

## **Economic Impact of Pay Equity in Wyoming**

Pay equity in Wyoming is a **significant economic development issue**. According to LSO, the 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 provides women and businesses with the tools needed to ensure equal pay for equal work. These are concrete, straightforward, and achievable steps 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**

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

### **HB0071 Equal pay-penalties**

- This bill will increase the penalty—from \$200 to \$500—for an employer who violates Wyoming's equal pay provisions.

### **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.

### **HB0178 Prospective employees – salary history**

- This bill ensures that employers cannot request a prospective employee's salary history when interviewing or negotiating for a job.
- Research shows that, because women are generally paid less than their male co-workers, for reasons that include discrimination, asking female job candidates about their past salaries perpetuates a wage gap throughout a woman's career by potentially replicating possible discrimination from past jobs.

## **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
- 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.