



February 13, 2020

The Honorable Delores D. Kelley, Chair  
Finance Committee  
Miller Senate Office Building  
Annapolis, MD 21041

Re: SB 217 Labor and Employment - Wage History and Wage Range - OPPOSE

Dear Chair Kelley and members of the Committee,

The Maryland Association of CPAs represents nearly 9,000 Certified Public Accountants throughout the state. MACPA members are committed to protecting the public interest and upholding the core values of integrity and ethics. We commend the sponsors of SB 217 for addressing the important issue of equal pay within each sector of our economy.

For our member firms, achieving pay equity is not only the right thing to do, it is a critical business decision. Recruiting and retaining highly talented individuals of all genders, races, ethnicities, etc., is critical to the well-being of all businesses, especially accounting firms. Employers cannot continue to compete for talent without addressing equal pay. Our firms provide flex-time, mentorship programs, blind evaluations, and many other inclusion initiatives to provide a diverse and equitable workforce and executive leadership team. We know a diverse profession is a sustainable profession.

Regrettably, the provision in SB 217 that prohibits an employer from asking about current salary during the hiring process does not seem workable. Collecting current salary information is the way employers determine typical market compensation for candidates. Prohibiting this practice will likely limit company growth and competitiveness. It will hinder Maryland firms from hiring the most qualified candidates and attracting out-of-state talent.

The requirements in SB 217 to provide the wage range for a position to an applicant for employment is problematic. Suppose a CPA firm sets a pay scale and through the interview process finds a person they like, but the individual has less experience or fewer credentials than identified required for the position. A firm's options in this case are to (1) not offer the job, or (2) redo the pay scale in order to hire the individual. Most firms will end up not offering the job.

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Companies of all shapes and sizes are deploying proven methods for addressing pay equity, such as mentorships programs, blind evaluations and hiring practices, standardized salaries, flexible schedule for working parents, and the like. We firmly believe legislation should account for these programs as legitimate ways to address pay equity so companies that are already working toward a solution can continue to do so without interruption. For these reasons, we respectfully request an unfavorable report for SB 217.

Sincerely yours,

A handwritten signature in black ink, appearing to read "J. Thomas Hood, III". The signature is fluid and cursive, with a large initial "J" and "H".

J. Thomas Hood, III, CPA  
CEO & Executive Director

cc: Nick Manis, Manis Canning & Associates