

Testimony in SUPPORT of SB 525

Labor and Employment - Equal Pay for Equal Work - Wage Range Transparency

Senate Finance Committee

I strongly support SB 525, which is a common-sense next step to strengthen Maryland's equal pay laws by requiring transparency around salary ranges in job postings.

As a woman, I support the Wage Transparency Bill because it aligns with my core mission of advocating for gender and racial equality in our society. With a longstanding commitment to encouraging Black women and addressing systemic disparities, I recognize the critical importance of transparency in wages to combat wage discrimination. The Wage Transparency Bill provides a vital framework for promoting fairness and accountability in the workplace by requiring employers to disclose salary ranges for job openings. This legislation not only empowers employees to negotiate fair compensation but also fosters a culture of transparency that helps dismantle pervasive gender and racial wage gaps. By championing this bill, I aim to advance economic justice and create equitable opportunities for Black women in Baltimore and beyond. When an employer shares the range, they plan on paying for a position on job postings, it is a win-win for both employers and job seekers. 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 85 cents for every \$1 paid to a white, non-Hispanic man. But the wage gap is worse for many women of color compared to white, non-Hispanic men:

- Latina women: 49 cents
- Black women: 67 cents
- Native American women: 57 cents
- Asian American women: 85 cents

SB 525 would help address this by requiring that all job listings include the salary range 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. Six states have passed laws specifically requiring pay ranges while legislatures in Virginia, Washington D.C., and Massachusetts recently passed their own pay range transparency laws, which are awaiting final approval.

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.

However, there are still too few businesses providing salary ranges. Recent polling in Maryland showed that two-thirds of respondents have never worked for an employer that posts pay ranges for open roles, even though nearly three in four (74%) support implementing pay range transparency practices at their

own workplace. Passing SB 525 would provide an opportunity to educate more businesses about this best practice and ensure a level playing field for all applicants.

We respectfully request that the committee make a favorable report on HB 649.

Sincerely,

Trina Fernandez-Epps