



January 27, 2021

Dear Senator:

On behalf of the more than 170,000 members and supporters of the American Association of University Women (AAUW), I urge you to cosponsor and push for swift passage of the Paycheck Fairness Act as a top priority of the 117th Congress. Despite federal and state equal pay laws, gender pay gaps persist. The Paycheck Fairness Act offers a much needed update to the Equal Pay Act of 1963 by providing new tools to battle these pervasive pay gaps and to challenge discrimination.

The dual crises of a global pandemic and systemic racism have laid bare the economic disparities in our country. While we all struggle to survive, we are relying heavily on the work performed by essential workers who are disproportionately Black and brown women.<sup>1</sup> Yet their work has long been and continues to be undervalued and underpaid. At the same time, in 2020, American women lost more than 5 million jobs. The most recent jobs report shows women account for 100% of the jobs lost in December – all 140,000 of them – and women of color made up an overwhelming share of those jobs.<sup>2</sup> This massive job loss coupled with the consistent undervaluing of women's work compounds over time and results in significant lost earnings. As a result, women do not have a financial cushion to help weather the current economic crisis or the ability to build wealth, all of which contribute to racial and gender wealth gaps that create barriers to families' economic prosperity. We cannot build back our economy without immediately addressing these realities. And women and their families cannot afford to wait any longer for change.

On Friday, we celebrate the 12th anniversary of the Lilly Ledbetter Fair Pay Act. This vital law rectified the Supreme Court's harmful decision in *Ledbetter v. Goodyear Tire & Rubber Company*. The law helps to ensure that individuals subjected to unlawful compensation discrimination are able to have their day in court and effectively assert their rights under federal antidiscrimination laws. But despite the importance of the Lilly Ledbetter Fair Pay Act, this law's enactment was only one step on the path to guaranteeing women receive equal pay for equal work.

There is no more fitting way to mark this historic milestone and appropriately respond to the crises we are currently experiencing than by making real, concrete progress in ensuring all women receive fair pay. While the gap has narrowed since passage of the Equal Pay Act of 1963, progress has largely stalled in recent years. Data from the U.S. Census Bureau once again revealed that women working full-time, year-round are typically paid only 82 cents for every dollar paid to men.<sup>3</sup> The pay gaps are even wider for women of color. Black women and Latinas make, respectively, 63 and 55 cents on the dollar as compared to non-Hispanic, white men.<sup>4</sup> Action is required now: at the current rate, the overall pay gap between men's and women's earnings will not close until 2093 and it will take significantly longer for women of color to reach parity.<sup>5</sup>

Research indicates that the gender pay gap develops very early in women's careers. 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.<sup>6</sup> Over time, the gap compounds and widens, impacting women's social security and retirement. Ensuring that women have equal pay would have a dramatic impact on families and the economy. According to a report from the Institute for Women's Policy Research (IWPR), the poverty rate for all working women would be cut in half, falling from 8.0 percent to 3.8 percent if women were paid the same as comparable men.<sup>7</sup> The same study indicates that the U.S. economy would have produced an additional \$512.6 billion in income if women had received equal pay for equal work.<sup>8</sup> This is why I urge you to pass this important bill.

The Paycheck Fairness Act 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, including:

- **Guaranteeing Non-Retaliation:** The bill prohibits retaliation against workers for discussing or disclosing 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 learning of the pay discrimination against them.
- **Prohibiting Reliance on Prior Salary History:** The bill prohibits employers from relying on salary history in determining future pay, so that prior discrimination doesn’t follow workers from job to job.
- **Requiring Job-Relatedness:** The bill closes loopholes that allow employers to pay women less than men for the same work without a business necessity that is related to the job.
- **Equalizing 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.
- **Providing 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 by cosponsoring and calling for swift passage of the Paycheck Fairness Act as a top priority of the 117th Congress.

To become a cosponsor of the Paycheck Fairness Act, please contact Joe Shantz with the Senate HELP Committee at [joseph\\_shantz@help.senate.gov](mailto:joseph_shantz@help.senate.gov). Cosponsorship and votes associated with this bill may be scored in the AAUW Action Fund *Congressional Voting Record for the 117th Congress*. Please do not hesitate to contact me at 202.728.7617 or [nielsonk@aauw.org](mailto:nielsonk@aauw.org), or Leticia Bustillos, Federal Policy Manager, at 202.785.7732 or [bustillosl@aauw.org](mailto:bustillosl@aauw.org), if you have any questions.

Sincerely,



Kate Nielson  
Director of Public Policy & Legal Advocacy

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<sup>1</sup> “When Hard Work is Not Enough: Women in Low-Paid Jobs” (National Women’s Law Center, April 2020), [https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2020/04/Women-in-Low-Paid-Jobs-report\\_pp04-FINAL-4.2.pdf](https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2020/04/Women-in-Low-Paid-Jobs-report_pp04-FINAL-4.2.pdf).

<sup>2</sup> “American Women Lost More Than 5 Million Jobs In 2020” (Forbes, January 12, 2021), [https://www.forbes.com/sites/maggiemcgrath/2021/01/12/american-women-lost-more-than-5-million-jobs-in-2020/?\\_twitter\\_impression=true&s=09&sh=4cf53e102857](https://www.forbes.com/sites/maggiemcgrath/2021/01/12/american-women-lost-more-than-5-million-jobs-in-2020/?_twitter_impression=true&s=09&sh=4cf53e102857).

<sup>3</sup> “The Simple Truth about the Gender Pay Gap” (American Association of University Women, Fall 2020), <https://www.aauw.org/research/the-simple-truth-about-the-gender-pay-gap/>.

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> “Graduating to a Pay Gap: The Earnings of Women and Men One Year after College Graduation” (American Association of University Women, October 2012), <https://www.aauw.org/files/2013/02/graduating-to-a-pay-gap-the-earnings-of-women-and-men-one-year-after-college-graduation.pdf>.

<sup>7</sup> Jessica Milli *et al.*, “The Impact of Equal Pay on Poverty and the Economy” (Institute for Women’s Policy Research, April 2017), <https://iwpr.org/wp-content/uploads/2017/04/C455.pdf>.

<sup>8</sup> *Id.*