



HOUSE ECONOMIC MATTERS COMMITTEE

House Bill 832

Labor and Employment – Equal Pay for Equal Work – Wage Range Transparency

February 28, 2023

Information

Chair Wilson, Vice-Chair Crosby and members of the Committee, thank you for the opportunity to provide information on House Bill 832. House Bill 832 could have potentially significant operational and fiscal impacts for the institutions that comprise the University System of Maryland (USM).

The bill mandates that written vacancy announcements include wage, benefit and other compensation information. This condition alone requires a review of **all** existing vacancy announcements and the creation of templates for future announcements to ensure that all announcements meet the provisions of the proposed legislation. In addition, institutions would likely have to create a webpage that provides current and updated information on salary ranges by position, as well as benefits.

House Bill 832 also requires institutions to keep records of vacancy announcements and information shared with each applicant and employee being considered for open positions, transfers and promotions. As an example, the University of Maryland, College Park employs over 10,200 regular and non-regular faculty and staff, approximately 2,000 hourly faculty and staff, and over 5,600 students as of February 2023. The administrative burden associated with tracking, documenting, and potentially reporting out on over 17,000 positions has the potential to be substantial.

The fiscal impact of HB 832 will be substantial. Under current law, violations of these provisions of equal pay for equal work may result in civil fines of \$300 or \$600 depending on the circumstances. House Bill 832 would increase those fines to \$1,000 or \$5,000 per employee and/or applicant where there is a compliance issue. For example, if an institution inadvertently posted a vacancy announcement that did not include the required wage, benefit and compensation information, and five people applied, then the institution could be fined between \$5,000 and \$25,000 for a single violation. The liability associated with this civil penalty structure could be enormous given the thousands of positions across the USM.

Moreover, the creation of a cause of action in House Bill 832 where employees and applicants could file a lawsuit, secure injunctive relief, be awarded damages of up to \$10,000 and receive an undefined amount of attorney fees has the potential for substantial liability.

Thank you for allowing the USM to share these comments regarding House Bill 832



About the University System of Maryland

The University System of Maryland (USM)—one system made up of 12 institutions, three regional centers, and a central office—awards 8 out of every 10 bachelor’s degrees in the State of Maryland. The USM is governed by a Board of Regents, comprised of 21 members from diverse professional and personal backgrounds. The chancellor, Dr. Jay Perman, oversees and manages the operations of USM. However, each constituent institution is run by its own president who has authority over that university. Each of USM’s 12 institutions has a distinct and unique approach to the mission of educating students and promoting the economic, intellectual, and cultural growth of its surrounding community. These institutions are located throughout the state, from western Maryland to the Eastern Shore, with the flagship campus in the Washington suburbs. The USM includes Historically Black Colleges and Universities, comprehensive institutions, research universities, and the country’s largest public online institution.

USM Office of Government Relations - Patrick Hogan: phogan@usmd.edu