

Summary of the Lilly Ledbetter Fair Pay Act of 2009

Senator Barbara A. Mikulski

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The Lilly Ledbetter Fair Pay Act of 2009 would clarify that the laws against pay discrimination apply to every paycheck or other compensation a worker receives. The bill's protection would reestablish a fair rule for filing claims of pay discrimination based on race, national origin, gender, religion, age or disability.

The bill overturns Ledbetter v. Goodyear Tire & Rubber Co., in which a divided Supreme Court held that workers must sue for pay discrimination within 180 days after the original pay-setting decision, even if the pay discrimination continues after the 180-day period.

Under the case, it doesn't matter if the discrimination is still ongoing today, or if the worker initially had no way of knowing that others were being paid more for the same work. So workers receiving an unfairly low wage today cannot hold the company accountable if they did not discover the discrimination 180-days after it first began. The Lilly Ledbetter Fair Pay Act:

Restores a reasonable time limit for filing pay discrimination claims. The bill would start the clock for filing pay discrimination claims when compensation is received, rather than when the employer decides to discriminate. Each discriminatory paycheck would restart the clock for filing a pay discrimination claim. As long as workers file their claims within 180 days of a discriminatory paycheck, their charges will be considered timely.

Restores the long-standing rule applied by nine courts of appeals and the Equal Employment Opportunity Commission in pay discrimination cases until May 29, 2007.

Retains current limits on the amount employers owe. Under the Ledbetter bill, employers would not have to make up for salary differences that occurred decades ago. Current law limits back pay awards to two years before the worker filed a job discrimination claim under Title VII of the Civil Right Act of 1964. The bill would not change this two-year limit on back pay.

Restores Congressional intent. The bill mirrors language prohibiting discriminatory seniority systems, which was included in the landmark Civil Rights Act of 1991 which was signed with broad bipartisan support, passing the House 381-38 and the Senate 93 to 5.