



## **HB0123 – Labor and Employment – Wage History and Wage Range**

Presented to the Honorable Dereck Davis and Members of the Economic Matters Committee

January 4, 2020 1:00 p.m.

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### **POSITION: SUPPORT**

NARAL Pro-Choice Maryland **urges the House Economic Matters Committee a favorable report on HB0123 – Labor and Employment – Wage History and Wage Range**, sponsored by Delegates Karen Young, Shaneka Benson, and Diana Fennell. This is a measure designed to, on request, require employers to clearly state the rate of pay for any employment position and prohibit employers in requiring salary history information of job applicants in order to determine the salary or pay rate.

Our organization is an advocate for reproductive health, rights, and justice. We strive to ensure that every individual has the freedom to decide their reproductive future, and that they have full accessibility to fulfill their reproductive needs. The pay gap today is a major threat to these freedoms, in particular the right to be fairly compensated which affects the right to parent with dignity. HB0123 seeks to set a standard of transparency in the work place so applicants and employees may identify instances of wage discrimination in the workplace.

There are women throughout our state that have experienced an employer setting salary or pay rate based upon wages received in prior employment, rather than seeking to fairly compensate a worker based upon prior experience, skills, and scope of responsibilities for the position as advertised. Female workers who experience unfair compensation often find themselves remaining in lower pay ranges than their male peers, perpetuating the cycle of low pay that frustrates the ability for families to decide if, when, and how many children to have. This is why pay inequality is a reproductive justice issue. Salary history being used as a baseline for future compensation is extremely detrimental to individuals who have been punished by previous employers for temporarily downscaling positions to have a child, or to care for a child or family member. The pay gap, reinforced by the salary history question, prevents individuals from being properly compensated. In Maryland, white women make 86 cents to the dollar a non-Hispanic white male makes, while Black women make 68 cents, and Latinx women make 47 cents.<sup>1,2</sup> The sexist and racist wage gap is outdated, and is being reinforced through the use of requiring employees to submit salary histories.

Stopping the reliance on salary history is a nationwide issue. Thirteen states have passed laws prohibiting the use of salary history, and many state agencies in other states have done the same. The state salary history bans have shown an improvement in narrowing the gender wage gaps<sup>3</sup>. It is time that Maryland makes this effort to even the playing field for earning potential. Everyone should have control over when, how, and if they become parents, and fair compensation will help people to make their decision confidently, and with dignity. Therefore, **NARAL Pro-Choice Maryland urges a favorable report on HB0123**. Thank you for your time and consideration.

<sup>1</sup>National Women's Law Center (NWLC) calculations based on 2014-2018 American Community Survey Five-Year Estimates (<http://www.census.gov/acs/www/>)

<sup>2</sup>ibid

<sup>3</sup>McNichols, D. (2019) *Information and the Persistence of the Gender Wage Gap; Early Evidence from California's Salary History Ban*. SSRN: <https://ssrn.com/abstract=3277664> or <http://dx.doi.org/10.2139/ssrn.3277664>.