



Testimony to the House Economic Matters Committee
HB649 Labor and Employment - Equal Pay for Equal Work - Wage Range Transparency

February 21, 2024

The Honorable C.T. Wilson, Chair
House Economic Matters Committee
Room 231, House Office Building
Annapolis, Maryland 21401
cc: Members, House Economic Matters

Honorable Chair Wilson and members of the committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide coalition of individuals and organizations that advances economic rights and equity for Maryland families through research, education, direct service, and advocacy. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

Economic Action strongly supports HB 649, which is a common-sense next step to strengthen Maryland's equal pay laws by requiring transparency around salary ranges in job postings.

When an employer shares the range they plan on paying for a position on job postings, it is a win-win for both employers and job seekers. Transparency can also help address the persistent gender- and race-based wage gaps that are holding back Maryland women.

Comparing all men and all women working full time, year-round, women in Maryland are typically paid 85 cents for every \$1 paid to a white, non-Hispanic man. But the wage gap is worse for many women of color compared to white, non-Hispanic men:

- Latina women: 49 cents
- Black women: 67 cents
- Native American women: 57 cents
- Asian American women: 85 cents

HB 649 would help address this by requiring that all job listings include the salary range for the position. Research shows that when job applicants are clearly informed about the context for negotiations, including the salary range, gender differences in negotiation outcomes diminish, which could help narrow gender wage gaps. Providing applicants with a salary range that the employer is willing to pay helps level the negotiating playing field by giving applicants important information that can inform an initial offer that is less tied to their previous pay levels or personal identity. Six states have passed laws specifically requiring pay ranges while legislatures in Virginia, Washington D.C., and Massachusetts recently passed their own pay range transparency laws, which are awaiting final approval.



Many employers in Maryland, including state and local governments and institutions like Johns Hopkins, already use this best practice. Transparency helps businesses better attract and retain talent, and it avoids the potential wasted time from interviewing candidates who are seeking a salary outside the business's budget for the position.

However, there are still too few businesses providing salary ranges. Recent polling in Maryland showed that two-thirds of respondents have never worked for an employer that posts pay ranges for open roles, even though nearly three in four (74%) support implementing pay range transparency practices at their own workplace. Passing HB 649 would provide an opportunity to educate more businesses about this best practice and ensure a level playing field for all applicants.

We respectfully request that the committee make a favorable report on HB 649.

Best,
Zoe Gallagher
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