



June 7, 2018

Dear Member of Congress,

On behalf of the more than 170,000 bipartisan members and supporters of the American Association of University Women (AAUW), I urge you to cosponsor and pass the Paycheck Fairness Act (S. 819/H.R. 1869). This legislation provides a much needed update to the Equal Pay Act of 1963, which celebrates its 55th anniversary on June 10, 2018. The Paycheck Fairness Act (S. 819/H.R. 1869) provides new tools to battle the pervasive pay gap and to challenge discrimination. It also provides employers with effective incentives and technical assistance to comply with the law.

The gender pay gap is real, and it's not going away. While the gap has narrowed since the 1963 enactment of the Equal Pay Act, progress has largely stalled in the 21st century. Women still only make an average of 80 cents on the dollar as compared to white men, and it's even worse for moms and women of color.¹ The gender pay gap develops early in women's careers and then compounds through retirement. Controlling for factors known to affect earnings such as education and training, marital status, and hours worked, research finds that college-educated women still earn 7 percent less than men just one year out of college—even when they have the same major and occupation as their male counterparts.² Over time, the gap compounds and widens. Women 20-24 years of age take home, on average, 96 percent of what their male counterparts make on a weekly basis. By the time we compare 55-64 year olds, women take home only 74 percent of the wages of their male counterparts.³

Ensuring women have equal pay would have a dramatic impact on families and the economy. The poverty rate for all working women would be cut in half, falling from 8.0 percent to 3.8 percent. The very high poverty rate for working single mothers would fall by nearly half, from 28.9 percent to 14.5 percent.⁴ And the U.S. economy would grow by an estimated \$512.6 billion.⁵ This is why I urge you to pass this important bill.

The Paycheck Fairness Act (S. 819/H.R. 1869) would update and strengthen the Equal Pay Act of 1963 to ensure that it provides effective protection against sex-based pay discrimination in today's workplace. The bill takes several important steps.

- **Ensures Non-Retaliation:** The bill prohibits retaliation against workers for discussing or discussing wages. Without the non-retaliation provisions of the Paycheck Fairness Act, many women will continue to be silenced in the workplace—that is, prohibited from talking about wages with coworkers without the fear of being fired. This is an issue that keeps women—like it kept Lilly Ledbetter—from discovering pay discrimination against them.
- **Prohibits Prior Salary History:** The bill prohibits employers from relying on past salary history in determining future pay, so that pay discrimination doesn't follow workers from job to job.
- **Ensures Job-Relatedness:** The bill closes loopholes that have weakened the bill over time by allowing employers to pay women less than men for the same work without a business necessity that is related to the job.

- **Equalizes Remedies:** The bill ensures women can receive the same robust remedies for sex-based pay discrimination that are currently available to those subjected to discrimination based on race and ethnicity.
- **Provides Additional Assistance and Resources:** The bill also provides technical assistance to businesses, requires wage data collection, and supports salary negotiation skills training programs to give women the tools to advocate for higher wages.

The pay gap is persistent and can only be addressed if women are armed with the tools necessary to challenge discrimination against them, and employers are provided with effective incentives and technical assistance to comply with the law. I urge you to take a critical step towards pay equity through cosponsorship and passage of the Paycheck Fairness Act. Cosponsorship and votes associated with these bills may be scored in the AAUW Action Fund *Congressional Voting Record for the 115th Congress*.

Please do not hesitate to contact me at 202/785-7720 or Anne Hedgepeth, director of federal policy, at 202/785-7724, if you have any questions.

Sincerely,



Deborah J. Vagins
Senior Vice President, Public Policy and Research

¹ AAUW. (2017). Women in U.S. now have to wait till 2119 for equal pay. www.aauw.org/article/pay-gap-remains-at-20-cents.

² AAUW. (2012). *Graduating to a Pay Gap*. www.aauw.org/resource/graduating-to-a-pay-gap.

³ AAUW. (2018). *The Simple Truth about the Gender Pay Gap*. www.aauw.org/resource/the-simple-truth-about-the-gender-pay-gap.

⁴ Jessica Milli, Ph.D., Yixuan Huang, Heidi Hartmann, Ph.D., Jeff Hayes, Ph.D. (April 5, 2017). The Impact of Equal Pay on Poverty and the Economy, *Institute for Women's Policy Research*. iwpr.org/publications/impact-equal-pay-poverty-economy/

⁵ Jessica Milli, Ph.D., Yixuan Huang, Heidi Hartmann, Ph.D., Jeff Hayes, Ph.D. (April 5, 2017). The Impact of Equal Pay on Poverty and the Economy, *Institute for Women's Policy Research*. iwpr.org/publications/impact-equal-pay-poverty-economy/