

RE: SUPPORT for HB 123/SB 217

February 4, 2020

Dear Members of the House Economic Matters and Senate Finance Committees,

I write to express my support for HB123/SB217. The U.S. Women's Chamber of Commerce (uswcc.org) supports meaningful efforts to address the problem of unequal pay in Maryland, and we believe this bill will accomplish that goal. The USWCC is the leading advocate for women on economic, business, and leadership issues. As the economic and business leader for women, the USWCC creates opportunities, drives progress, advocates, and provides tools and solutions to support the economic growth of women across America. The organization is a not-for-profit 501(c)6 organization founded in 2001 with over 500,000 members and headquartered in Washington, D.C.

By ending reliance on job applicants' salary history to set pay and increasing employer transparency around salary ranges, HB123/SB217 provides businesses a crucial tool that will help them set pay in a way that does not introduce gender and racial wage gaps into their workplace. Given that women are typically paid lower salaries than men, women are immediately at a disadvantage in negotiating and setting pay when a new employer asks for their prior salary. This practice unfairly and unjustifiably condemns women to depressed salaries throughout their careers, perpetuating gender pay gaps that hurt women, their families, and the Maryland economy.

Many businesses recognize that relying on applicants' salary history is a harmful business practice and that pay should be set based on applicants' experience, skills, track record, and the responsibilities they will be assuming, not on what they made in their past job. These employers are able to recruit the best talent and decrease their exposure to costly pay discrimination litigation by avoiding the unjustified gender wage gaps that arise from relying on salary history. Moreover, when pay is transparent and set fairly, employees tend to be more focused, dedicated, and productive, which helps businesses' bottom line.

USWCC members and women business owners nationwide seek to offer fair pay, higher wages and benefits to their employees because many of them have previously been in workforces that did not offer these critical things. Strong equal pay laws level the playing field for employers that are already striving to pay equally for equal work—which is especially important to women-owned firms that already pay fairly.

At a time when more families than ever before are relying on women's income, closing the wage gap means more economic security for families. Providing equal pay means putting more money in families'

pockets to purchase goods and services not otherwise afforded. More money in workers' pockets means more money in consumers' pockets which will drive the local economy.

HB123/SB217 strengthens the state's existing equal pay law in ways that benefit women, their families, businesses, and the economy.

Speaking on behalf of small business owners who are already doing the right thing and offering equal pay for equal work, I urge the Maryland legislature to pass HB123/SB217 to meaningfully address the problem of unfair wage disparities.

Sincerely, Marst Defn

Margot Dorfman, CEO U.S. Women's Chamber of Commerce