

Equal Pay for Equal Work Act (HB18-1378)

Testimony to House Finance Committee
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Thank you for the opportunity to present this testimony.

My name is Samantha Saccomanno, and I'm the public policy research fellow at the Bell Policy Center. We support HB18-1378 because it offers commonsense solutions to advancing pay equity, which greatly improves Colorado women's economic mobility.

My testimony will focus on the second part of this bill, transparency in pay and opportunities for promotion and advancement. Increased transparency will help ensure all employees have access to the same employment information. Currently, less than almost half of employees (47 percent) understand how their compensation compares to their colleagues, making it difficult for them to gauge whether they are being paid fairly. Leading compensation experts say increased transparency can also help HR professionals identify and correct gender pay discrepancies.

With this bill, Colorado would follow 12 other states requiring employers to keep records of wages. This bill should not be perceived as a hindrance to employers as research conducted by the Colorado Pay Equity Commission shows when employers move toward transparent pay practices, they experience enhanced productivity, reduced turnovers, and more female applicants for management positions.

The Bell Policy Center toured the state gathering survey data on the top issues hindering people in their communities from getting ahead economically. Equal pay indicated one of the biggest issues across communities, with an average score of 4.15 out of 5. Data from National Partnerships shows full-time working women are paid less than their male counterparts across all seven of Colorado's congressional districts. Pay inequity spans our state, as well as industries, occupations, and educational levels. For example, full-time working women with master's degrees are paid 72 cents for every dollar paid to men with master's degrees. Beyond this, women are not a homogenous group, our experiences greatly differ, especially by race and ethnicity, with women of color making even less than white women.

While pay inequity should first be recognized as a moral issue, it is also an economic issue. Colorado loses more than a combined total of \$13 billion every year due to the gender wage gap. The 198,000 female-led family households in Colorado have less to contribute towards strengthening their families, education and our economy. In our recent Guide to Economic Mobility, we discuss how increased pay equity could reduce the state's poverty rate from 5.6



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to 2.8 percent. Additionally, data from the Colorado Pay Equity Commission shows pay equity would reduce the number of children on our CHP+ program by 14,000 and Medicaid program by 15,000, saving Colorado more than a combined total of \$11 million annually.

We should follow the Pay Equity Commission's recommendation from 2008 and implement a transparent pay system and aim to become a leader on pay equity. This bill provides an effective measure to do so.

We urge you to vote yes on HB18-1378. Thank you for the opportunity to present my testimony and thank you Representative Danielson and Buckner for sponsoring such important legislation. I am happy to answer any questions.

If you would like further information, please contact me at (303)-297-0456 or sacomanno@bellpolicy.org.