

Testimony to the House Economic Matters Committee HB 123: Labor and Employment – Wage History and Wage Range Position: Favorable

February 04, 2019

Dereck E. Davis, Chair, House Economic Matters Committee House Office Building Room 231 Annapolis, MD 21401 Cc: Members, Economic Matters

Honorable Chair Davis and Members of the Committee:

MCRC is a statewide coalition of individuals and organizations that advances economic inclusion and financial justice through research, consumer education, direct service, and advocacy. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland. I write today in support of HB 123.

Transparency is a cornerstone of consumer protection. Consumer advocates believe that individuals need access to information to prevent market asymmetries. Failure to provide a clear salary range is a barrier to entry for many candidates – deterring some worthy candidates from applying for a position because the individual isn't assured that the salary will be commensurate with their needs. This opaqueness can also cost the employer time and energy interviewing prospective employees who may turn down a proffered position once they learn the salary requirements.

In addition to transparency, MCRC's work focuses on expanding economic rights in Maryland. For employers to require and use salary history as a basis for setting the salary range for a new employee exacerbates existing inequalities for women and people-of-color – particularly women-of-color. Women and women-of-color traditionally have earned less for the same level of work and with higher qualifications. Basing future salary off of a history of being underpaid simply widens this gendered pay gap. Additionally, asking people what they earned in their past jobs is a violation of their privacy.

For transparency, equity, and privacy reasons, we support HB 123 and urge a favorable report.

Best,

Marceline White Executive Director