

MHILA
Maryland Hotel
Lodging Association

HB 832
Labor and Employment – Equal Pay for Equal Work – Wage Range Transparency
Economic Matters Committee
February 28, 2023

Position: Opposed

Dear Chair Wilson and Members of the Committee:

Three years ago, the Maryland General Assembly passed HB 123, an Act concerning “Wage History and Wage Range”. Since October 1, 2020, all Maryland employers are required to share the salary range for a position if an applicant asks for it. HB 832 undermines that approach by requiring an employer to disclose the hourly or salary wage range in each public and internal job posting for an open position.

Employers in competitive industries, including hotels, may not advertise salaries in order to utilize their pay structure as a way in which to lure talented employees. Not having a pay range listed benefits workers in those instances. In industries where everyone makes the same lock-step wages, employees tend to lose out because there is no opportunity for growth based on performance or experience. Further, an employee may assume a pay scale accurately captures the current market for a specific position yet could be wrong. Employers need flexibility to adjust to the market, without disclosing pay scales to competitors.

Additionally, it is unlikely that posting salary ranges will provide much benefit. Employers determine the appropriate wage and salary to pay an applicant based upon various factors, including skill, education, and prior experience, as well as the funding available for the job. Employers will feel compelled to enlarge the pay scale in order to create sufficient room to adjust that rate, depending on the various factors and varied candidates for the job. Such a broad pay scale will not assist an applicant in negotiations.

Furthermore, we feel the record keeping and disclosure requirements imposed in this bill are burdensome and overly time consuming. The expansion of a private right of action to applicants could expose employers to unlimited frivolous lawsuits by individuals who never even intended to apply for a position, which causes great concern for our members.

The Maryland Hotel Lodging Association respectfully requests an Unfavorable report on HB 832.