Three Key Takeaways for Employers from Biden's State of the Union Address



By Michele C. Spillman

In last night's State of the Union Address, President Biden mentioned several topics of particular interest to employers. Here are three key takeaways:



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Pay Equity and Higher Minimum Wage

President Biden called on Congress to raise the minimum wage to \$15/hour and pass the Paycheck Fairness Act.

The Fair Labor Standards Act makes it unlawful for an employer to pay men and women doing the same or similar work differently unless the employer can demonstrate that the pay difference is based on "any other factor other than sex." The Paycheck Fairness Act would strike "any other factor other than sex" and replace it with "a bona fide factor other than sex, such as education, training, or experience." While the House passed the Paycheck Fairness Act last year, it did not survive a Senate filibuster.

Strong Support for Unions

<u>Continuing his pro-union push</u>, President Biden urged Congress to pass the Protecting the Right to Organize Act (the PRO Act).

The PRO Act would amend the National Labor Relations Act and other labor laws to make it easier for workers to unionize, restrict employers from certain practices, and empower union organizers at work. One highly controversial element of the PRO Act would expand the current definition of "employee" to include many workers who are currently treated by employers as independent contractors.

LGBTQ Rights

In what many believe may be President Biden's best chance to change the employment law landscape, he urged Congress to pass the Equality Act, a comprehensive LGBTQ rights bill.

The Equality Act would amend Title VII of the Civil Rights Act of 1964 to clarify that employment discrimination based on sex includes discrimination based on sexual orientation and gender identity. The House passed the Equality Act in 2019 and 2021, but it has yet to pass the Senate.

The Phillips Murrah <u>Labor & Employment</u> Law team stands ready to advise employers on all aspects of the ever-changing labor and employment laws.

Michele C. Spillman is an Of Counsel attorney who represents employers in a wide variety of industries, and provides advice and counsel on federal and state employment laws regarding discrimination, harassment, retaliation, medical leave requests and accommodations, and wage and hour issues.

For more information on this alert and its impact on your business, please call 469.485.7342 or **email** Michele C. Spillman.

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