



THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

February 21, 2024

**Testimony in Support of House Bill 649  
Labor and Employment - Equal Pay for Equal Work - Wage Range Transparency**

Good afternoon Chair Wilson, Vice Chair Crosby and members of the House Economic Matters Committee. Thank you for the opportunity to present HB 649 for your consideration. First, I would like to recognize and thank Del. Pam Queen for laying the foundation for this bill, as HB 649 is a reintroduction from the 2023 legislative session. While this bill is being reintroduced, HB 649 is a *new* bill, with new provisions and language that will build upon existing equal pay laws. New provisions and language in HB 649 include the following components:

*Section 3-301*

- New language that provides a definition and clarification of “posting”;

*Section 3-304.2*

- Added language to specifically define the jobs that would be applicable under this subsection;
- Removes the requirement that a wage range be provided to current employees annually.
- Further clarification of when wage ranges are shared with applicants;
- Recordkeeping requirements were updated to a three year requirement;
- Increased civil penalties were removed and were left “up to \$300” and “up to \$600” for the second violation and subsequent violation, respectively.

HB 649 is about transparency, requiring employers to include wage ranges, general description of benefits, and other compensation in job positions. I am pleased to share that this is a Women’s Caucus legislative priority and priority for the Maryland Legislative Agenda for Women.

***The Issue***

Women who work full time in [Maryland](#) earn 85 cents for every dollar paid to their male counterparts. In comparison, Black women in [Maryland](#) make 67 cents for every dollar paid to non-Hispanic white men. On average nationally, the [National Women’s Law Center](#) reports that these gaps in earnings translate to \$9,990 less per year in median earnings and when we

compound that over their lifetime of work, it leaves women and their families shortchanged. For [Black women in Maryland](#), these losses translate to **\$1,086,560 in their lifetime of work due to the wage gap**. Systemic racism paired with gender inequities, has led to Black women and other women of color earning significantly less and being robbed of building and protecting generational wealth. Pay discrimination thrives in the shadows.

Within the context of pay negotiations, research suggests that these negotiations are unfavorable to women, especially women of color. Women who negotiate pay tend to get turned down more often and end up with less than men who negotiate. Employers tend to perceive women who negotiate as greedy and aggressive, and some research shows that women often ask for less when they negotiate than men because they do not want to be negatively perceived. At the negotiation table, [Forbes](#) reports that women of color state dramatically lower minimum salary requirements than white men, white women, and men of color.

When job applicants are informed about the context for negotiations, like wage ranges, these gender differences in negotiation [outcomes diminish](#). Requiring employers to be publicly transparent about pay ranges shines a light on employer pay practices, increases accountability on employers to set fair, non-exploitative wages, and promotes more formal pay practices. Wage transparency is a tool that our state can use to better position women to be informed about the negotiation context, saves time and resources for all workers on where to apply, and how to position themselves for success. Most importantly, further transparency is a tool that will allow us to address the racial and gender wage gap.

### ***The Benefits***

This wage transparency bill is a win-win for women and our Maryland businesses. Surveys conducted by entities like [Monster](#) have shown that an overwhelming majority of job candidates prefer to work at a company that discloses pay information and that 98% of workers believe an employer should disclose pay ranges in job announcements. In fact, this poll reports that 53% of job applicants will not apply for a position if the job posting doesn't include the pay range. [Adobe's Future Workforce Study](#) of upcoming college seniors and recent college graduates revealed 85% are less likely to apply for a position if the company does not disclose the salary range in the job posting. The Society for Human Resource Management (SHRM) [found that](#) 70% of organizations that list pay ranges on job postings say that doing so has led to more people applying to their postings; and nearly two-thirds (66%) say that doing so has increased the quality of applicants they are seeing.

When employees operate within an environment with pay transparency, it helps employers retain talent by increasing employee [trust, job satisfaction, loyalty, productivity](#), and perceptions of employers' fairness. Beyond the employee, wage range transparency saves businesses time and money. Prior testimony from Well-Paid Maids, a small business that operates in Maryland and Virginia, shared that they include a pay rate in all posted job

opportunities because otherwise a great deal of time would be wasted reviewing applications and engaging with candidates who would never consider working for what they can pay. Businesses also testified that when they are upfront about their pay, they review applications for fit and qualifications, not whether they can afford the applicant.

### ***Sponsor Amendments***

As the bill sponsor, I have reached out to organizations well in advance and maintain a fervent desire to work collaboratively with stakeholders to address outstanding issues. After discussion with the Department of Labor, I have accepted their amendments, which addresses the fiscal note and would ensure general fund expenditures for the Maryland Department of Labor to increase by no more than \$100,000 in FY 2025. This will be elevated further in the Department of Labor's testimony. We recognize that the business community may have additional concerns and look forward to working collaboratively outside of committee and in subcommittee to identify other amendments that satisfy all stakeholders.

### ***The Opportunity***

A [recent poll](#) from the National Women's Law Center shows that **74%** of Marylanders surveyed support implementing pay range transparency practices at their own workplaces; **62% prefer job postings with a pay range when applying for a job**; and 46% applied for a job opening that would not have otherwise interested them as a result of the pay range listed alongside it.

Marylanders desire wage transparency. More importantly, HB 649 offers women and Marylanders of color with the opportunity to accrue wealth and protect wealth for future generations. This bill, which is different from previous years, presents us with an opportunity that will benefit workers *and* employers.

I respectfully request a **FAVORABLE** report.

Thank you for your consideration,



Delegate Jennifer White Holland