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HB 832: Labor and Employment - Equal Pay for Equal Work - Wage Range Transparency

Hearing of the House Economic Matters Committee, February 28, 2023

Position: Favorable

The Public Justice Center (PJC) is a not-for-profit civil rights and anti-poverty legal services organization which seeks to advance social justice, economic and racial equity, and fundamental human rights in Maryland. Our Workplace Justice Project works to expand and enforce the right of low-wage workers to receive an honest day's pay for an honest day's work. The PJC **supports HB 832**, a common-sense bill requiring employers to include pay ranges in job announcements.

Workers overwhelmingly support pay range or salary transparency in job postings. In fact, 98% of workers believe that employers should disclose salary ranges in job postings. Job seekers, understandably, want to know – upfront – what they can expect to be paid before they apply for a job.

Adding pay ranges to job announcements closes the wage gap for women and people of color. Women are paid less money for the same work in every single state. Census data from the most recent American Community Survey shows that this wage gap also varies significantly by race. As of March 2021, for every \$1 a white male makes in Maryland:

- A white woman makes 79 cents
- A black woman makes 68 cents
- And a Latina woman in Maryland makes 46 cents for the same exact work.

The wage gap translates into an annual median loss of approximately \$24,110 for Black women and \$29,000 for Latina women. Pay secrecy perpetuates pay disparities and keep many working women of color in poverty.

Adding pay ranges to job announcements levels the negotiating playing field for job candidates. Research has shown that when job applicants are clearly informed about the context for salary range negotiations, the actual negotiated salary outcomes are far more equal between men and women.

Salary range transparency helps employers attract and retain talent while saving everyone time and money throughout the hiring process. Currently about 30 million workers in the U.S. are now entitled to a pay range when applying to a job. Maryland workers also deserve this upfront pay range transparency.

For these reasons, the PJC requests a **FAVORABLE** report on HB 832. Should you have any questions, please call Diana Jarek at 410-625-9409 ext. 249.

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