

EMPLOYMENT

Fair Pay Examined

OLD SAYBROOK - In the wake of the Lilly Ledbetter Fair Pay Act, employment and legal experts are urging managers to review pay practices to ensure their current structure may not be construed as discriminatory.

The Ledbetter Act essentially broadens the federal parameter of the 180-day statute of limitations to file a lawsuit for pay discrimination. Instead of the 180-day period beginning on the date a pay agreement between employer and employee was made, the statutory time frame in which a lawsuit can be filed will start on the date of the latest paycheck and/or alleged unlawful employment practice.

The time period is 300 days for a state with a fair employment agency, notes attorney Catherine Moreton Gray, managing editor for human resources and compensation at Business & Legal Reports in Old Saybrook.

"What it does for an employer is effectively eliminate the statute of limitations," she says, adding that it is unclear how pension benefits might figure into the new law.

"Employers may want to take a look to see if there are discrepancies, and if so that they're well documented," says Moreton. "After that, they should really be looking to see that their policies and procedures were made in a fair and consistent way."

Daniel Green, who chair the employment practice for the Westport law firm Begos Horgan & Brown, LLP, agrees that for managers the new law means "It's important to develop a well detailed set of criteria of how pay decisions are to be made and stick to those criteria. They need to look at what women are getting paid as opposed to what men are getting paid. If there's any disparity, it should be corrected."

The first law signed by President Barack Obama, the new act

amends the Civil Rights Act of 1964 and other equal-rights laws, and reverses a Supreme Court ruling that sparked the Ledbetter legislation.

Lilly Ledbetter worked at a Goodyear Tire plant in Gadsden, Ala., for almost 20 years when she took early retirement and filed a lawsuit in 1998 alleging pay discrimination under Title VII of the 1964 Civil Rights Act. The case, Ledbetter v. Goodyear Tire & Rubber Co., eventually made its way to the Supreme Court and in 2007 the court ruled in favor of Goodyear in a 5-4 decision. Congress then took up the issue.

"The key factor for employers is that they have policies allowed under the law and they uniformly apply those policies. That's a justifiable factor," says Green.



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