to have otherwise violated the LAD.
- 18. In the event Defendant materially fails to comply with Paragraph 17, the suspended penalty shall be immediately due and payable upon notice by DCR. In any such notice, DCR shall provide Defendant with specific detail of Defendant's alleged noncompliance and Defendant shall be afforded thirty (30) days to cure such noncompliance. If Defendant fails to cure such noncompliance within such time frame, this suspended penalty becomes immediately due. Such suspended penalty shall be separate from and in addition to any additional penalties and costs that may arise due to Defendant's failure to comply with this Order, including and not limited to DCR's costs associated with investigating and litigating Defendant's noncompliance.

#### GENERAL PROVISIONS

19. Pursuant to the LAD, jurisdiction of this Court over the subject matter and over the Defendant for purposes of entering into and enforcing this Consent Order is agreed to. Jurisdiction is retained by this Court for such further orders and directions as may be necessary or appropriate for the construction and modification of the injunctive provisions herein, or execution of this Consent Order, including punishment for any violation of this Consent Order. Pursuant to the LAD, venue is proper in this Court.

- 20. The Parties consent to the entry of this Consent Order for the purposes of settlement only and this Consent Order does not constitute any admission of liability or wrongdoing, either express or implied, by Defendant or any other party.
- 21. The entry of this Consent Order has been consented to by the Parties upon advice of counsel as their own free and voluntary acts and with full knowledge and understanding of the nature of the proceedings and the obligations and duties imposed upon them by this Consent Order.
- 22. This Consent Order shall be governed by, and construed and enforced in accordance with, the laws of New Jersey.
- 23. The Parties have negotiated, jointly drafted and fully reviewed the terms of this Consent Order and the rule that uncertainty or ambiguity is to be construed against the drafter shall not apply to the construction or interpretation of this Consent Order.
- 24. This Consent Order contains the entire agreement among the Parties. Except as otherwise provided herein, this Consent Order shall be modified only by a written instrument signed by or on behalf of the Plaintiff and Defendant.
- 25. In the event that the Court shall not enter this Consent Order, this proposed Consent Order shall be of no force and effect against the Plaintiff or Defendant.
- 26. If any portion of this Consent Order is held invalid or unenforceable by operation of law, the remaining terms of this Consent Order shall not be affected.
- 27. This Consent Order, when fully executed and performed by Defendant, will resolve all claims against Defendant that were raised in the Complaint filed by DCR in this action. However, nothing in this Consent Order is intended to, nor shall, limit the DCR's or Attorney General's investigatory or compliance review powers otherwise provided by law.

- 28. Notwithstanding any provision of this Consent Order to the contrary, the Parties may, in their discretion, grant written extensions of time for compliance with any provision of this Consent Order.
- 29. The signatories to this Consent Order warrant and represent that they have read and understand this Consent Order, that they are duly authorized to execute this Consent Order, and that they have the authority to take all appropriate action required to be taken pursuant to the Consent Order to effectuate its terms.
- 30. This Consent Order may be executed in multiple counterparts, each of which shall be deemed a duplicate original.
- 31. This Consent Order is final and binding on the Parties, including all principals, agents, representatives, successors in interest, assigns, and legal representatives thereof. Each party has a duty to so inform any such successor in interest of the terms of this Consent Order. In no event shall assignment of any right, operate to relieve such party of its obligations set forth in this Consent Order.
- 32. All of the terms of this Consent Order are contractual and not merely recitals and none may be amended or modified except by a writing executed by all Parties hereto approved by the Court.
- 33. The above captioned lawsuit shall be dismissed with prejudice as to Defendant, and without fees and costs. However, the Court shall retain jurisdiction over the Parties and the matter and retain the power to order all applicable equitable remedies to ensure compliance with this Consent Order.
- 34. This Consent Order supersedes and renders null and void any and all written or oral prior undertakings or agreements between the Parties regarding the subject matter hereof.

- Failure to comply with any provision of this Consent Order shall be considered a 35. violation of this Consent Order. Upon such a violation, the Parties may take any and all steps available to enforce this Consent Order. However, in the event of a dispute among the Parties regarding any issue arising hereunder, the Parties shall attempt in good faith to resolve the dispute before seeking the Court's intervention. The Party alleging noncompliance will provide the other with the specific details of the alleged noncompliance, and the Party alleged to be in noncompliance shall be afforded thirty (30) day period within which to cure any alleged noncompliance. In the event of the failure to cure any such alleged noncompliance, the Party asserting the noncompliance may move on notice to enforce the provisions of the Consent Order. The Party against whom noncompliance is asserted shall have the right to submit opposition to any motion application filed and to contest same on any return date. Upon being presented with evidence that the Party has failed to materially comply with this Consent Order, the Court may assess against the noncomplying Party costs associated with investigating and litigating that noncompliance, including reasonable attorneys' fees. In the event that the Party asserting noncompliance fails to provide evidence that the Party against whom noncompliance is alleged has failed to materially comply with this Consent Order, the Court may assess against the Party against whom the noncompliance allegation was brought costs associated with investigating and litigating that noncompliance, including reasonable attorneys' fees.
- 36. Failure by any Party to seek enforcement of this Consent Order pursuant to its terms with respect to any instance or provision shall not be construed as a waiver to such enforcement with regard to other instances or provisions.
- 37. Nothing in this Consent Order shall preclude a right of action by any person not a party to this Consent Judgment and nothing in this Consent Judgment shall preclude Defendant from asserting any defense to any action brought by a person not a party to this Consent Judgment.

38. All communications and notices regarding this Consent Judgment shall be sent by

For Plaintiff New Jersey Division on Civil Rights:

Farng-Yi D. Foo Deputy Attorney General Division of Law 124 Halsey Street, 5th Floor P.O. Box 45029 Newark, NJ 07101 Farng-Yi.Foo@law.njoag.goy

first class mail and email, to:

For Defendant Rockaway Hotel, LLC d/b/a Homewood Suites by Hilton:

Nicholas Stevens, Esq. Starr, Gern, Davison & Rubin, P.C. 105 Eisenhower Parkway, Suite 401 Roseland, New Jersey 07068 nstevens@starrgern.com

IT IS ON THIS 8th DAY OF Hovember, 2017, SO ORDERED, ADJUDGED AND DECREED.

JOHN D. O'DWYER, J.S.C. S.C.

Jointly Approved and Submitted for Entry:

For Plaintiff New Jersey Division on Civil Rights:

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiff Director, New Jersey Division on
Civil Rights

Bv:

Farng-Yi D. Foo

Deputy Attorney General 124 Halsey Street - 5th Floor

P.O. Box 45029

Newark, New Jersey 07101

For Defendant Rockaway Hotel, LLC d/b/a Homewood Suites by Hilton:

Name Crismary Jime Position: Beneral Manage

10 The Promenade

Edgewater, New Jersey 07020

7540 Windsor Drive, Suite 206 Allentown, Pennsylvania 18195