EQUAL PAY
FOR
EQUAL WORK
ACT

A CRASH COURSE

The following packet is not inclusive of all employer obligations under the Act. Please consult the Act for the full list of employer obligations.



KEY POINTS

- The Act went into effect on January 1, 2021 and is *not* retroactive.
- The Act prohibits wage discrimination on the basis of sex, e.g., an employer cannot pay John less than Michele if they are performing substantially similar work.
- The Act also prohibits wage discrimination on the basis of sex plus another protected status.
- When must a person sue for wage discrimination? No later than two years after the violation occurs.
- What is a violation? *Each* occasion that a person is affected by wage discrimination, e.g., each paycheck Marissa receives less pay than Marc, despite their substantially similar work.

- Are there exceptions to pay disparity between sexes performing substantially similar work? Yes, if based on:
 - A Seniority System
 - A Merit System
 - A System that Measures Earnings by Quantity or Quality of Production
 - Geographic location
 - Education, Training, or Experience
 - Travel
- What economic relief can a person get for wage discrimination? Back pay for the *entire* time the violation continues, not to exceed *three* years.

EMPLOYER OBLIGATIONS UNDER THE ACT

- Employers CANNOT request the pay history from prospective employees.
- Employers CANNOT rely on the pay history of a prospective employee when setting his, her, or their wage.
- Employers MUST internally post job opportunities.
- Employers MUST post salary ranges in job listings.
- Employers CANNOT retaliate against anyone for discussing employee pay.
- Employers MUST keep records on job descriptions and wage rates.

WHO IS COVERED BY THE EPEWA?

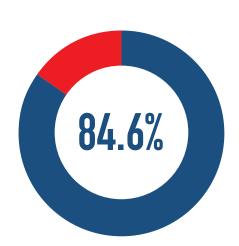
EXAMPLE 1



- 30 year-old male.
- Janitor at Company A.
- Employee of Company A since age 18.
- No prior work history.
- Hourly employee.
- Makes \$13/hour.
- Regularly receives a "Meets Expectation" score on his annual performance review.



- 30 year-old female.
- Janitor at Company A.
- Employee of Company A since age 18.
- No prior work history.
- Hourly employee.
- Makes \$11/hour.
- Regularly receives a "Meets Expectation" score on her annual performance review.



Female employee is covered under the Act because her pay is 84.6% of her male colleague's pay, despite her comparable performance, age, and years of experience.

EXAMPLE 2



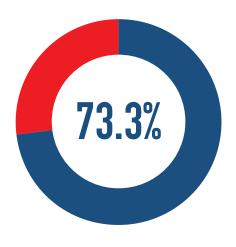
- 30 year-old white male.
- Janitor at Company C.
- Employee of Company C since age 18. No prior work history.
- Makes \$15/hour.
- Regularly receives "Meets Expectations" scores on his annual performance reviews.



- 30 year-old white female.
- Janitor at Company C.
- Employee of Company C since age 18. No prior work history.
- Makes \$15/hour.
- Regularly receives
 "Meets Expectations"
 scores on her annual
 performance reviews.



- 30 year-old Mexican-American female.
- Janitor at Company C.
- Employee of Company C since age 18. No prior work history.
- Makes \$11/hour.
- Regularly receives "Meets Expectations" scores on her annual performance reviews.



Mexican-American female employee is covered under the Act because her pay is 73.3% of her white male colleague's pay, despite her comparable performance, age, and years of experience. The Act's "sex plus" provision allows her to have a claim even when a white female is paid the same as a white male.

QUESTIONS?

Read up on the EPEWA on the Colorado General Assembly's Website:

Colorado General Assembly, SB19-085: Equal Pay For Equal Work Act. January 1, 2021: Colo. Rev. Stat. §§ 8-5-101 et seq., 8-5-201 et seq.

Read this <u>article</u> from the Colorado Lawyer:

Sarah Parady, Charlotte N. Sweeney, Bill C. Berger, *Colorado's Equal Pay for Equal Work Act What Employment Counsel Need to Know*, Colorado Lawyer, October 2019.