

February 23, 2023

The Honorable Jamie Becker-Finn Chair Judiciary Finance and Civil Law Committee Minnesota House of Representatives 559 State Office Building St. Paul, MN 55155 The Honorable Peggy Scott Republican Lead, Judiciary Finance and Civil Law Committee Minnesota House of Representatives 335 State Office Building St. Paul, MN 55155

Re: HF 1625

Dear Chair Becker-Finn, Lead Scott, and Members of the Committee:

Legal Aid writes to express its support for HF 1625. Inquiring into salary history results in discriminatory treatment of women and persons of color. Passage of HF 1625 would help remedy this inequity.

As recent studies and other research attests, passage of HF 1625 would facilitate pay equity, not only gender pay equity, but also pay equity for BIPOC workers. The National Women's Law Center notes that "[e]mployers' use of this information in the hiring process has a disproportionately negative impact on women and people of color, who face conscious and unconscious discrimination in the workplace and, consequently, are paid lower wages, on average, than white, non-Hispanic men." As a June 2020 Boston University Law School study found, "[a]sking about past salary indeed does result in wage gaps for women and Black and Indigenous person, and persons of color."

Women make, on average, just 80% of what men make for similar work.³ The gap is even bigger for women of color.⁴ According to a recent article, 19 states have enacted salary history laws"⁵ The Boston University Law School study found that <u>salary history laws are working</u>.⁶ In states where salary history laws exist, the study found that "[w]omen earned 8% to 9% more, and Black workers 13% to 16% more, than similar workers in neighboring states that did not have salary history laws."⁷ LSAP urges passage of HF 1625. Thank you for considering LSAP's views.

Sincerely,

Ron Elwood

Supervising Attorney

Rom Elwark

 $^{^1\, {\}sf National\ Women's\ Law\ Center}, \textit{Asking\ for\ Salary\ History\ Perpetuates\ Pay\ Discrimination\ From\ Job\ to\ Job;}$

https://nwlc.org/resources/asking-for-salary-history-perpetuates-pay-discrimination-from-job-to-job/salary-history-perpetuates-pay-discrimination-from-job-from

² James Bessen, Erich Denk, and Chen Meng, , *Perpetuating Inequality: What Salary History Bans Reveal About Wages* (Boston University School of Law, Technology & Policy Research Initiative, June 2020).

³ Carino, *supra* note 1.

⁴ Id

⁵ Meghan McCarty Carino, *How salary history bans can raise wages for female and Black workers*, MARKETPLACE, July 8, 2020; at https://www.marketplace.org/2020/07/08/how-salary-history-bans-can-raise-wages-for-female-and-black-workers/

⁶ Bessen, et al., *supra* note 2.

⁷ Id.