



HB 832 - Labor and Employment - Equal Pay for Equal Work - Wage Range Transparency
House Economic Matters Committee
February 28th, 2023
SUPPORT

Chairman Wilson, Vice-Chair and members of the committee, thank you for the opportunity to submit testimony in support of House Bill 832. This bill will strengthen Maryland's equal pay laws by requiring transparency around salary ranges in job postings.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

Increased transparency about the possible salary range for a position during the hiring process improves the experience both for job-seekers and employers. Transparency can also help address the persistent gender- and race-based wage gaps that are holding back Maryland women. Comparing all men and all women working full time, year-round, women in Maryland are typically paid 86 cents for every \$1 paid to a man. But the wage gap is worse for many women of color compared to white, non-Hispanic men.

HB 832 would help address this by requiring that all job listings include the salary range available for the position. Research shows that when job applicants are clearly informed about the context for negotiations, including the salary range, gender differences in negotiation outcomes diminish, which could help narrow gender wage gaps. Providing applicants with a salary range that the employer is willing to pay helps level the negotiating playing field by giving applicants important information that can inform an initial offer that is less tied to their previous pay levels or personal identity.

Many employers in Maryland, including state and local governments and institutions like Johns Hopkins, already use this best practice. Transparency helps businesses better attract and retain talent, and it avoids the potential wasted time from interviewing candidates who are seeking a salary outside the business's budget for the position. A Glassdoor survey found nearly 2 in 3 employees prefer to work at a company that discloses pay information over one that does not. Another survey found 98% of respondents believe employers should share salary ranges in job postings and more than half would not even apply for a job that does not disclose the salary range.

Thus, we encourage you to return a favorable report for HB 832.

Creating Assets, Savings and Hope