

The Lilly Ledbetter Fair Pay Act **Ensuring Fair Treatment in the Workplace**

Lilly Ledbetter worked for nearly two decades at a Goodyear Tire and Rubber facility in Alabama. She sued the company after learning that she was the lowest-paid supervisor at the plant, despite having more experience than several of her male counterparts. A jury found that her employer had unlawfully discriminated against her on the basis of sex. However, the Supreme Court said that Ledbetter had waited too long to sue for pay discrimination, despite the fact that she filed a charge with the U.S. Equal Employment Opportunity Commission as soon as she received an anonymous note alerting her to pay discrimination.

- ✓ **The Lilly Ledbetter Fair Pay Act will restore the law as it was prior to the Supreme Court's decision.** The bill clarifies that each paycheck resulting from a discriminatory pay decision would constitute a new violation of employment nondiscrimination law. As long as a worker files a charge within 180 days of a discriminatory paycheck, the charge would be considered timely.
- ✓ **Prior law was fair and worked.** Before the Court's ruling, the law was clear: Every discriminatory paycheck was a new violation of the law that restarted the clock for filing a claim. Both the EEOC and most circuits explicitly follow this rule. Employers and employees had lived with and accepted this rule for decades. The Supreme Court's new ruling puts workers at an extreme disadvantage.
- ✓ **The Ledbetter decision allows employers to escape responsibility by keeping their discrimination hidden and running out the clock.** Under the Supreme Court decision, employers have an incentive to keep discriminatory pay decisions hidden for 180 days and then never correct them. Once 180 days has elapsed, the employer can continue paying discriminatory wages to the employee for the rest of her career.
- ✓ **Victims of pay discrimination often do not realize they have been discriminated against when pay decisions are made.** Most workers don't know what their co-workers are making, and many employers even prohibit employees from discussing their pay with each other.
- ✓ **The impact of the Supreme Court's decision extends far beyond Lilly Ledbetter's case.** It has far-reaching implications for an individual's right to be treated fairly in the workplace. The decision severely restricted workers' ability to pursue claims of pay discrimination on the basis of not only sex, but race, religion, national origin, disability, or age.
- ✓ **The Lilly Ledbetter Fair Pay Act will not create an onslaught of new lawsuits.** According to the Congressional Budget Office, "[the bill] would not establish a new cause of action for claims of pay discrimination" and therefore, "would not significantly increase costs to the EEOC or to the federal courts over the 2008-2012 period."
- ✓ **Employees will not have an incentive to sit on their rights.** Current law restricts back pay to two years – the longer you wait to file, the less pay you will receive. The bill does not change that. In the real world, employees subject to discrimination want and need their fair pay now – they have no incentive to wait to file a claim.