



STATEMENT OF REPUBLICAN POLICY

January 8, 2009

**H.R. 12, the “Paycheck Fairness Act”
Rep. Rosa DeLauro (D-CA) and 175 Cosponsors**

House Republicans enthusiastically support the proposition that equal work should be rewarded with equal pay, irrespective of an employee’s sex. This principle has been the law of the land for decades. Moreover it is against federal law to discriminate, in pay or other employment practices, on the basis of sex. To the extent that wage disparities exist and are a product of workplace discrimination, House Republicans are committed to eliminating them in order to ensure a fair, productive and competitive workforce.

Under current law, the Equal Pay Act makes it illegal to pay different wages to employees of the opposite sex for equal work. Congress has also enacted comprehensive anti-discrimination protections based on sex under Title VII of the Civil Rights Act. The question is not whether such discrimination should be permitted: this question has been answered. House Republicans agree that such discrimination should not be tolerated: that is why it is a direct violation of not one but two federal laws.

It is against this backdrop that House Republicans oppose H.R. 12, the so-called “Paycheck Fairness Act.” H.R. 12 does little to protect the wages and paychecks of American workers and does far more to line the pockets of the plaintiffs’ trial-lawyer bar.

H.R. 12 would expand remedies under the Equal Pay Act to provide for *unlimited* punitive and compensatory damages to a successful plaintiff, placing claims of discrimination in wages on the basis of sex in a more favorable position than similar claims of pay discrimination under other civil rights laws, which properly provide for limited compensatory and punitive damages. At the same time, the bill dramatically scales back an employer’s ability to defend itself from claims of alleged “pay discrimination” where disparities arise from wholly lawful business decisions. Under H.R. 12, the judicial system – judges and juries – would supplant business owners and entrepreneurs in determining how businesses must be run and how much they must pay individual workers. These modifications to the Equal Pay Act will substantially harm the American economy and the labor market.

The true intent of the bill– to generate more lawsuits and to line the pockets of trial lawyers – is made most clear in its provisions expanding class action lawsuits. H.R. 12 would reverse existing safeguards contained in the Equal Pay Act by deeming all potential class members to be joined in a class action suit and placing the affirmative burden on these plaintiffs – who may not

know of the suit's existence – to opt-out of a claim. The provisions of H.R. 12 are plainly designed to ensure that plaintiffs' lawyers get the “most bang for their buck” in bringing class-action lawsuits rather than protecting the paychecks of American workers.

H.R. 12 represents fundamentally-flawed policy, and at bottom does nothing to ensure “paycheck fairness.” Rather, it is one more effort by the Majority to bestow a token on a favored constituency – trial lawyers – without reason, substance, or a demonstrated need.

It is strongly recommended that the *Paycheck Fairness Act of 2009* be rejected by the House.

*Provided by the Republican Leadership and the Committee on Education and Labor
Republicans.*

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