



## SB23-105 Ensure Equal Pay For Equal Work

Tuesday, February 21 2023

2:00 p.m. Business, Labor, & Technology – Old Supreme Court

Testimony: Oppose

Good afternoon, Mr. Chair and fellow committee members. My name is Adam Burg and I am the vice president of government affairs for the Denver Metro Chamber of Commerce.

I'm here today to express our organizations' opposition to SB23-105.

I want to start by saying that ensuring people are paid equal pay for equal work isn't just a noble goal, it's a modern workplace necessity. We believe in the goal of achieving pay equity for Coloradans. However, we understand that the implementation of a policy is just as important as the intent and aim of the goal of a policy. And while policy can be noble in intent – it can also be flawed in design and implementation.

That said, the Equal Pay for Equal Work Act of 2019 had unintended consequences. It accidentally made it more difficult to promote internal candidates and award in-line or step promotions. It muddied the water on collective bargaining agreements. It also made Coloradans less desirable, and sometimes even ineligible, for remote jobs where an employer was out of state. In 2021, the Wall Street Journal published an article titled, "Many Companies Want Remote Workers—Except From Colorado." The mechanisms in the 2019 bill unintentionally limited opportunities for Coloradans rather than expanding those opportunities and building equity – ultimately hurting the exact communities the initial proposal was intended to help.

That's why for the last several years, we have been working with legislators, administrators, leadership, and other members of the business community to think about how we can update the 2019 law to avoid unintended harm.

We had hoped reevaluating this policy at the legislature, after years of that robust stakeholder engagement, would resolve the unintended consequences of the first attempt, and in some ways SB23-105 does move in the right direction regarding previous definitional issues with promotional opportunities.

However, SB 105 falls short of addressing many functional gaps created by the 2019 law. For example, this new proposal does not address the well documented issue of Colorado workers being excluded from the national labor market as remote workers. This attempt to fortify equal



pay also creates many new business requirements. We are seriously concerned that the additional requirements created in this bill are so operationally cumbersome, that ambiguity will be the only way to achieve compliance. This reality, which has already proven itself in the first Equal Pay law, is the worst of both worlds—meaningless compliance.

We remain committed to working with policy makers to achieve the spirit of equal pay through means that don't adversely impact Colorado's workers or businesses. With all that in mind however, we continue to oppose SB105 because it does not fix many of the significant mistakes of the past, but rather it makes new mistakes all its own.

We encourage members of the committee to vote no on this legislation.