Capitol Business Preview: Debate over equal-pay laws comes to Colorado Senate

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Colorado business leaders don’t disagree with the aim of a bill that seeks to ensure more equitable pay for female workers. But when it comes to the details of Senate Bill 85, they are miles apart from the sponsors.

The Equal Pay for Equal Work Act would require that employers post every job opening both internally and externally, would bar executives from asking position-seekers about their pay levels at previous jobs and would create a right of legal action for anyone who feels a company or official violated these new rules. The goal is to close a pay gap that renders Colorado women to receive just 86 cents for every dollar that a similarly qualified male worker receives in pay, according to Louise Myrland, vice president of programs for the Women’s Foundation of Colorado.

Democratic Sen. Jessie Danielson of Wheat Ridge, who is sponsoring SB 85 with Democratic Sen. Brittany Pettersen of Lakewood, said she chose the primary actions of the bill because she believes they represent three ways that will jolt employers away from behaviors that now continue the pay gap, either intentionally or unintentionally.

Barring questions about pay history will ensure that existing lower pay levels can’t continue, she said. Requiring transparency in job postings — including a listing of the salary band for the open position — will create a larger and more diverse pool of applicants for employers to consider. And giving aggrieved workers the right to sue will serve as a powerful way of ensuring that employers are not discriminating in hiring or pay, said Danielson, who ran a similar bill last year that passed the House but died in what was then the Republican-controlled Senate.

“It’s incredibly interesting to me that this is still a topic. It should be standard operating procedure,” said Meredith Vaughan, CEO of Colorado Springs-based marketing agency Vladimir Jones, which is 100 percent women-owned and has had an equal-pay policy in place since its founding in 1970. “This bill doesn’t worry me. But I can see if I hadn’t been in compliance from day one, it would be worrisome.”

However, the details are very worrisome to the Colorado Chamber of Commerce, which was asked just Thursday to sit down with the sponsors and Democratic Senate leaders to discuss its concerns.

The requirements to post every job opening upends succession plans that already are in place, said Loren Furman, senior vice president of state and federal relations for the chamber. The ban on discussing salary history — which includes a prohibition against job candidates bringing it up on their own — will stifle negotiations and prevent well-paid women from continuing on that compensation directory. And the creation of a legal right of action will open the floodgates to anyone feeling that they didn’t get the job or salary they wanted to take their grievances to court, she said.

Danielson and Pettersen have included exemptions for equal pay that range from work experience to educational differences to merit raises. But Chris Ottele, a partner at Husch Blackwell, said this creates a potential for all sorts of
complaints to tie up companies and affect more than just hiring.

"This is a plaintiffs' lawyers' dream bill. The reality is that pay is not uniform, and there are all kinds of reasons that people could be paid differently," Ottele said, noting that he believes this bill will create far more issues for companies than the "Ban the box" legislation that recently passed the Colorado House. "It's really setting up employers for not just costly litigation but some very big concerns about the way they run their workplace."

In other action on the Capitol this week:

**Small-business tax help**

At 2 p.m. Tuesday, the Senate Finance Committee will hear SB 131, sponsored by Sen. Rob Woodward, R-Loveland, which would exempt companies that ship products within the state of Colorado from having to calculate and pay sales taxes to each of the near 700 local taxing districts unless they sell a minimal amount of goods in each of those areas. The bill is getting support from some Democrats and local-government leaders, but its fate will rest in the hands of the four Democrats on the committee.

**Energy transitions**

At some point this week, the Colorado House is expected to debate and vote on House Bill 1037, sponsored by Democratic Reps. Chris Hansen of Denver and Daneya Esgar of Pueblo, which would allow utilities retiring coal-fired power plants to sell bonds to help with that financial burden and would require a portion of those bond proceeds to go toward helping the workers and the communities displaced by the closure. A similar bill died last year in the Senate, before the Democrats won back control of that chamber in the November election.

**Health care costs**

Of the many health-care cost-reduction bills moving through the Legislature, the one most squarely focused on insurance premiums in high-cost rural counties is getting its first hearing at 1:30 p.m. Thursday in the Senate Health and Human Services Committee. SB 4, sponsored by Sen. Kerry Donovan, R-Vail, would create a pilot program in which residents in designated areas could buy their insurance through the same plan that covers the roughly 32,000 state employees.

**Ed Sealover**
Reporter
*Denver Business Journal*