Public Policy

LILLY LEDBETTER and the WAGE GAP

By Jeanne Delp

Lilly Ledbetter, born in Possum Trot, Alabama, in 1938, grew up to become known for her equal-pay activism leading to the monumental **Lily Ledbetter Fair Pay Act of 2009**. This was the first bill signed into law by President Obama. Ledbetter became a public speaker, working with the National Women's Law Center, wrote a memoir, *Grace and Grit,* and was inducted into the National Women's Hall of Fame in 2011. She died in Alabama on October 12, 2024, at the age of 86.

Her story began as a supervisor at a Goodyear tire plant in Gadsden, Ala., in 1979. "Years later and close to retirement, Lilly received an anonymous note stating that she was receiving less pay than her male peers working in the same position. 'When I saw that, it took my breath away. I felt humiliated. I felt degraded,' Ledbetter recalled in an interview with NPR in 2009. 'I had to sort of get my composure back to go ahead to perform my job and then, the first day off, I went to Birmingham, Ala., and filed a charge with the EEOC' (Equal Employment Opportunity Commission). . . .That action in 1998 was the beginning of a 10-year legal fight for Ledbetter toward equity.

"She retired from Goodyear 11 months after she found out about the pay disparity and filed a gender discrimination lawsuit against the company in 1999. She won the suit in 2003 and was awarded more than \$3 million, but the amount was reduced to \$300,000, because of a statutory cap, and \$60,000 in back pay. Goodyear appealed the decision to the Supreme Court, arguing that Ledbetter could only win damages or back pay for the 180 days prior to the filing of her claim. In 2007, the high court agreed in a 5-4 ruling. . . . "

Justice Ginsburg dissented, claiming the 180-day limit was unfair as salaries were usually secret and urged Congress to address the issue. Congress acted two years later and the "Lily Ledbetter Fair Pay Act of 2009 reset the clock for filing claims to 180 days from an employee's latest paycheck, not just the first paycheck noted as discriminatory. The act amended the Civil Right Act of 1964 and allows workers "to obtain relief, including recovery of back pay for up to two years preceding the filing of the charge."

Yes, we've come a long way, but--AAUW's work is not yet finished.

As Missy Maceyko, co-chair Public Policy, AAUW-CA, explains:

"At the national and state levels, AAUW has been a leader in the fight for increased economic security for all women, becoming well known for putting out annual data on gender-based wage gaps. However, wage gaps are only one part of the much bigger picture of gender-based economic inequality. AAUW, following contemporary socioeconomic research, conceptualizes economic insecurity as part of wealth gaps and debt cycles that are created by multiple factors, including the ballooning cost of higher education.

"Education is critically important for social and economic mobility. In 2024, young college graduates still tend to make more money than their counterparts who do not have a college degree and have higher earnings later in life. However, the value of higher education has become a more complicated calculus for many: as education costs have risen, overall income rates have remained stagnant and low-interest borrowing and repayment options to cover these costs have, in many cases, decreased. Without intergenerational wealth, ongoing family support, or scholarship wins, many Americans must go into debt to obtain a higher education.

"Women are disproportionately impacted by these increasing costs. Women tend to make less money directly after graduation when compared with men. This, combined with many additional factors, such as the tendency for women to be primarily responsible for the financial and emotional costs of household maintenance, such as caregiving, makes any accrued student debt much harder for women to repay. As such, women in the United States owe \$929 billion, or two-thirds of the nation's student debt.

"As part of the larger commitment to economic security for women, AAUW has been a leader in pushing for policies that <u>meaningfully address massive increases in the cost of education and the student debt crisis</u>. In California, reducing the cost of education and easing the financial burden of acquiring a degree remains central to AAUW California's Public Policy Priorities, as well. In California, our work to reduce the burden of student debt falls under three of our four Public Policy Priority Pillars.

- Economic security for all women.
- Equal access to quality public education for all students.
- Increased representation of women in leadership roles, including access to programs that promote participation in public service careers."

As Ledbetter said at the Democratic National Convention in 2012: "This cause, which bears my name, is bigger than me. It's as big as all of you. This fight, which began as my own, is now our fight—a fight for the fundamental American values that make our country great." Ledbetter also declared that, "what we lose can't just be measured in dollars."

Sources for this issue include:

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