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Testimony on behalf of the Greater Bethesda Chamber of Commerce

In Opposition to Senate Bill 525—Labor And Employment—Equal Pay for Equal Work—Wage Range Transparency February 21, 2024 Senate Finance Committee

The Greater Bethesda Chamber of Commerce (GBCC) was founded in 1926. Since then, the organization has grown to more than 570 businesses located throughout the Greater Bethesda area and beyond. On behalf of these members, we appreciate the opportunity to provide written comments in opposition to Senate Bill 525— Labor and Employment—Equal Pay for Equal Work—Work Range Transparency.

Senate Bill 525 expands the applicability, requirements, and penalties of the State's Equal Pay for Equal Work Law. Because several of the bill's requirements make it challenging for employers from a compliance perspective, the Greater Bethesda Chamber of Commerce must oppose the bill. First, the bill does not include a definition of "good faith." This has been an issue in other jurisdictions, including New York, as lack of clarity and definition have made complying with 'good faith' provisions challenging. Also, this bill applies to third parties, including recruiters. Other states have ended up removing third parties/recruiters from bills like this because of potential liability. The right of private action included in this proposed legislation is also problematic for employers, especially smaller employers.

For these reasons and others, we urge an unfavorable vote on Senate Bill 525.