

REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: September 8, 2023

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations Committee

FROM: Sharon M. Tso
Chief Legislative Analyst *MS for SMT* Council File No. 23-0002-S93
Assignment No. 23-09-0477

SUBJECT: Resolution (McOsker—Hutt) to SUPPORT S.728 (Murray) and H.R.17 (DeLauro)

CLA RECOMMENDATION: Adopt Resolution (McOsker—Hutt) to include in the City’s 2023-2024 Federal Legislative Program, SUPPORT for S.728 (Murray) and H.R.17 (DeLauro), the Paycheck Fairness Act, which would ensure equal pay for equal work regardless of sex.

SUMMARY

Resolution (Price—Soto-Martinez), introduced on September 1, 2023, indicates that S.728 (Murray) and H.R.17 (DeLauro), aims to ensure equal pay for equal work regardless of sex. These bills would provide a number of protections for female workers, such as limit an employer’s defense that pay differential is based on a factor other than sex and preclude employee contracts or waivers banning them from disclosing wage information, and they would enhance non-retaliation prohibitions, among other changes. Many of these provisions have already been written into law with the Equal Pay Act of 1963, but they have not been updated in decades and failed to close the earnings gap between women and men. The Resolution further reports that women currently earn on average 77 cents for every dollar paid to men, resulting in a gap of over \$11,000 each year with the disparity being greater for women of color. Passing the Paycheck Fairness Act would update and strengthen the Equal Pay Act of 1963, thereby ensuring women can challenge pay discrimination and hold employers accountable. The Resolution therefore requests that the City support S.728 and H.R.17.

BACKGROUND

According to a Pew Research Center analysis published in March 2023, the gender pay gap in the United States has remained relatively stable over the past 20 years, with women earning approximately 80 percent of their male counterparts. Although women have increased their presence in higher-paying jobs traditionally dominated by men, women as a whole continue to be overrepresented in lower-paying occupations. Much of the pay gap has been explained by factors such as educational attainment, occupational segregation, and work experience. Another potential explanation for the disparity between female and male earnings are family caregiving responsibilities, as many employers do not offer generous family leave policies, which forces many women to leave the workforce.

The legislation aims to address wage discrimination on the basis of sex to reduce the disparity in earnings between men and women. Specifically, the proposed legislation would: 1) limit an employer’s defense that a pay differential is based on a factor other than sex to only job-related factors in wage discrimination claims; 2) enhance nonretaliation prohibitions; 3) increases civil penalties for violations of equal pay provisions; and 4) preclude an employer to require an employee to sign a contract or waiver prohibiting the employee from disclosing information about the employee’s wages. The bill also requires the Office of

Federal Contract Compliance Programs to train Equal Employment Opportunity Commission (EEOC) employees and other affected parties regarding wage discrimination.

Additional provisions of the legislation include directing the Department of Labor to: 1) carry out a grant program for negotiation skills training for girls and women; 2) conduct studies to eliminate pay disparities between men and women; 3) make available information on wage discrimination to assist the public in understanding such discrimination; and 4) require the EEOC to issue regulations for collecting from employers compensation and other employment data according to the sex, race, and national origin of employees for use in enforcing laws prohibiting pay discrimination.

Given the large differences in female and male earnings, passing additional legislation unaddressed by the initial Equal Pay Act of 1963 could help reduce the disparity between female and male workers.

BILL STATUS: S.728 (MURRAY)

7/18/23 Pending before full Senate for a vote
3/9/23 Introduced and Referred to Committee on Health, Education, Labor, and Pensions

BILL STATUS: H.R.17 (DeLauro)

3/10/23 Introduced and Referred to Committee on Education and the Workforce



Henry Flatt
Analyst

Attachments:

1. Resolution (McOsker—Hutt)

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation rules, regulations, or policies proposed to or pending before a local, state, or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council; and

WHEREAS, the Equal Pay Act of 1963 made it illegal for employers to pay unequal wages to men and women who perform substantially equal work; and

WHEREAS, along with other key civil rights laws that followed, the Equal Pay Act of 1963 helped change the workplace and began to combat wage inequality— but these laws have not been updated in decades and have not closed the persistent gap between women’s and men’s wages; and

WHEREAS, currently, across the United States, women still earn on average 77 cents for every dollar paid to men, resulting in a gap of \$11,782 each year with the disparity being worse for women of color, potentially impacting retirement savings, Social Security and pension benefits, and ultimately contributing to more older women living in poverty; and

WHEREAS, S.728 (Murray) and H.R.17 (DeLauro), the “Paycheck Fairness Act”, introduced in both the Senate and the House, limits an employer’s defense that a pay differential is based on a factor other than sex, enhances non-retaliation prohibitions, prohibits employee contracts or waivers banning them from disclosing wage information, and increases civil penalties for violations of equal-pay provisions; and

WHEREAS, the Paycheck Fairness Act would combat wage discrimination and help close the wage gap by strengthening while also eliminating any remaining loopholes in the Equal Pay Act of 1963, ensuring women can challenge pay discrimination and hold employers accountable; and


WHEREAS, as the gender pay gap continues to stubbornly persist across all sectors nationwide, the Paycheck Fairness Act would end the practice of pay secrecy and strengthen available remedies for wronged employees; and

WHEREAS, the wage gap continues to impact women’s ability to save for retirement and reduces their total Social Security and pension benefits, contributing to more older women living in poverty— the gap is not only discriminatory, it undermines the financial stability of families and slows economic growth; and

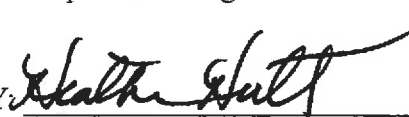
WHEREAS, bicameral public policy, such as the Paycheck Fairness Act, can provide new tools to enforce fair pay and fight discrimination while also promoting social and economic mobility; and

WHEREAS, the Paycheck Fairness Act is one more step toward finally achieving equal pay for equal work—strengthening workplace protections for all Americans:

NOW, THEREFORE, BE IT RESOLVED that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2023-2024 Federal Legislative Program SUPPORT for S.728 (Murray) and H.R.17 (DeLauro), the Paycheck Fairness Act, which aims to ensure equal pay for equal work regardless of sex.

PRESENTED BY: 

TIM McOSKER
Councilmember, 15th District

SECONDED BY: 

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