



To: Chair Holvey, Vice-Chairs Elmer and Sosa, and Members of the Committee
February 14, 2024
RE: Opposition to HB 4050

On behalf of the American Association of University Women of Oregon (AAUW of OR), we express our strong opposition to House Bill 4050.

In 2017, AAUW of OR worked diligently with partners, legislators and stakeholders to pass a law that protected Oregon's workers from pay inequity. Business interests, too, contributed to the process and the text of the law. Careful attention was paid to determining and drafting language that recognized only specific bona fide factors that employers could use in order to justify pay inequities.

HB 4050 launches a dangerous effort to erode the rights sought to be protected in 2017.

Eliminating the "bona fide" language when describing the bases for an employer's avoiding the law about equal pay is pernicious. There is a difference between a "bona fide" factor and "a" factor. Under HB 4050 all an employer need do is find "a" factor" to avoid compliance rather than one that is genuine and justifiable.

Moving the "bona fide" descriptor to Section (l) underscores the concern just expressed, i.e. that employers don't need to find a genuine and justifiable reason to discriminate in employee compensation. With the contradictory "a" versus "bona fide" language in the same statute, the balance is unfairly shifted so that essential employee protections are watered down.

Section (2)(a)(l) also provides that a "bona fide" factor that is (1) consistent with business necessity and (2) fulfills an underlying business purpose is sufficient to give employers a pass in avoiding our present pay equity law. The phrase "business necessity" is needlessly vague and invites confusion. It also allows an exception to swallow the rule.

The fact that Section (2)(c) states that an employee may be able to justify a compensation differential by demonstrating the existence of alternative business policies or practices that could fulfill the same business purposes does nothing to ameliorate the breadth of HB 4050's broad exception to Oregon's pay equity law. This language unfairly places a heavy burden on the affected employee to prove why the employee should be fairly paid. The challenges of an employee understanding "business purposes and practices" are obvious.

Respectfully Submitted,

Linda Lybecker, *President*
Lisa Verner, *State Public Policy Co-Chair*
American Association of University Women of Oregon