



**Testimony in Support of HB123
State Employment – Wage History and Wage Range
Tuesday, February 4, 2020**

TO: The Honorable Dereck E. Davis, Chair; The Honorable Kathleen M. Dumais, Vice Chair; and Members of the House Economic Matters Committee

FROM: Laura E. Irwin, Chair, Montgomery County Community Action Board

As advocates for the low-income community, the Montgomery County Community Action Board strongly supports HB123. Our Board's role is to advocate for policies and programs that promote equity and help residents move towards self-sufficiency. By prohibiting the use of salary history in hiring practices as HB123 does, those who have faced previous discrimination based on gender and/or race will be in a better position to improve their situations. Last year, Montgomery County passed a Pay Equity Bill, supported by our Board, that prohibited Montgomery County Government from asking about wage history for individuals seeking County merit positions. We ask for your support of HB123, which will ban this unfair practice in State Government hiring.

Despite the fact that Montgomery County is one of the wealthiest counties in the country, there are major gaps in pay between men and women and between African American and Hispanic and white residents. Disparities exist at every level of educational attainment. For full-time workers, the median income is \$78,493 for men and just \$64,859 for women. The disparities along racial and ethnic lines are even more pronounced. The median income for non-Hispanic white households is \$126,199, and just \$76,138 for African American households and \$75,576 for Hispanic households.¹

Our Board has been a longtime advocate for the Self-Sufficiency Standard, which provides a more accurate measure of the true cost of living in a given geographic area for a specific family type. The County residents who are above or below the Self-Sufficiency Standard reflect the disparities addressed by this bill. Countywide, 31% of female householders are below the Self-Sufficiency Standard, while only 25% of male householders are below the Standard. These disparities are even more pronounced based on race and ethnicity. While 14% of white households are below the Self-Sufficiency Standard, an astounding 44% of African American households and 54% of Hispanic households are below the Standard.²

¹ 2017 American Community Survey census.gov

² Montgomery County Interactive Self-Sufficiency Standard montgomerycountymd.gov/communityaction

When employers are allowed to ask about pay history, those who experience pay discrimination based on gender and/or race are at an endless disadvantage. Their lower salaries will constantly be used to justify lower salary offers, creating an endless cycle of lower wages throughout a person's career. Our Board believes that salaries should be based on experience and qualifications, not prior wages.

We ask that you support this bill and continue to explore policies that will promote equity and increase self-sufficiency for residents, including wage increases, work supports, and added funding for educational and workforce development programs.