



Support the Paycheck Fairness Act (S. 182/H.R. 12)

February 24, 2009

Dear Senator:

On behalf of the 100,000 bipartisan members of the American Association of University Women (AAUW), I urge you to **support and cosponsor the Paycheck Fairness Act (S. 182/H.R. 12)**. This measure provides a much needed, first-ever update to the Equal Pay Act of 1963, bringing the law's principles and practices in line with the nation's other civil rights laws.

According to the U.S. Census Bureau, women who work full time earn, on average, only 78 cents for every dollar men earn.¹ The figures are even worse for women of color. AAUW's recent report, *Behind the Pay Gap*, controlled for factors known to affect earnings such as education and training, parenthood and hours worked, and found that college-educated women still earn less than men, **even when they have the same major and occupation as their male counterparts.**²

The Paycheck Fairness Act is a comprehensive bill that strengthens the Equal Pay Act by taking meaningful steps to create incentives for employers to follow the law, empower women to negotiate for equal pay, and strengthen federal outreach and enforcement efforts. The bill would also deter wage discrimination by strengthening penalties for equal pay violations – bringing them in line with other civil rights laws – and by prohibiting retaliation against workers who inquire about employers' wage practices or disclose their own wages. The Paycheck Fairness Act would:

- **Close a Loophole in Affirmative Defenses for Employers:** The legislation clarifies acceptable reasons for differences in pay by requiring employers to demonstrate that wage gaps between men and women doing the same work have a business justification and are truly a result of factors other than sex.
- **Fix the “Establishment” Requirement:** The bill would clarify the establishment provision under the Equal Pay Act, which would allow for reasonable comparisons between employees within clearly defined geographical areas to determine fair wages. This provision is based on a similar plan successfully used in the state of Illinois.
- **Prohibit Employer Retaliation:** The legislation would deter wage discrimination by prohibiting retaliation against workers who inquire about employers' wage practices or disclose their own wages. This provision would have been particularly helpful to Lilly Ledbetter, because her employer, Goodyear, prohibited salaried employees from discussing or sharing their wages. This policy delayed Ledbetter's discovery of the wage discrimination against her by more than a decade.
- **Improve Equal Pay Remedies:** The bill would deter wage discrimination by providing women with the same option to proceed in an opt-out class action suit under the Equal Pay Act as allowed by other civil rights laws. The bill would also help to deter such discrimination by strengthening penalties for equal pay violations, allowing women to receive punitive and compensatory damages for pay discrimination. The bill's measured approach levels the playing field by ensuring that women can obtain the same remedies as those subject to discrimination on the basis of race or national origin.
- **Increase Training, Research and Education:** The legislation would authorize additional training for Equal Employment Opportunity Commission staff to better identify and handle wage disputes. It would also aid in the efficient and effective enforcement of federal anti-pay discrimination laws by requiring the EEOC to develop

regulations directing employers to collect wage data, reported by the race, sex, and national origin of employees. The bill would also require the U.S. Department of Labor to reinstate activities that promote equal pay, such as: directing educational programs, providing technical assistance to employers, recognizing businesses that address the wage gap, and conducting and promoting research about pay disparities between men and women.

- **Establish Salary Negotiation Skills Training:** The bill would create a competitive grant program to develop salary negotiation training for women and girls.
- **Improve Collection of Pay Information:** The bill would also reinstate the Equal Opportunity Survey, to enable targeting of the Labor Department's enforcement efforts by requiring all federal contractors to submit data on employment practices such as hiring, promotions, terminations and pay. This survey was developed over two decades and three presidential administrations, and was first used in 2000. However, the survey languished under the Bush administration and finally rescinded by the Department of Labor in 2006.

In these troubling economic times, pay equity is more critical than ever. It's time for the Senate to join the House and pass the Paycheck Fairness act. Cosponsorship and votes associated with this legislation may be scored in the *AAUW Congressional Voting Record* for the 111th Congress. Please do not hesitate to contact me at 202/785-7720, or Tracy Sherman, government relations manager, at 202/785-7730, if you have any questions.

Sincerely,



Lisa M. Maatz
Director, Public Policy and Government Relations

¹ U.S. Census Bureau and the Bureau of Labor Statistics. (August 2008). *Annual Demographic Survey*. Retrieved August 27, 2008, from http://pubdb3.census.gov/macro/032008/perinc/new05_000.htm.

² AAUW Educational Foundation. *Behind the Pay Gap*, 11. April 23, 2007.