

September 10, 2014

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, D.C. 20510

Dear Leaders Reid and McConnell:

The undersigned urge you and your colleagues **to oppose cloture on the Paycheck Fairness Act (S. 2199), as well as the underlying bill itself.** Our organizations and members represent millions of employers that are committed to ensuring equal employment opportunities for men and women in the workplace. While we have no tolerance for unlawful discrimination, we vigorously oppose S. 2199.

The Paycheck Fairness Act would impose unprecedented government control over how employees are paid at even the nation's smallest employers. This well-intentioned but flawed legislation could outlaw many legitimate practices that employers currently use to set employee pay rates, even where there is no evidence of intentional discrimination.

Common practices that a court could find unlawful under S. 2199 include providing premium pay for professional experience, education, shift differentials or hazardous work, as well as pay differentials based on local labor market rates or an organization's profitability. This level of government intervention in management decisions is unwise and unprecedented in our country and is why [The Washington Post](#), [The Boston Globe](#) and the [Chicago Tribune](#) have found the Paycheck Fairness Act a flawed approach.

The provisions of the Paycheck Fairness Act would harm employers of all sizes. The threat the bill poses to small business is particularly troubling given the excessive penalties found in this legislation, which include unlimited damages regardless of whether a pay discrepancy was unintentional.

In addition, S. 2199 would jeopardize employee incentive pay and employee privacy, and promote costly litigation against even well-intentioned employers – all while doing little to prevent actual wage discrimination.

A number of federal laws already specifically protect workers from pay discrimination, including the Equal Pay Act, the Civil Rights Act and the Lilly Ledbetter Fair Pay Act. These laws prohibit pay disparities based on gender and already provide remedies and damages to victims of pay discrimination. Despite these laws, the proposed Paycheck Fairness Act would allow the federal government to second-guess almost all wages and encourage lawsuits that expose employers to unlimited damage awards.

Once again, we urge all Senators to oppose cloture on the Paycheck Fairness Act as well as the underlying bill itself.

Sincerely,

American Bakers Association
American Bankers Association
American Hotel & Lodging Association
Associated Builders & Contractors, Inc.
Associated General Contractors
College and University Professional Association for Human Resources
Food Marketing Institute
HR Policy Association
International Franchise Association
International Public Management Association for Human Resources
National Association of Manufacturers
National Association of Wholesaler-Distributors
National Council of Chain Restaurants
National Council of Textile Organizations
National Federation of Independent Business
National Grocers Association
National Public Employer Labor Relations Association
National Restaurant Association
National Retail Federation
National Roofing Contractors Association
Retail Industry Leaders Association
Small Business & Entrepreneurship Council
Society for Human Resource Management
U.S. Chamber of Commerce

CC: Members of the United States Senate