

Economic Impact of Pay Equity in Wyoming

Pay equity in Wyoming is a **significant economic development issue**. According to LSO, the three pay equity bills currently under consideration have no fiscal or personnel impacts. **Wyoming receives a tremendous return on investment by saying yes to pay equity.**

Why is legislation so important?

As Governor Gordon said in his State of the State, "The state of Wyoming is strong. We're strong because of our people, our resources, and our work ethic." The women in our state embody this work ethic and the principle of equal pay for equal work is a cornerstone of the Equality State's commitment. Legislation ensures that everyone has a fair chance to succeed in the workplace.

Fair pay legislation that ensures that there is no employer retaliation provide women with the tools needed to assert their right to equal pay for equal work. This is a concrete, straightforward, and achievable step that will help reduce the gender wage gap and deter acts of gender based wage discrimination.

What does achieving pay equity mean for women in Wyoming?

According to the National Partnership for Women and Families. If the wage gap were eliminated, on average, a working woman in Wyoming would have enough money for:

- 30.5 more months of child care;
- Nearly four years of tuition and fees for a four-year public university, or the full cost of tuition and fees at a two-year community college;
- Approximately 133 more weeks of food for her family (2.6 years' worth);
- 14.6 more months of mortgage and utilities payments; or
- More than 24 additional months of rent.

How are pay equity and Wyoming's economic development related?

According to the R&P Report on Wage & Benefit Disparities between Men & Women in Wyoming that was prepared for the Wyoming Legislature:

- An infusion of \$153 million in labor income
- An induced effect of an additional 604 jobs
- Approximately \$22.2 million in additional labor income
- Over \$80 million in output to the Wyoming economy
- Real estate (41.2 jobs) and full-service restaurants (36.6 jobs) would see the greatest increase in jobs
- Offices of physicians and the wholesale trade sectors would see the greatest increases in labor income, at approximately \$1.8 million and \$1.2 million, respectively.
- Increases to state and local taxes of more than \$5 million.

Note from the study's authors: For this study, the change in employee compensation only affects the induced impacts (i.e. household spending changes) of this economic activity.

Summary of the Current Pay Equity Bills

HB0071 Equal pay-penalties

- This bill will increase the penalty—from \$200 to \$500—for an employer who violates Wyoming's equal pay provisions.
- This penalty is currently among the lowest in the state—lower than bouncing a check or failing to register a dog, significantly lower than some proposed penalties in other bills.

HB0072 Wage transparency

- This bill will prevent an employer from firing a woman who discusses her rate of pay.
- Enacting this protection is one of the recommendations from the Department of Workforce Services' report.

HB0084 Wage equality-state employees and programs

- This bill promotes wage equality in state programs including any grants or funds given by the state and requires a biennial evaluation of pay equity.
- The R&P reports recommends this effort.
- Wage gap reviews are extremely important for women's economic security.

Collectively, these bills present an opportunity to take important steps for economic development that will benefit everyone in Wyoming.

Legislative Recommendations from the R&P Report

The report lists possible legislative solutions as part of the recommendations:

- Prohibit employers from requiring applicants to share salary history – asking past salary perpetuates pay gaps
- Prohibit retaliation against employees that discuss salary with coworkers (HB0072)
- Raise the minimum wage and raise or eliminate the tipped minimum wage – approximately 2/3 of minimum wage and tipped workers are women
- Address pay equity for public employees, require companies with government contracts to address pay equity in some way (HB0084)
- Require employers to demonstrate that wage differentials are based on factors other than gender

Wages lost to the pay gap mean women and their families have less money to support themselves, save and invest for the future, and spend on goods and services. Families, businesses and the economy suffer as a result. Closing the wage gap and ensuring women are paid the same for substantively similar work will create jobs, tax revenue, and additional income across Wyoming.