

# **CM Glass\_FAV\_SB400**

Uploaded by: Glass, Evan

Position: FAV



**MONTGOMERY COUNTY COUNCIL**  
ROCKVILLE, MARYLAND

EVAN GLASS  
COUNCILMEMBER  
AT-LARGE

TRANSPORTATION AND ENVIRONMENT COMMITTEE  
HEALTH AND HUMAN SERVICES COMMITTEE,  
LEAD FOR VULNERBABLE COMMUNITIES AND  
HOMELESSNESS

February 20, 2020

Delores G. Kelley, Chairwoman  
Senate Finance Committee  
Miller Senate Office Building, Room 3  
Annapolis, MD 21401

**Position: Support Senate Bill 400 - State Employment - Wage History and Wage Range**

Chairwoman Kelley and members of the Senate Finance Committee:

As a member of the Montgomery County Council and the lead sponsor of the Montgomery County Pay Equity Act, I would like to express my unwavering support for closing the gender pay gap. Stopping employer reliance on salary history is an incredibly important tool for closing the wage gap. I am excited to see that two bills have been introduced to address this issue: Senate Bill 400, known as the "Paycheck Fairness" bill, would ensure that State employees are paid based on merit rather than salary history, while Senate Bill 217, would ensure that no Marylander is held back by this harmful practice regardless of whether they work in the public or private sector.

Back in December 2019, days after I was sworn in, I was speaking with Montgomery County's human resources department about hiring my staff, and I was told that potential members of my office needed to provide their pay stubs as part of the hiring process. This struck me as odd and I began investigating, quickly discovering that hiring managers have the discretion to rely on a job applicant's pay history when determining their salary.

When pay history is used to determine future pay, individuals become stuck in a cycle of being undervalued -- a cycle that disproportionately affects women, particularly women of color. At a state level, we know that in Maryland, women earn 86 cents for every dollar that her male counterpart makes. That figure is even worse for women of color, with African American women earning 69 cents and Latinas 46 cents for every dollar a man makes.

When such a discrepancy exists, it might seem like a small gap to some, but the multiplier effect can be devastating. When a worker is shortchanged -- a few hundred or a few thousand dollars a year -- repeated year after year of employment -- the missing pay gap can become large enough to pay for a child's college tuition, a new car or a down payment on a home.

Enacting state legislation banning salary history is a necessary first step to correcting decades of unfair workplace practices. Regardless of your gender identity- a fair day's work should equal a fair day's pay.

I urge the committee to enact 21st century workplace policies and ban wage history from determining employee salaries. Just like the 13 states that have already passed these protections, I encourage the Committee to ensure that Marylanders are protected from this harmful practice.

Sincerely,

A handwritten signature in black ink that reads "Evan Glass". The signature is written in a cursive, flowing style.

Evan Glass  
Councilmember, At-Large

# **Sen Kagan\_FAV\_SB400**

Uploaded by: Senator Kagan, Senator Kagan

Position: FAV

CHERYL C. KAGAN  
Legislative District 17  
Montgomery County

Education, Health, and  
Environmental Affairs Committee

Senate Chair, Joint Committee on  
Administrative, Executive, and  
Legislative Review

Joint Audit Committee

Joint Committee on Federal Relations



THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

James Senate Office Building  
11 Bladen Street, Room 203  
Annapolis, Maryland 21401  
301-858-3134 · 410-841-3134  
800-492-7122 Ext. 3134  
Fax 301-858-3665 · 410-841-3665  
Cheryl.Kagan@senate.state.md.us

**SB400: State Employment - Wage History and Wage Range**  
**Senate Finance Committee**  
**February 20, 2020, 1:00 PM**

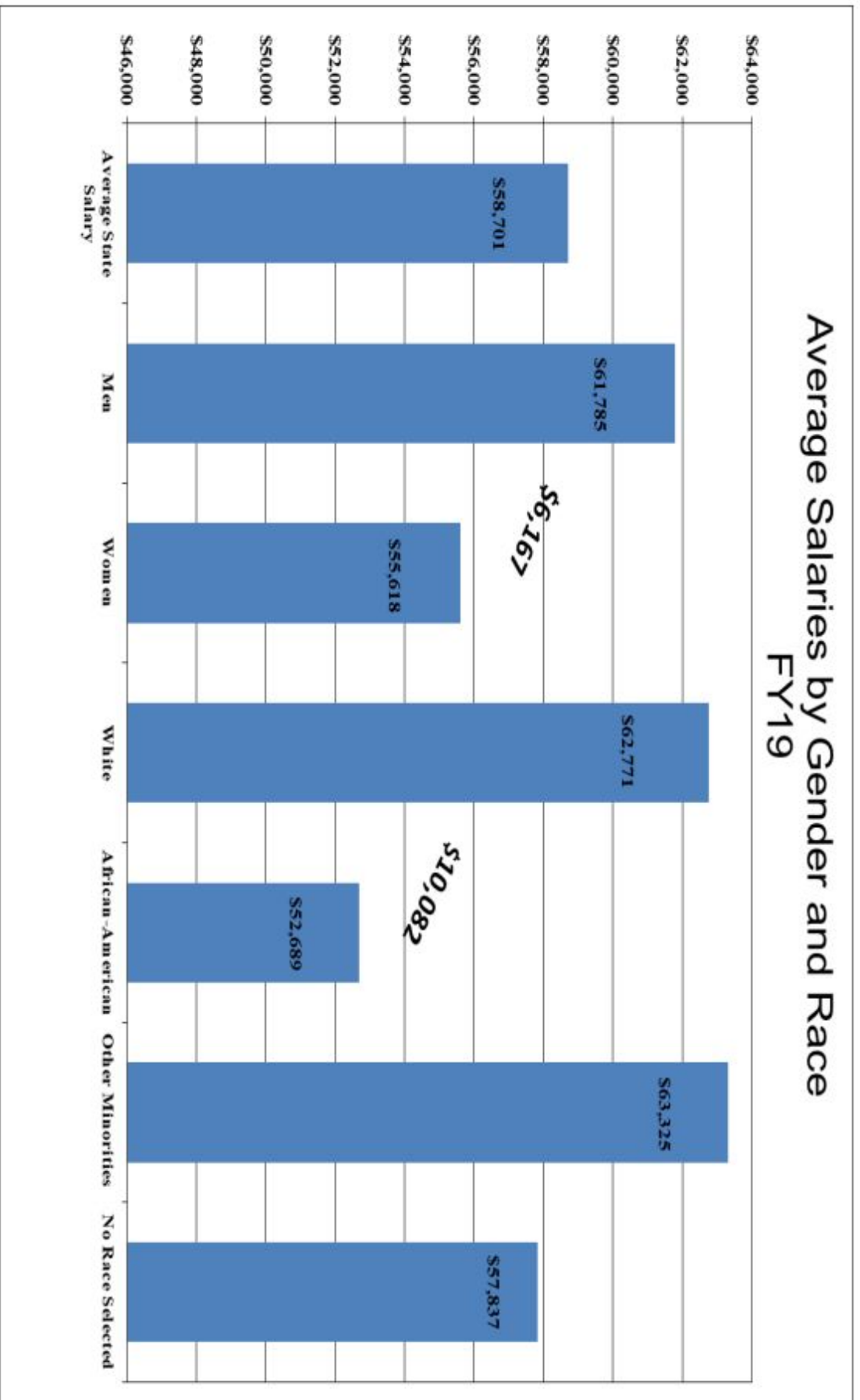
According to the National Women's Law Center, Maryland women still earn 85.5 cents for every dollar a man makes. This problem is more acute for women of color, with African-American women earning only 69.7 cents and Latina women making 46.6 cents. A 2016 study conducted by the National Bureau of Economic Research found that the gender wage gap often remains unexplained, even when accounting for factors like education, occupation, industry, and work experience. If employers use salary history to decide pay, these gender wage gaps follow applicants from job to job.

Last year, Montgomery County unanimously passed Councilmember Evan Glass's bill which prohibits County government hiring managers from inquiring about an applicant's salary history. SB400 would bar State employers from requesting an applicant's salary history or using that data when determining pay. In addition, I am amending this bill to remove the required studies to avoid an excessive burden on the Office of Budget and Management.

Fifteen states have already implemented similar laws. Two states (PA and NC) ban salary history questions in government hiring while the remaining 13 (MA, DE, OR, IL, NJ, CA, CT, HI, ME, VT, WA, CO, & NY) ban the question for all employers.

Salary should reflect the applicant's experience, skills, and the value of a position, not discrimination. How can we expect private employers to stop using salary history questions when our own government has not? SB400 sets an example for all Maryland employers and would be an important measure towards rectifying wage inequality. As we celebrate the 100th anniversary of the 19th Amendment, granting women the right to vote, it's time we finally start to close the gender wage gap.

I strongly urge a favorable report on SB400.



# **SEIU\_FAV\_SB400**

Uploaded by: Simon, Travis

Position: FAV



**Hearing Testimony February 20, 2020**  
**Senate Finance Committee**  
**Service Employees International Union, Local 500, CtW, CLC**

**Senate Bill 400 – State Employment – Wage History and Wage Range**

**SUPPORT**

SEIU Local 500 represents over 20,000 working people in Maryland, Washington D.C., and Virginia. Our union represents the support staff at the Montgomery County Public School system, Family Child Care Providers, Adjunct Faculty at several Maryland colleges and universities, staff at non-profits and many other working people across the region. SEIU Local 500 believes that Maryland must be a place where people are fairly compensated for their work, regardless of age, race, national origin, sex, sexual orientation, or gender identity, which is why we support Senate Bill 400, the Paycheck Fairness Act. We also would like to thank Senator Cheryl Kagan for her leadership on this important issue.

In Maryland, women earn 85.5 cents for every man's dollar; this injustice is starker still for women of color, with African-American women making only 69.7 cents and Latina women making 46.6 cents on the dollar. Recent history in our own state shows that long-standing public employment practices exacerbate this disparity. In 2019, the Montgomery County Council found that by inquiring into salary histories during the hiring process, the county was perpetuating the pay disparity as women so often had a history of lower salaries than their male counterparts. Basing the salaries of new hires on past compensation only served to keep women employees stuck in a pattern of unequal pay for equal work. When a bill was proposed by a member of the County Council to right this wrong, our members were among the first to raise their voices in support, and we were proud to help this pay equity act pass at the county level. The current bill, SB400, is based on the Montgomery County legislation and seeks to extend its protections to public employees across the State of Maryland. It therefore only makes sense for our organization to lend our full support, the same as we did last year in Rockville.

By passing SB 400 this session, Maryland as a state and as a public employer can take a stand against pay inequity and measurably improve the economic security of working families who earn their living in the public sector. It is for this reason and for the sake of fairness that we ask for your support for SB400 and strongly urge a favorable committee report. Thank you each for your dedication to passing this legislation, to fairness and justice, and to the working people of our state – and thank you for considering our testimony.

**Service Employees International Union, Local 500, CtW, CLC**  
**12 Taft Court, Rockville, MD 20850**  
**301-740-7100 [www.seiu500.org](http://www.seiu500.org)**  
**Pia Morrison, President**



# **Womens Law Center of MD\_FAV\_SB400**

Uploaded by: Siri, Michelle

Position: FAV

---

BILL NO.: Senate Bill 400  
TITLE: State Employment – Wage History and Wage Range  
COMMITTEE: Finance  
DATE: February 20, 2020  
POSITION: **SUPPORT**

---

Senate Bill 400 is an incremental approach at addressing the persistent gender wage gap in Maryland. It prohibits the State from asking applicants for, or relying on, wage history when determining compensation. It further requires the State to undergo regular pay equity studies. Despite positive changes in the law, women's incomes in Maryland still lag behind those of their male counterparts: women earn on average only \$0.86 to every dollar earned by men. For women of color, the pay gap is even larger – African American women take home \$0.68 and Latina women earn only \$0.46 for every dollar a white man makes. The gap is wider for working mothers and exists even in the public sector, where women on average earn 10% less than their male colleagues<sup>1</sup>.

In July 2015, the Acting Director of the U.S. Office of Personnel Management issued a memorandum advising federal agencies of the dangers of relying in past salary information in setting new hire standards. "Reliance on existing [or prior] salary to set pay could potentially adversely affect a candidate who is returning to the workplace after having taken extended time off from his or her career or for whom an existing rate of pay is not reflective of the candidate's current qualifications or existing labor market conditions"<sup>2</sup>. The federal government understood that in order to achieve pay equity it needed to address the roots of the problem: salaries.

Other jurisdictions have begun to follow suit, as this innovative approach would benefit all workers, not just women. To date, 16 other states have passed similar legislation, with several other jurisdictions considering it this year. The effect on the State should also be minimal; while some attempts to close the wage gap aim at deterring adverse employment actions by creating more opportunities for litigation, this proactive approach prevents unintentional discrimination from occurring in the first place.

The WLC recognizes there are multiple pieces of legislation that seek to address these issues, including SB217, and is appreciative of the recognition of the challenges so many women face on a daily basis. While we believe a more comprehensive and expansive approach would be best, we support SB400 for seeking to expand the relief currently available for State employees. We are particularly in favor of the provisions requiring annual pay equity studies. For the above reasons, the Women's Law Center of Maryland urges a favorable report for SB 400.

*The Women's Law Center of Maryland is a private, non-profit, membership organization that serves as a leading voice for justice and fairness for women. It advocates for the rights of women through legal assistance to individuals and strategic initiatives to achieve systemic change.*

---

<sup>1</sup> The Guardian, Women Earn 10% Less Than Men in America's Public Sector, February 2018, <https://www.theguardian.com/us-news/2018/feb/08/gender-pay-gap-america-public-sector>, last visited, 2/15/2020

<sup>2</sup> Additional Guidance on Advancing Pay Equality in the Federal Government, <https://www.chcoc.gov/content/additional-guidance-advancing-pay-equality-federal-government>

# **ACLU\_Spielberger\_FAV\_SB 400**

Uploaded by: Spielberg, Joe

Position: FAV



**Testimony for the Senate Finance Committee  
February 20, 2020**

**SB 400 – State Employment – Wage History and Wage Range**

**FAVORABLE**

The ACLU of Maryland supports SB 400, which would prohibit state employers from asking about wage history in the job application process, in order to help ensure that Maryland workers are paid fair wages.

When state employers require job applicants to provide their salary history, they perpetuate race- and gender-based discrimination and pay disparities. This bill would help ensure that salary negotiations between employers and potential employees are based on job-related skills and experience, not wage history, which is irrelevant as a marker of what an employee's labor is worth.

Maryland's current practice of allowing state employers to consider hiring and pay decisions based on applicants' wage history disproportionately hurts women and people of color in the job application process, who already face bias and discrimination in the workforce. This practice hurts employers as well as applicants, because it makes a workplace less attractive to a diverse and inclusive workforce. While the lack of inclusivity perpetuates further discrimination, it also weakens collaboration, innovation, and growth in Maryland state government.

When employers provide job applicants with a salary range for a position, they allow applicants to fairly advocate for themselves in wage negotiations. When Maryland workers are empowered in these negotiations, they become more satisfied and appreciated on the job.

Employers in Maryland and across the country understand that the provisions in this bill are good for their offices. A growing number of private employers, including Amazon, Starbucks, Facebook, American Express, Bank of America, and Google, have already announced that they no longer ask job applicants to provide their salary history. Maryland's government employers should join these companies that understand how removing wage history from the hiring process diversifies their applicant pool and attracts smart, qualified, and committed employees.

Maryland is already a leader on equal pay, and it is time for our state to join the 17 other states across the country that already have laws prohibiting employers from asking about wage history. This bill will allow our state

JOSEPH SPIELBERGER  
PUBLIC POLICY COUNSEL

AMERICAN CIVIL  
LIBERTIES UNION  
OF MARYLAND

MAIN OFFICE  
& MAILING ADDRESS  
3600 CLIPPER MILL ROAD  
SUITE 350  
BALTIMORE, MD 21211  
T/410-889-8555  
or 240-274-5295  
F/410-366-7838

FIELD OFFICE  
6930 CARROLL AVENUE  
SUITE 610  
TAKOMA PARK, MD 20912  
T/240-274-5295

[WWW.ACLU-MD.ORG](http://WWW.ACLU-MD.ORG)

OFFICERS AND DIRECTORS  
JOHN HENDERSON  
PRESIDENT

DANA VICKERS SHELLEY  
EXECUTIVE DIRECTOR

ANDREW FREEMAN  
GENERAL COUNSEL

government to continue building a workplace culture that values leadership, experience, and diversity, and most importantly, improve the career prospects of applicants who have experienced wage discrimination and pay disparities in prior jobs.

For the foregoing reasons, the ACLU of Maryland supports SB 400.



JOSEPH SPIELBERGER  
PUBLIC POLICY COUNSEL

AMERICAN CIVIL  
LIBERTIES UNION  
FOUNDATION OF  
MARYLAND

MAIN OFFICE  
& MAILING ADDRESS  
3600 CLIPPER MILL ROAD  
SUITE 350  
BALTIMORE, MD 21211  
T/410-889-8555  
or 240-274-5295  
F/410-366-7838

FIELD OFFICE  
6930 CARROLL AVENUE  
SUITE 610  
TAKOMA PARK, MD 20912  
T/240-274-5295

[WWW.ACLU-MD.ORG](http://WWW.ACLU-MD.ORG)

OFFICERS AND DIRECTORS  
JOHN HENDERSON  
PRESIDENT

**AFSCME3\_SWA\_SB400**

Uploaded by: Gilmore, Denise

Position: FWA



190 West Ostend St., #201  
Baltimore, MD 21230  
Phone: 410.547.1515  
Fax: 410.837.5436

Patrick Moran - President

**Testimony  
SB 400 – State Employment –  
Wage History and Wage Range  
Support with Amendments**

AFSCME Council 3 represents 25,000 State and Higher Education employees in Maryland. We support SB 400 with amendments. This legislation works to address the gender pay gap for state employees by guaranteeing that the appointing authority no longer rely on an applicant's salary history when setting wages during hiring. Female state employees are currently earning 90 cents to every dollar a male state employee makes. This wage gap gets worse when you factor in race.

When a candidate for a state position applies for a state job, the salary range for the position is included in the posting. Department of Budget and Management (DBM) salary guidelines set that no employee can be hired outside of this salary range but do allow for an applicant to negotiate a starting salary above the minimum base pay for the position in instances where the position has been difficult to recruit for. Justifying an above base hire due to recruitment challenges can be done without requiring an applicant's salary history. The state already collects the data on how long a position has been vacant, the total number of applications that meet minimum qualifications within a geographical region, turnover rates, and so forth.

We very much appreciate the intent of this legislation, but another bill introduced this session, SB 217, goes further in addressing the wage gap. We propose that provisions of SB 217 be amended into SB 400:

**Amendment 1: Add in language from SB 217 to include the Private Sector.**

We feel the General Assembly should adopt legislation that covers both the public and private sectors as it's only fair. This is likely less a public sector issue than a private sector one. Collective Bargaining Agreements and civil service rules generally diminish wage disparities as the practice to produce a wage range already exists. As referenced above however, and in the additional documents attached to this testimony, among our membership, there are skilled/professional hirings in the State that very much implicate these issues.

**Amendment 2: Include the provisions in SB 217 for injunctive relief.**

As written, SB 400 is short on remedies. SB 217 includes statutory damages (i.e. fines) which are a necessary motivator. Those fines do not exist in SB 400. While a fine collected from one agency and paid to another agency (the commission) might seem pointless, we think the threat of such an embarrassing outcome might keep some state agencies on track and abiding by the law.

Every AFSCME Maryland State and University contract guarantees a right to union representation.  
An employee has the right to a union representative if requested by the employee.  
800.492.1996

Find us: [afscmemd.org](http://afscmemd.org)  
Like us: [facebook.com/AFSCMEMD](https://facebook.com/AFSCMEMD)  
Follow/Tweet us: [@afscmemoryland](https://twitter.com/afscmemoryland)



All and all, we do sincerely appreciate the efforts to fix existing wage disparities in state government. Adding in our proposed amendments to align this bill more closely with SB 217 would ensure that we have a broad-based approach for doing this in the public and private sectors and ensures an enforcement mechanism to increase the efficacy of SB 400.

For all of these reasons, we urge the committee to adopt these amendments and provide a favorable report. Thank you.

# Maryland

Department of Budget and Management

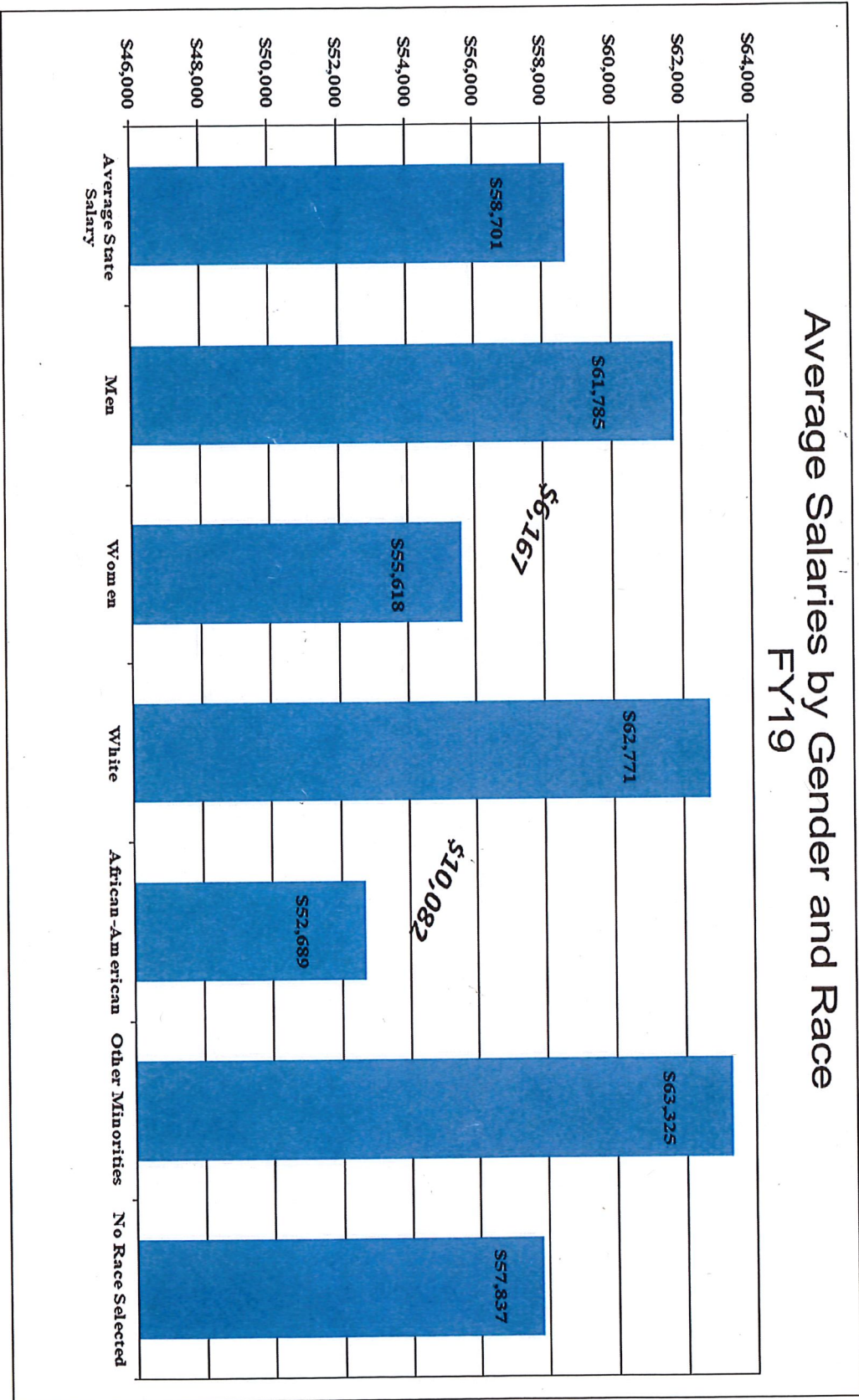


**Annual Statewide Equal Employment  
Opportunity Report - Fiscal Year 2019**

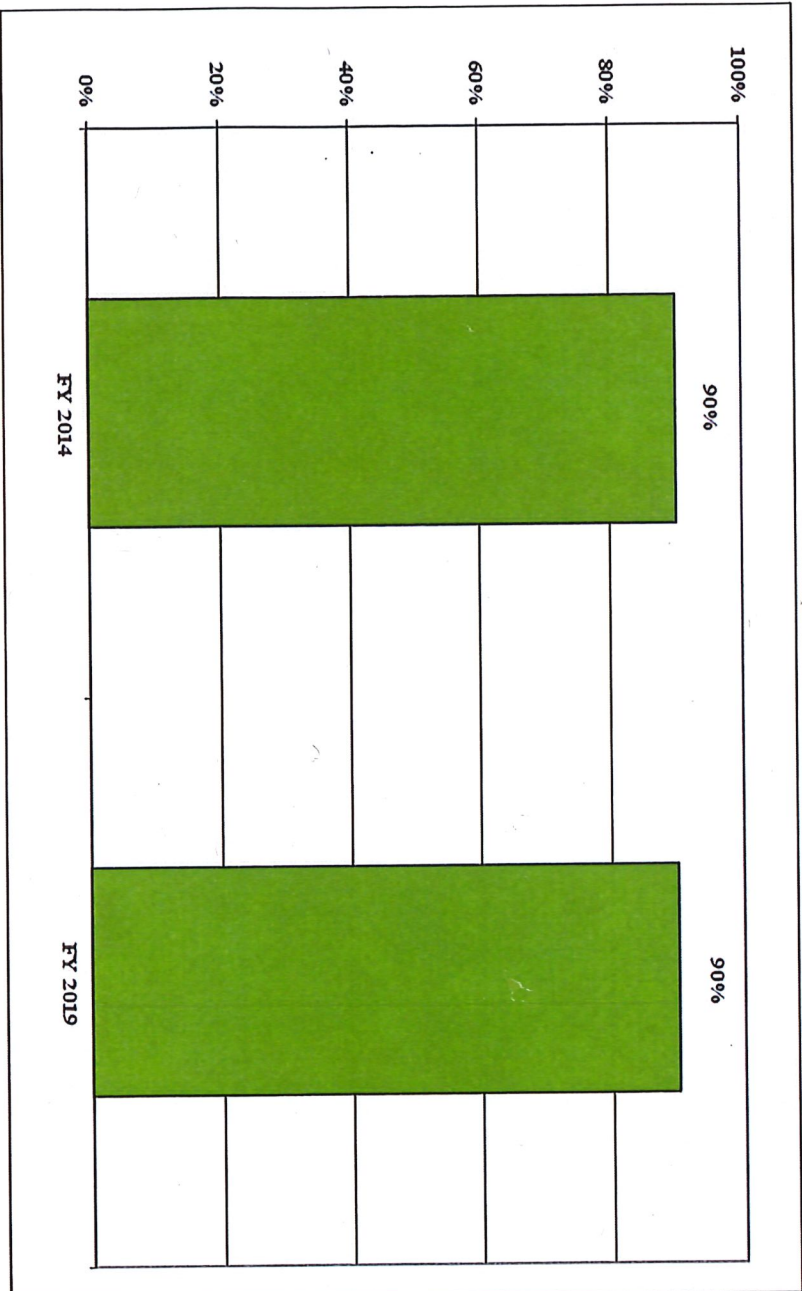


Larry Hogan, Governor • Boyd K. Rutherford, Lt. Governor • David R. Brinkley, Secretary

### Average Salaries by Gender and Race FY19



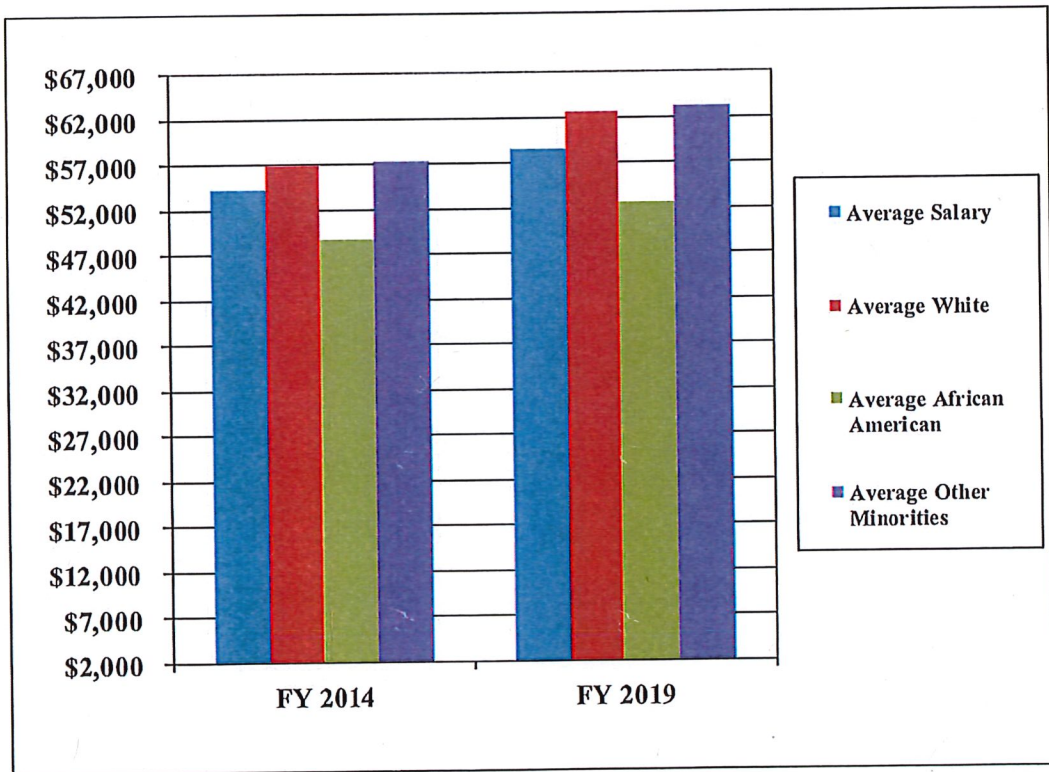
### Average Salary for Women Trails Average Salary for Men





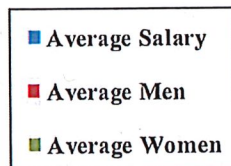
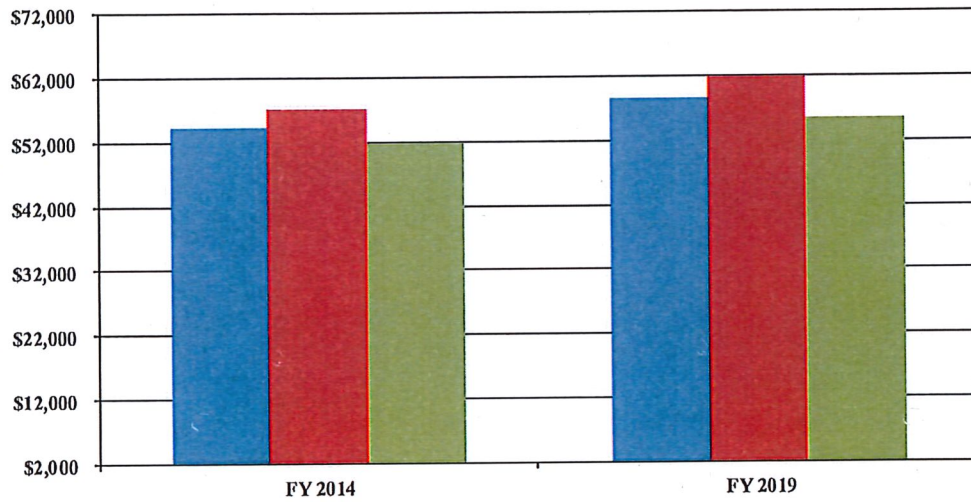
**COMPARISON OF AVERAGE SALARIES BY RACE  
FOR FY 2014 AND FY 2019**

Year	Average Salary	White	African American	Other Minorities
FY 2014	\$54,413	\$57,043	\$48,780	\$57,416
FY 2019	\$58,701	\$62,771	\$52,689	\$63,325



**COMPARISON OF AVERAGE SALARIES BY GENDER  
FOR FY 2014 AND FY 2019**

<b>Year</b>	<b>Average Salary</b>	<b>Men</b>	<b>Women</b>
<b>FY 2014</b>	<b>\$54,413</b>	<b>\$57,155</b>	<b>\$51,670</b>
<b>FY 2019</b>	<b>\$58,701</b>	<b>\$61,785</b>	<b>\$55,618</b>



## **DBM\_INFO\_SB400**

Uploaded by: Wilkins, Barbara

Position: INFO



# Maryland

DEPARTMENT OF BUDGET  
AND MANAGEMENT

LARRY HOGAN  
*Governor*

BOYD K. RUTHERFORD  
*Lieutenant Governor*

DAVID R. BRINKLEY  
*Secretary*

MARC L. NICOLE  
*Deputy Secretary*

## **SENATE BILL 400 State Employment – Wage History and Wage Range (Kagan, et al)**

### **STATEMENT OF INFORMATION**

**DATE: February 20, 2020**

**COMMITTEE: Senate Finance Committee**

**SUMMARY OF BILL:** SB 400 prohibits State agencies, including the Judiciary and Legislature, from seeking and relying on wage history of an applicant when screening, considering the applicant for an interview or employment, or in determining the wages of the applicant. It does not pertain to applicants who are State employees seeking a new position in State government. After making an offer for employment, an Appointing Authority may rely on the wage information if the applicant voluntarily provides the information, without prompting, to support a wage offer higher than the initial wage offered by the Appointing Authority. Appointing Authorities may verify information other than wage history disclosed by the applicant or received in a background check, but it may not be used to refuse to hire or determine the wage of the applicant. An applicant for employment may not bring an action against an Appointing Authority that seeks the applicant's wage history.

Additionally, on or before December 1, 2020, the Department of Budget and Management (DBM) must study the effect of laws in other jurisdictions prohibiting an employer from considering an applicant's wage history on wage disparity based on gender, and report its findings and recommendations to the Governor; and, on or before December 1, 2022 and biennially thereafter, DBM shall study salary equity by gender among State employees and report its findings and recommendations to the Governor.

**EXPLANATION:** Each State Personnel Management System (SPMS) classification has a predetermined grade level, and there are salary guidelines established to define how salaries are determined for various types of hires, e.g., initial appointments, promotions, demotions, reinstatements, etc. Each SPMS agency must abide by the salary guidelines unless they have statutory authority to determine their own salary rules.

It is important to note that the [State Salary Schedules](#) are totally transparent.

Salary offers above base require justification and approval. Depending on the salary being offered, the approval authority falls under the hiring agency or with DBM. Therefore, State agencies request



verification of an applicant's current salary when the applicant makes a demand for a salary above the State offer, pursuant to current State salary guidelines. The State needs to be mindful of hiring new employees at salary levels that are higher than current employees in the same classification. However, an applicant's current pay rate could be an indication of the market rate. There is a distinction between market rate salaries which are best determined through verification, as opposed to the desired salary an applicant seeks –this difference has significant financial ramifications for State personnel costs. If agencies are unable to verify their current salaries, the State is at risk of over inflating the salary offers, with the added financial pressures of having to increase the pay of existing employees performing the same work for purposes of equity and morale.

Chapter 690 of 2018 expresses the General Assembly's concern that paying market rate salaries is creating morale problems among incumbent employees in the same classification who have more seniority and earn less. On January 10, 2020, DBM submitted a report to the General Assembly that outlines a plan to phase-out the practice of hiring a newly appointed employee at a higher pay rate than an incumbent employee who is in the same unit, unless the higher pay rate is based solely on a higher level of relevant qualifications/experience, or an employee transfer.

<file:///S:/Office%20of%20the%20Secretary/2020%20OGR/2020%20Statutory%20Reports/Pay%20Equity%20Report%201.10.20%20Ch%20690%20of%202018.pdf>

Addressing the current wage compression issue by raising salaries of incumbents to match that of new hires entails a burdensome review process with a substantial increase in salary costs. As the report notes, subsequent to negotiations with the unions, it is the intent of DBM's Office of Personnel Services and Benefits to address this issue in FY 2022 and upgrade salaries of existing employees to match the salaries of new hires going forward. Over time, this initiative should provide greater pay equity.

Currently, the State attempts to mitigate the impact of wage compression by seeking verification of applicant's current salary. The combination of disallowing this practice and, at the same time, addressing wage compression magnifies the fiscal impact.

Finally, although this legislation excludes current State employees whose salaries are determined based on their current salary in accordance with DBM's salary rules, the legislation appears to include all other applicants, including reinstatement candidates whose salaries also are determined based on DBM's salary rules.

The research and reporting requirements in this bill could be absorbed within existing resources. DBM's website contains the [FY 2019 Annual EEO Report](#) which provides data concerning salary by race and gender and is updated annually. It is assumed that other jurisdictions which have passed legislation prohibiting a request for wage history have information that will be readily available to DBM regarding the impact of those laws on gender wage disparity.

**For additional information, contact Barbara Wilkins at  
(410) 260-6371 or [barbara.wilkins1@maryland.gov](mailto:barbara.wilkins1@maryland.gov)**