



COMMITTEE ON  
**EDUCATION  
& LABOR**  
REPUBLICANS

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**COMMITTEE  
STATEMENT**

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**Statement on Republican Substitute to H.R. 7  
Rep. Elise Stefanik (R-NY)  
Committee on Education and Labor  
Markup of H.R. 7, H.R. 1065, and H.R. 1195  
March 24, 2021**

(As prepared for delivery)

“Prior to the COVID-19 pandemic there were over 77 million women in the workforce, the most in our nation’s history. Of the 2 million jobs created in 2019, 53 percent went to women.

As we know, women are graduating from college at a higher rate than their male counterparts and are increasingly their family’s primary breadwinner. Despite all of these positive economic indicators, there remains evidence that in some cases, women do not earn the same levels of compensation as men.

Republicans support equal pay for equal work and we owe it to women to constructively engage on this important issue and put forward solutions. Democrats have put forth a bill that prioritizes trial attorneys and government regulation over women’s economic empowerment.

The Democratic bill would require data disclosure to the EEOC that collects compensation data broken down by the sex, race, and national origin of employees while, for the first time, also tracking the hiring, termination, and promotion data of those employees.

These intrusions into the operations of private business would add compliance costs exceeding seven hundred million dollars *per* year. On top of these onerous new requirements, H.R. 7 is a giveaway for trial lawyers.

By changing class action lawsuit formation from opt-in to opt-out, America's businesses will need to prepare for an onslaught of frivolous lawsuits which now will be open to *unlimited* compensatory and punitive damages.

The bill establishes an impossibly high burden of proof for employers defending the legitimacy of pay differentials between employees. And we need to recognize that in today's modern economy, forty percent of small businesses are run by women.

This bill would make it harder for these women business owners. This issue is too important to leave to partisan solutions. My amendment, the Wage Equity Act, offers a stark contrast to the approach laid out by H.R. 7.

We looked to innovation in the states to find bipartisan policy that is supported by both Republicans and Democrats and signed by Republican governors. Proof that equal pay for equal work is not a partisan issue and that Republicans are leading the way on women's economic empowerment.

The Wage Equity Act is reflective of the modern workforce and supports the empowerment of women in today's economy. America's businesses, in particular our small businesses which are the backbone of our economy, seek to do right by their employees.

In recognition of this, the Wage Equity Act creates a Self-Audit system for voluntary pay analysis by businesses.

- Under our proposal, a business could *and should* undergo a pay analysis to proactively rectify pay disparity should it exist.
- By creating an environment of consistent self-reflection, we can further empower businesses to do what they already seek to do - doing right by not only their employees, but by the law.

I believe that an individual should be able to negotiate employment based upon their qualifications and merit for the position. And I also believe that the victim of wage discrimination at any point in their career should not have to have this discrimination follow them to their next job and compound through the rest of their career.

That is why this amendment protects the employee's right to not disclose their salary history during the job interview process unless they wish to voluntarily disclose it. We must acknowledge the compounding impact of wage discrimination on a person's career and be willing to discuss ideas to free employees from this burden.

At the same time, we cannot erode the necessary negotiation that takes place in a job interview or ignore the role wage figures can play in the advancement of an individual through their career.

The Wage Equity Act protects the ability for an employee and their prospective employer to have a wage expectation conversation; an important part of any negotiation.

My amendment protects employee ability to discuss compensation with their colleagues while giving employers the ability to set reasonable limitations on the time, location, and manner of this activity to protect employees from harassment.

Furthermore, the Wage Equity Act seeks to put women on equal footing with men as they start their careers. The legislation creates a grant program targeted towards women in college and career/tech programs to provide negotiation skills education.

Lastly, my amendment directs the GAO to study the manager's gap. We know that the wage gap greatly expands for women after they return to the workforce following parental leave. We must have a clearer sense of the impact leave during this time will have on an employee's future earning and opportunity potential.

These are common sense proposals that are supported by Democrats and Republicans alike, and I encourage my colleagues to reject partisan government overreach and support practical bipartisan solutions that improve the existing law of the land - equal pay for equal work."

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