



LEGISLATIVE POSITION:

Unfavorable

Senate Bill 525 – Labor and Employment - Equal Pay for Equal Work - Wage Range

Transparency

Senate Finance Committee

Thursday, February 22, 2024

Dear Chairwoman Beidle and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 6,800 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

SB 525 would place new requirements on employers to publish certain wage information when posting for a new job, promotion, transfer, or other employment opportunity. If an employer knowingly violates provisions of the bill the affected employee or applicant can bring an action against the employer for damages up to \$10,000.

As introduced, SB 525 raises compliance questions and generates additional burden for employers. The bill does not address the simple fact that online job postings are seen by others outside of Maryland or consider postings for work that may be done remotely. It is common practice for Maryland employers to set wage ranges under the assumption the job will be performed locally here in Maryland or for a specified region. Would a Maryland wage range viewed by someone in another state meet the “good faith” standard outlined in SB 525? The Maryland Chamber would suggest looking toward Connecticut’s law which applies only to employers within the state and does not apply to national employers located outside Connecticut. However, their law does consider companies that have a subsidiary located within the physical confines of the state. Adopting language to this effect would help clarify a major concern regarding remote workers but could also address the compounding burden of complying with the laws of other states. Without language limiting the scope, complying would require a business to post the wage range for Maryland, Colorado, California, New York City, etc. to an online job posting to account for all areas an applicant may view the posting from.

The record keeping requirements for an employer to retain all “compliance” records for each job, promotion, transfer, or other employment opportunity is overly burdensome. Employers would need to keep track of every disclosure, things as simple as conversations with potential applicants, for at least three years. At a minimum, this provision should be limited to apply only to job postings as a more reasonable approach.

While the Chamber believes the simplest explanation would be to retain Maryland's current law that an employer **must** provide a wage range to an applicant when asked, addressing the concerns on the treatment of postings that may be viewed outside of Maryland, or for positions that may be done remotely, and the onerous record keeping requirements are critical since the bill allows for employees or applicants to bring a private right of action against an employer for violating any part of the bill.

Given the far-reaching and negative impacts of this legislation, the Maryland Chamber of Commerce respectfully requests an **Unfavorable Report on SB 525**.

MDCHAMBER.ORG

60 West Street, Suite 100, Annapolis 21401 | 410-269-0642

