

Overview of the Local Government Pay Equity Act (LGPEA)

What is the Local Government Pay Equity Act?

The MN Local Government Pay Equity Act was enacted to address and eliminate gender-based pay disparities for positions of comparable value.

Key Objective:

Ensure employees in female-dominated job classes are compensated equitably compared to male-dominated classes performing work of comparable value.

Background:

- Enacted in 1984 by the Minnesota Legislature.
 - o Defined within MS 471.991-471.999 and MN Rules Chpt 3920.
 - Minnesota Management and Budget (MMB) is responsible for the enforcement of the LGPEA.
- Applies to all public sector employers in Minnesota.
- Compliance is mandatory.

Compliance Requirements

Submit a Pay Equity Implementation Report every three years to the Minnesota Management and Budget (MMB).

- Last completed 2021
- Data reported as of December 2024

Analysis Requirements:

- Establish a job evaluation system
- Data collection related to Metropolitan Council positions

Compliance Standards:

Four tests to achieve compliance

- 1. Completeness and accuracy test
- 2. Statistical analysis test
- 3. Salary range test
- 4. Exceptional service pay test

Metropolitan Counc

Results & Comparison 2024, 2021, 2018

Tests	Compliance Standards	2024 Report	2021 Report	2018 Report
Completeness & Accuracy Test	Data complete; submitted on time	Will submit after Council approval	Yes	Yes
Statistical Analysis Test (Underpayment Ratio) (T-Test)	80% or higher DF>Value of T	119.50%	119.05%	138.34%
Salary Range Test	80% or higher	95.26%	97.21%	96.16%
Exceptional Service Test	0% or 80% +	0%	0%	0%
Status		Compliant After Informal Review	Compliant	Compliant

Benefits of Compliance

- Ensuring fair compensation for all employees regardless of gender.
- Legal compliance, including avoiding penalties and/or fines.
- Supports a fair and equitable workplace, which helps impact employee morale and retention.



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