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Senate Bill SB525 Labor and Employment – Equal Pay for Equal Work – Wage Range Transparency Senate Finance Committee – February 22, 2024 SUPPORT

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club (WDC)** for the 2024 legislative session. WDC is one of Maryland's largest and most active Democratic clubs with hundreds of politically active members, including many elected officials.

WDC urges the passage of <u>SB525</u> Labor and Employment – Equal Pay for Equal Work – Wage Range Transparency. This bill will strengthen Maryland's existing wage transparency law by requiring that employers must disclose in a public or internal posting for each job, promotion, transfer, or other employment opportunity, the hourly or salary wage or wage range, and a general description of the benefits and other compensation offered for the position. This bill clarifies that the wage transparency requirements apply to all Maryland businesses, regardless of where the employees are physically located. This bill also requires employers to maintain compliance records for at least three years and establishes damages for non-compliance.

This bill removes the burden from job applicants and employees of requesting salary information. It recognizes that employees are increasingly teleworking away from their physical offices. It also strengthens record keeping requirements and provides remedies for non-compliance. Studies^{1,2} have shown that women often ask for less than men when they negotiate for salaries, even when the women applicants are otherwise equally qualified. Because of historical inequities, women's salary history may not reflect the true value of their knowledge, skills, and experience. Basing pay offerings on prior wages compounds this inequity. Women continue to make 78 cents for every dollar a white male makes. This inequity is significantly greater for women of color, where Black women make 67 cents and Latina women make 52 cents for every dollar a white male makes. Wage transparency is an important tool to close these wage gaps and ensure equal pay for equal work.

We ask for your support for SB525 and strongly urge a favorable Committee report. Passage of this legislation will help close existing pay gaps caused by wage inequities.

Tazeen Ahmad Ginger Macomber Cynthia Rubenstein WDC President WDC Working Families Committee Co-Chair, WDC Advocacy

¹ Why do women ask for less? https://www.sciencedirect.com/science/article/pii/S0927537122000951#sec0008

² Women Don't Ask: Negotiation and the Gender Divide https://ucd-advance.ucdavis.edu/post/women-dont-ask-negotiation-and-gender-

divide#:~:text=Women%20are%20more%20pessimistic%20about,30%20percent%20less%20than%20men.