

Tauscher Votes To Ensure Equal Pay For Equal Work

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Rep. Tauscher released the following statement regarding today's vote:

"Americans should be paid based on their work, not their gender. Today, we passed tough but fair legislation to

ensure Americans receive equal pay for equal work. Both pieces of legislation will be effective because they hold employers accountable for discriminatory pay practices and close loopholes opened by the Supreme Court.

A summary of the legislation by the House Majority Whip is provided below.

H.R. 11: The Lilly Ledbetter Fair Pay Act

Lilly

Ledbetter worked for nearly two decades at a Goodyear Tire and Rubber facility in Alabama. She sued the company after learning that she was the lowest-paid supervisor at the plant, despite having more experience than several of her male counterparts. A jury found that her employer had unlawfully discriminated against her on the basis of sex. However, the Supreme Court said that Ledbetter had waited too long to sue for pay discrimination, despite the fact that she filed a charge with the U.S. Equal Employment Opportunity Commission as soon as she received an anonymous note alerting her to pay discrimination.

The Lilly Ledbetter Fair Pay Act will restore the law as it was prior to the Supreme Court's decision. The bill clarifies that each paycheck resulting from a discriminatory pay decision would constitute a new violation of employment nondiscrimination law. As long as a worker files a charge within 180 days of a discriminatory paycheck, the charge would be considered timely. The 180-day statute of limitations remains in place.

Prior law was fair and worked. Before the Court's ruling, the law was clear: Every discriminatory paycheck was a new violation of the law that restarted the clock for filing a claim. Both the EEOC and most circuits explicitly follow this rule. Employers and employees had lived with and accepted this rule for decades. The Supreme Court's new ruling puts workers at an extreme disadvantage.

The Ledbetter decision allows employers to escape responsibility by keeping their discrimination hidden and running out the clock. Under the Supreme Court decision, employers have an incentive to keep discriminatory pay decisions hidden for 180 days and then never correct them. Once 180 days has elapsed, the employer can continue paying discriminatory wages to the employee for the rest of her career.

Victims of pay discrimination often do not realize they have been discriminated against when pay decisions are made. Most workers don't know what their co-workers are making, and many employers even prohibit employees from discussing their pay with each other.

The impact of the Supreme Court's decision extends far beyond Lilly Ledbetter's case. It has far-reaching implications for an individual's right to be treated fairly in the workplace. The decision severely restricted workers' ability to pursue claims of pay discrimination on the basis of not only sex, but race, religion, national origin, disability, or age.

The Lilly Ledbetter Fair Pay Act will not create an onslaught of new lawsuits. According to the Congressional Budget Office, "[the bill] would not establish a new cause of action for claims of pay discrimination; and therefore, would not significantly increase costs to the EEOC or to the federal courts over the 2008-2012 period."

Employees will not have an incentive to sit on their rights. Current law restricts back pay to two years — the longer you wait to file, the less pay you will receive. The bill does not change that. In the real world, employees subject to discrimination want and need their fair pay now — they have no incentive to wait to file a claim.

H.R. 12: The Paycheck Fairness Act

Although the wage gap between men and women has narrowed since the passage of the landmark Equal Pay Act in 1963, gender-based wage discrimination remains a problem for women in the U.S. workforce. According to the U.S. Census Bureau, women only make 78 cents for every dollar earned by a man. The Institute of Women's Policy Research found that this wage disparity will cost women anywhere from \$400,000 to \$2 million in lost wages over a lifetime.

Furthermore, loopholes created by courts and weak sanctions in the law have allowed many employers to avoid liability for engaging in gender-based pay discrimination. The Paycheck Fairness Act will strengthen the Equal Pay Act and close the loopholes that have allowed employers to avoid responsibility for discriminatory pay.

The Paycheck Fairness Act:

Gives women access to remedies available under other claims of discrimination. While victims of other forms of wage discrimination — such as discrimination based on race or national origin — can recoup more comprehensive damages, a plaintiff who successfully proves wage discrimination under the Equal Pay Act can only recover back pay and sometimes liquidated damages. The Paycheck Fairness Act puts gender-based discrimination sanctions on equal footing with other forms of wage discrimination by allowing women to sue for compensatory and punitive damages.

Ensures that courts do not accept poor excuses for unequal pay by employers.

Courts have allowed employers to use any factor other than sex to justify a pay disparity between men and women, even if the factor has nothing to do with the job. Under the Paycheck Fairness Act, an employer would have to show that the disparity is not sex-based, is job-related, and is consistent with business necessity. Additionally, the bill modernizes the law by allowing workers to make pay comparisons for the same job with the same employer at different worksites in the same county.

Protects employees who discuss salary information from retaliation by their employer. Discriminatory pay is often hidden because many employers prohibit employees from discussing their pay with each other. The Paycheck Fairness Act prohibits employers from retaliating against employees who discuss or disclose salary information with their co-workers, the primary way by which pay discrimination is uncovered. It provides that certain confidential employees, however, may be required by the employer to limit their disclosures.

Unequal pay harms families and the economy. For families who are just making ends meet, equal pay for women will make a significant difference to their well-being and help lift their families out of poverty. Single women who are head of households are twice as likely to be in poverty as single men. Additionally, closing the wage gap would have a long-term impact on women's economic security, especially in retirement, as unequal pay affects Social Security and pension benefit calculations.

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