

PAY EQUITY LAW SIGNED BY OBAMA

President Obama signs the Lilly Ledbetter Fair Pay Act, with supporters cheering that the measure makes it easier to bring pay bias claims and corrects an ill-reasoned 2007 Supreme Court ruling, and with critics bracing for an expected onslaught of litigation from the law they call too broad.

The law, which addresses time limits faced by workers alleging pay discrimination in the workplace, amends Title VII of the 1964 Civil Rights Act, the Age Discrimination in Employment Act, the Americans with Disabilities Act, and the Rehabilitation Act to provide that the charge-filing periods—300 days in most states and 180 days in the few states that do not have a state fair employment agency—are triggered each time compensation is paid pursuant to a discriminatory compensation decision or practice.

The law comes in response to a May 2007 decision by the Supreme Court, which ruled in *Ledbetter v. Goodyear Tire & Rubber Co.*, 550 U.S. 618 (2007), that the time limits for filing a discrimination charge with the Equal Opportunity Commission start to run when the employer makes a discriminatory decision about the employee's compensation, not each time the employee receives a paycheck affected by discrimination.

Ledbetter was a former supervisor at a Goodyear tire plant in Alabama who discovered that she had been receiving less pay than male counterparts doing the same work. She discovered this by an anonymous note after working for the company for nearly 20 years.

Meanwhile, critics of the new law, including the U.S. Chamber of Commerce and the Society for Human Resources Management, argue that it will lead to increased amounts of wage discrimination litigation, allowing claims from decades in the past.

(Source: BNA, *Daily Labor Report*, No. 18, January 30, 2009, pp. A1-A2, E7- E8.)