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January 26, 2021

RE: Support the Raise the Wage Act and Paycheck Fairness Act

Dear Member of Congress:

On behalf of the National Women's Law Center, I urge you to cosponsor and swiftly pass two pieces of legislation that are critically needed to advance racial and gender equity and address the economic pain that is falling particularly heavily on women of color in the wake of the COVID-19 pandemic: the **Raise the Wage Act** and the **Paycheck Fairness Act**.

Women—especially Black and brown women—have long worked in essential but undervalued jobs that leave them struggling to support themselves and their families. Women are [close to two-thirds of those working in jobs that pay the minimum wage](#) or [just a few dollars above it](#), as well as [two-thirds of workers in tipped jobs](#). Black women, Latinas, and Native American women are particularly [overrepresented in the lowest-paying jobs](#). They are also particularly harmed by a \$7.25 federal minimum wage, as well as substantial race and gender wage gaps—all of which have remained stagnant for more than a decade.

Although these inequities existed long before COVID-19, the pandemic has exposed and exacerbated them. [Black women, Latinas, and other women of color are especially likely to be on the front lines of the crisis](#), in jobs that leave them unprotected and underpaid—from [personal care and home health aides](#) to grocery store cashiers to [child care workers](#). And [tipped workers](#) are often facing [far greater risk](#) for [far fewer tips](#), while federal law continues to allow employers to pay them a base wage of just \$2.13 an hour—unchanged in 30 years.

Not only are women in a number of front-line jobs risking their lives; they are also being paid less than their male counterparts. [Earnings lost to the gender wage gap are exacerbating the financial effects of COVID-19](#) for women and the families who depend on their income. Women working full time, year round typically make [only 82 percent](#) of what their male counterparts make, leaving a wage gap of 18 cents on the dollar. This wage gap varies by race and is [far larger for many women of color](#): Black women working full time, year round typically make only 63 cents, Native women only 60 cents, and Latinas only 55 cents, for every dollar paid to their white, non-Hispanic male counterparts. While Asian American and Pacific Islander (AAPI) women make 87 cents for every dollar paid to white, non-Hispanic men, women in many AAPI communities experience [drastically wider pay gaps](#). These lost earnings not only leave women without a financial cushion to weather the current crisis, but also make it harder for them to build wealth, contributing to racial and gender wealth gaps and creating barriers to families' economic prosperity.

Both women's concentration in low-paid jobs and persistent pay discrimination are factors driving gender wage and wealth disparities, and both the Paycheck Fairness Act and the Raise the Wage Act are necessary to address them. These bills are critical and complementary tools to increase earnings, especially for women of color; combat poverty and persistent pay gaps; [build worker power](#); and provide the tools to challenge discrimination.

The **Raise the Wage Act** will raise the federal minimum wage from \$7.25 to \$15 an hour by 2025, then index the minimum wage so that it continues to rise along with wages overall. It will also end unfair exclusions for tipped workers, people with disabilities, and youth so that they,

too, can benefit from a decent minimum wage. The Economic Policy Institute estimates that the Raise the Wage Act will lift pay for nearly 32 million people by 2025; [almost six in ten workers who will get a raise are women](#), and nearly one in four is a Latina or Black woman. Because women are the majority of workers who would see their pay go up, wage gaps would likely narrow as well. In “One Fair Wage” states where employers already have to pay their tipped workers the regular minimum wage before tips, the average poverty rate for women tipped workers is lower—and [wage gaps for women tipped workers as well as women overall are smaller](#)—than in states that follow the \$2.13 federal standard. One Fair Wage also ensures that women in tipped jobs have a paycheck they can count on, making them less vulnerable to the sexual harassment from customers that women can feel forced to tolerate when they have to rely on tips for nearly all of their income—and better positioned to enforce mask requirements and other public health measures necessary to [protect themselves and our communities](#).

The **Paycheck Fairness Act** [updates and strengthens](#) the Equal Pay Act of 1963 to ensure that it provides robust protection against sex-based pay discrimination. Among other provisions, this comprehensive bill closes loopholes that have allowed employers to pay women less than men for the same work without a legitimate business justification related to the job. It ensures women can receive the same robust remedies for sex-based pay discrimination that are currently available to those subjected to discrimination based on race and ethnicity. It prohibits employers [from relying on salary history](#) to set pay when hiring new employees, so that pay discrimination does not follow women and people of color from job to job. It promotes pay transparency by barring retaliation against workers who voluntarily discuss or disclose their wages, and requiring employers to report pay data to the EEOC. And it provides for much needed training and technical assistance and research.

The unfolding impacts of COVID-19 reveal just how many communities of women, and the families that depend on their earnings, are bearing the brunt of policy choices that have failed to center the needs of women, people of color, and families with low and moderate incomes. Women and their families cannot afford to wait any longer for change during this unprecedented public health and economic crisis. And we cannot build back an economy that works for everyone without ensuring that all women can work with equality, safety, and dignity—starting with equal and adequate pay. **We urge you to prioritize the Raise the Wage Act and the Paycheck Fairness Act in the 117th Congress by cosponsoring and urging swift passage of this legislation.**

If you have any questions, please do not hesitate to contact Emily Martin, NWLC’s Vice President for Education & Workplace Justice, at emartin@nwlc.org.

Sincerely,



Fatima Goss Graves
President & CEO
National Women’s Law Center