



House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

HOUSE DEMOCRATIC POLICY COMMITTEE HEARING

Topic: House Bill 1243

Kimmel Center – Philadelphia, PA

April 27, 2018

AGENDA

10:00 a.m. Welcome and Opening Remarks

10:10 a.m. Panel One:

- Rebecca Rhynhart
Philadelphia City Controller
- Melissa Robbins
Delegate, Pennsylvania NOW
- Andrea Mead
Chief of Staff to the First Lady, Office of Governor Tom Wolf

10:40 a.m. Panel Two:

- Susan Carty
President, League of Women Voters Pennsylvania
- Terry Fromson
Managing Attorney, Women's Law Project
- Heather Arnet
CEO, Women & Girls Foundation
- Barbara Price
Public Policy Co-Chair, American Association of University Women (AAUW) of Pennsylvania

11:20 a.m. Closing Remarks

Melissa Robbins
770-882-7522
mavenmelissa@gmail.com

Closing the gap is essential to women gaining pay equality and economic stability.

It's no secret that women are under paid, we know that Black women and Latino women are paid far less than White women.

We've seen stagnation in wages for workers across the nation while the top earners continue to gain and soar financially. Policies have been intentionally put in place by those who support this effort to move from a democratic society to an oligarchy.

As an American citizen, as a United States veteran, as a single parent supporting college bound teens who attend failing public schools, it is imperative that we as a country move toward progressive policies that allow all to benefit from our growing economy.

Pennsylvanian women who are employed full time lose a combined total of nearly \$34 billion every year due to the wage gap

The additional 8-\$10,000 that women are robbed of annually could allow someone's son to play football, it could allow someone daughter to pay senior class dues and fund her senior prom, her senior class trip or pay for the deposit on his or her college dorm. This is money that families can use to travel during the holidays or simply pay for utilities, gas for the family car or food on the table.

How could anyone knowingly allow these families of our Commonwealth to be deprived of what they rightfully deserve?

In the United States, mothers are head of the household in half of families with children under 18, including half of white mothers, 53 percent of Latina mothers, 81 percent of Black mothers and 44 percent of Asian/Pacific Islander mothers. Yet the wage gap for mothers is larger than for women overall. Why are women and particularly single women seen as less than in our society?

Did all you have a woman who loved you while growing up pursuing the very careers that you hold today?

Regardless if the industry is law, healthcare, business, politics, or service the gender pay gap is present.

Regardless if the position is administrative, sales, middle management or the executive level the gender wage gap still exist.

Regardless of the level of education that one has be it a bachelors, graduate, doctoral or post- doctoral the gender wage can still puts women at a disadvantage.

There is overwhelming evidence that the pay disparities exist and the gap is still growing. So, what do we do?

Well, there is always the option to vote for those candidates who are more inclined to support pay equity. 70% of Republican women, 83% of independent women and 88% of Democratic women say they would be more likely to vote for a candidate who supports equal pay for women.

There are policies that that you could champion that would shift the paradigm. These policies could help identify and challenge discriminatory pay, employment practices and address gender-based occupational segregation; minimum wage increases; family friendly workplace supports like paid family and medical leave and paid sick days; affordable child care; and access to comprehensive reproductive health care.

You all have working women in your districts who deserve leaders who will ensure that they receive a respectable compensation for their respectable work. Many women can share with you their stories of when they found out that their male counterparts were earning more than them.

I ask you today to put an end to this madness by adopting policies that bring honor to the commonwealth and the families that make up our great state. Thank you!

**Testimony before the Pennsylvania House Democratic Policy Committee
Public Hearing on Equal Pay
By: Andrea Mead, Chief of Staff to the First Lady
Office of Governor Tom Wolf
Friday, April 27, 2018**

Good morning. On behalf of the Wolf Administration and the Pennsylvania Commission for Women, I would like to thank Chairman Mike Sturla, Representative Brian Sims and the members of this Committee for convening this hearing today on an issue that is crucial to the success of Pennsylvania's women, families, communities and economy.

My name is Andrea Mead and I serve as Chief of Staff to Pennsylvania First Lady Frances Wolf. As part of my role in Governor Wolf's Office, I oversee the work of the Pennsylvania Commission for Women, which is made up of a diverse and inclusive group of volunteer leaders appointed by the Governor from across the commonwealth.

The Commission for Women serves as the Governor's chief advocate on behalf of women and girls on both the local and state levels. One of the key roles of the Commission is to monitor state and federal legislation and policy changes that directly impact women – specifically when it comes to the gender wage gap, family leave policies, sex-based discrimination and women's health issues – and then to serve as a powerful voice in support or opposition to those changes to ensure the best possible outcome for women in Pennsylvania.

I would like to specifically recognize four members of the Pennsylvania General Assembly who are currently serving on the Governor's Commission for Women: Representative Karen Boback, Representative Carolyn Comitta, Representative Madeleine Dean and Senator Judy Schwank. Each of these women serve as an invaluable voice for Pennsylvania women, both among their colleagues in the legislature as well as in communities across the commonwealth. Each of them provides unique expertise, insight and service to the Commission and, on behalf of the Governor and First Lady, we cannot thank them – and the entire Commission – enough for their tireless efforts to improve the lives of all women and girls in Pennsylvania.

I would also like to thank Representative Sims and Representative Davis for introducing House Bill 1243 and bringing all of these very important voices into the discussion today. Pennsylvania's equal pay law was enacted over half a century ago and has failed to adequately eliminate the gender pay gap in the commonwealth. Improvements to this law are long overdue and House Bill 1243 represents a significant step in the right direction.

According to a 2018 report released by Georgetown University's Center on Education and the Workforce, the gender wage gap is responsible for women earning \$1 million less than men over the course of their lifetime. Even when women outperform men in educational attainment, they still earn 81 cents for every dollar earned by a male counterpart, and overall, women must earn at least one more degree to have the same earnings as a man.

According to the National Partnership for Women and Families, in Pennsylvania specifically, women make 79 cents for every dollar paid to men, amounting to an annual wage gap of \$10,762. And, as a result of the wage gap, Pennsylvania women who are employed full time lose a combined total of nearly \$34 billion every year.

Governor Wolf is absolutely committed to working with members of the General Assembly to change these statistics and to more broadly improve the workplace environment for women in Pennsylvania. His 2018-19 budget proposes a number of key investments in programs that support women and families in an effort to close gender wage gaps and create crucial opportunities for women to compete in the workforce, contribute to the economic development of our communities, and feel protected from abuse, harassment and discrimination.

In addition to looking very seriously at policies that would directly close the state's wage gap, the Governor joined with leaders in both the House and Senate earlier this month to take significant steps to strengthen protections against sexual harassment and discrimination for employees, provide new legal options for sexual harassment victims, and hold those who are responsible for sexual harassment accountable for their actions.

These steps build on Governor Wolf's efforts to combat sexual harassment and assault, including the first-in-the-nation statewide 'It's On Us' campaign, launched over two years ago by the Wolf Administration to combat sexual assault in schools and on college campuses. 'It's On Us PA' has since grown to include annual grants to higher education institutions across the state and a bipartisan legislative package that was recently introduced, including a bill by Representative Sims.

Governor Wolf also feels strongly that it is well past time to give Pennsylvania's lowest income workers a raise. He continues to call on the legislature to pass a law increasing the minimum wage in Pennsylvania immediately to \$12 per hour, with a long-term goal of an increase to \$15 per hour.

According to the Pew Research Center, forty percent of all households with children under the age of 18 include mothers who are either the sole or primary source of income for the family. In Pennsylvania, women are nearly three-quarters of minimum wage workers—a higher share than all but two other states. This means that minimum-wage workers in Pennsylvania—mostly women—cannot support themselves and their families, even while working full-time, year-round jobs. A Pennsylvania woman working full time at minimum wage earns just \$14,500 annually, more than \$4,500 below the official U.S. poverty line for a mother with two children.

As part of his "Jobs That Pay" initiative, in 2016 Governor Wolf signed an executive order that ensures employees under the governor's jurisdiction will be paid no less than \$10.15 an hour. The executive order also covers employees of organizations that negotiate state contracts or that lease property to the commonwealth. For a single mother with two children who works 40 hours per week, an increase in the minimum wage would lift her family above the poverty line for a household of three. Increasing the minimum wage would impact over half a million children.

The Wolf Administration is also calling for an earned sick leave policy that would create opportunities for women, parents, and caregivers to address the needs of their families without facing negative repercussions in the workplace. Specifically, in businesses with 25 or more employees, the Governor is calling for workers to earn one hour of leave for every 40 hours worked after a 90-day employment period, which would enhance productivity and retention.

Many of our working residents are tasked with either the care of young children or aging parents. Forcing these adults to make a choice between caring for a seriously ill loved one or losing their paycheck, and possibly their job, is unconscionable. As Pennsylvania women and families try to balance the demands of work and a quality home life, the security of knowing that Pennsylvanians can reasonably take care of themselves and their loved one during intermittent times of illness without losing their job, is a basic employment protection. It is a moral imperative that we explore options to provide reasonable family leave to hard working Pennsylvanians.

Earned sick policies benefit employees, businesses and communities in a number of important ways. They provide workers with the confidence to take time off to address intermittent illness and care for themselves and their family members without facing uncertainty for their job. They enable employers to lessen the crisis of last minute replacements and have increased predictability in scheduling needs. With guaranteed earned sick leave, employees feel more secure in their employment which has a positive impact on productivity, while employers benefit from the retention of a trained and skilled workforce – a win-win for both employer and employee. And earned sick leave allows domestic violence victims job security to address their safety needs.

If we don't take these decisive steps to support women in the workplace and remove needless barriers to their success – starting with the efforts discussed here today to ensure pay equity – we cannot expect women in Pennsylvania to get ahead and thrive.

Thank you for inviting the Governor's Office and Commission for Women to provide this testimony today. We look forward to working with this Committee, the General Assembly, and my fellow panelists to strengthen Pennsylvania's equal pay law, as well as the other options outlined above to provide economic opportunities and basic workplace protections for Pennsylvania's women.



LEAGUE OF WOMEN VOTERS® OF PENNSYLVANIA
LEAGUE OF WOMEN VOTERS® OF PENNSYLVANIA – CEF
226 Forster Street, Harrisburg, PA 17102-3220 ♦♦ 717.234.1576

**League of Women Voters of Pennsylvania Testimony
Pennsylvania House Democratic Policy Committee**

SPONSOR: Rep. Brian Sims

April 27, 2018

Good Morning. My name is Susan Carty and I am the President of the League of Women Voters of Pennsylvania, a nonpartisan, nonprofit, civic engagement organization dedicated to empowering voters and defending democracy.

The League, as an organization, has been encouraging citizens to be informed and active in participation in government for a very long time. We were founded in 1920, just as women earned the right to vote. Ninety-eight years later, we are still fighting for our equality.

We understand that any barriers, restrictions, limitations, controls and efforts to prevent all citizens from participating fully and equally in their daily lives, and in the Democratic process, will lead to the failure of that system.

That is not an acceptable outcome. The League also has clear understanding of how fragile our rights are. They are simply a “VOTE” and a “PEN STROKE” away. That cannot be ignored or taken lightly.

Because the League is non-partisan, we participate in an effort such as today’s, regardless of the political party of the host and the participants. An opportunity such as today’s panel discussions, is an opportunity for the voters. It is an opportunity to gather information and education.

With today’s focus on equal pay I would like to make the point that women are the single largest productive economic force. They drive almost every economic indicator for businesses. Based upon statistics from 2015, women collectively represent the 2nd largest economy in the world.

That fact is based upon Earned Income vs. GDP. GDP represents the monetary value of all goods and services produced within a nation's geographic borders over a specified period of time. GDP does not account for uncompensated labor. An area of productivity that is foundational to the function of every economy in the world. Women globally produce a minimum of \$10 trillion in uncompensated labor. Yet, while women control 85% of consumer spending in the US, they continue to be paid approximately 25-40% less than men globally.

You have to ask yourselves, why is that so? and who is “holding the pens that create the laws, that sign off on the laws and enforce those laws?”

Right here in Pennsylvania, our equal pay law hasn’t been updated in nearly 60 years. This is not only unfair and economically self-defeating. It is egregious. Pay disparity affects everyone.

Women are breadwinners, taxpayers, caregivers, soldiers, heads of families, scientists, educators and much more. It's time that Pennsylvania had an equal-pay law that provides equal pay."

And most importantly, that that law is enforced. By any standards, where is the logic, the reasoning and economic good sense to diminish and control the power of this productive voting population? We say: it is seriously short-sided.



**Testimony on Pay Equity (House Bill 1243)
Before the Pennsylvania House Democratic Policy Committee
By Terry L. Fromson, Managing Attorney, Women's Law Project
Friday, April 27, 2018**

Good morning. On behalf of the Women's Law Project, I wish to thank Chairman Sturla and Representative Sims for convening this hearing on equal pay and House Bill 1243. Thank you also to Representative Sims and the many co-sponsors of HB 1243 for being strong advocates for equal pay.

My name is Terry Fromson. I am managing attorney of the Women's Law Project, a nonprofit, legal advocacy organization with offices in Philadelphia and Pittsburgh that seeks to advance the legal status of women and girls through litigation, public policy advocacy, public education, and individual counseling. As one of the leading members of the Pennsylvania Campaign for Women's Health, the Women's Law Project is grateful that the Women's Health Caucus of the Pennsylvania General Assembly has made equal pay a priority. In a 2012 publication, *Through the Lens of Equality: Eliminating Sex Bias to Improve the Health of Pennsylvania's Women*, the Women's Law Project examined the health consequences of poverty and workplace discrimination on women. They include a host of physical, emotional, and psychological problems which are exacerbated by the loss of health insurance and lack of access to health care that accompanies low wages and unemployment. Ensuring that women are treated fairly in the workplace and paid fairly will promote both the economic security and the health of Pennsylvania women and their families.

The laws adopted more than fifty-five years ago to eliminate the gender wage gap have not worked and will not work unless they are fixed. When Congress passed the Equal Pay Act, it, recognized that sex-based differences in pay between men and women "depress[] wages and living standards for employees necessary for their health and efficiency."¹ Pennsylvania's Equal Pay Act, adopted in 1959, is even older than the federal law.² Legislatures and lawmakers in every state have made it clear that sex-based differences in pay are unlawful, but these laws alone have not been enough to close the gap, which has not changed in a statistically significant way in a decade.³

In 2015, the median annual earnings for American women who worked full-time all year was \$40,742, while the median annual earnings for American men working full-time all year was \$51,212.⁴ This discrepancy translates to a 20% pay gap. Put another way, employers pay women on average 80 cents for every dollar they pay to men. The national wage gap between white men and women of color is even wider, with employers paying African American women 63 cents for every dollar they pay to white men and paying Latina women only 54 cents.⁵

MAIN OFFICE _____

Sheridan Building
125 South 9th Street, Suite 300
Philadelphia, PA 19107

215.928.5761 t • 215.928.9848 f
www.womenslawproject.org
info@womenslawproject.org

WESTERN PENNSYLVANIA OFFICE _____

The Pittsburgher
428 Forbes Ave, Suite 1710
Pittsburgh, PA 15219

412.281.2892 t • 412.281.3054 f
www.womenslawproject.org
infopitt@womenslawproject.org

The wage gap differs by state too, with women in Pennsylvania faring worse than the national average. Pennsylvania women make 79 cents to every dollar employers pay to a man.⁶ Broken down by race and ethnicity, African American women in Pennsylvania are paid only 68 cents and Latina women only 57 cents to that same dollar a white man is paid.⁷ Without effective action to reduce the gap, Pennsylvania women will not achieve equal pay until 2068, while nationally, women will achieve equal pay by 2059.⁸

The gender wage gap begins the moment women enter the workforce when they earn less than male counterparts performing comparable jobs with comparable education and experience. Today, women are more likely than men to receive a higher education.⁹ Nevertheless, they earn less than men beginning just one year out of college, even when researchers control for factors like college major, occupation, and hours worked.¹⁰ Disparities persist for women with advanced degrees, both in initial earnings and throughout their careers. Female business school graduates, for example, earn less than their male counterparts at graduation, and the pay widens over time.¹¹ A 2016 survey revealed that the average earnings of male law partners were 44% higher than the average earnings for female law partners.¹²

The median earnings for women are lower than men's in nearly all occupations, regardless of whether those occupations are predominantly performed by women, by men, or a mix of both.¹³ Research has found that after controlling for race, region, unionization status, education, work experience, occupation, and industry 38 percent of the pay gap remains "unexplained."¹⁴ When applying the same methodology to earnings differences between black and white women, and black and white men, a substantial 'unexplained' gap remains.¹⁵ Moreover, while the unexplained gap of earnings differences between all women and men has fallen slightly since 1979, the unexplained gap of earnings between black and white women has substantially increased.¹⁶

Even though pregnancy does not justify pay differences, women are often penalized for simply having the capacity to become pregnant. Employers pay women less from the moment of hire and deny them promotions because they automatically presume women will have children and then will commit less time and dedication to their jobs.¹⁷ Once they become mothers, they are further penalized for motherhood. Mothers earn only 69% of what fathers earn,¹⁸ and experience a per-child wage penalty of approximately 5%.¹⁹ Mothers are also considered less competent and committed to paid work than women without children, and are therefore subjected to discrimination by employers making hiring and salary decisions. Fathers, on the other hand, experience a bonus when they become fathers; they are seen as more committed to paid work and are offered higher starting salaries. In addition, women are judged more harshly than men with respect to punctuality and flexibility in work schedules.²⁰

Some blame women for their lower pay, saying they don't negotiate for better wages like men do. However research demonstrates otherwise. Women do ask for higher pay at the same rate men do and do negotiate, but they are penalized for doing so, while men are rewarded.²¹

Discrimination is the likely cause of the "unexplained" gap. Overt discrimination and unconscious biases result in the devaluation of the work women, mothers, and people of color perform. Researchers found that scientists presented with resumes that were identical, except that one "belonged" to someone with a traditionally female name and the other "belonged" to someone with a traditionally male name, offered the male applicant a higher starting salary for a laboratory manager position than they offered the female applicant.²² Research further shows systematic gender and race bias in wage progression within organizations, meaning that at a given level of skills and performance, women and men of color are likely to have a lower salary than a similar white man.²³

For women, the gender wage gap grows over time, resulting in lower lifetime pay, less income for families, and higher poverty rates across the country.²⁴ By the time a college-educated woman reaches her 59th birthday, she will have lost almost \$800,000 because of the gender wage gap.²⁵

Overall, the gender wage gap costs Pennsylvania women and their families \$34 billion every year.²⁶ Across the United States, it costs women and their families over \$840 billion a year.²⁷ The elimination of this gap would reduce the poverty rate for working women by half and have a meaningful impact on American households, including households with children under age 18, 40 percent of which include a mother who is the primary or sole breadwinner.²⁸ Elimination of the wage gap means more money to shelter and feed one's family, secure child care, otherwise take care of family needs.²⁹

Both the federal and Pennsylvania Equal Pay Acts suffer from a flawed interpretation of the law that has created a loophole. Equal pay laws, like the federal and PA laws, typically provide for an employer defense for sex-based disparities in pay when those disparities are based on any other factor other than sex. Although it is clear that this phrase permits use of only legitimate job-related factors unrelated to sex, some courts have nevertheless allowed employers to rely on factors that are neither job-related nor free of sex bias. In these cases, the courts have permitted employers to use, for example, salary history as justification for paying women less than men for comparable work.³⁰

Ruling on an employer's claim that prior pay was a sex neutral factor, the 9th Circuit Court of Appeals on April 9, 2018 held that prior pay fails as a matter of law to set forth an affirmative defense, because the "any other factor other than sex" defense is limited to legitimate job-related factors such as a prospective employee's experience, educational background, ability,

or prior job performance” and prior pay does not meet that standard.³¹ In doing so, the Court remarked that “It is inconceivable that Congress, in an Act the primary purpose of which was to eliminate long-existing "endemic" sex-based wage disparities, would create an exception for basing new hires' salaries on those very disparities—disparities that Congress declared are not only related to sex but caused by sex.”³² That decision will apply only in the 9th Circuit and will not apply to Pennsylvania.

As reflected in the current legal challenge to the Philadelphia ordinance enacted last year banning reliance on prior pay, Pennsylvania employers continue to rely on and want to rely on factors such as prior pay which are based on the same disparities that the law has declared unlawful.³³ To pay a truly fair market rate to women, employers must not rely on factors that perpetuate sex discriminatory pay. They must rely only on legitimate job-related factors other than sex such as education, ability, experience, or prior job performance.

The other big loophole in the laws is they do not ban pay secrecy. Pay secrecy makes it impossible for women to find out if they are getting less than a man in a similar job. About 60% of private sector workers say their employer either prohibits, by contract or policy, or strongly discourages asking about other employee’s pay.³⁴

HB 1243 will close these loopholes. It will eliminate pay secrecy and prohibit retaliation for discussing wages. It will excuse a pay differential only where the employer can show that the differential is truly caused by something other than sex and is related to job performance and consistent with business necessity, and accounts for the entirety of the pay differential. It will also specifically ban reliance on prior pay. Closing these major loopholes will remove obstacles that prevent women from finding out if they are being paid differently, diminish the impact of gender stereotypes on wages, and improve pay equity enforcement.

HB 1243 will also fix a unique flaw in Pennsylvania’s Equal Pay Act by removing the 1967 amendment that made it applicable to only those individuals who were not covered by the federal Equal Pay Act. This amendment made our law virtually useless, applying as it now does to only limited categories of jobs. Our research indicates that Pennsylvania is the only state whose Equal Pay law covers only people who are not covered by the federal Equal Pay Act. As HB 1243 will make Pennsylvania’s law stronger than the current federal law, we want to make sure all Pennsylvanians can benefit from it. HB 1243 will make Pennsylvania’s Equal Pay Act apply to all Pennsylvanians.

HB 1243 also makes several changes to Pennsylvania’s Equal Pay Act which will encourage employers to pay men and women equally and put gender pay discrimination on the same footing as other types of discrimination. HB1243 will:

- Prevent employers from paying women less based on different job titles often assigned to jobs performed by men and women, even though they are doing essentially the same work (e.g. technician/operator; administrator/secretary; chef/cook).
- Change the standard from equal work to comparable work to prevent employers from relying on immaterial differences in job descriptions to justify differences in pay and replace it with a system that values work based on comparable skills and responsibilities.
- Eliminate the “establishment” requirement in the Act to prevent employers from paying a female employee in one facility a different pay from a male in another of the employer’s facilities when they are both performing the same work.
- Expand the remedies a court can order to include injunctive relief such as reinstatement and promotion, damages amounting to the pay lost to sex discrimination, compensatory damages, and, if the employer has been intentionally or recklessly underpaying female employees, punitive damages.

Finally, I want to take this opportunity to urge you to support additional bills that will also advance working women’s economic equality and health. By approving the Pennsylvania Pregnant Workers Fairness Act, HB1583, the Pennsylvania General Assembly can ensure that pregnant women benefit from reasonable accommodations that will allow them to continue working during their pregnancy. Adoption of sanitary nursing accommodations provided by HB 2061 will help mothers return to and keep their jobs. Increasing the minimum wage and taking steps to elevate pay levels for women-dominated jobs are important to achieve parity for women.

Thank you for convening this hearing. I look forward to working with you to eradicate the gender wage gap and to finally give our daughters the equal chance to thrive and succeed at work that our Commonwealth has long promised them.

¹ Equal Pay Act of 1963, Pub. L. No. 88-38, 77 Stat. 56 (1963).

² 43 Pa. Stat. Ann. § 336.1 (2016).

³ Bernadette D. Proctor, et al, *Income and Poverty in the United States: 2015 Current Population Reports P60-256*, U.S. Census Bureau 10 (2016); See Inst. for Women’s Policy Research (IWPR), *Projected Year the Gap Will Close by State 1* (2017).

⁴ See American Association of University Women (AAUW), *The Simple Truth About the Pay Gap* (Spring 2017) at 6.

⁵ *Id.* at 11.

⁶ National Partnership for Women & Families (National Partnership), Pennsylvania Women and the Wage Gap (April 2017), <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/4-2017-pa-wage-gap.pdf>.

⁷ *Id.*

⁸ IWPR, *supra* note 3.

⁹ Kurt Bauman, *Shift Toward Greater Educational Attainment for Women Began 20 Years Ago*, U.S. Census Bureau (Mar. 29, 2016), <https://www.census.gov/newsroom/blogs/random-samplings/2016/03/shift-toward-greater-educational-attainment-for-women-began-20-years-ago.html>.

¹⁰ Christianne Corbett & Catherine Hill, AAUW, *Graduating to a Pay Gap: The Earnings of Women and Men One Year After College Graduation 2* (2012), <http://www.aauw.org/files/2013/02/graduating-to-a-pay-gap-the-earnings-of-women-and-men-one-year-after-college-graduation.pdf>.

¹¹ Marianne Bertrand, et al, *Dynamics of the Gender Gap for Young Professionals in the Financial and Corporate Sectors*, 2 Amer. Econ. J.: Applied Econ. 228, 236 (2010).

¹² Jeffrey Lowe, Major, Lindsey & Africa LLC, *Partner Compensation Survey 2016* (2016), <https://www.mlaglobal.com/publications/research/compensation-survey-2016>.

¹³ Francine D. Blau & Lawrence M. Kahn, *The Gender Wage Gap: Extent, Trends, and Explanations*, NBER Working Paper No. 2193, National Bureau for Economic Research (2016), <http://www.nber.org/papers/w2193> (last visited May 16, 2017); IWPR, *The Gender Wage Gap by Occupation 2016 and By Race and Ethnicity 1* (2017), <https://iwpr.org/wp-content/uploads/2017/04/C456.pdf>

¹⁴ Blau & Kahn, *supra* note 13 at 8.

¹⁵ Mary C. Daly, et al., *Disappointing Facts about the Black-White Wage Gap*, FRBSF Economic Letter 2017-26, Federal Reserve Bank of San Francisco (Sept. 5, 2017), http://www.frbsf.org/economic-research/publications/economic-letter/2017/september/disappointing-facts-about-black-white-wage-gap/?utm_source=frbsf-home-economic-letter-title&utm_medium=frbsf&utm_campaign=economic-letter (last visited Sept. 11, 2017).

¹⁶ *Id.*; Blau & Kahn, *supra* note 13.

¹⁷ Ariane Hegewisch, Cynthia Deitch & Evelyn Murphy, *Ending Sex and Race Discrimination in the Workplace*, Institute for Women's Policy Research, at 20 (2011), available at <http://www.iwpr.org/publications/pubs/ending-sex-and-race-discrimination-in-the-workplace-legal-interventions-that-push-the-envelope-1>; Shelley J. Correll, Stephan Benard, and In Paik, "Getting a Job: Is There a Motherhood Penalty?" 112 *American Journal of Sociology*, 1297-1339 (Mar. 2007) available at http://gender.stanford.edu/sites/default/files/motherhoodpenalty_0.pdf; Joan C. Williams & Stephanie Bornstein, *Caregivers in the Courtroom: The Growing Trend of Family Responsibility Discrimination*, 41 U. S. F. L. Rev. 171, 177-78 (2006); Vicki Schultz, *Life's Work*, 100 *Colum. L. Rev.* 1881, 1894-96 (2000); Joan C. Williams & Stephanie Bornstein, *The Evolution of 'FRD': Family Responsibilities Discrimination and Developments in the Law of Stereotyping and Implicit Bias*, 59 *Hastings L.J.* 1311, 1326 (2008).

¹⁸ National Women's Law Center, *How the Wage Gap Hurts Women and Families 1* (April 2014) available at http://www.nwlc.org/sites/default/files/pdfs/wage_gap_hurts_women_and_families.pdf.

¹⁹ Shelly J. Correll, et al, *Getting a Job: Is There a Motherhood Penalty*, 112 *American J. of Sociology* 1297 (Mar. 2007), available at <http://gender.stanford.edu/sites/default/files/motherhoodpenalty.pdf>.

²⁰ *Id.*

²¹ See Benjamin Artz et al., *Do Women Ask?*, Warwick Economics Research Papers No. 1127 (2016), available at https://warwick.ac.uk/fac/soc/economics/research/workingpapers/2016/twerp_1127_oswald.pdf; Hannah Riley Bowles, et al., *Social Incentives for Gender Differences in the Propensity to Initiate Negotiations: Sometimes it Does Hurt to Ask*, 103 *Org. Behav. & Hum. Decision Processes* 84, 85 (2006).

²² Corinne A. Moss-Racusin, et al. *Science Faculty's Subtle Gender Biases Favor Male Students*, 109 *PNAS* 16474, 16475 (Oct. 2012), available at <http://www.pnas.org/content/109/41/16474.full.pdf>.

²³ Emiliano J. Castilla, *Gender, Race, and Meritocracy in Organizational Careers*. *Am. J. of Soc.* 1479 (2008).

²⁴ IWPR, *The Economic Impact of Equal Pay by State 1* (2017), <https://iwpr.org/wp-content/uploads/2017/05/C457.pdf>.

²⁵ IWPR, *Status of Women, Employment & Earnings*, <https://statusofwomendata.org/explore-the-data/employment-and-earnings/employment-and-earnings/#CumulativeLossesfromtheGenderWageGap> (last visited July 19, 2017).

²⁶ National Partnership, *supra* note 6.

²⁷ See National Partnership, *America's Women and the Wage Gap 1* (2017), <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/americas-women-and-the-wage-gap.pdf>.

²⁸ See Pew Research Center, *Breadwinner Moms* (May 29, 2013), <http://www.pewsocialtrends.org/2013/05/29/breadwinner-moms/>.

²⁹ National Partnership, *supra* note 6.

³⁰ Deborah Thompson Eisenberg, *Money, Sex, & Sunshine: A Market-Based Approach to Pay Discrimination*, 43 *Ariz. St. L.J.* 951, 967 n. 65 (2011) (citing cases upholding reliance on prior pay as a market defense justifying a wage gap); see, e.g., *Best v. Janerich*, 80 F. Supp. 2d 334 (M.D. Pa. 1999), *aff'd*, 208 F.3d 205 (3d Cir. 2000).

³¹ *Rizo v. Yovino*, 2018 U.S. App. LEXIS 8882 *8 (9th Cir. April 9, 2018).

³² *Id.*

³³ *Chamber of Commerce for Greater Philadelphia v. City of Philadelphia*, No 2:17-cv-01548 (E.D. Pa. 2017).

³⁴ Ariane Hegewisch, Claudia Williams & Robert Drago, Institute for Women's Policy Research, *Pay Secrecy and Wage Discrimination* (June 2011), available at <https://iwpr.org/publications/private-sector-pay-secrecy/>



WOMEN AND GIRLS
FOUNDATION

Testimony in Support of HB 1243
Presented to the Pennsylvania House Democratic Policy Committee
April 27, 2018

By Heather Arnet,
Chief Executive Officer, Women and Girls Foundation

The WOMEN AND GIRLS FOUNDATION (WGF) is a non-profit organization based in Pittsburgh, Pennsylvania and engaged in statewide programming and policy work. The mission of WGF is to achieve equality for women and girls, now and for generations to come. In pursuit of this mission, WGF breaks down barriers so that every girl can rise and every woman can soar. Our vision is for women and girls in Pennsylvania to have equal access, opportunity, and influence in all aspects of their public and private lives. WGF has identified the lack of access to paid family and medical leave as a key contributor to our state's significant gender wage gap. Increasing access to paid leave is a tangible way we can work together as a community to decrease and eventually eliminate the wage gap. For more information visit: www.wgfpa.org

First, I would like to thank the Committee for holding these hearings and providing all of us the opportunity to discuss the topic of pay inequity in Pennsylvania in more depth, with special thanks to Representative Sims for inviting me to participate in today's hearings on behalf of the women and girls of Pennsylvania.

The bill we are here to discuss today, HB 1243 is a piece of public policy which was inspired by – and drafted because of - a desperate need of the constituents and citizens of the commonwealth. In a state with one of the worst wage gaps in the country, it is inspiring to see legislators take courageous action in drafting bold legislation. HB1243 is a bill which is necessary and which includes within it real solutions to real world problems.

A recent report, just released this month from the Institute for Women's Policy Research ranks all of the 50 states in regards to the status of women. In this report, Pennsylvania's grade for women's Employment & Earnings is a C+. Its grade for women's Poverty & Opportunity, C-, and both grades have remained unchanged since 2004.

The gender wage gap for women in Pennsylvania who work full-time, year-round is 78%. But that number is an average. If we look at the disparities for women of color, the state of their economic inequity in Pennsylvania becomes clearer. In Pennsylvania,

- Black women earn 67 cents for every dollar earned by White men.
- Native women earn 60 cents for every dollar earned by White men.
- Latinas earn just 57 cents for every dollar earned by White men.

If women in Pennsylvania were paid dollar for dollar what they deserve, their poverty rate would be reduced by more than half. Yet, if current trends continue, women in Pennsylvania will not see equal pay until the year 2068. That is why the bill you have introduced – HB 1243 – is so critical and why The Women and Girls Foundation is strongly in support of this legislation which we know, if passed, will positively impact the lives of millions of women and girls for generations to come. We especially

want to thank you for the inclusion in this bill of critical language in “Section 3” ensuring that “time spent on parental, family, or medical leave does not reduce seniority.” The lack of access to paid family and medical leave and job protection to take even unpaid leave has significantly contributed to creating the gender wage gap in this country.

Women who are family caregivers are 2.5 times more likely than non-caregivers to live in poverty and five times more likely to receive Supplemental Security Income (SSI). The typical family caregiver is a 49-year-old woman caring for her widowed 69-year-old mother who does not live with her. She is married and employed. Approximately 66% of family caregivers are women. Seven out of ten caregivers work outside the home. More than 37% have children or grandchildren under 18 years old living with them as well.ⁱ

The United States is the only developed nation in the world that does not guarantee paid family or medical leave to workers. Today, only 14% of workers have access to any form of PAID family and medical leave. And most Pennsylvania worker DO NOT even have access to UNPAID leave through FMLA. And so when a new baby arrives, or a spouse has to go through a few weeks of chemotherapy, or a mother breaks her hip in a fall, or a son returns from a temporary stay at an opioid rehabilitation clinic, most workers lose their jobs when they need to take two or three weeks off of work to care for someone else. At best – they are forced to take several weeks without pay.

And that loss of income helps create the gender wage gap. When that woman reenters the work force, she will suffer financially for having taken time off to care for a family member. She will reenter at a lower pay scale. Adding yet again to the gender gap. That is why one of the most immediate ways we can work together to eliminate the wage gap for women in Pennsylvania is to establish a statewide paid family and medical leave program.

Fortunately, California, New York, New Jersey, Rhode Island, Washington State, and Washington DC, have all developed solutions to provide PAID family and medical leave to almost all workers in their states without placing the financial burden of these leaves on corporations. The solution these states have developed is called a State Paid Family and Medical Leave Insurance Fund.

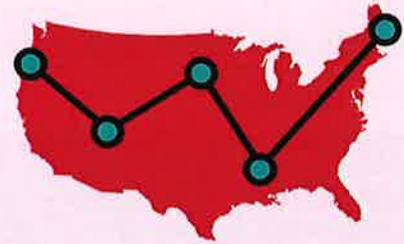
The recent report on Paid Family and Medical Leave in Pennsylvania released by the Pennsylvania Department of Labor showed broad support for a state paid leave program – amongst employers and the population of the commonwealth. The Women and Girls Foundation is currently working with the PA Department of Labor and the Senate Committee on Labor and Industries to explore options to develop such a model for Pennsylvania.

The Paid Family and Medical Leave Insurance Fund model which the Department of Labor explored in their study, was funded 100% by small contributions from employee wages (of less than \$1/week) with no employer contribution. This insurance fund model relieves employers from carrying the burden of providing paid leave while still providing reliable income to workers while they take a few weeks off of work to care for a new child or critically ill family member. **A majority of PA employers (56%) reported being in favor of the development of a state program to provide paid family and medical leave to employees.** And across gender, age, educational attainment level, household income level, marital status, parental status, multigenerational households, and employment status, **a strong majority of Pennsylvania adults favor (78% favor; 64% strongly favor) the development of such a state program.**ⁱⁱ In addition to passing HB 1243, I urge you to please join us in working to find a long-term solution to provide PAID family and medical leave to Pennsylvania’s workers which will do so much to enhance the long-term economic health of our commonwealth, its workers and especially its women. Thank you.

ⁱ Study conducted by researchers at Rice University and data compiled from the Health and Retirement Study funded by the National Institute of Aging and conducted by the University of Michigan, 1992-2004. MetLife Study of Working Caregivers and Employer Health Costs; National Alliance for Caregiving and MetLife Mature Market Institute February 2010

ⁱⁱ Paid Family and Medical Leave in Pennsylvania. Pennsylvania Department of Labor. November 2017. https://www.dol.gov/wb/media/Pennsylvania_Final_Report.pdf

STATUS OF WOMEN IN THE STATES



www.statusofwomendata.org

Fact Sheet, IWPR #R519, March 2018

The Economic Status of Women in Pennsylvania

Women in Pennsylvania have made considerable advances in recent years but still face inequities that often prevent them from reaching their full potential. Since the 2004 *Status of Women in the States* report was published, the gender wage gap in Pennsylvania has narrowed, a higher percentage of women have bachelor's degrees, and a larger share of women live in poverty. Pennsylvania still ranks in the middle third in the nation for both women's Employment & Earnings and Poverty & Opportunity.



If current trends continue,
women in Pennsylvania will not see
equal pay until the year
2068.¹



The difference between women's and men's
median annual earnings, \$11,000,
would pay for **2.3 years**
of community college tuition in Pennsylvania.²

Key Findings

- Pennsylvania's grade for women's Employment & Earnings, C+, has remained the same since the 2004 *Status of Women in the States* report (Table 1). Its grade for women's Poverty & Opportunity, C-, has remained unchanged since 2004.
- Women in Pennsylvania aged 16 and older who work full-time, year-round have median annual earnings of \$40,000, which is 78.4 cents on the dollar compared with men who work full-time, year-round (Table 1). Hispanic women earn just 57 cents for every dollar earned by White men (Table 2).
- If employed women in Pennsylvania were paid the same as comparable men, their poverty rate would be reduced by more than half and poverty among employed single mothers would also drop by more than half (Figure 1).³
- 58.0 percent of women in Pennsylvania aged 16 and older are in the labor force, compared with 66.5 percent of men (Table 1). Among women, Other Race or Multiracial women have the highest labor force participation rate, at 62.8 percent (Table 2).
- A growing share of employed women in Pennsylvania are in managerial or professional occupations. About 42 percent of women hold these positions, which tend to require a four-year degree and often have higher wages and employment benefits.
- In Pennsylvania, 31.2 percent of businesses in 2012 were owned by women, up from 27.0 percent in 2007.
- Approximately 31 percent of women aged 25 and older in Pennsylvania have a bachelor's degree or higher, an increase of about 10 percentage points since 2000 (Table 1).
- 93.6 percent of Pennsylvania's women aged 18 to 64 have health insurance coverage, which is above the national average for women of 89.4 percent (Table 1).
- Pennsylvania ranks 18th nationally for the share of women in poverty; 14.3 percent of women in the state aged 18 and older are in poverty, compared with 12.5 percent of Pennsylvania's men (Table 1).

Table 1.

Trends and Rankings on Key Indicators of the Economic Status of Women in Pennsylvania

	2004 Report	New 2016 Data	Progress since 2004?	2016 Rankings and Grades	
				National Rank	Grade
Employment & Earnings Composite Rank					
Women's Median Annual Earnings for Full-Time, Year-Round Workers	\$40,957	\$40,000	No	17	C+
Ratio of Women's to Men's Earnings	74.7%	78.4%	Yes	17	
Women's Labor Force Participation	58.9%	58.0%	No	32	
Percent of All Employed Women in Managerial/Professional Occupations	33.5%	41.7%	Yes	21	
Poverty & Opportunity Composite Rank					
Percent of Nonelderly Women with Health Insurance	88.3%	93.6%	Yes	15	C-
Percent of Women with a Bachelor's Degree or Higher	20.6%	31.0%	Yes	28	
Percent of Businesses Owned by Women	24.2%	31.2%	Yes	42	
Percent of Women Above Poverty	89.8%	85.7%	No	18	

Notes: Except for data on women's business ownership, which are from the 2012 Survey of Business Owners, data are from the 2016 American Community Survey. Go to <https://statusofwomendata.org/explore-the-data/methodology/> for composite methodology. Earnings from the 2004 report are inflation-adjusted to 2016 dollars. All indicators are defined so that a higher rate translates into higher rankings and better letter grades. Calculated by the Institute for Women's Policy Research.

Figure 1.

Impact of Equal Pay on Working Women's Poverty in Pennsylvania, 2016: Current Values and Estimates if Working Women Earned the Same as Comparable Men



Notes: IWPR calculations based on the Current Population Survey Annual Social and Economic supplements 2014-2016 (for calendar years 2013-2015). Comparable men and women are of the same age, have the same level of education, work the same number of hours, and have the same urban/rural status. For analysis methodology, see IWPR briefing paper #C455, [The Impact of Equal Pay on Poverty and the Economy](https://iwpr.org/wp-content/uploads/2017/04/C455.pdf) <https://iwpr.org/wp-content/uploads/2017/04/C455.pdf>, by Jessica Milli, Yixuan Huang, Heidi Hartmann, and Jeff Hayes.

Table 2.

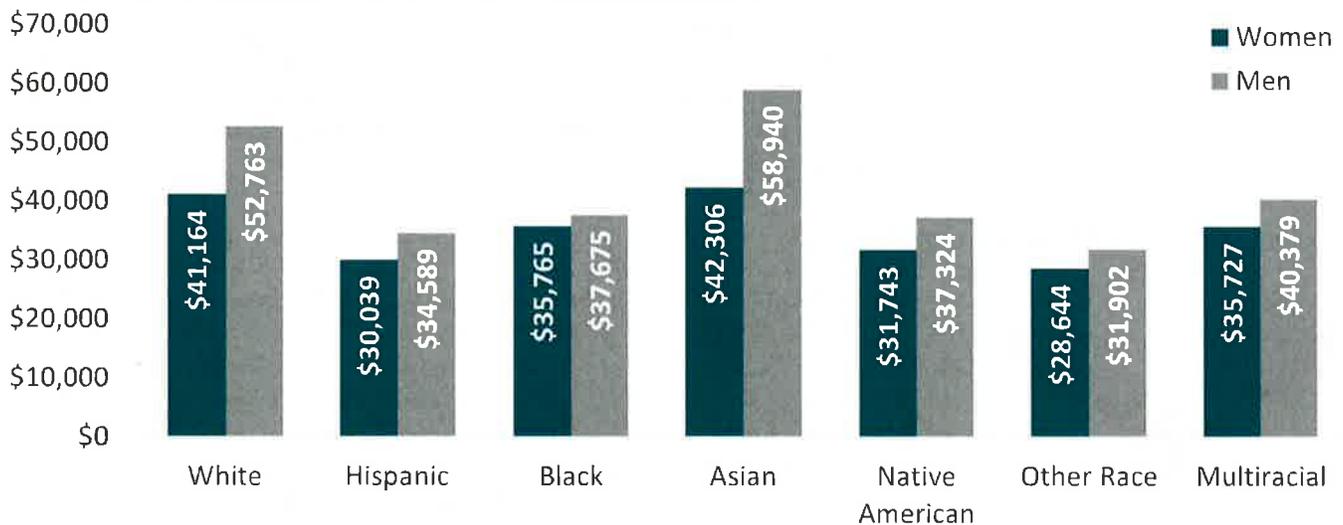
Overview of the Economic Status of Women of Color in Pennsylvania, 2016

	White	Hispanic	Black	Asian	Native American	Multiracial
Employment & Earnings						
Women's Median Annual Earnings for Full-Time, Year-Round Workers	\$41,164	\$30,039	\$35,765	\$42,306	\$31,743	\$35,727
Ratio of Women's to White Men's Earnings	78.0%	56.9%	67.8%	80.2%	60.2%	67.7%
Women's Labor Force Participation	57.7%	60.0%	59.2%	56.2%	47.3%	62.8%
Percent of All Employed Women in Managerial or Professional Occupations	43.0%	25.5%	34.3%	49.1%	N/A	35.1%
Poverty & Opportunity						
Percent of Nonelderly Women with Health Insurance	93.4%	82.3%	88.8%	90.8%	93.6%	89.6%
Percent of Women with a Bachelor's Degree or Higher	31.1%	16.9%	19.5%	50.7%	N/A	34.1%
Percent of Women in Poverty	10.5%	30.5%	25.8%	15.5%	N/A	21.3%

Notes: N/A=not available. Median annual earnings use five-year American Community Survey data (2011-2016) downloaded from American Fact Finder. All other indicators are calculated using three years of data (2014-2016) from the American Community Survey. Racial groups are non-Hispanic. For the earnings data, Asian does not include Pacific Islander women and multiracial does not include women of another racial category; for all other indicators, Asian includes Pacific Islander and multiracial includes women of another racial or ethnic category. Calculated by the Institute for Women's Policy Research.

Figure 2.

Median Annual Earnings for Women and Men in Pennsylvania Working Full-Time, Year-Round, by Race and Ethnicity, 2016



Notes: Calculated using three years of data (2014-2016) from the American Community Survey. Racial groups are non-Hispanic. Calculated by the Institute for Women's Policy Research.

NOTES

1. Linear projection based on rate of progress in closing the gender wage gap since 1959. Projection is based on the ratio of women's to men's earnings among full-time, year-round workers aged 16 and older. Calculations are based on the Decennial Censuses from 1960 through 2000, and 2001-2015 American Community Survey microdata.
2. The 2015-16 average undergraduate tuition and required fees for in-state, full-time students in degree-granting public two-year institutions in Pennsylvania is \$4,791.
3. Comparable includes women and men of the same age and level of education, who work the same number of hours, and have the same urban/rural status.

About the Institute for Women's Policy Research



The Institute for Women's Policy Research (IWPR) conducts rigorous research and disseminates its findings to address the needs of women, promote public dialogue, and strengthen families, communities, and societies. The Institute's research strives to give voice to the needs of women from diverse ethnic and racial backgrounds across the income spectrum and to ensure that their perspectives enter the public debate on ending discrimination and inequality, improving opportunity, and increasing economic security for women and families. The Institute works with policymakers, scholars, and public interest groups to design, execute, and disseminate research and to build a diverse network of individuals and organizations that conduct and use women-oriented policy research. IWPR's work is supported by foundation grants, government grants and contracts, donations from individuals, and contributions from organizations and corporations. IWPR is a 501(c)(3) tax-exempt organization that also works in affiliation with the Program on Gender Analysis in Economics at American University.

About The Status of Women in the States



This Fact Sheet is a part of the Institute for Women's Policy Research's series on the status of women across the United States, begun in 1996. The Status of Women in the States project uses data from U.S. government and other sources to analyze women's status in each state and the United States overall, rank and grade states on a set of indicators for six topical areas, and provide additional data on women's status in states across the nation. The Institute for Women's Policy Research has published individual reports on the status of women since 1996 in each state and the District of Columbia. The reports have been used to highlight women's progress and the obstacles they continue to face and to encourage policy and programmatic changes that can improve women's opportunities.

The Women and Girls Foundation



Special thanks to the Women and Girls Foundation for partnering to produce this fact sheet. The Women and Girls Foundation (WGF) is a non-profit organization based in Pittsburgh, Pennsylvania. The mission of WGF is to achieve equality for women and girls, now and for generations to come. In pursuit of this mission, WGF breaks down barriers so that every girl can rise and every woman can soar. Our vision is for women and girls in Pennsylvania to have equal access, opportunity, and influence in all aspects of their public and private lives. For more information about WGF and their core programs including Femisphere, GirlGov, and the Paid Leave for PA Campaign visit www.wgfpa.org.

Public Hearing Testimony
on House Bill 1243 and Pay Equity

April 27, 2018

Barbara Price, Public Policy Co-Chair
American Association of University Women of Pennsylvania

Pennsylvania State Representatives and distinguished colleagues. My name is Barbara Price, and I am here today representing the American Association of University Women of Pennsylvania (AAUW-PA). AAUW has been empowering women since 1881 and has been advocating for pay equity since 1913. AAUW members were there when President John F. Kennedy signed the Equal Pay Act of 1963 into law. Fifty-five years later, AAUW is still advocating for workplace policies and legislation to encourage and enforce fair pay. Thanks to the hard work of our members and coalition partners, AAUW provided leadership for the Lilly Ledbetter Fair Pay Act signed into law by President Barack Obama in January 2009. At the federal level, we continue to work for passage of the Paycheck Fairness Act, to give women additional and much-needed equal pay protections.

AAUW also has a number of resources available about pay equity including *The Simple Truth about the Gender Pay Gap* (2017), *Graduating to a Pay Gap The Earnings of Women and Men One Year after College* (2012), *Deeper in Debt Women and Student Loans* (2017) and *Start Smart* and *Work Smart* salary negotiation workshops for college women and those currently in the work force.

While we have made progress since 1963 when women were paid 59 cents for each dollar men were paid, the national pay gap still exists at 80 cents today, 79 cents in Pennsylvania. If the full time earnings of men and women continue to change at the rate they did between 1959 and 2015, women in Pennsylvania will not achieve pay equity until 2068. In 2016 Pennsylvania was ranked 27th among the states in pay equity, but dropped to 29th in 2017, not because Pennsylvania's pay gap increased, but because other states made progress in narrowing the pay gap. Attached to my testimony is a chart which indicates where each federal congressional district in Pennsylvania ranks on pay equity from a high of 86.3% in the first congressional district to a low of 71.9% in the eighteenth congressional district. These numbers refer to the average for all women.

The picture is different for racial and ethnic minorities. Comparing men's and women's salaries within racial and ethnic groups the pay gap is not as large. However when compared to white men, the largest group in the workforce, Pennsylvania Asian women have the smallest pay gap (80.2%) while Latina women have the largest (56.9%). African American women are paid 90% of what African American men are paid, but that number drops to 67.8% in comparison with white men.

These disparities have given rise to the concept of Equal Pay Days. This is the day each year that marks how long women must additionally work in order to earn as much as a man made in the previous year. This year that day for all women was April 10. However that day is

different for racial and ethnic minorities and mothers. Equal Pay Day for mothers is May 30, August 7 for African American women, and November 1 for Latina women.

The gap remains consistent across age groups, levels of education, and for full time workers across a number of occupations, such as 69% for financial managers and 83% for software developers.

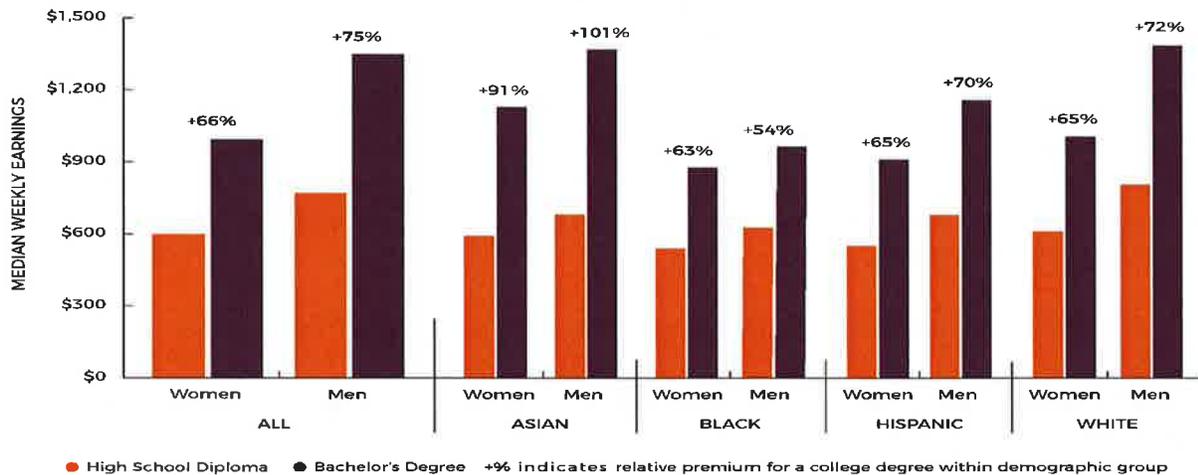
Why is AAUW so committed to this issue? Because this is a matter of economics not just for women, but for families as well. The majority of mothers are in the paid labor force and approximately one third of employed mothers are the sole support for their families. This is not just single parents, but families where the spouse is not working. The pay gap costs a typical woman at least \$400,000 over the course of her career. This affects the amount of social security she receives in retirement and can also affect pensions, which contributes to many elderly women living in poverty. Providing equal pay for women would have a dramatic impact on poverty. A 2017 briefing paper of the Institute for Women's Policy Research (IWPR) entitled *The Impact of Equal Pay on Poverty and the Economy* offers the following.

- The poverty rate for all working women would be cut in half, falling to 3.8 percent from 8 percent. The very high poverty rate for working single mothers would fall by nearly half, from 28.9 percent to 14.5 percent, and almost two-thirds (65.9%) would receive a pay increase.
- For the 15.3 million single women—divorced, widowed, separated, and never married women living on their own—equal pay would mean a significant drop in poverty from 10.8 percent to 4.4 percent.
- The US economy would have produced additional income of \$512.6 billion in 2016 if women earned equal pay or 2.8 percent of gross domestic product.

Another area of concern is the growing increase in student loan debt. Student loans are filling in the gap between tuition and income: Americans owe \$1.3 trillion in student loan debt. Women owe almost two-thirds of total U.S. student loan debt, or more than \$800 billion.

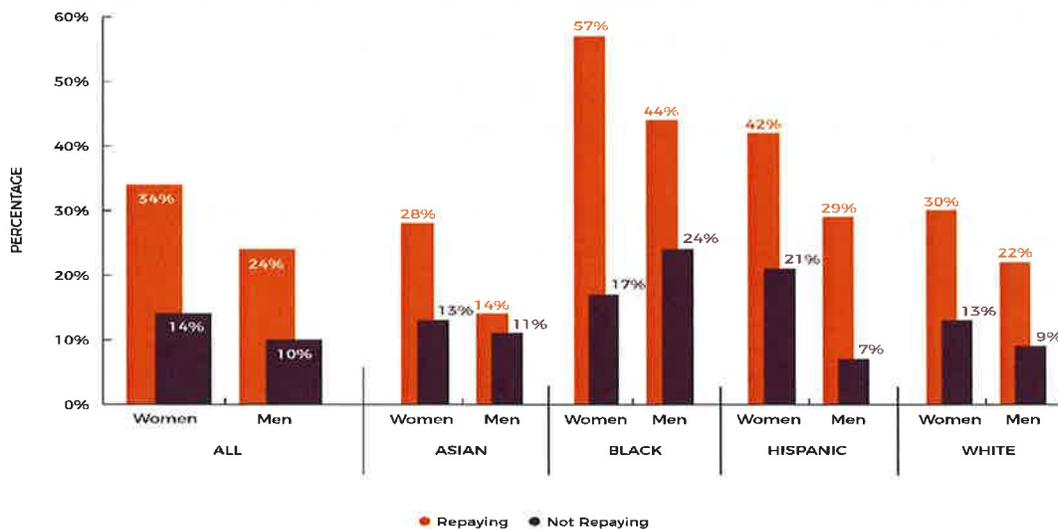
While this debt is a problem for all students, it is more of a burden for women. As AAUW's research *Graduating to a Pay Gap* found that a 7% percent wage gap one year after graduation was still unexplained even after controlling for factors such as college major, occupation, economic sector, hours worked, months unemployed since graduation, GPA, type of undergraduate institution, institution selectivity, age, geographical region, and marital status. Again student loan debt is even more of a problem for racial and ethnic minorities.

Median Weekly Full-Time Earnings of Bachelor's Degree Holders, 2016, by Race, Gender, and Education Level



The wage gap and high student loans then contribute to financial difficulties. The graphic below shows the proportion of college graduates, interviewed four years after graduating, who reported experiencing financial difficulties sometime in the past year. Financial difficulties were defined as an inability to meet all essential expenses: rent or mortgage payments, utility bills, money for groceries, and so forth.

Percent of College Graduates Experiencing Financial Difficulties by Race, Gender, and Loan Repayment Status



Even more interesting is how the wage gap affects even women with disabilities. While data from 2016 shows that all people with disabilities made only 68 percent of what people without disabilities made, the median pay for women with disabilities was 72 percent of what men with disabilities made. The pay gap affects all communities. According to the Williams Institute's analysis of studies of the incomes of lesbian, gay men, and bisexuals, gay and bisexual men are paid 10-32 percent less than similarly qualified heterosexual men. While lesbians may be paid more than heterosexual women, they are still paid less than heterosexual or gay men. (Williams Institute, 2007). The National Transgender Discrimination Survey also suggests that people who transition from male to female gender expression experience a drop in pay after the transition, while those who transition from female to male gender expression see no difference in pay or even a small increase.

AAUW-PA recommends the following to close the pay gap in Pennsylvania.

Cover All Employees. Public, private, and small business employers are all covered, with no exceptions for those covered by the federal Fair Labor Standards Act.

Offer Protections. Protect employees from intentional and unintentional discrimination.

- No retaliation or discrimination against employees who discuss their wages
- Employers can't request salary history

Clarify Employer Defenses. Employer defenses should be well-tailored and narrow to ensure pay disparities only exist in appropriate situations.

- Employer defenses must be job-related, a business necessity, and not based on a sex-based differential
- Defense does not apply if there is an alternative employment practice available

Establish Strong Legal Procedures and Remedies. Appropriate protections will incentivize employers to pay an equal wage to begin with in order to avoid litigation.

- Employer is liable for compensatory and punitive damages
- Authorizes reinstatement, promotion or other equitable relief

Comparable Worth. Employers must compensate men and women equally for jobs that are comparable in that they require substantially similar skill, effort, and responsibility and are performed under similar working conditions.

Women deserve robust protections guaranteeing equal pay and the time is now to make that happen.

References:

The Simple Truth About the Gender Pay Gap (2017), <https://www.aauw.org/research/the-simple-truth-about-the-gender-pay-gap/>

Graduating to a Pay Gap: The Earnings of Women and Men One Year After College Graduation, <https://www.aauw.org/research/graduating-to-a-pay-gap/>

Deeper in Debt: Women and Student Loans (2017), <https://www.aauw.org/research/deeper-in-debt/>

Projected Year the Wage Gap Will Close by State, <https://iwpr.org/publications/projected-year-wage-gap-will-close-state/>

The Wage Gap State by State, National Women's Law Center, <https://nwlc.org/resources/wage-gap-state-state/>

The Impact of Equal Pay on Poverty and the Economy* *Jessica Milli, Ph.D., Yixuan Huang, Heidi Hartmann, Ph.D., and Jeff Hayes, Ph.D.*, <https://iwpr.org/publications/impact-equal-pay-poverty-economy/>



The Fight for Pay Equity: A State Road Map for Pennsylvania

Updated September 2017

Median earnings for men in Pennsylvania were \$51,780 compared to \$41,047 for women — an earnings ratio of just 79 percent, or 29th out of all states and the District of Columbia.

Member of Congress*	District	Men	Women	Earnings Ratio**	Ranking in State***
Brady (D)	PA-1	\$47,208	\$40,718	86.3%	1
Evans (D)	PA-2	\$50,002	\$41,370	82.7%	4
Kelly (R)	PA-3	\$49,972	\$36,666	73.4%	17
Perry (R)	PA-4	\$51,588	\$40,461	78.4%	7
Thompson (R)	PA-5	\$45,640	\$35,384	77.5%	9
Costello (R)	PA-6	\$65,098	\$48,960	75.2%	14
Meehan (R)	PA-7	\$67,297	\$52,262	77.7%	8
Fitzpatrick (R)	PA-8	\$65,119	\$49,823	76.5%	10
Shuster (R)	PA-9	\$45,643	\$33,959	74.4%	15
Marino (R)	PA-10	\$47,428	\$36,040	76.0%	13
Barletta (R)	PA-11	\$49,169	\$39,114	79.6%	6
Rothfus (R)	PA-12	\$56,981	\$42,104	73.9%	16
Boyle (D)	PA-13	\$52,109	\$43,940	84.3%	3
Doyle (D)	PA-14	\$47,274	\$40,007	84.6%	2
Dent (R)	PA-15	\$51,858	\$41,827	80.7%	5
Smucker (R)	PA-16	\$50,110	\$38,186	76.2%	12
Cartwright (D)	PA-17	\$47,749	\$36,414	76.3%	11
Murphy (R)	PA-18	\$60,303	\$43,384	71.9%	18

*The above congressional districts represent the 115th Congress.

**The pay gap figures are from 2016, the most recently available data

***The congressional districts are ranked from smallest gap to largest.

[Home](#) / House Co-Sponsorship Memoranda

House Co-Sponsorship Memoranda

House of Representatives Session of 2017 - 2018 Regular Session

MEMORANDUM

Posted: March 29, 2017 12:24 PM
From: [Representative Brian Sims](#) and [Rep. Tina M. Davis](#)
To: All House members
Subject: Equal Pay Legislation

In an effort to ensure equal pay to all employees, we plan to re-introduce House Bill 1160 of 2015. This legislation amends Act 694 of 1959 on the issue of wage equality.

Discrepancies in employee wages result from assorted factors, a main factor being gender. With this in mind, it is necessary to enhance the current Equal Pay Law to provide additional protections for all employees.

The enhancements are essential in assuring men and women receive equal pay for equal work and that all workers in the state are paid a wage based solely on their education, training, and experience.

Under this legislation, employee protection is increased in the areas of discrimination, wrongful termination of employment, and anti-retaliation when an employee has filed a complaint against an employer. Further protection is afforded to employees that have discussed, inquired about, or disclosed wage information. Most importantly, factors considered in the defense of equal pay are more clearly defined, ensuring they are not based on gender-based differentials.

Including these measures in the Equal Pay Law will help to ensure that all employees are paid a wage based on the same equal considerations. Furthermore, the measures protect employees faced with a wage discrepancy, affording them the right to adequate restitution without fear of employer retaliation.



Introduced as [HB1243](#)

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1243 Session of
2017

INTRODUCED BY SIMS, DAVIS, J. HARRIS, DEAN, SCHWEYER, DONATUCCI,
FRANKEL, CALTAGIRONE, McCARTER, W. KELLER, THOMAS, KINSEY,
D. MILLER, BULLOCK, DRISCOLL, V. BROWN, McNEILL, D. COSTA,
SOLOMON, O'BRIEN, READSHAW, BOYLE, SCHLOSSBERG, HILL-EVANS,
DeLUCA, GOODMAN AND DEASY, APRIL 19, 2017

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, APRIL 19, 2017

AN ACT

1 Amending the act of December 17, 1959 (P.L.1913, No.694),
2 entitled "An act prohibiting discrimination in rate of pay
3 because of sex; conferring powers and imposing duties on the
4 Department of Labor and Industry; and prescribing penalties,"
5 further providing for definitions, for wage rates and for
6 collection of unpaid wages.

7 The General Assembly of the Commonwealth of Pennsylvania

8 hereby enacts as follows: .

9 Section 1. Section 2(a) of the act of December 17, 1959
10 (P.L.1913, No.694), known as the Equal Pay Law, is amended and
11 the section is amended by adding subsections to read:

12 Section 2. Definitions.--(a) The term "employee," as used in
13 this act, shall mean any person employed for hire in any
14 [lawful] business, industry, trade or profession, or in any
15 other [lawful] enterprise in which individuals are gainfully
16 employed; including individuals employed by the Commonwealth or
17 any of its political subdivisions, including public bodies[:
18 Provided, however, That the term "employee" as used in this act

1 shall not apply to any person or persons who is or are subject
2 to section 6 of the Federal Fair Labor Standards Act (Act of
3 June 25, 1938, as amended)].

4 * * *

5 (e.1) The term "wages" includes all earnings of an employe,
6 regardless of whether determined on time, task, piece,
7 commission or other method of calculation, including salaries
8 based on annual or other basis. The term "wages" also includes
9 fringe benefits, wage supplements or other compensation, whether
10 payable by the employer from funds of the employer or from
11 amounts withheld from the employe's pay by the employer.

12 (e.2) The term "comparable work" shall mean work that is
13 substantially similar in that it requires substantially similar
14 skill, effort and responsibility and is performed under similar
15 working conditions. A job title or job description alone shall
16 not determine comparability.

17 (e.3) The term "working conditions" shall include the
18 circumstances customarily taken into consideration in setting
19 salary or wages, including, but not limited to, reasonable shift
20 differentials, physical surroundings and hazards encountered by
21 employes performing a job.

22 * * *

23 Section 2. Sections 3 and 5 of the act are amended to read:

24 Section 3. Wage Rates.--(a) No employer having employes
25 subject to any provisions of this section shall discriminate[,
26 within any establishment in which such employes are employed,]
27 between employes on the basis of sex by paying wages to employes
28 [in such establishment] at a rate less than the rate at which
29 [he] the employer pays wages to employes of the opposite sex [in
30 such establishment] for [equal] comparable work [on jobs, the

1 performance of which, requires equal skill, effort, and
2 responsibility, and which are performed under similar working
3 conditions], except where [such payment is made pursuant to (1)
4 a seniority system; (2) a merit system; (3) a system which
5 measures earnings by quantity or quality of production; or (4) a
6 differential based on any other factor other than sex: Provided,
7 That any] the employer demonstrates:

8 (1) The wage differential is based upon one or more of the
9 following factors:

10 (i) A bona fide seniority system. Time spent on leave due to
11 a pregnancy-related condition and protected parental, family and
12 medical leave shall not reduce seniority.

13 (ii) A bona fide merit system.

14 (iii) A bona fide system which measures earnings by quantity
15 or quality of production or sales.

16 (iv) A bona fide factor other than sex, including education,
17 training or experience.

18 (2) Each factor relied upon is applied reasonably.

19 (3) The one or more factors relied upon account for the
20 entire wage differential.

21 (4) The job title or job description alone does not
22 determine if two jobs are comparable.

23 (a.1) Any employer who is paying a wage rate differential in
24 violation of [this] subsection (a) shall not, in order to comply
25 with the provisions of [this] subsection (a), reduce the wage
26 rate of any employe.

27 (a.2) The bona fide factor defense described under
28 subsection (a)(1)(iv):

29 (1) Shall apply only if the employer demonstrates that the
30 bona fide factor:

1 (i) is not based upon or derived from a sex-based
2 differential in compensation;

3 (ii) is job-related with respect to the position in
4 question; and

5 (iii) is consistent with business necessity. For purposes of
6 this subparagraph, "business necessity" means an overriding
7 legitimate business purpose such that the factor relied upon
8 effectively fulfills the business purpose it is supposed to
9 serve.

10 (2) Shall not apply if the employe demonstrates that an
11 alternative business practice exists that would serve the same
12 business purpose without producing the wage differential.

13 (b) No labor organization, or its agents, representing
14 employes of an employer having employes subject to any
15 provisions of this section, shall cause or attempt to cause such
16 an employer to discriminate against an employe in violation of
17 subsection (a) of this section.

18 (c) It shall be an unlawful practice for an employer to:

19 (1) Require as a condition of employment that an employe
20 refrain from inquiring about, discussing or disclosing
21 information about the amount of the employe's wages or any other
22 employe's wages, including by requiring an employe to sign a
23 waiver or other document that purports to deny the employe the
24 right to inquire about, discuss, share or disclose the amount of
25 the employe's or another employe's wages.

26 (2) Rely on the wage history of a prospective employe from
27 any current or former employer of the individual in determining
28 the wages for the individual, except that an employer may rely
29 on prior wage history when it is provided by a prospective
30 employe to support a wage higher than the wage offered by the

1 employer.

2 (3) Request or require as a condition of being interviewed,
3 or as a condition of continuing to be considered for an offer of
4 employment or as a condition of employment, that a prospective
5 employe disclose wages from a current or former employer.

6 (4) Seek from a current or former employer the previous
7 wages of a prospective employe, except that an employer may seek
8 to confirm prior wage information after an offer of employment
9 with compensation has been made to the prospective employe and
10 the prospective employe responds to the offer by providing prior
11 wage information to support a wage higher than offered by the
12 employer. Under these circumstances, the employer may only seek
13 to confirm prior wages after obtaining written authorization by
14 the prospective employe to do so.

15 (5) Contract with an employe to avoid complying with this
16 act.

17 (6) Discharge or in any other manner retaliate against any
18 employe or prospective employe because the employe or
19 prospective employe:

20 (i) opposed any act or practice made unlawful by this act;

21 (ii) made a report, verbally or in writing, alleging a
22 violation of this act;

23 (iii) made or is about to make a complaint or instituted or
24 caused to be instituted or is about to institute or cause to be
25 instituted any proceeding under or related to this act,
26 including an investigation conducted by the employer; or

27 (iv) testified, assisted or participated or is about to
28 testify, assist or participate in any manner in an investigation
29 or proceeding related to any act or practice made unlawful under
30 this act.

1 (d) Taking adverse action against a person within ninety
2 days of the person's exercise of rights protected under this act
3 shall raise a rebuttable presumption of having done so in
4 retaliation for the exercise of those rights.

5 Section 5. Collection of Unpaid Wages.--(a) An employer who
6 [wilfully and knowingly] violates the provisions of section 3 of
7 this act shall be liable to the employe or employes affected in
8 the amount of [their unpaid wages and in addition, an equal
9 amount as liquidated damages.] the sum of the following:

10 (1) the difference between the amount of wages paid and the
11 maximum wage paid any other employe for equal work;

12 (2) compensatory damages;

13 (3) reasonable attorney fees and costs;

14 (4) punitive damages, if the violation is found to be
15 intentional or committed with reckless indifference to the
16 employe's rights under this act; and

17 (5) any other legal and equitable relief as may be
18 appropriate, including, but not limited to, employment
19 reinstatement and promotion.

20 (a.1) Action to recover such wages [and], damages and legal
21 or equitable relief may be maintained in any court of competent
22 jurisdiction by any one or more employes for and in behalf of
23 himself or themselves and other employes similarly situated.

24 (a.2) Any agreement between the employer and an employe to
25 work for less than the wage to which such employe is entitled
26 under this act shall be no defense to such action. [The court in
27 such action shall, in addition to any wages and damages, allow a
28 reasonable attorney's fee and costs of the action to the
29 plaintiff.] An employe's previous wage or salary history shall
30 not be a defense to an action.

1 (a.3) At the request of any employe paid less than the wage
2 to which he is entitled under this act and due any damages as a
3 result of a violation, the [Secretary of Labor and Industry]
4 secretary may take an assignment of such wage and damages claim
5 for collection and shall bring any legal action necessary to
6 collect such claim. The secretary shall not be required to pay
7 the filing fee or other costs in connection with such action.
8 The secretary shall have power to join various claimants against
9 the employer in one cause of action.

10 (a.4) The Attorney General may also bring an action to
11 collect unpaid wages on behalf of one or more employes, as well
12 as damages, equitable relief and attorney fees and costs. The
13 costs and attorney fees shall be paid to the Commonwealth. The
14 Attorney General shall not be required to pay any filing fee or
15 other cost in connection with the action.

16 (b) Any action pursuant to the provisions of this act must
17 be brought within two years from the date upon which the
18 violation complained of occurs[.] unless the violation is a
19 wilful violation, in which case the action must be brought
20 within three years from the date of the violation. For the
21 purposes of this section, a violation occurs when:

22 (1) a discriminatory wage decision or practice is adopted;

23 (2) an individual is subject to a discriminatory wage
24 decision or practice; or

25 (3) an individual is affected by application of a
26 discriminatory wage decision or practice, including each time
27 wages paid result, in whole or in part, from a discriminatory
28 wage decision or practice.

29 Section 3. This act shall take effect in 30 days.